

Reference Booklet

Business

Insurance

# How to Make a Claim

## 24- hour emergency helplines

### For Insurances other than Legal Expenses

**Normal business hours:** please call YOUR insurance advisor whose telephone number is shown on YOUR schedule.

**Any other time** (or if YOUR insurance advisor is unavailable): please call OUR 24- hour commercial emergency helpline freephone number 0800 282652.

Whichever number YOU call please read the following information before contacting US:

- the relevant section(s) of the policy which cover the loss;
- the General Exclusions, General Conditions and Claims Conditions found at the front of the policy;
- YOUR schedule.

To ensure WE can help YOU quickly and efficiently please have the following information available:

- YOUR policy number;
- YOUR name and address;
- details of the incident giving rise to the claim including date, circumstances and, if possible, an estimate of the cost; and
- YOUR contact number.

### Commercial emergency helpline

YOU can use the helpline by calling the freephone number 0800 282652 if YOU have an emergency at YOUR PREMISES which:

- puts YOUR health, or that of YOUR EMPLOYEES, at risk;
- creates a risk of damage to YOUR PREMISES or PROPERTY;
- creates unacceptable working conditions.

OUR emergency service will:

- offer to arrange for a suitable contractor to carry out any necessary emergency repairs; and
- tell YOU the contractors call- out and hourly labour charges. YOU are responsible for paying these charges, but YOU can claim them back if the damage is covered by YOUR policy.

### For Legal Expenses Insurance

Please refer to YOUR schedule to see if this is operative

To make a claim under this section of the policy, please phone DAS on **0845 070 0173** quoting YOUR policy number. The INSURED PERSON claiming under the policy must have YOUR agreement to claim.

DAS will ask YOU about YOUR legal dispute and if necessary call YOU back at an agreed time to give YOU legal advice. If YOUR dispute needs to be dealt with as a claim under this section of the policy, DAS will give YOU a claim reference number. At this point DAS will not be able to tell YOU whether YOU are covered but DAS will pass the information YOU have given DAS to their claims handling teams and explain what to do next.

If YOU would prefer to report YOUR claim in writing, YOU can send it to DAS' Claims Department at the following address:

Claims Department, DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol, BS1 6NH.

Alternatively, YOU can email YOUR claim to: [newclaims@das.co.uk](mailto:newclaims@das.co.uk). Please do not phone DAS to report a general insurance claim.

### Glass Replacement Service

If this policy provides cover for glass YOU can utilise a 24 hour service to ensure that any broken glass is replaced without delay.

For full details please refer to the Accidental Breakage of Fixed Glass cover extension of the policy.

# Introduction

In return for YOU paying YOUR premium and US accepting it, WE will insure YOU in line with the terms of the policy for the PERIOD OF INSURANCE and any subsequent period of insurance, provided YOU keep to the terms and conditions of the policy.

Please read this policy, statement of insurance, schedule and any certificate(s) of insurance carefully. If they do not meet YOUR needs, return them to US or to YOUR insurance advisor as soon as possible.

This policy is evidence of the contract between YOU and US and is based on the information YOU provided, which is confirmed on the statement of insurance and YOUR schedule.

UK law allows both YOU and US to choose the law applicable to the contract. WE have chosen that this contract will be governed by and interpreted in accordance with English law. The contract will be subject to the exclusive jurisdiction of the English courts.

A handwritten signature in black ink that reads "Steve Bower". The signature is written in a cursive, flowing style.

Steve Bower  
Customer Services Director  
The National Farmers Union Mutual Insurance Society Ltd.

Note: The issue by US to YOU of a policy makes you a member of The National Farmers Union Mutual Insurance Society Limited ("THE SOCIETY"), on the terms of THE SOCIETY'S memorandum and articles of association. These are available from the Company Secretary at our registered office.

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# Thank you for placing your Insurance with NFU Mutual

## Cancellation Rights

If YOU do not want to accept this new policy or any new cover which is added, YOU may cancel the policy (or, in the case of a specific addition to cover, the addition itself) by giving US notice in writing within 14 days of receiving it. WE may charge pro rata for the cover that has been provided.

## Complaints

WE strive to provide OUR customers with the highest level of service and would like to know if YOU are not satisfied with any aspect of it. Should YOU wish to make comments of any kind about OUR service, please contact the manager of YOUR regional office or the call centre which issued this policy. The address of YOUR regional office can be obtained from YOUR insurance advisor.

WE will take any complaint seriously and endeavour to handle it fairly, consistently and promptly. If YOU are not satisfied with the way in which WE have dealt with YOUR complaint, please write to:

Customer Services Director  
NFU Mutual  
Tiddington Road  
Stratford-upon-Avon  
Warwickshire  
CV37 7BJ.

In the event YOU remain dissatisfied, the Financial Ombudsman Service may be prepared to review YOUR complaint. No charge is made for this service and YOU should write to:

Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR.  
Telephone: **0845 080 1800**.

Please always quote YOUR policy number in any correspondence as it will enable YOUR complaint to be dealt with promptly.

## Financial Services Compensation Scheme

WE are covered by the Financial Services Compensation Scheme (FSCS) which means that YOU may be entitled to compensation from the scheme if WE cannot meet OUR obligations under this policy. This depends on the type of policy YOU have purchased and the circumstances surrounding YOUR claim. YOU can find out more at [www.fscs.org.uk](http://www.fscs.org.uk) or by calling **020 7892 7300**.

## Language

This policy and its accompanying documentation are written in the English language. WE will communicate with YOU in English throughout the duration of this policy.

## Statutory Status

YOU can check OUR statutory status on the Financial Services Authority (FSA) Register at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234. OUR FSA registration number is 117664.

## **Data Protection Notice**

The National Farmers Union Mutual Insurance Society Limited is the data controller and will process personal information WE obtain from YOU and third parties in accordance with the Data Protection Act 1998. WE may check and/or pass some or all of the personal information WE obtain in connection with YOUR insurance or claim to other insurance companies in order to administer the policy or for underwriting and claims handling purposes, to OUR appointed service providers and reassurers, to regulatory or other organisations, so that WE can comply with OUR obligations and to databases and fraud prevention agencies.

WE may use YOUR information to carry out research. It may be necessary to transfer YOUR information to other companies outside the European Economic Area for any of the above purposes and/or for systems administration. WE will take steps to ensure YOUR privacy rights are protected.

WE may search these agencies and databases to:

- 1 help make decisions about the provision and administration of insurance and credit related services for YOU and members of YOUR household;
- 2 trace debtors or beneficiaries, recover debt, prevent fraud and manage YOUR account and insurance policies;
- 3 check YOUR identity to prevent money laundering unless YOU can provide US with satisfactory proof of identity; and/or
- 4 validate YOUR claims history or that of any other person or property likely to be involved in the policy or claim in the event of any incident or claim, or at the time of renewal.

WE can supply to YOU, on written request, more information about the databases and agencies WE access and supply to.

YOU have a right to ask US for a copy of the personal information WE hold about YOU. Should YOU require this information, YOU must apply to US in writing.

# General Definitions

Each time WE use one of the words or phrases below in capital letters, it will have the same meaning wherever it appears in the policy, unless an alternative is stated to apply. Where a section of the policy contains definitions, they must be read in conjunction with the following general definitions.

Words which appear in lower case will have their natural and ordinary meaning.

## ACCIDENT

Accidental physical injury resulting from a visible cause or exposure to severe weather conditions.

## BUILDINGS

Unless stated otherwise on YOUR schedule the buildings of the PREMISES which YOU own or for which YOU are responsible and which are:

- 1 built of brick, stone, concrete or metal;
- 2 roofed with slates, tiles, concrete, asphalt, metal or sheets or slabs composed entirely of incombustible mineral ingredients; and
- 3 with a maximum 10% construction of combustible materials.

The definition of BUILDINGS includes:

- 1 cables, wires and associated control gear and accessories;
- 2 landlord's fixtures and fittings which YOU own or for which YOU are responsible;
- 3 outbuildings, extensions, annexes, gangways and conveniences which satisfy the requirements set out above;
- 4 walls including boundary walls, gates and fences around and belonging to YOUR buildings;
- 5 piping, ducting, inspection covers, external tanks, drains or underground sewage tanks and accessories for which YOU are legally responsible, which extend from YOUR buildings to the public mains at the boundary of the PREMISES; and
- 6 yards, car parks, roads, forecourts and pavements around and belonging to YOUR buildings.

## BUSINESS

The business described on YOUR schedule, including:

- 1 the provision and management of canteen, social, sports, educational and welfare organisations and first aid, fire, ambulance and security services for the benefit of EMPLOYEES;
- 2 maintenance and repair of YOUR PROPERTY and PREMISES; and
- 3 taking part in exhibitions and trade shows.

## COMPUTER EQUIPMENT

Electronic processing, communication and data storage equipment owned by YOU or for which YOU are responsible excluding;

- 1 discs, tapes or other systems records other than hard discs; and/or
- 2 the cost of reinstating data.

## CONTENTS

Trade fixtures and fittings, machinery and all other contents and equipment owned by YOU or for which YOU are responsible and which relates to YOUR BUSINESS, including:

- 1 tenants improvements, alterations and decorations;
- 2 business books, documents, computer systems, records and programmes, designs or plans but only for the cost of the materials, labour and computer time necessary to reproduce them;
- 3 COMPUTER EQUIPMENT up to £5,000, unless stated otherwise on YOUR schedule;
- 4 patterns, models and moulds but only for the cost of the materials and labour necessary to reproduce them;
- 5 personal effects other than MONEY and/or MONETARY DOCUMENTS of any director, EMPLOYEE or visitor not exceeding £500 for any one person; and
- 6 wines and spirits used solely for entertainment purposes.

The following PROPERTY is excluded from the definition of CONTENTS:

- 1 landlord's fixtures and fittings;
- 2 STOCK;

- 3 gaming, amusement or external vending machines;
- 4 motor vehicles licensed for road use, including their accessories;
- 5 deeds, bonds, bills of exchange or MONEY or MONETARY DOCUMENTS;
- 6 explosives; and
- 7 living creatures, pets or livestock.

#### DAMAGE

Accidental physical loss, destruction or damage.

#### DECLARED VALUE

YOUR assessment of the cost of reinstating each item at the start of the PERIOD OF INSURANCE in accordance with the basis of settlement under the relevant sections of this policy. The DECLARED VALUE should include an allowance for:

- 1 any additional cost of reinstatement to comply with the requirements of the public authorities including the European Union;
- 2 professional fees; and
- 3 debris removal costs.

#### EMPLOYEE

Any person working for YOU in connection with YOUR BUSINESS who is:

- 1 under a contract of service or apprenticeship with YOU;
- 2 a labour master, labour- only sub- contractor or a person supplied by either of them;
- 3 self- employed;
- 4 working under a recognised work experience or training scheme;
- 5 a voluntary helper;
- 6 borrowed by or hired to YOU; or
- 7 a director of the company.

#### EXCESS

The amount or, where expressed as a percentage, the proportion of each loss for which YOU are responsible which will be deducted from any claim payment, after all other terms and conditions (including any underinsurance condition) of this policy have been applied.

#### ILLNESS

Any illness, disease, medical complaint or condition which is not an ACCIDENT, contracted in Europe, Australia, Canada, New Zealand, the Republic of South Africa or the United States of America.

#### INJURY

Bodily injury, death, disease, illness and/or medically recognised psychiatric injury.

#### INSURED PERIL

A peril which is listed on YOUR schedule as being insured.

#### MONEY

Cash, bank currency notes, uncrossed cheques and postal orders, luncheon vouchers, unused postage stamps, trading and National Insurance stamps not fixed to cards, National Savings stamps, unexpired units in franking machines and gift vouchers, lottery and other prize scratch cards, utility vouchers, top- up cards and mobile phone vouchers belonging to YOU or for which YOU are responsible in connection with YOUR BUSINESS.

#### MONETARY DOCUMENTS

Crossed cheques and postal orders and bankers' drafts, National Insurance stamps fixed to cards, National Savings certificates, premium bonds, credit card sales vouchers or receipts, VAT purchase invoices and any other money instruments which are non- negotiable belonging to YOU or for which YOU are responsible in connection with YOUR BUSINESS.

#### PERIOD OF INSURANCE

The period of insurance specified on YOUR schedule.

#### POLLUTION

All pollution or contamination of buildings or other structures or of water or land or the atmosphere.

#### PREMISES

The premises shown on YOUR schedule comprising the BUILDINGS or BUILDINGS of which YOU are the sole occupier (unless otherwise shown on YOUR schedule) in connection with YOUR BUSINESS and the land within the boundaries belonging to them.

#### PROPERTY

Material property.

#### STOCK

Stock and materials in trade owned by YOU or for which YOU are responsible.

#### TERRORISM

1 For liability insurances:

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

2 For all other insurances:

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

#### WE, US, OUR

The National Farmers Union Mutual Insurance Society Limited.

#### YOU, YOUR

The legal entity/entities shown on YOUR schedule as being the Policyholder.

# General Exclusions

The following exclusions apply to the whole of this policy including any cover extensions and endorsements unless otherwise stated:

WE will not pay for:

- 1 losses directly or indirectly caused or contributed to by;
  - a) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation, nationalisation or requisition or destruction of or damage to PROPERTY by or under the order of any government, public or local authority, other than for insurance provided under the Employers' Liability section;
  - b) TERRORISM unless stated otherwise in the policy. If WE allege that this General Exclusion applies to any claim, the burden of proving the contrary will be upon YOU. In the event that any portion of this exclusion is found to be invalid or unenforceable, the remainder will remain in full force and effect;
  - c) pressure waves arising from aircraft and other aerial devices travelling at sonic or supersonic speeds;
  - d) ionising radiation or contamination by radioactivity from any nuclear fuel or from nuclear waste from the combustion of nuclear fuel;
  - e) the radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component; and/or
  - f) the use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss, other than for insurance provided under the Employers' Liability section.
- 2 loss of market value beyond the cost of repair, replacement or reinstatement of PROPERTY.
- 3 losses involving:
  - a) COMPUTER EQUIPMENT or other equipment, component, system or item which processes, stores, transmits, retrieves or receives data (whether insured or not); and/or
  - b) losses that are not directly associated with the incident that caused YOU to claim, unless expressly stated in the policy;and arising directly or indirectly from:
  - i. unauthorised access;
  - ii. virus, program code, programming instruction or any set of instructions intentionally constructed with the ability to cause damage, interfere with or otherwise adversely affect computer programs, data files or operations whether involving self- replication or not. This includes but is not limited to Trojan horses, worms and logic bombs; and/or
  - iii. any actions or instructions constructed or generated with the ability to cause damage, interfere with or otherwise affect the availability of networks, network services, and network connectivity or information systems. Including but not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non- genuine traffic between and amongst networks.
- 4 Losses directly or indirectly caused or contributed to by;
  - a) the way in which any COMPUTER EQUIPMENT responds to or deals with or fails to respond to or deal with any true calendar date; and/or
  - b) COMPUTER EQUIPMENT responding to or dealing in any way with:
    - i. data denoting a calendar date or dates as if such data did not denote a calendar date or dates; and/or
    - ii. data not denoting a calendar date or dates as if such data denoted a calendar date or dates;whether such COMPUTER EQUIPMENT is YOUR PROPERTY or not.
- 5 WE will not pay for any DAMAGE caused by the property being used for the furtherance of any illegal activity by YOU, YOUR tenant or any person on the PREMISES with YOUR express or implied permission.

For all insurances other than Public Liability, Products Liability or Legal Expenses this will not exclude subsequent DAMAGE (not otherwise excluded) which itself results from fire, aircraft, explosion, earthquake, escape of water, impact, riot or malicious persons, sprinkler leakage, subsidence and theft otherwise insured by this policy.

# General Conditions

The following conditions apply to the whole of this policy including any cover extensions and endorsements unless otherwise stated:

## **Alteration in Risk**

YOU will not be insured under this policy if:

- 1 YOUR interest ceases, except by will or operation of law; or
- 2 there is a change in circumstances, which alters the risk.

YOU are required to tell US of any change of circumstances that arise after the start of this insurance. If YOU are not sure whether a change in circumstances needs to be disclosed, YOU should disclose it.

## **Automatic Reinstatement**

Provided that YOU pay any additional premium that WE require, the insurance by this policy will not be reduced by the amount of any loss unless:

- 1 either YOU or WE advise to the contrary; or
- 2 the applicable section of this policy specifically provides to the contrary.

## **Cancellation of the Policy**

WE may cancel the policy by sending 14 days' written notice to YOUR last known address. YOU may cancel the policy by informing US in writing. Following cancellation WE may refund part of YOUR premium unless YOU have made a claim during the PERIOD OF INSURANCE.

## **Compliance with Terms**

WE will not pay YOUR claim unless YOU and all other persons insured by this policy observe and comply with all the terms and conditions of this policy, whether contained in these General Conditions or elsewhere.

## **Duplicate Records**

WE will not pay YOUR claim for computer breakdown or book debts unless, throughout the PERIOD OF INSURANCE:

- 1 all YOUR data records are backed up at least once every 14 days and stored off site or in a fire proof cabinet;
- 2 adequate back up facilities are provided to ensure that all essential business information and software can be recovered following a breakdown; and
- 3 back up arrangements for individual systems are tested at least once a year.

## **Designation Clause**

In determining the item under which PROPERTY is insured WE will accept the description given in YOUR business records.

## **Fraud and Misrepresentation**

If YOU or anyone acting for YOU:

- 1 makes a claim which is fraudulent and/or intentionally exaggerated and/or supported by a fraudulent declaration, statement or other device; and/or
- 2 intentionally misrepresents, misdescribes or withholds any material relevant to this insurance;

WE will not pay any part of YOUR claim or any other claim which YOU have made or which YOU may make under the policy and WE will have the right to:

- 1 avoid the policy without returning any premium that YOU have paid;
- 2 recover from YOU any amounts that WE have paid in respect of any claim, whether such claim was made before or after the fraudulent claim; and
- 3 refuse any other benefit under the policy.

## **Interested Parties**

At YOUR request, WE agree to note any interest in the PROPERTY shown on YOUR schedule which YOU are required to include. In the event of DAMAGE occurring which results in a claim under this policy, YOU agree to disclose the nature and extent of such interest prior to the settlement of any claim.

## **Non- invalidation**

No act, omission or alteration which is unknown to YOU or beyond YOUR control will invalidate this policy provided that YOU inform US of any increased risk as soon as YOU become aware of it.

### **Payment of Premium**

- 1 If YOU pay the premium using OUR direct debit instalment scheme, WE have the right to renew this policy each year and continue to collect premiums using this method. WE may vary the terms of the policy (including the premium) at renewal. WE will not renew this policy, provided that YOU tell US before YOUR next renewal date that YOU do not want to renew.
- 2 Where WE refer in the policy to the payment of premiums, this will include payment by monthly instalments. If YOU pay by this method, this policy remains an annual contract. The date of payment and the amount of the instalments are governed by the terms of the credit agreement. If an instalment is not received by a due date then, subject to the Consumer Credit Act 1974 (if it applies), the credit agreement and this policy will be cancelled immediately, unless WE agree otherwise.

### **Personal Legal Representatives**

If YOU die, WE will provide indemnity to YOUR personal legal representatives for any liability YOU had previously incurred under this policy, provided that the personal legal representatives keep to the terms and conditions of the policy.

### **Premium Adjustment**

If YOUR premium is based on estimates that YOU have provided YOU agree that:

- 1 those estimates will be based upon reasonable and objective grounds according to established commercial standards; and
- 2 upon OUR request, YOU will provide within a reasonable time:
  - a) an updated estimate for the coming period of insurance; and/or
  - b) a declaration of any information as WE may require to adjust YOUR premium. Where YOU provide such a declaration YOU will pay any additional premium as may be required or WE will refund any premium to YOU subject to OUR retention of OUR normal minimum premium.

### **Reasonable Precautions**

WE will not pay YOUR claim unless YOU have, throughout the PERIOD OF INSURANCE:

- 1 complied with all legal requirements and regulations imposed by any authority;
- 2 taken reasonable steps to prevent and minimise accidents, loss, injury and damage;
- 3 taken reasonable steps to protect PROPERTY and maintain it in a good state of repair;
- 4 taken reasonable care in the selection and supervision of EMPLOYEES;
- 5 kept books with a complete record of purchases and sales; and
- 6 employed a VET at YOUR own expense when an insured animal is injured or ill and treated that animal in accordance with the VET's recommendations.

### **Rights of Third Parties**

Any person or company who is not a party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999, or other subsequent legislation, to enforce the terms of this policy, but this does not affect any right or remedy of a third party which exists or is available apart from this Act.

### **Right to Survey**

WE have the right to conduct a survey of YOUR PREMISES for the purposes of assessment or control of risk.

### **Surveys, Risk Improvements and Additional Information**

If YOUR schedule indicates that this policy has been issued subject to certain survey(s) being undertaken YOU will, within a reasonable time, allow US access to any location that WE may require to undertake those survey(s). If WE are unable to carry out a survey within a reasonable time WE may at OUR election avoid, cancel, suspend or alter the terms of this policy or increase the premium.

If YOUR schedule indicates that this policy has been issued subject to YOU implementing certain risk improvements or providing certain additional information:

- 1 the insurance granted by this policy will automatically cease following the expiry of any deadline indicated in YOUR schedule or any other deadline which WE may specify; or
- 2 if no deadline is indicated in YOUR schedule but YOU fail to implement the improvements or provide the information within a reasonable time WE may at OUR election avoid, cancel, suspend or alter the terms of the policy or increase the premium.

If any survey or additional information reveals factors that adversely influence OUR assessment of the risk WE may at OUR election avoid, cancel, suspend or alter the terms of this policy or increase the premium. WE will communicate any such actions to YOU in writing.

# Claims Conditions

The following conditions apply to the whole of this policy including any cover extensions and endorsements unless otherwise stated:

## Action by YOU

- 1 WE will not pay YOUR claim unless YOU:
  - a) tell US as soon as possible about anything that happens which may give rise to a claim and give US all the assistance that WE require;
  - b) tell US and the Police immediately and in any event within seven days if the DAMAGE arises from a criminal act, riot or malicious persons;
  - c) immediately send to US unanswered all communications from any third parties in relation to any event which may result in a claim under this policy;
  - d) supply, at YOUR own expense, details of the claim in writing including any supporting information or evidence that WE require;
  - e) take all reasonable action to minimise any loss and avoid further loss; and
  - f) provide US with full details of any parties which have a legal interest in the PROPERTY which is the subject of the claim.
- 2 WE will not pay YOUR claim if YOU admit, deny, negotiate or settle any claim without OUR prior consent.

## OUR Rights

- 1 WE have the right to settle a claim by:
  - a) payment of money; and/or
  - b) reinstatement, replacement or repair of YOUR PROPERTY in a reasonable manner but not necessarily to its exact previous condition or appearance.
- 2 OUR maximum liability will be the sum insured or limit of indemnity shown on YOUR schedule unless otherwise stated.
- 3 WE are entitled to:
  - a) take the benefit of YOUR rights against another person before or after WE have paid a claim; and/or
  - b) take over the defence or settlement of a claim; and YOU will give US all reasonable assistance.WE will not use this right to enforce or pursue a settlement against:
  - a) any company which is YOUR parent or subsidiary; or
  - b) any company which is a subsidiary of a parent of which YOU are also a subsidiary.For the purpose of this Claims Condition, 'subsidiary' will have the meaning given to it by section 1159 of the Companies Act 2006 or any subsequent amendments to that provision.
- 4 WE will have sole control of all claims procedures and settlements for all claims made against YOU.
- 5 WE may free OURSELVES from any further liability by paying to YOU:
  - a) the limit of indemnity;
  - b) the sum insured; or
  - c) any smaller amount for which the claim can be settled;after deducting any payments already made. WE will pay legal costs that have been incurred with OUR prior consent up to the date of such payment.

## Claims Control

If WE are paying a claim for INJURY or DAMAGE:

- 1 WE are entitled to the value of any salvage;
- 2 WE have the right to enter the PREMISES in which the DAMAGE occurred and to take possession of the DAMAGED PROPERTY;
- 3 YOU are required to retain without alteration or repair all PROPERTY connected with the DAMAGE or INJURY, unless WE tell YOU otherwise, or such action is prohibited by legislation;
- 4 YOU are required to inform US at least 24 hours before disposing of any carcass (other than disposal following death by anthrax or slaughter under any official scheme rules relating to the eradication of a specific disease); and
- 5 YOU are not to abandon PROPERTY to US whether WE have taken possession of it or not.

**Arbitration**

Where WE have accepted a claim but there is disagreement over the amount to be paid, the dispute will be referred to an arbitrator, appointed in accordance with section 16 of the Arbitration Act 1996. YOU may not take any legal action against US until the arbitrator has reached a decision.

**Contribution**

If there is another policy covering the same PROPERTY or liability, WE will be liable only for OUR proportionate share. If such other policy has a provision which prevents it from contributing in a like manner, the most WE will pay will be any amount in excess of that which would have been payable under the other policy had this policy not been in force.

**Subrogation**

YOU and any other person entitled to the benefit of this policy will take all necessary steps to preserve and/or enforce rights against any other party before or after WE make any payment.

# Perils

YOUR schedule will show which of the following perils are insured by each section.

## Fire

- 1 Fire excluding DAMAGE arising from:
  - a) explosion resulting from fire;
  - b) earthquake or subterranean fire;
  - c) its own spontaneous fermentation or self- heating of PROPERTY or its undergoing any heating process or any process involving the application of heat; and/or
  - d) electrical plant or appliances:
    - i. over- running;
    - ii. short- circuiting; and/or
    - iii. self- heating;but this will not exclude DAMAGE arising from the spread of fire to other plant or appliances or other PROPERTY;
- 2 Lightning;
- 3 Explosion:
  - a) of gas; and/or
  - b) of boilers;used for domestic purposes only but excluding DAMAGE arising from earthquake or subterranean fire.
- 4 Escape of fertiliser from any storage tank at the PREMISES;
- 5 Escape of oil from a fixed heating installation or connected apparatus;
- 6 Falling television or radio aerials or aerial fittings or masts; and/or
- 7 Falling trees or parts of trees, but excluding:
  - a) DAMAGE caused during a felling or lopping operation;
  - b) DAMAGE caused to fences, gates or hedges; and/or
  - c) the cost of removing fallen trees, unless they have given rise to a valid claim.

## Aircraft

Aircraft or other aerial devices or articles dropped from them.

## Computer Breakdown

Breakage, distortion or burn- out of COMPUTER EQUIPMENT while in normal use which arises from their mechanical or electronic failure resulting in sudden stoppage. Where YOUR schedule shows computer breakdown operative under Business Interruption cover, the following will also be INSURED PERILS:

- 1 failure of the electrical supply at the terminal point of the supply undertakings feed to the PREMISES from any cause not excluded by this section;
- 2 failure of any telecommunications system linked to COMPUTER EQUIPMENT; and
- 3 erasure, destruction, corruption or distortion of COMPUTER EQUIPMENT.

WE will not pay for DAMAGE arising from intentional overloading or experiments involving the imposition of abnormal conditions.

## Earthquake

Earthquake or subterranean fire.

## Escape of Water

Escape of water from any tank, apparatus or pipe, excluding DAMAGE arising from water discharged from or leaking from any automatic sprinkler installation in the PREMISES.

## Explosion

Explosion excluding DAMAGE:

- 1 arising from or consisting of the bursting by steam pressure of any boiler (other than a boiler used for domestic purposes), economiser or other vessel, machine or apparatus belonging to YOU or under YOUR control in which internal pressure is due to steam only; and/or
- 2 to any vessel, machinery or apparatus, or its contents, belonging to YOU or under YOUR control, which requires to be inspected to comply with any statutory regulations, unless there is in force a policy of insurance or other contract providing all inspection required by law. This exclusion will not apply to any subsequent DAMAGE which arises from a cause which is not otherwise excluded.

## **Flood**

Flood excluding DAMAGE:

- 1 arising from storm, frost, subsidence, ground heave, landslip or escape of water from any tank, apparatus or pipe;
- 2 arising from a change in the water table level; and/or
- 3 to fences, gates, hedges or movable PROPERTY in the open.

## **Impact**

Impact by any vehicle or animal, excluding DAMAGE:

- 1 arising from theft or attempted theft;
- 2 a) to growing crops in the open; and/or  
b) to animals;  
caused by any animal belonging to YOU or under the control of YOU or any EMPLOYEE.

## **Riot or Malicious Persons**

Riot, civil commotion, strikers, locked- out workers, persons taking part in labour disturbances and malicious persons, excluding DAMAGE arising from:

- 1 cessation of work; and/or
- 2 theft or attempted theft.

## **Sprinkler Leakage**

Accidental escape of water from any fixed automatic sprinkler installation within the BUILDINGS, excluding DAMAGE arising from:

- 1 explosion, earthquake, subterranean fire or heat arising from fire; and/or
- 2 the repair, alteration or extension of the BUILDINGS or sprinkler installation.

## **Storm**

Storm, hail and weight of snow excluding DAMAGE:

- 1 arising from frost, subsidence, ground heave, landslip or escape of water from any tank, apparatus or pipe;
- 2 arising from:
  - a) escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal or dam; and/or
  - b) inundation from the sea;  
whether resulting from storm or otherwise;
- 3 arising from a change in the water table level; and/or
- 4 to fences, gates, hedges or movable PROPERTY in the open.

## **Subsidence**

Subsidence, ground heave or landslip, excluding DAMAGE:

- 1 arising from the movement or settlement of made- up ground;
- 2 arising from coastal or river erosion;
- 3 arising from defective design, workmanship or the use of defective materials;
- 4 arising from normal settlement or bedding down of structures within two years of their completion or during the contract maintenance period, whichever is the longer;
- 5 arising from any building, demolition or excavation works being carried out on any adjoining site unless WE are aware of and have confirmed acceptance of such work;
- 6 to land, yards, car parks, roads, pavements, landlord's fixtures and fittings, security lighting and cameras, walls, gates, fences, fixed fuel oil tanks and fixed diesel tanks at the PREMISES unless also affecting a BUILDING insured by the policy;
- 7 to solid floor slabs or resulting from their movement unless the foundations beneath the external walls of the BUILDINGS suffer DAMAGE at the same time and from the same cause; and/or
- 8 while the BUILDINGS or any part of them are in the course of erection, demolition, structural alteration or structural repair.

## Theft

Where this peril applies to:

- 1 BUILDINGS;
- 2 Contractors All Risks; or
- 3 any other item where YOUR schedule shows the location as "United Kingdom", "European Union" or "Worldwide":

Theft or attempted theft excluding DAMAGE by or in collusion with an EMPLOYEE or person lawfully on the PREMISES.

Otherwise:

Theft or attempted theft:

- 1 involving forcible and violent entry to or exit from the BUILDINGS; and/or
- 2 following assault or violence or the threat of assault or violence to YOU or any EMPLOYEE;

excluding:

- 1 DAMAGE arising from collusion with an EMPLOYEE or person lawfully on the PREMISES; and/or
- 2 PROPERTY in the open or in open- fronted or open- sided BUILDINGS unless shown on YOUR schedule as insured.

## Accidental Damage

DAMAGE from any other cause excluding:

- 1 DAMAGE arising from:
  - a) fire, explosion, aircraft, riot or malicious persons, earthquake, storm, flood, escape of water, impact, sprinkler leakage, subsidence, theft, computer breakdown, machinery breakdown or any of the exclusions to these perils whether insured by this policy or not;
  - b) inherent vice, latent defect, gradual deterioration, frost, wear and tear, faulty or defective design or materials, other than subsequent DAMAGE which arises from a cause not otherwise excluded;
  - c) faulty or defective workmanship by YOU or any EMPLOYEES;
  - d) operational error or omission by YOU or any EMPLOYEES;
  - e) rust, corrosion, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, wet or dry rot, fungus, mould and spores of any type, vermin or insects;
  - f) change in temperature, colour, flavour, texture or finish;
  - g) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super heaters, pressure vessels or any range of steam and feed piping connected to them;
  - h) mechanical or electrical breakdown or derangement of any machine, apparatus or equipment other than subsequent DAMAGE which results from a cause not otherwise excluded;
  - i) escape of flue gases or fumes;
  - j) the deliberate act of a supplier withholding the supply of water, gas, electricity or fuel;
  - k) POLLUTION, other than DAMAGE which results from a cause not otherwise excluded;
  - l) disappearance, unexplained inventory shortage or the misfiling or misplacing of information; and/or
  - m) the failure of seeds to germinate.
- 2 DAMAGE to:
  - a) any BUILDING or structure arising from its own collapse or cracking, but WE will not exclude subsequent DAMAGE which results from a cause which is not otherwise excluded;
  - b) gates, fences and moveable PROPERTY in the open arising from wind, rain, hail, sleet, snow or dust;
  - c) PROPERTY arising from its undergoing any process of production, packing, treatment, testing, commissioning, servicing, repair or its use as a tool;
  - d) jewellery, precious stones or metals, bullion, furs, curiosities, works of art or rare books;
  - e) glass and sanitary ware (other than fixed glass and sanitary ware), china, earthenware, marble or other fragile or brittle objects;
  - f) MONEY and MONETARY DOCUMENTS or securities of any description;
  - g) vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives and rolling stock, watercraft or aircraft;
  - h) PROPERTY or structures in the course of construction or erection and materials or supplies in connection with such PROPERTY or structures; and/or
  - i) land, roads, pavements, piers, jetties, bridges, culverts or excavations; unless specifically shown as insured on YOUR schedule.
- 3 DAMAGE to livestock, growing crops or trees.

# Property

Please refer to YOUR schedule to see if this is operative

## Definition

### GEOGRAPHICAL LIMITS

United Kingdom, the Channel Islands and the Isle of Man.

## Cover Extension Clause

Cover extensions will apply where the loss arises during the PERIOD OF INSURANCE but only where there is no other more specific insurance in force under this or any other policy.

All cover extensions and endorsements will be subject to the limits, conditions and exclusions of these sections and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

## The Cover

WE will pay for DAMAGE arising from an INSURED PERIL during the PERIOD OF INSURANCE to PROPERTY shown on YOUR schedule.

Provided that the DAMAGE occurs at the location shown on YOUR schedule for such PROPERTY.

The most WE will pay during the PERIOD OF INSURANCE is:

- 1 the sum insured shown on YOUR schedule for the PROPERTY; or
- 2 any other maximum amount payable or limit shown on YOUR schedule, whichever is less.

## Cover Extensions

### Accidental Breakage of Fixed Glass

WE will pay for accidental breakage of:

- 1 fixed glass in windows, doors, showcases, counters and shelves; and/or
- 2 fixed sanitary ware;

for which YOU are responsible in the PREMISES.

WE will also pay for:

- 1 the cost of boarding up and providing a temporary door until the broken glass is replaced;
- 2 DAMAGE to CONTENTS or STOCK shown on YOUR schedule and arising from broken glass;
- 3 DAMAGE to frames or framework of any description and the cost of removing and replacing CONTENTS or STOCK shown on YOUR schedule which may have to be removed in order to replace the glass; and
- 4 replacing alarm foil, lettering, painting, embossing, silvering or other ornamental work on the glass.

WE will not pay for DAMAGE:

- 1 to cracked or scratched glass; or
- 2 resulting from repairs or alterations to the PREMISES.

In the event of broken glass YOU can call Solaglas free at any time on **0800 474747**. Please provide YOUR name, address and policy number. They will arrange for replacement at a convenient time for YOU and bill US direct so that YOU only have to pay the EXCESS and any value added tax.

### Alterations and Additions

WE will pay for DAMAGE arising from an INSURED PERIL to:

- 1 newly acquired BUILDINGS or CONTENTS within the GEOGRAPHICAL LIMITS; and
- 2 alterations, additions and improvements to BUILDINGS or CONTENTS at any of the PREMISES shown on YOUR schedule;

which are not otherwise insured.

YOU are required to tell US as soon as possible, but in any event within 90 days, of any acquisition, alteration, addition or improvement and increase YOUR insurance cover with US. Cover under this extension will apply for a maximum period of 90 days after the relevant acquisition, alteration, addition or improvement is made.

WE will not pay for appreciation in value.

The most WE will pay is 10% of the total of the sums insured shown on YOUR schedule for YOUR BUILDINGS or CONTENTS and is subject to a maximum overall limit of £500,000 for any one loss. This cover is in addition to the sum insured.

#### **Asbestos Removal**

If WE pay for DAMAGE to BUILDINGS WE will also pay costs for which YOU are responsible to remove any asbestos waste or PROPERTY contaminated by it.

The most WE will pay for any one loss is £50,000. This cover is in addition to that stated in the Debris Removal Costs cover extension.

#### **Change of Temperature**

WE will pay for DAMAGE to PROPERTY shown on YOUR schedule arising from change of temperature resulting from destruction or disablement of refrigerating, electrical or conditioning plant or apparatus arising from an INSURED PERIL.

#### **Computer Additional Costs**

WE will pay necessary and reasonable costs (including overtime working) to effect a temporary repair or to expedite the permanent repair of DAMAGE to any computer for which WE are paying a claim under this section.

The most WE will pay for any one loss is £1,500.

#### **Contract Price**

If goods sold but not yet delivered to a customer for which YOU remain responsible suffer DAMAGE by an INSURED PERIL and the customer lawfully cancels the contract, WE will pay the price that would have been payable under the contract.

#### **Customers' Goods**

Unless otherwise shown on YOUR schedule, customers' goods are included as STOCK, if YOU are responsible for DAMAGE to them and they are not more specifically insured.

#### **Damage to Buildings**

Where theft is an INSURED PERIL applying to YOUR CONTENTS or STOCK, WE will pay for DAMAGE to BUILDINGS for which YOU are responsible arising from theft or attempted theft.

WE will not pay for:

- 1 theft of the BUILDINGS or any part of them or of landlord's fixtures and fittings; and/or
- 2 DAMAGE to the glass or the cost of boarding up if such DAMAGE or cost is otherwise insured.

#### **Damage to Underground Services**

WE will pay for DAMAGE to underground pipes, cables or tanks servicing BUILDINGS shown on YOUR schedule.

#### **Debris Removal Costs**

WE will pay necessary and reasonable costs incurred in:

- 1 removing debris;
- 2 dismantling or demolishing; or
- 3 shoring or propping up;

following DAMAGE arising from an INSURED PERIL to PROPERTY shown on YOUR schedule.

WE will not pay for costs incurred in removing debris other than from the PREMISES themselves and the area immediately adjacent to them.

### **Drains and Gutters**

WE will pay necessary and reasonable costs to clean and clear drains, sewers or gutters for which YOU are responsible following DAMAGE arising from an INSURED PERIL to PROPERTY shown on YOUR schedule.

### **European Union and Public Authorities**

WE will pay the additional cost of reinstating or restoring PROPERTY shown on YOUR schedule which is incurred solely to comply with the minimum requirements of any European Union legislation, Act of Parliament or bye- laws of any public authority provided that:

- 1 such requirements were in force at the start of the PERIOD OF INSURANCE; and
- 2 the obligation to comply with the requirements is the direct result of DAMAGE arising from an INSURED PERIL to the PROPERTY shown on YOUR schedule.

WE will not pay for:

- 1 the cost of complying with any requirement:
  - a) in connection with DAMAGE not insured by this section;
  - b) in connection with DAMAGE which occurred before the PERIOD OF INSURANCE;
  - c) which had been notified to YOU before the DAMAGE occurred;
  - d) which had to be implemented within a fixed period in any event had the DAMAGE not occurred; and/or
  - e) which YOU would have been required to comply with in any event had the DAMAGE not occurred.
- 2 the cost of repairing or restoring PROPERTY or parts of the PROPERTY, other than foundations, which have not suffered DAMAGE.
- 3 loss or expense in connection with an application for, granting, enforcement or refusal of planning permission.
- 4 any charge or assessment arising out of capital appreciation arising from compliance with the stipulations.

### **Fire Extinguishment Costs**

WE will pay the following costs which are the direct result of DAMAGE arising from an INSURED PERIL to PROPERTY shown on YOUR schedule:

- 1 refilling fire extinguishing appliances;
- 2 recharging halon gas and CO<sup>2</sup> flooding systems;
- 3 replacing used sprinkler heads;
- 4 refilling sprinkler tanks where water costs are metered; and
- 5 resetting fire and intruder alarm systems.

### **Fuel Spillage Clean- up Costs**

WE will pay the costs of removing spilt fuel from YOUR land following accidental escape of fuel arising from an INSURED PERIL.

The most WE will pay for any one loss is £25,000. This is in addition to the sum insured.

### **Landscaped Grounds**

If as a result of DAMAGE arising from an INSURED PERIL to PROPERTY shown on YOUR schedule, the emergency services DAMAGE landscaped grounds at the PREMISES for which YOU are legally responsible WE will pay the reasonable costs and expenses of repairing or reinstating those grounds.

WE will not pay for the failure of seeds to germinate, or of trees, shrubs or turf to become established following planting or replanting.

The most WE will pay for any one loss is £25,000.

### **Loss of Metered Water**

If metered water is lost as a direct result of DAMAGE arising from an INSURED PERIL to any fixed water pipe, apparatus and/or tank insured by this section WE will pay the additional charges imposed on YOU by the water supply authority for such loss.

The most WE will pay for any one loss is £10,000. This is in addition to the sum insured.

**Mortgagees**

The act or neglect of any mortgagor, leaseholder, lessee or occupier of YOUR BUILDINGS which increases the risk of DAMAGE, will not prejudice the interest of a mortgagee, freeholder or lessor in the insurance, provided they advise US on becoming aware of such neglect and pay any additional premium required.

**Professional Fees**

WE will pay necessary and reasonable architects', surveyors', consulting engineers', legal and other fees which YOU incur in repairing or reinstating PROPERTY shown on YOUR schedule but not for preparing any claim.

**Property Temporarily Removed**

WE will pay for DAMAGE, arising from an INSURED PERIL, to CONTENTS or STOCK shown on YOUR schedule while temporarily removed from the PREMISES:

- 1 for alteration, cleaning or repair; or
- 2 to a trade exhibition;

within the GEOGRAPHICAL LIMITS. Cover under this extension will apply for no more than 21 consecutive days following removal of the items from the PREMISES.

WE will not pay for personal effects of YOU or any EMPLOYEE.

The most WE will pay is 10% of the sum insured on YOUR CONTENTS or STOCK at their usual PREMISES but not exceeding £50,000 for any one loss.

**Re- erection of Contents**

WE will pay the necessary and reasonable costs of dismantling, re- erecting and/or re- fitting CONTENTS shown on YOUR schedule which are incurred as a direct result of DAMAGE arising from an INSURED PERIL.

**Reinstatement of Data**

WE will pay costs for which YOU are responsible to reinstate computer data or programmes which arise from;

- 1 DAMAGE to COMPUTER EQUIPMENT for which WE have agreed to pay.
- 2 accidental or malicious erasure where Computer Breakdown is an INSURED PERIL.

The most WE will pay for any one loss is £10,000.

**Rent**

If YOUR schedule includes a sum insured for rent, WE will pay any rent which YOU are legally obliged to pay while YOUR BUILDING or part of YOUR BUILDING is unfit for occupation as a result of DAMAGE arising from an INSURED PERIL.

WE will not pay more than the proportion of the sum insured that the period necessary for reinstatement bears to the term of rent insured.

**Selling Your Buildings**

If, at the time of DAMAGE to YOUR BUILDINGS by an INSURED PERIL, YOU have entered a binding contract to sell YOUR BUILDINGS to a third party purchaser but the sale has not yet completed, WE will pay any indemnity to which YOU would otherwise have been entitled to the purchaser.

**Theft of Keys**

WE will pay for the replacement of locks following theft of the keys to YOUR BUILDINGS, any safe, strong room or intruder alarm system.

The most WE will pay for any one loss is £2,500.

**Trace and Access**

WE will pay necessary and reasonable costs incurred with OUR prior consent to locate the source of:

- 1 water escaping from any fixed tank, pipe or apparatus; or
- 2 oil escaping from any heating system;

and making good the DAMAGE arising from the search for which YOU are responsible.

The most WE will pay for any one loss is £5,000. This is in addition to the sum insured.

### **Unauthorised Use of Gas, Water or Electricity**

WE will pay the costs for which YOU are responsible for gas, water or electricity arising from their unauthorised use by persons occupying the PREMISES without YOUR permission provided that YOU take all practical steps to end the unauthorised use as soon as it is discovered.

The most WE will pay for any one loss is £10,000. This is in addition to the sum insured.

### **Workmen**

YOUR rights and the cover provided under this section will not be prejudiced by the presence of workmen invited onto the PREMISES for the purpose of effecting any minor repairs, additions, alterations, decorations or remedial works.

### **Exclusions**

WE will not pay for any:

- 1 DAMAGE arising from POLLUTION, except (unless otherwise excluded) for DAMAGE to PROPERTY shown on YOUR schedule arising from:
  - a) POLLUTION resulting from an INSURED PERIL; and/or
  - b) an INSURED PERIL which results from POLLUTION.
- 2 DAMAGE that does not result directly from the incident that caused YOU to claim, unless more specifically stated in this section.
- 3 DAMAGE to CONTENTS or STOCK, for which YOUR schedule shows cover applies outside the PREMISES, arising from theft or any attempted theft from an unattended vehicle and/or trailer unless:
  - a) all doors and other openings are closed and securely locked and the keys removed; and
  - b) there is forcible and violent entry to the vehicle and/or trailer.
- 4 EXCESS shown on YOUR schedule.

### **Special Conditions**

#### **Declared Value**

At the inception of each PERIOD OF INSURANCE, YOU will notify US in writing of the DECLARED VALUE of each item insured as BUILDINGS or CONTENTS. In the absence of this, the DECLARED VALUE will be the last value declared by YOU, adjusted to reflect any index linking which may apply.

#### **Index Linking**

WE will automatically adjust the sums insured and/or DECLARED VALUES for YOUR BUILDINGS, CONTENTS and STOCK in line with changes in suitable indices of cost. This adjustment will continue after any insured DAMAGE provided that the work of repair or reinstatement is done without delay.

WE will not charge any extra premium during the PERIOD OF INSURANCE but at the end of the period WE will calculate the renewal premium on the revised sums insured and/or DECLARED VALUES.

#### **Unoccupied Premises**

When a BUILDING or part of a BUILDING becomes unoccupied, untenanted or has not been actively used for a period of more than 30 days:

- 1 YOU will notify US immediately;
- 2 WE will not pay for DAMAGE arising from Escape of Water, Malicious Persons (other than DAMAGE by Fire) or Theft; and/or
- 3 WE will not pay YOUR claim unless at the time when any DAMAGE first occurs YOU have complied with the following conditions, unless otherwise specifically agreed by US:
  - a) all electricity (except as necessary to maintain security systems), gas and water mains supplies are turned off at the point of entry to the BUILDING;

- b) all outside doors are kept securely locked, all letterboxes and openings sealed and all windows closed and secured so as to prevent unauthorised entry to the BUILDING;
- c) the BUILDING is maintained in a good state of repair;
- d) all waste, combustible materials and gas bottles are removed from within or outside the BUILDING;
- e) weekly visits are carried out by YOU, or an adult authorised by YOU, in order to check the PREMISES both internally and externally and to remedy any defects found. A log of visits should be kept including a record of any defects found and action taken and be available for inspection when requested by US; and
- f) YOU will advise US if the BUILDING is to be occupied by contractors for renovation, alteration or conversion of the BUILDING or if the BUILDING becomes occupied, tenanted or actively used.

When YOU notify US that a BUILDING is unoccupied WE may at OUR option cancel, suspend or alter the terms of the policy and/or increase the premium.

### **Underinsurance**

If, at the time of DAMAGE:

- 1 the sum insured on STOCK is less than the full cost of repair or replacement; and/or
- 2 the DECLARED VALUE for PROPERTY other than STOCK is less than the cost of reinstatement at the start of the PERIOD OF INSURANCE;

OUR liability for YOUR claim will be proportionately reduced.

### **Warranties**

NOTE:

The warranties set out below and those applied by endorsement are particularly important to US. If YOU fail to comply with any of them and YOUR failure causes or contributes towards an insured loss YOU will lose YOUR right to indemnity or payments for that claim.

Warranties 1 and 3 do not apply to PREMISES being used to provide sleeping accommodation for guests.

Warranties 1 and 5 do not apply to PREMISES which YOU lease, let, hire or rent to a tenant.

YOU should consider any requirements under the Disability Discrimination Act 1995 and ensure that security fully complies with any special requirements relating to the occupancy of the PREMISES.

YOU warrant that:

- 1 the PREMISES are secured as follows or as agreed or stipulated by US:

Final Exit Doors

- a) single timber door deadlock complying with BS3621:2004 (or earlier BS3621 standard);
- b) single aluminium door cylinder operated mortice deadlock with profile cylinders complying with or equivalent to BS EN 1303:1998 security grade 4 or above;
- c) single UPVC door cylinder operated mortice lock with multi point locking mechanism with profile cylinders complying with or equivalent to BS EN 1303:1998 security grade 4 or above;
- d) double doors:
  - i. key operated locks or bolts (with detachable keys) fitted inside top and bottom to the first closing leaf and locking into the top frame and sill; or
  - ii. flush bolts fitted top and bottom to the inside door edge of the first closing leaf and locking into the top frame and sill; and to the second closing leaf a lock as described in a), b) or c) above, dependant upon the construction of the door; and/or
- e) other doors security to be agreed by US.

All other external hinged doors, not designated as a fire exit door (and internal doors leading to other buildings not in YOUR sole occupation) which are not used as a final exit:

- a) as described under final exit doors;
- b) single doors key operated locks, other than as stated above, plus key operated locks or bolts (with detachable keys) fitted inside top and bottom locking into the frame and sill; or
- c) double doors the first closing leaf as described under paragraph d) of final exit doors and the second closing leaf as described under paragraph b) of all other external doors.

Patio or other sliding external doors, not designated as a fire exit door (and internal doors leading to other buildings not in YOUR sole occupation):

- a) hook dead lock complying with BS3621:2004 (or earlier BS3621 standard);
- b) a close shackle padlock complying with BS EN 12320 building hardware padlocks and padlock fittings requirements and test grades 5 or 6 on matching companion pad bar; or
- c) key operated hook lock or bolt with detachable keys, which prevents horizontal and vertical movement or, where this is not the case, an additional device to prevent vertical movement.

Designated external fire exit doors (and internal doors leading to other buildings not in YOUR sole occupation):

- a) emergency release lock complying with BS8621:2004; or
- b) a proprietary emergency release system.

Roller shutter doors:

- a) secured to each guides channel by a guide pin shutter lock with housing welded in place not greater than one metre above the bottom of the shutter;
- b) internally secured to the floor by a heavy duty close shackle padlock and matching companion padlock bar welded, coach bolted or rawl bolted into position as appropriate; or
- c) the operating chain of the roller shutter secured to the internal steel clasp/chain retainer by a padlock.

Windows, all external basement, ground floor and other opening accessible windows:

- a) secured with window locks with removable keys. Where the opening section exceeds 600 mm in height or width they are to be fitted with a multi point locking system or two window locks;
- b) where windows are not required to be opened screwed permanently shut by security screws with the heads countersunk and plugged; or
- c) grilles or bars (construction framework and method of fixing to be agreed by US).

2 all protections required by US are maintained and not withdrawn or varied without OUR prior consent.

3 whenever the PREMISES are closed for business or left unattended:

- a) all keys for safes and doors are removed from the PREMISES;
- b) all keys for windows are removed from locks and placed out of reach of the window; and
- c) all protections required by US are put into effect.

4 when any bar, area or receptacle used for the storage of wines, spirits, tobacco, cigarettes or cigars is not attended it is locked and all keys removed to a place of safe keeping.

5 when not in use any safe is locked and all keys removed from the PREMISES or kept with YOU or an authorised EMPLOYEE.

6 for trade waste and other waste materials:

- a) all oily or greasy waste and used cleaning cloths will be stored in closed metal receptacles which will be:
  - i. stored in an area specifically designed for this purpose; and
  - ii. removed outside the buildings and all communicating buildings at the end of each working day; and
  - iii. removed from the PREMISES at least once every week;
- b) all other combustible waste will be swept up each day and deposited in bags or bins which will be:
  - i. stored in an area specifically designed for this purpose; and
  - ii. removed from the PREMISES at least once every week.

7 where Storm or Flood are INSURED PERILS, STOCK in basements or cellars is stored on shelves, racks or stillages at least 10 centimetres above floor level.

8 all fire extinguishing appliances are maintained in proper working order.

9 all fire break doors and shutters are maintained in efficient working order and kept closed or the protection system activated except during working hours.

10 where Computer Breakdown is an INSURED PERIL YOU have a maintenance agreement, providing on call remedial maintenance including free repair or replacement in the event of breakdown arising from normal use of any COMPUTER EQUIPMENT which is more than five years old at the start of the PERIOD OF INSURANCE.

## Settling Claims

In the event of insured DAMAGE to YOUR PROPERTY WE will at OUR option:

- 1 reinstate the DAMAGED PROPERTY by:
  - a) rebuilding or replacing it:
    - i. in any suitable manner; or
    - ii. on another siteprovided that the amount WE pay is not increased beyond what WE would have paid otherwise; or
  - b) repairing or restoring it to a condition equivalent to but not better or more extensive than when new; or
- 2 pay the cost of reinstatement of the DAMAGED PROPERTY, calculated as follows:
  - a) where the PROPERTY is lost or destroyed, the cost of rebuilding or replacing the PROPERTY; or
  - b) where the PROPERTY or part of the PROPERTY is DAMAGED, the cost of repairing and restoring the PROPERTY or the DAMAGED part of the PROPERTY; to a condition equivalent to but not better or more extensive than when new.

WE will not reinstate or pay the cost of reinstatement:

- 1 unless reinstatement commences and proceeds without unreasonable delay;
- 2 until the cost of reinstatement has actually been incurred and YOU have produced satisfactory invoices in support of the claim;
- 3 where the DAMAGE is insured by any other insurance effected by YOU or on YOUR behalf which is not on the same basis of reinstatement; and/or
- 4 for DAMAGE to STOCK.

If WE do not reinstate the PROPERTY or pay the cost of reinstatement WE will pay:

- 1 the cost of repairing the PROPERTY or any DAMAGED part of it to a condition equivalent to but not better than its condition immediately before the DAMAGE occurred; or
  - 2 the difference between the market value of the DAMAGED PROPERTY immediately before the DAMAGE and its market value as a direct result of the DAMAGE;
- whichever is lower.

WE will not pay more than the sum insured which would have been payable had the DAMAGED PROPERTY been completely destroyed.

# Business Interruption

Please refer to YOUR schedule to see if this is operative

## Definitions

### ANNUAL INCOME

The INCOME during the 12 month period immediately before the DAMAGE.

### BOOK DEBTS

The amounts shown in YOUR accounts as debited or invoiced to customers but not paid at the time of the DAMAGE, adjusted to reflect any bad debts or abnormal trading conditions which may have a material impact on YOUR BUSINESS.

### GEOGRAPHICAL LIMITS

United Kingdom, the Channel Islands and the Isle of Man.

### INCOME

The money paid or payable to YOU for goods sold and delivered and for services provided in the course of YOUR BUSINESS at the PREMISES.

### INDEMNITY PERIOD

The period beginning from the date of DAMAGE during which the results of YOUR BUSINESS are affected by the DAMAGE by an INSURED PERIL and ending when the results of YOUR BUSINESS cease to be affected by the DAMAGE but not exceeding the maximum indemnity period shown on YOUR schedule.

### STANDARD INCOME

The INCOME during the 12 months immediately before the DAMAGE which corresponds with the INDEMNITY PERIOD (appropriately adjusted where the INDEMNITY PERIOD exceeds 12 months), adjusted as necessary to allow for trends or circumstances which affect YOUR BUSINESS, either before or after the DAMAGE, and which would have affected YOUR BUSINESS had the DAMAGE not occurred. The adjusted figure will represent as closely as possible the results which but for the DAMAGE would have been achieved during the same period.

## The Cover

WE will pay for the loss of INCOME occurring during the INDEMNITY PERIOD arising from DAMAGE to PROPERTY used by YOU at the PREMISES arising from an INSURED PERIL during the PERIOD OF INSURANCE.

WE will not pay unless at the time of DAMAGE there is insurance in force covering YOUR interest in the PROPERTY used for YOUR BUSINESS at the PREMISES against that DAMAGE and payment has been made or liability admitted under that insurance, or payment would have been made but for the operation of any EXCESS.

WE will also pay for loss of INCOME for which YOU would have been insured under this section where YOU do not own or are not responsible for the BUILDINGS and they are not insured.

The most WE will pay during the INDEMNITY PERIOD is the sum insured for loss of INCOME shown on YOUR schedule.

## Cover Extensions

### Action of Competent Authority

WE will pay for loss of INCOME arising from the closure or restriction in use of the PREMISES by a competent local authority due to defects in the drains or other sanitary arrangements or discovery of vermin or pests at the PREMISES.

For the purpose of this extension, the INDEMNITY PERIOD will commence on the date the closure or restriction of the PREMISES is applied.

The most WE will pay for any one loss is £100,000.

#### **Additional Increased Cost of Working**

WE will pay any additional expenses which YOU necessarily and reasonably incur with OUR prior consent in order to minimise the loss of INCOME during the INDEMNITY PERIOD.

The most WE will pay for any one loss is £50,000. This is in addition to the sum insured.

#### **Bomb Scares**

WE will pay for loss of INCOME arising from the suspected or actual presence of an incendiary or explosive device which hinders or prevents access to the PREMISES for a period greater than four consecutive hours.

#### **Book Debts**

WE will pay:

- 1 the difference between BOOK DEBTS and the total of the amounts traced or received by YOU; and
- 2 additional expenses which YOU incur with OUR prior consent in tracing and establishing BOOK DEBTS;

if YOUR books of account or other business books or records sustain DAMAGE by an INSURED PERIL within the GEOGRAPHICAL LIMITS and YOU are unable to trace BOOK DEBTS due to YOU.

The most WE will pay for any one loss is shown on YOUR schedule. This is in addition to the sum insured.

#### **Computer Breakdown**

WE will pay for loss of INCOME arising from the breakdown of any computer system or installation in the GEOGRAPHICAL LIMITS for which WE or any other insurer has agreed to pay.

WE will not pay for loss of INCOME which results from a breakdown lasting less than 48 consecutive hours.

The most WE will pay for any one loss is £100,000.

#### **Customers and Suppliers**

WE will pay for loss of INCOME arising from DAMAGE to PROPERTY at any of the premises of YOUR existing and direct:

- 1 customers'; or
- 2 suppliers' of goods or materials;

situated within the GEOGRAPHICAL LIMITS and arising from an INSURED PERIL.

The most WE will pay for any one loss is shown on YOUR schedule.

#### **Food or Drink Poisoning**

WE will pay for loss of INCOME caused by poisoning arising from food or drink supplied by YOU from or at the PREMISES.

The most WE will pay for any one loss is £100,000.

#### **Human Diseases**

WE will pay for loss of INCOME caused by the occurrence of any of the following diseases at the PREMISES which results in closure or restriction in use of the PREMISES on the order or advice of a competent authority:

Acute Encephalitis  
Acute Poliomyelitis  
Anthrax  
Cholera  
Diphtheria  
Dysentery  
Leptospirosis

Paratyphoid Fever  
Plague  
Rabies  
Rubella  
Scarlet Fever  
Smallpox  
Tetanus

Malaria  
Measles  
Meningococcal Infection  
Mumps  
Ophthalmia Neonatorum

Tuberculosis  
Typhoid Fever  
Viral Hepatitis  
Whooping Cough  
Yellow Fever

The most WE will pay for any one loss is £100,000.

#### **Lottery**

WE will pay for loss of INCOME arising from an EMPLOYEE or EMPLOYEES leaving YOUR employment as a direct result of winning the National Lottery or Euro Lottery.

The most WE will pay for any one loss is £100,000.

#### **Murder or Suicide**

WE will pay for loss of INCOME arising from murder or suicide occurring at the PREMISES.

#### **Prevention of Access**

WE will pay for loss of INCOME arising from DAMAGE to PROPERTY in the immediate vicinity or within a one mile radius of the PREMISES arising from an INSURED PERIL which hinders or prevents access to the PREMISES.

#### **Professional Accountants' Charges**

WE will pay reasonable professional accountants' charges to obtain or produce any particulars, proofs, information or evidence which WE may require for any loss under this section.

WE will not pay for the costs of presenting or preparing a claim.

#### **Property Stored**

WE will pay for loss of INCOME arising from DAMAGE by an INSURED PERIL to YOUR PROPERTY stored elsewhere than at the PREMISES but within the GEOGRAPHICAL LIMITS.

The most WE will pay for any one loss is £100,000.

#### **Public Utilities**

WE will pay for loss of INCOME arising from DAMAGE to PROPERTY by an INSURED PERIL at the land-based premises within the GEOGRAPHICAL LIMITS of:

- 1 any generating station or sub-station supplying YOUR electricity;
- 2 YOUR gas supplier or of any natural gas producer linked directly with them;
- 3 any waterworks or pumping station supplying YOUR water; or
- 4 YOUR telecommunications supplier.

WE will not pay for loss of INCOME which results from:

- 1 the deliberate act of the supply undertaking;
- 2 failure of the supply lasting less than four consecutive hours; or
- 3 drought or any scheme of rationing unless necessitated by DAMAGE to part of the supplier's premises.

The most WE will pay for any one loss is 15% of the sum insured shown on YOUR schedule.

### **Special Conditions**

#### **Accumulated Stocks**

In calculating YOUR loss WE will take into account and make an equitable allowance where any reduction in INCOME is reduced or postponed by the sale or supply of accumulated stocks of raw materials, work in progress or finished goods.

#### **Alternative Premises**

In calculating YOUR loss WE will take into account any INCOME which YOU, or anyone on YOUR behalf, earn from conducting YOUR BUSINESS elsewhere than at the PREMISES during the INDEMNITY PERIOD.

**Cessation of Trading**

WE will not pay if YOUR BUSINESS is permanently discontinued, wound up or carried on by a liquidator or receiver unless WE have agreed in writing to do so.

**Current Cost Accounting**

For the purposes of this section, any adjustment made for current cost accounting will be disregarded.

**Departmental Accounts**

If YOUR BUSINESS is conducted in departments and the individual trading results of each department are easily ascertainable, the provisions of this cover in respect of INCOME will apply separately to each department affected by the DAMAGE.

**Payments on Account**

At YOUR request, WE may, at OUR absolute discretion, make payments on account during the INDEMNITY PERIOD, subject to any necessary adjustment being made upon conclusion of the claim.

**Underinsurance**

If, at the time of DAMAGE the sum insured on INCOME is less than the ANNUAL INCOME (proportionately increased where the INDEMNITY PERIOD is more than 12 months) OUR liability for YOUR claim will be proportionately reduced.

**Value Added Tax (VAT)**

All terms in this section exclude value added tax to the extent that YOU are accountable to the authorities for such tax.

**Settling Claims**

WE will pay:

- 1 for the reduction in the INCOME arising from DAMAGE caused by an INSURED PERIL, being the difference between the STANDARD INCOME which YOU would have earned and the INCOME which YOU actually earn during the INDEMNITY PERIOD; and
- 2 additional expenses which YOU necessarily and reasonably incur with OUR prior consent for the sole purpose of minimising the reduction in INCOME during the INDEMNITY PERIOD, provided that the additional expenses do not exceed the saving which YOU achieve.

Less:

- 1 any savings during the INDEMNITY PERIOD payable out of INCOME which stop or reduce as a result of the DAMAGE by an INSURED PERIL; and
- 2 any INCOME derived from the sale of any salvage remaining following the DAMAGE.

If YOUR BUSINESS is in its first year of trading, INCOME and STANDARD INCOME will reflect the actual figures realised between the date YOUR BUSINESS started and the DAMAGE.

# Money & Malicious Attack

Please refer to YOUR schedule to see if this is operative

## Definitions

### BODILY INJURY

Bodily injury arising from violent and visible means which directly results in death or disability.

### BUSINESS HOURS

Any time when YOU or any EMPLOYEE with responsibility for MONEY are at the PREMISES for the purpose of YOUR BUSINESS.

### GEOGRAPHICAL LIMITS

United Kingdom, the Channel Islands and the Isle of Man.

### IN TRANSIT

In transit while in the custody of:

- 1 YOU or any EMPLOYEE;
- 2 a bank night safe and while at the bank until becoming the responsibility of the bank.

### LOSS OF LIMBS, SIGHT, SPEECH OR HEARING

Total and permanent loss of:

- 1 or loss of use of one or more hands or feet;
- 2 sight in one or both eyes;
- 3 speech; or
- 4 hearing in both ears.

### PARTIAL DISABILITY

A disability which prevents YOU or any EMPLOYEE from performing most of their occupation.

### TOTAL DISABILITY

A disability which totally prevents YOU or any EMPLOYEE from performing all of their occupation.

## The Cover

### Money

WE will pay for DAMAGE to MONEY or MONETARY DOCUMENTS within the GEOGRAPHICAL LIMITS during the PERIOD OF INSURANCE.

WE will also pay for DAMAGE arising from theft or attempted theft to:

- 1 safes, strong rooms, tills, cash registers or franking machines which normally contain MONEY; and/or
- 2 any case, bag or waistcoat being used for carrying MONEY.

The most WE will pay for any one item is the limit shown on YOUR schedule.

### Malicious Attack

WE will pay the benefits shown on YOUR schedule if YOU or any EMPLOYEE sustain BODILY INJURY as a result of a violent assault in the course of YOUR BUSINESS, provided that:

- 1 YOU or any EMPLOYEE are aged between 16 and 70 years.
- 2 WE will only pay a benefit if death or disability occurs within 104 weeks of the date the BODILY INJURY was originally caused.
- 3 if WE pay for death, LOSS OF LIMBS, SIGHT, SPEECH OR HEARING or permanent TOTAL DISABILITY WE will no longer make any payment for temporary TOTAL DISABILITY or temporary PARTIAL DISABILITY.
- 4 payment for temporary TOTAL DISABILITY will be paid at the end of each consecutive four week period of disability.
- 5 for the benefit for temporary TOTAL DISABILITY, the most WE will pay will not exceed 75% of YOU or any EMPLOYEE average weekly earnings before tax.

The most WE will pay for any one benefit is the limit shown on YOUR schedule.

## **Cover Extensions**

### **Damage to Personal Effects**

WE will pay for DAMAGE to personal effects or personal money belonging to YOU or any EMPLOYEE as a result of malicious attack insured by this section.

The most WE will pay for any one person is:

- 1 £100 for personal money; or
- 2 £500 in total.

### **Professional Counselling Following Malicious Attack**

WE will at OUR option pay for professional counselling to help YOU or any EMPLOYEE recover from emotional stress resulting from a malicious attack insured by this section.

The most WE will pay is £1,000 per person but not more than £5,000 for all counselling arising from any one incident.

## **Exclusions**

WE will not pay for:

- 1 loss of MONEY or MONETARY DOCUMENTS from a vehicle which is left unattended or is not under observation in order to prevent any attempt by any person to interfere with the vehicle.
- 2 DAMAGE arising from:
  - a) the dishonest act of any EMPLOYEE:
    - i. not discovered within seven days of the occurrence; and/or
    - ii. where more specifically insured;
  - b) clerical or accounting errors; and/or
  - c) MONEY in the possession of cash agents or door to door or debt collectors.
- 3 losses arising from forgery, fraudulent alteration or substitution or fraudulent use of a computer or electronic transfer.
- 4 losses arising from payment methods which prove to be counterfeit, false, invalid, irrecoverable or uncollectible for any reason.
- 5 losses not directly associated with the incident that caused YOU to claim, unless more specifically stated in this section.
- 6 death or disablement resulting from or contributed to by an insured person suffering from a pre-existing physical or mental defect or infirmity.
- 7 DAMAGE more specifically insured.

## **Special Condition**

### **Medical Evidence**

- 1 WE will pay for:
  - a) an INSURED PERSON to have a medical examination; or
  - b) a post mortem to be completed;if required by US.
- 2 YOU or YOUR personal legal representative will supply to US and pay for any:
  - a) certificate;
  - b) information; or
  - c) evidence;in the format WE require.

## Warranties

The warranties set out below and those applied by endorsement are particularly important to US. If YOU fail to comply with any of them and YOUR failure causes or contributes towards an insured loss YOU will lose YOUR right to indemnity or payments for that claim.

YOU warrant that:

- 1 all security protections are put into full and effective operation whenever the PREMISES are closed for business or left unattended.
- 2 door keys are removed from the PREMISES outside of BUSINESS HOURS and, other than when in use, any safe or strong room is locked and the keys removed from the PREMISES or kept with YOU or an authorised EMPLOYEE.
- 3 YOU keep a complete record of MONEY and MONETARY DOCUMENTS in a secure place other than a safe or strong room containing MONEY.
- 4 where MONEY insured by this section is IN TRANSIT and exceeds:
  - a) £5,000, it will be accompanied by at least 2 adults;
  - b) £7,500, it will be accompanied by at least 3 adults; or
  - c) £10,000, it will be transported by a professional security or specialist cash- carrying company.
- 5 if YOU are responsible for filling an automatic teller machine (ATM):
  - a) MONEY is removed and the door of the ATM left open when YOUR PREMISES are closed for business; and
  - b) signs are clearly displayed, both at the front entrance of YOUR PREMISES and adjacent to the ATM, stating that MONEY is removed when YOUR PREMISES are closed for business.

# Terrorism

## The Cover

Where YOUR schedule shows TERRORISM is insured for:

- 1 Property and/or Contractors' All Risks WE will pay for DAMAGE to PROPERTY in England, Wales or Scotland insured by those sections; and/or
- 2 Business Interruption WE will pay for costs insured by that section which are incurred as a direct consequence;  
which result from TERRORISM.

The most WE will pay under the:

- 1 Property and/or Contractors' All Risks sections is the sum insured for each item shown on YOUR schedule; and/or
- 2 Business Interruption section is the limit or sum insured shown on YOUR schedule.

WE will not pay for DAMAGE or costs incurred as a direct consequence of:

- 1 riot and civil commotion; or
- 2 war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military force, coup or usurped power.

Any endorsements will be subject to the limits, conditions and exclusions of this section and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

## Special Conditions

### Underinsurance

Any underinsurance condition which applies under the Property and/or Contractors' All Risks and/or Business Interruption sections shall apply in like manner to any claim under this section.

### Basis of Settlement

The amount WE pay shall be calculated in accordance with the basis shown on YOUR schedule under the Property and/or Contractors' All Risks and/or Business Interruption sections.

### Cause of Damage

If WE allege that any DAMAGE or costs incurred as a direct consequence of the incident which led to the claim are not covered by this section, the burden of proving to the contrary shall be on YOU.

### Long Term Undertaking

Any long term undertaking will not apply to this section.

# Engineering Inspection

## Definition

### PLANT

The plant and machinery shown on YOUR schedule. Unless specifically shown on YOUR schedule, this does not include foundations, supporting structures, masonry, brickwork, chimneys or refractory linings.

## Inspection Service

WE, or OUR representative, will undertake an examination of PLANT, during the PERIOD OF INSURANCE, in accordance with the requirements of statutory regulations.

In conducting the required inspection WE, or OUR representative, will:

- 1 conduct the inspection using all due care and in a safe manner;
- 2 comply with YOUR safe systems of work provided that YOU tell US or OUR representative, what they are before the inspection commences;
- 3 conduct the inspection within normal business hours (07:00 to 19:00 Monday to Friday excluding public holidays) or other time which WE agree;
- 4 give YOU reasonable prior notice of the inspection date;
- 5 upon completion of the inspection, produce a report detailing any defects identified in PLANT which YOU must rectify. This may involve removal of the PLANT from service; and
- 6 not be responsible for reassembly of PLANT following inspection.

YOU will:

- 1 provide safe access to the PLANT to be inspected;
- 2 ensure a safe working environment at the location at which the inspection is to take place;
- 3 provide safe physical means by which access can be gained to the PLANT to be inspected;
- 4 where required, provide suitable and effective personal protective and safety equipment;
- 5 properly prepare, clean, cool and dismantle, as appropriate, the PLANT in order for the inspection to be properly undertaken; and
- 6 provide US or OUR representative, with such assistance and additional information as may be required in order to satisfactorily conduct the inspection.

WE, or OUR representative, may not carry out the required inspection if, in OUR opinion, doing so would pose a risk to the health, safety and welfare of the person undertaking the inspection.

Any endorsements will be subject to the limits, conditions and exclusions of this section and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

## Exclusions

- 1 The inspection service does not include:
  - a) testing or the witnessing of testing of PLANT; or
  - b) the approval of or verification of the fitness for purpose of any design or design feature of the PLANT being inspected;whether such PLANT is included under this section or not.
- 2 WE will not be responsible for DAMAGE to PLANT caused by its inability to withstand any test or tests applied as part of the inspection.

## Special Conditions

- 1 YOU may add or remove individual items of PLANT from YOUR schedule during any PERIOD OF INSURANCE provided that, in respect of any items added, YOU agree to pay the required additional premium.

- 2 The premium charged for the inspection service is subject to value added tax at the current rate.
- 3 Responsibility for ensuring compliance with statutory requirements for inspection and/or testing of PLANT rests with YOU. YOU are responsible for identifying which items require inspection and for preparing, at YOUR own expense, such items for inspection.
- 4 WE may make an additional charge to the premium shown on YOUR schedule if:
  - a) YOU ask for the inspection to be conducted outside normal business hours;
  - b) for safety reasons, WE or OUR representative need to employ or utilise additional persons in order to conduct the inspection;
  - c) YOU ask US for additional or replacement copies of reports;
  - d) WE or OUR representative need to complete specific training in order to comply with YOUR health and safety requirements; or
  - e) YOU fail to have the PLANT ready and available for inspection at the agreed time and a repeat appointment is required.

# Engineering Insurance

## Definitions

### BREAKDOWN

DAMAGE to PLANT caused by:

- 1 the actual breaking, distortion or burning out of any part of the PLANT while in normal use, which is caused by mechanical or electrical defects in the PLANT resulting in sudden stoppage, including any resultant loss of cooling, lubricating or insulating oil, refrigerant or brine;
- 2 fracturing of any item of the PLANT due to frost when such fracture renders the item inoperative.

### COLLAPSE

The sudden and dangerous distortion (whether or not accompanied by rupture) of PRESSURE PLANT caused by crushing stress by force of steam or other fluid pressure, other than pressure of chemical action or ignition of the contents or of ignited flue gases.

### EXPLOSION

The sudden and violent rending of PRESSURE PLANT by force of internal steam or other fluid pressure (other than pressure of chemical action or ignition of the contents or ignited flue gases) causing bodily displacement of any part of the PRESSURE PLANT together with forcible ejection of its contents.

### GEOGRAPHICAL LIMITS

United Kingdom, the Channel Islands and the Isle of Man.

### PLANT

The plant and machinery shown on YOUR schedule as insured by this section. Unless specifically shown on YOUR schedule as insured, this does not include:

- 1 foundations, masonry, brickwork, chimneys or refractory linings;
- 2 materials being processed or contained within the machinery or plant;
- 3 office machinery, computers or other electronic data processing equipment;
- 4 plant or machinery which is experimental, untried or prototype;
- 5 plant, machinery, pipes or cables situated underground;
- 6 plant or machinery which is used for the generation of electricity (other than a stand-by diesel engine and its associated generator);
- 7 glass lined vessels; or
- 8 stock in trade or goods in trust.

### PRESSURE PLANT

Plant which comprises:

- 1 boiler plant;
- 2 plant subject to internal steam pressure; and
- 3 plant used to contain fluids under pressure or vacuum.

### STORAGE TANKS

Tanks or similar containers designed and used to store oil and other fossil fuels or liquid propane gas.

### SUDDEN AND UNFORESEEN DAMAGE

Sudden and unforeseen DAMAGE to PLANT which necessitates immediate repair or replacement to enable normal working to continue.

## The Cover

WE will indemnify YOU for:

- 1 SUDDEN AND UNFORESEEN DAMAGE, including BREAKDOWN, to PLANT YOU own or are responsible for;
  - 2 DAMAGE to surrounding property YOU own or are responsible for caused by or resulting from EXPLOSION or COLLAPSE of PRESSURE PLANT resulting from SUDDEN AND UNFORESEEN DAMAGE, including BREAKDOWN;
- occurring within the GEOGRAPHICAL LIMITS during the PERIOD OF INSURANCE.

In the event of DAMAGE WE will pay the value of the PLANT at the time of the DAMAGE or the cost of repair.

Where DAMAGE is to:

- 1 PRESSURE PLANT;
- 2 other PLANT which is less than three years old at the time of the DAMAGE;

WE will pay the cost of repair or replacement by similar items.

The most WE will pay is the limit of indemnity shown on YOUR schedule.

In respect of PLANT or surrounding property which suffers partial DAMAGE, WE will not pay more than the amount which would have been payable had the PLANT concerned been totally destroyed.

## **Cover Extensions**

These cover extensions will apply only where the loss arises during the PERIOD OF INSURANCE but only where there is no other more specific insurance in force under this or any other policy.

All cover extensions and endorsements will be subject to the limits, conditions and exclusions of this section and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

### **Additional Costs**

WE will pay the necessary and reasonable costs incurred following DAMAGE insured by this section:

- 1 for temporary repairs or expediting a permanent repair, provided that the amount incurred will not exceed 50% of the normal repair cost; and
- 2 in order to prevent or minimise interruption of or interference with YOUR BUSINESS following DAMAGE.

The most WE will pay for any one loss is £10,000.

### **Additional Plant**

WE will pay for additional items of PLANT of the same type or class insured by this section once the testing and commissioning of the PLANT has been successfully completed, provided that:

- 1 any statutory inspection of the PLANT has been completed;
- 2 as far as YOU are aware, the PLANT is free from any material defect; and
- 3 immediately YOU become aware of PLANT which is inadvertently not insured, YOU tell us of any additional PLANT before the end of the current PERIOD OF INSURANCE and pay the additional premium WE require.

The most WE will pay for any one loss is £500,000.

### **Avoidance of Damage**

We will pay for the reasonable costs YOU incur to avoid or reduce DAMAGE which would have otherwise resulted in a loss under this section, provided that:

- 1 the impending DAMAGE did not arise from:
  - a) any defect in the PLANT for which the costs have been incurred; or
  - b) from a reasonably foreseeable cause;
- 2 the DAMAGE avoided would have been the natural outcome of the circumstances were it not for the measures taken; and/or
- 3 YOU satisfy US that the DAMAGE which would have occurred has been effectively reduced or avoided solely as a result of the measures taken or would have been avoided or reduced had the measures proven successful.

The most WE will pay for any one loss are costs incurred or the limit of indemnity shown on YOUR schedule, whichever is the less.

### **Contents of Storage Tanks**

WE will pay for the loss of the contents of STORAGE TANKS insured by this section solely and directly as a result of SUDDEN AND UNFORESEEN DAMAGE.

WE will also pay for the cost of cleaning up the spilled or leaked contents.

WE will not pay for:

- 1 loss of contents due to seepage, evaporation or contamination;
- 2 the cost of re-levelling STORAGE TANKS unless necessitated as the result of SUDDEN AND UNFORESEEN DAMAGE insured by this section;
- 3 the cost of cleaning up any spillage or leakage outside the boundaries of YOUR PREMISES;
- 4 DAMAGE caused by or resulting from the cleaning up of the spillage or leakage; and/or
- 5 any liability which arises from pollution or contamination of the water table or any other water course whether belonging to YOU or not.

The most WE will pay for any one loss or series of losses arising from one original cause is £25,000.

### **Debris Removal Costs**

WE will pay the costs necessarily and reasonably incurred in removing debris, dismantling, demolishing or protecting PLANT or surrounding property following DAMAGE insured by this section.

WE will not pay for:

- 1 costs incurred in removing debris other than from the PREMISES themselves and the area immediately adjacent to them; and/or
- 2 costs arising from pollution or contamination of PLANT not insured by this section.

The most WE will pay for any one loss is £25,000.

### **Hired- in Plant**

WE will indemnify YOU for all sums which you are legally liable to pay under any hiring contract or agreement for:

- 1 compensation for DAMAGE to hired- in plant while in transit (other than by sea or air) within the GEOGRAPHICAL LIMITS; or
- 2 continuing hiring charges which result from DAMAGE insured by 1 above.

WE will also pay legal expenses for which YOU are liable where YOU are defending, with OUR prior consent, legal proceedings issued against YOU in relation to hiring charges which are the subject of a claim under this cover extension.

WE will not pay:

- 1 if the terms of the hiring contract or agreement are more onerous than the Model Conditions for the hiring of plant approved by the Contract Plant- hire Association (CPA); and/or
- 2 for plant on hire purchase or subject to a lease agreement or on free loan to YOU.

The most WE will pay for any one loss is £15,000.

### **Minor Repairs**

If there is DAMAGE for which YOU are insured YOU may authorise permanent repairs up to £500 without OUR prior consent although WE have the right to inspect such repairs.

## **Exclusions**

WE will not pay for:

- 1 any EXCESS shown on YOUR schedule.
- 2 DAMAGE:
  - a) resulting from the gradual deterioration of materials owing to their usage, but this will not exclude DAMAGE which results from suddenly occurring breakage caused by the weakening of materials by their normal use;
  - b) other than for hired- in plant, caused by fire, lightning, explosion caused by ignition, aircraft, riot, civil commotion, malicious persons, storm, flood, theft, escape of water;
  - c) caused by maintenance, repair, overhaul or modification of PLANT;
  - d) resulting from the deliberate overloading or misuse of PLANT beyond its normal specified working capabilities;
  - e) resulting from the initial installation, erection, testing or commissioning of PLANT;
  - f) to PLANT which is hired out by YOU;
  - g) caused by or to materials or substances being treated, handled or processed;

- h) to safety or protective devices solely as a result of their operation;
  - i) to cutters, bits, moulds, dies, heating elements, driving belts, chains and cables and the like which require periodic replacement unless accompanied by DAMAGE to PLANT which is insured by this section; and/or
  - j) occurring during any lifting or lowering operations unless the lifting operation complies fully with the requirements of BS7121 or any British or International standards which may replace it.
- 3 the cost of routine maintenance or the rectification of faulty workmanship which occurs during repairs insured by this section.
  - 4 scratching of painted or polished surfaces unless accompanied by DAMAGE which is insured by this section.
  - 5 PLANT while on or being loaded onto or unloaded from any waterborne vessel other than vessels on inland waterways or canals.
  - 6 fines, damages, penalties, liquidated damages or losses not directly associated with the incident.
  - 7 pollution or contamination other than as specifically stated as insured by this section.

### **Special Condition**

#### **Payments on Account**

If YOU ask US to, in respect of any claim for which cover is provided by this section, WE will make interim payments to YOU while final settlement of YOUR claim is being negotiated.

# Deterioration of Stock

## Definitions

### DETERIORATION

Material loss, destruction or damage including deterioration, putrefaction and contamination.

### ESTIMATED SELLING PRICE

The estimated value of the GOODS if they had been sold in their intended market at the intended sale time had DETERIORATION not occurred.

### GOODS

Frozen or chilled food, STOCK or other temperature sensitive frozen or refrigerated goods, shown on YOUR schedule.

### UNIT

Any frozen or chilled food cabinet, deep freezer, cold room or cold store YOU own or lease, to control temperature or humidity or gas concentrations.

## The Cover

WE will pay for DETERIORATION of GOODS contained within any UNIT at the PREMISES shown on YOUR schedule caused by:

- 1 an unexpected and unforeseen rise or fall in temperature, humidity or gas concentrations in a UNIT which results from:
  - a) DAMAGE to or a fault with the refrigeration system of the UNIT;
  - b) DAMAGE to the permanent structure of the UNIT;
  - c) accidental failure of the public electricity, gas or water supply; and/or
  - d) deliberate cut off of the public electricity, gas or water supply, where this is necessitated by an emergency of which there was no advance warning of more than 72 hours to YOU.
- 2 contamination of GOODS caused by the escape of refrigerant or refrigerant fumes from the refrigeration system.

WE will also pay for DETERIORATION of GOODS at the PREMISES which would have been placed in the UNIT but for the happening of events 1 or 2 above.

WE will pay the ESTIMATED SELLING PRICE, plus the cost of any subsequent processing or packaging undertaken by YOU or on YOUR behalf less:

- 1 the sale price YOU actually receive; and
- 2 any savings YOU make as a result of the DETERIORATION.

The most WE will pay is shown on YOUR schedule.

## Cover Extensions

These cover extensions will apply where the loss arises during the PERIOD OF INSURANCE but only where there is no other more specific insurance in force under this or any other policy.

All cover extensions and endorsements will be subject to the limits, conditions and exclusions of this section and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

### Avoidance of Damage

WE will pay for the reasonable costs YOU incur to avoid or reduce DETERIORATION which would have otherwise resulted in a loss under this section, provided that:

- 1 the impending DETERIORATION did not arise from any defect in the UNIT, electrical installation or refrigeration system of which YOU were already aware;

- 2 the impending DETERIORATION did not arise from a reasonably foreseeable cause;
- 3 the DETERIORATION avoided would have been the natural outcome of the circumstances were it not for the measures taken; and
- 4 YOU satisfy US that the DETERIORATION which would have occurred has been effectively reduced or avoided solely as a result of the measures taken or would have been avoided or reduced had the measures proven successful.

The most WE will pay for any one loss is 10% of the sum insured shown on YOUR schedule in respect of the UNIT concerned.

#### **Decontamination of Units**

WE will pay for the costs YOU incur for the cleaning and decontamination of UNITS following DETERIORATION insured by this section.

The most WE will pay for any one loss is £25,000.

#### **Disposal of Contaminated Goods**

WE will pay for the costs YOU incur for the disposal of GOODS which have been condemned as unfit by an appropriate Public Authority as a result of DETERIORATION insured by this section.

### **Exclusions**

WE will not pay for:

- 1 any EXCESS shown on YOUR schedule.
- 2 DETERIORATION caused by or arising from:
  - a) fire or fire extinguishment methods;
  - b) explosion;
  - c) lightning, earthquake, storm, flood, escape of water from any fixed pipes or installation, aircraft or other aerial devices or articles dropped from them;
  - d) subsidence or other ground movement or displacement;
  - e) theft or attempted theft; or
  - f) riot, civil commotion, strikers or locked- out workers; unless arising from the failure of the public electricity, gas or water supply.
- 3 DETERIORATION arising from a failure or fluctuation of the public electricity, gas or water supply resulting from:
  - a) a deliberate act of the supply authority unless performed for the sole purpose of safeguarding life or a part of the supply system;
  - b) any scheme of rationing unless resulting from DAMAGE to the generating, supply or distribution equipment;
  - c) drought; or
  - d) the inability of the supplier to maintain supply owing to industrial action.
- 4 DETERIORATION:
  - a) resulting from YOUR wilful act or neglect;
  - b) caused by faulty packaging or storage;
  - c) caused by the incorrect setting of thermostats or automatic control devices;
  - d) arising from pollution or contamination other than pollution or contamination of UNITS which results from DETERIORATION insured by this section; or
  - e) to GOODS contained within a refrigerated vehicle.
- 5 any loss of trade or losses not directly associated with the DETERIORATION.
- 6 unexplained disappearance, loss or shortage of GOODS not attributable to DETERIORATION insured by this section.

## **Special Conditions**

### **Index Linking**

WE will automatically adjust the sums insured under this section in line with changes in suitable indices of cost. WE will not charge any extra premium during the PERIOD OF INSURANCE but at the end of the period WE will work out the renewal premium on the revised sums insured.

### **Underinsurance**

If at the time of DETERIORATION the sum insured is less than the ESTIMATED SELLING PRICE the amount WE pay will be proportionately reduced.

## **Warranties**

The warranties set out below and those applied by endorsement are particularly important to US. If YOU fail to comply with any of them and YOUR failure causes or contributes towards an insured loss YOU will lose YOUR right to indemnity or payments for that claim.

YOU warrant that:

- 1 any UNIT or its associated electrical, refrigeration or control systems required to be inspected in line with statutory regulations will be the subject of an insurance policy or other contract which provides the required inspection service; and
- 2 any UNIT more than five years old at the start of any PERIOD OF INSURANCE will be the subject of a maintenance agreement which provides for the inspection and servicing of such UNITS by competent specialists at intervals of not more than every 13 months.

# Goods in Transit

## Definitions

### CONTAINER

A solid container designed to transport the PROPERTY INSURED but excluding bags, boxes, cartons, casks, crates, drums, sacks, wrappers or similar items.

### GEOGRAPHICAL LIMITS

United Kingdom, the Republic of Ireland, the Isle of Man or the Channel Islands (including sea journeys between these territories).

### IN TRANSIT

- 1 In, on, or being loaded onto or unloaded from, a VEHICLE or while temporarily stored for up to 60 days in the course of conveyance by such VEHICLE; or
- 2 In the custody of a road haulier or the postal service from despatch by YOU until delivered to the consignee.

### PROPERTY INSURED

Goods belonging to YOU, or for which YOU are responsible and pertaining to YOUR BUSINESS.

### VEHICLE

Any motor vehicle and/or trailer owned or operated by YOU.

## The Cover

WE will pay for DAMAGE to PROPERTY INSURED while IN TRANSIT within the GEOGRAPHICAL LIMITS during the PERIOD OF INSURANCE.

WE will pay the:

- 1 value of the PROPERTY INSURED at the time of the DAMAGE; or
  - 2 cost of repair; or
- at OUR option, WE will reinstate or replace the PROPERTY INSURED or any part of it.

WE will not pay more than the VEHICLE load limit shown on YOUR schedule.

## Cover Extensions

These cover extensions will apply only where the loss arises during the PERIOD OF INSURANCE but only where there is no other more specific insurance in force under this or any other policy.

All cover extensions and endorsements will be subject to the limits, conditions and exclusions of this section and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

### Additional Costs

WE will pay the necessary and reasonable costs incurred, for which YOU are responsible, following accidental discharge of the PROPERTY INSURED, or the collision or overturning of the VEHICLE, to:

- 1 remove debris of the PROPERTY INSURED;
- 2 reload the PROPERTY INSURED or transfer it to another VEHICLE.

### Containers not Owned by You

WE will pay for DAMAGE to a CONTAINER for which YOU are responsible (other than any CONTAINER belonging to or leased or hired to YOU) while IN TRANSIT provided that:

- 1 the CONTAINER is conveyed on a VEHICLE properly constructed for the purpose and is adequately secured to such VEHICLE;
- 2 the CONTAINER is loaded onto and unloaded from the VEHICLE by adequate means.

The most WE will pay for any one CONTAINER is £10,000. This is in addition to the load limit.

### **Drivers' Personal Effects**

WE will pay for DAMAGE to personal effects (other than MONEY or MONETARY DOCUMENTS) belonging to YOU or any EMPLOYEE while IN TRANSIT.

The most WE will pay for any one person's effects is £500.

### **Sheets and Ropes**

WE will pay for DAMAGE to sheets, tarpaulins, ropes, chains and pallets, for which YOU are responsible, while IN TRANSIT.

The most WE will pay for any one loss is £10,000.

## **Exclusions**

WE will not pay for:

- 1 any EXCESS shown on YOUR schedule.
- 2 deeds, bonds, bills of exchange, MONEY or MONETARY DOCUMENTS.
- 3 documents, manuscripts, BUSINESS books and computer system records, except for the cost of the materials and labour and computer time to reproduce them.
- 4 patterns, models, moulds, plans and designs, except for the cost of materials and of labour to reproduce them.
- 5 living creatures, pets or livestock.
- 6 dangerous goods as defined by statute.
- 7 DAMAGE arising from:
  - a) exposure to weather conditions unless the VEHICLE is fully enclosed or the PROPERTY INSURED is fully protected by adequate and effective tarpaulins or sheeting;
  - b) wear and tear, vermin, insects, fungus, contamination or a gradually operating cause; and/or
  - c) arising from the dishonesty of YOU or any EMPLOYEE unless discovered and reported to US within seven days of its occurrence.
  - d) faulty or inadequate packing, labelling or addressing.
- 8 clerical error, or omissions or deliveries to the wrong consignee.
- 9 any loss not directly associated with the DAMAGE or delay.
- 10 DAMAGE arising from:
  - a) electronic, electrical or mechanical breakdown; or
  - b) breakdown or malfunctioning of cooling or heating machinery; unless caused by fire, theft, overturning or collision of the conveying vehicle.

## **Special Conditions**

### **Underinsurance**

If the VEHICLE load limit at the time of DAMAGE is less than the value of the PROPERTY INSURED in or on such VEHICLE, the amount WE pay will be proportionately reduced.

### **Vehicle Security**

WE will not pay for DAMAGE by theft or attempted theft from any unattended VEHICLE unless:

- 1 all doors and other openings are closed and securely locked and the keys removed; and
- 2 there is forcible and violent entry to the VEHICLE.

# Liability

## Definitions

### GEOGRAPHICAL LIMITS

The European Union, the Channel Islands and the Isle of Man.

### PRODUCTS

Any commodities or goods (including packaging, containers, instructions for use and labels) sold, supplied, manufactured, tested, altered, constructed, erected, installed, treated, planted, repaired, serviced, processed, stored, handled, or transported by YOU or on YOUR behalf in the course of YOUR BUSINESS.

## Cover Extension Clause

Cover extensions will apply only where there is no other more specific insurance in force under this or any other policy.

All cover extensions and endorsements will be subject to the limits, conditions and exclusions detailed in the sections and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

# Public and Product Liability

## Definition

### COSTS

- 1 legal costs and expenses that YOU incur with OUR prior consent to defend a claim which, if proved, would be insured under this section;
- 2 all legal costs recoverable from YOU by a claimant for a claim which, if proved, would be insured under this section; and
- 3 legal costs and expenses for:
  - a) representation at any Coroner's Inquest or Fatal Inquiry; and/or
  - b) the defence of criminal proceedings brought against YOU for any breach or alleged breach of statutory duty, resulting in INJURY or DAMAGE to PROPERTY that may be the subject of a claim under this section.

The following are excluded from the definition of COSTS:

- 1 the costs and expenses of defending any civil claim which YOU incur after WE have paid or offered to pay the full amount of the claim or the limit of indemnity; and/or
- 2 any costs and expenses which YOU incur without OUR prior consent.

Payment of COSTS for the defence of any EMPLOYEE will be made only at YOUR request.

## The Cover

### Public Liability

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for:

- 1 accidental INJURY;
  - 2 DAMAGE to PROPERTY;
  - 3 obstruction, trespass, nuisance or interference with any right of air, light, water, way or privacy; and/or
  - 4 wrongful arrest, detention or false imprisonment of any person;
- occurring within the GEOGRAPHICAL LIMITS during the PERIOD OF INSURANCE in connection with YOUR

BUSINESS and not arising from PRODUCTS other than:

- 1 PRODUCTS remaining in YOUR custody or control; or
- 2 any food or drink sold or supplied to visitors for consumption on YOUR premises.

The most WE will pay for all damages arising directly or indirectly out of one incident or series of incidents attributable to one source or cause is the limit of indemnity shown on YOUR schedule.

In addition WE will pay COSTS.

### **Product Liability**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

occurring during the PERIOD OF INSURANCE and caused by PRODUCTS (other than while remaining in YOUR custody or control) supplied from within the GEOGRAPHICAL LIMITS.

The most WE will pay for all damages arising during the PERIOD OF INSURANCE is the limit of indemnity shown on YOUR schedule.

In addition WE will pay COSTS.

### **Cover Extensions**

#### **Car Park Liability**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for DAMAGE to mechanically propelled vehicles legitimately parked at YOUR premises.

WE will not pay for DAMAGE to vehicles which are:

- 1 owned, leased, borrowed or hired by YOU;
- 2 being stored for a fee or other consideration; and/or
- 3 in YOUR custody or control for the purpose of being worked on by YOU or any EMPLOYEE in connection with YOUR BUSINESS.

#### **Cloakroom Liability**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for DAMAGE to PROPERTY deposited in any cloakroom at YOUR premises provided that suitable notices disclaiming all liability for DAMAGE are clearly displayed in or about the cloakroom.

The most WE will pay is £200 for any one article or £1,000 for all losses arising from any one incident.

WE will not pay where YOU have made a charge for storage but an attendant is not on duty while the cloakroom is in use.

#### **Commercial Visits**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

occurring anywhere in the world and arising directly from a commercial visit undertaken by YOU or any EMPLOYEE domiciled in the GEOGRAPHICAL LIMITS.

WE will not pay where visits involve the supervision or performance of manual work.

#### **Contingent Motor Liability**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

arising out of the use of any motor vehicle not owned or provided by YOU, being used in connection with YOUR BUSINESS.

WE will not pay for:

- 1 liability:

- a) arising from a motor vehicle owned by, provided by or being driven by YOU;
  - b) arising while the vehicle is being driven by any person who YOU know, or YOU ought to know, does not hold a licence to drive the vehicle; and/or
  - c) occurring outside the GEOGRAPHICAL LIMITS.
- 2 DAMAGE to the vehicles or their contents.

NOTE: This cover is not intended to meet the requirements of the Road Traffic Acts. YOU are required by law to obtain appropriate cover, accompanied by a Certificate of Insurance, for every vehicle used in the course of YOUR BUSINESS.

**Corporate Manslaughter and Corporate Homicide Act**

WE will indemnify YOU, or at YOUR request any EMPLOYEE, for legal costs and expenses incurred with OUR prior consent to defend a prosecution brought within the GEOGRAPHICAL LIMITS as a result of an offence or alleged offence under Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007 in connection with YOUR BUSINESS.

Provided that:

- 1 the deceased is not an EMPLOYEE;
- 2 YOUR liability for the death is insured under this section; and
- 3 the death occurs during the PERIOD OF INSURANCE and within the GEOGRAPHICAL LIMITS.

WE will not pay for:

- 1 the costs of prosecution awarded against any defendant;
- 2 the costs of any expert witness unless WE have given OUR prior consent; and/or
- 3 costs arising from enforcement of remedial or publicity orders or any other action required to be taken by such orders.

**Court Attendance Expenses**

If WE request any of the following people to attend Court as a witness in connection with a claim which is insured under this section WE will pay:

- 1 YOU or YOUR director £250 per day; and/or
- 2 any other EMPLOYEE £150 per day.

**Cross Liabilities**

If the policy is issued in joint names of more than one party this section will indemnify each party as if a separate policy had been issued to each of them provided that OUR liability to all parties indemnified will not exceed in total the limit of indemnity shown on YOUR schedule.

**Data Protection Act**

WE will indemnify YOU for legal costs and expenses incurred with OUR prior consent, and all sums YOU are required to pay as damages to an individual arising from proceedings brought against YOU under Section 13 of the Data Protection Act 1998.

Provided that:

- 1 YOU are a registered user in accordance with data protection legislation;
- 2 YOU are not in business as a data processing bureau; and
- 3 the claimant:
  - a) is the subject of personal data that YOU hold; and
  - b) suffers DAMAGE or distress caused by the inaccuracy, loss, unauthorised destruction, disclosure or access to the data.

The most WE will pay during any PERIOD OF INSURANCE is £500,000.

WE will not pay for:

- 1 the cost of replacing, reinstating, rectifying or erasing any personal data;
- 2 liability arising from:
  - a) the recording, processing or provision of data for reward or to determine the financial status of any person;
  - b) the act of any person other than YOU or any EMPLOYEE; and/or
  - c) defamation;
- 3 losses relating to unencrypted data away from YOUR premises; and/or
- 4 proceedings or appeals involving any deliberate act or omission by YOU or on YOUR behalf.

### **Defective Premises Act**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

under the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with premises which YOU previously owned or occupied for the purposes of YOUR BUSINESS.

WE will not pay for the cost of remedying any defect or alleged defect in the premises.

### **Food Safety and Consumer Protection Acts**

WE will indemnify YOU, or at YOUR request any EMPLOYEE, for legal costs and expenses incurred with OUR prior consent to defend criminal proceedings brought for a breach or alleged breach of Part II of the Food Safety Act 1990, or Part II of the Consumer Protection Act 1987, or any regulations thereunder, including legal costs and expenses incurred in an appeal against conviction arising from such proceedings.

Provided that the proceedings are brought within the GEOGRAPHICAL LIMITS and relate to an offence committed or alleged to have been committed within the GEOGRAPHICAL LIMITS during the PERIOD OF INSURANCE and in the course of YOUR BUSINESS.

WE will not pay for the:

- 1 costs incurred to defend a prosecution where the charge includes a deliberate criminal act by YOU or any EMPLOYEE;
- 2 cost of appeal against improvement or prohibition notices; and/or
- 3 costs of investigation or inquiry other than where carried out on the instructions of a solicitor for the sole purpose of defending proceedings to which this extension applies.

### **Health and Safety at Work Act**

WE will indemnify YOU, or at YOUR request any EMPLOYEE, for legal costs and expenses incurred with OUR prior consent to defend criminal proceedings brought for a breach or alleged breach of the Health and Safety at Work Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or any regulations thereunder, including legal costs and expenses incurred in an appeal against conviction arising from such proceedings.

Provided that the proceedings are brought within the GEOGRAPHICAL LIMITS and during the PERIOD OF INSURANCE and relate to:

- 1 the health, safety or welfare of any person other than an EMPLOYEE; and
- 2 an offence committed or alleged to have been committed within the GEOGRAPHICAL LIMITS and in the course of YOUR BUSINESS.

WE will not pay for the:

- 1 costs incurred to defend a prosecution where the charge includes a deliberate criminal act by YOU or any EMPLOYEE;
- 2 cost of appeal against improvement or prohibition notices; and/or
- 3 costs of investigation or inquiry other than where carried out on the instructions of a solicitor for the sole purpose of defending proceedings to which this extension applies.

### **Indemnity to Other Parties**

Where YOU would have been entitled to indemnity if the claim had been made against YOU:

- 1 WE will provide indemnity to YOUR legal personal representatives in the event of YOUR death;
- 2 at YOUR request WE will provide indemnity to:

- a) any officer or member of YOUR canteen, social, sports, educational and welfare organisations or fire, ambulance, first aid, medical or security services; or
- b) any EMPLOYEE;

in their respective capacities as such;

- c) any principal for whom YOU are carrying out work under contract or agreement in the course of YOUR BUSINESS for liability arising out of the performance of such work by YOU;
- d) the owner of plant hired in by YOU, but only to the extent required by the contract conditions; or
- e) in the event of the death of any person specified in a) - d) above, the legal representative of the deceased person.

### **Movement of Obstructing Vehicles**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

arising from the movement of any mechanically propelled vehicle by YOU or any EMPLOYEE where such vehicle is causing an obstruction and interfering with the normal operation of YOUR BUSINESS.

Provided that:

- 1 the vehicle is not owned, leased, borrowed or hired by YOU;
- 2 the movement is limited to vehicles parked on or obstructing YOUR premises or access to any site at which YOU are working;
- 3 the vehicle to be moved will be driven by a person who is competent and to YOUR knowledge holds a licence to drive the vehicle; and
- 4 the vehicle to be moved is driven by use of its own ignition key.

WE will not pay:

- 1 for DAMAGE caused to the vehicle being moved; and/or
- 2 where road traffic legislation requires compulsory motor insurance or security.

### **Overseas Personal Liability**

WE will indemnify YOU for all sums which YOU and/or at YOUR request any EMPLOYEE are legally liable to pay in a personal capacity as damages for:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

while on temporary visits of not more than 60 days anywhere in the world.

Provided that:

- 1 the visits are in connection with YOUR BUSINESS; and
- 2 YOU and/or the EMPLOYEE are domiciled in the GEOGRAPHICAL LIMITS.

WE will not pay:

- 1 for liability arising from the ownership, possession or occupation of land or buildings; and/or
- 2 where the liability arises from any business or profession.

### **Private Work**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

arising from the execution of private duties by any EMPLOYEE, for YOU or any of YOUR directors, within the GEOGRAPHICAL LIMITS.

### **Tenant's Liability**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for DAMAGE to premises (including fixtures and fittings) within the GEOGRAPHICAL LIMITS, which are leased, let, hired or rented to YOU in connection with YOUR BUSINESS.

WE will not pay for:

- 1 liability arising solely due to a contract or agreement which would not have attached in the absence of such contract or agreement;
- 2 wear, tear and gradual deterioration; and/or
- 3 DAMAGE to premises from causes against which YOU are required to effect insurance by the terms of any contract, lease or tenancy agreement.

### **Terrorism**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for:

- 1 accidental INJURY; and/or
- 2 DAMAGE to PROPERTY;

arising from TERRORISM committed by a third party.

The most WE will pay for all damages and COSTS arising directly or indirectly from one incident or series of incidents attributable to one source or cause is £2,500,000, or the limit of indemnity shown on YOUR schedule, whichever is the less.

## Exclusions

WE will not pay for:

- 1 INJURY to any EMPLOYEE.
- 2 DAMAGE to PROPERTY:
  - a) belonging to YOU or held in trust by YOU or borrowed, rented, let, leased or hired for use by YOU, other than where described in the Tenant's Liability cover extension; and/or
  - b) which is in YOUR custody or control, other than:
    - i. personal effects (including vehicles and their contents) of YOUR visitors or EMPLOYEES; or
    - ii. where described in the Car Park Liability, Cloakroom Liability and Tenant's Liability cover extensions.
- 3 liability arising from POLLUTION other than caused directly or indirectly by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the PERIOD OF INSURANCE.

All POLLUTION which arises out of one incident will be deemed to have occurred at the time such incident takes place.

The most WE will pay for all damages arising during the PERIOD OF INSURANCE from POLLUTION is £5,000,000 or the limit of indemnity shown on YOUR schedule, whichever is the less.

- 4 liability arising from the ownership, possession or use of any mechanically propelled vehicle or plant (including attached trailers) by YOU or on YOUR behalf:
  - a) for which road traffic legislation requires compulsory motor insurance or security; and/or
  - b) where indemnity is provided by another insurance policy.

Where there is no indemnity provided by another policy this exclusion will not apply to:

- a) loading and unloading;
  - b) liability arising solely from the use as a tool of trade; or
  - c) the contingent motor liability or movement of obstructing vehicles cover extensions.
- 5 liability arising from PRODUCTS which are to YOUR knowledge exported directly or indirectly to the United States of America or Canada.
  - 6 liability arising:
    - a) from professional advice or professional services given for a fee;
    - b) from the design, plan, formula or specification of PRODUCTS or work for a fee; and/or
    - c) out of medical or veterinary treatment (other than first aid) or the dispensing of medicines or drugs.
  - 7 the costs of repairing, replacing, reinstating, rectifying, recalling, removing, or making good the PRODUCTS themselves or in making a refund for the price paid of any PRODUCTS.
  - 8 DAMAGE to that part of any PROPERTY upon which YOU or any EMPLOYEE has been working where the DAMAGE is the direct result of such work.
  - 9 liability which arises solely due to a contract or agreement other than:
    - a) where imposed by a tenancy agreement following the Model Clauses of the Agricultural Holdings Act 1986; or
    - b) arising from any condition or warranty of goods or services implied by law.
  - 10 liability arising from any action for damages brought against YOU in any country outside the European Union, the Channel Islands or the Isle of Man in which YOU occupy premises or are represented by any resident EMPLOYEE or holder of YOUR power of attorney.
  - 11 liability arising in connection with work on or at any:
    - a) power station or nuclear installation;
    - b) i. offshore oil/ gas installation; and/or  
ii. supply, support or accommodation vessel or structure relating to such an installation; or while travelling to or from them by sea or air;
    - c) chemical works;

- d) aircraft, airport, airfield, airstrip, satellites, spacecraft, launch site, ship, dock, pier or wharf;
  - e) tower, steeple, chimney shaft, blast furnace, dam, canal, viaduct, bridge or tunnel;
  - f) underground mine or colliery; and/or
  - g) railways and associated equipment, or rolling stock.
- 12 liquidated damages, penalties, fines, aggravated, restitutionary, punitive, vindictive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non- compensatory damages.
- 13 liability arising from the ownership, possession or use by YOU or on YOUR behalf of:
- a) any vessel or craft designed to travel through air or space;
  - b) hovercraft or watercraft or any other vessel or craft designed to float on or in, or travel through water other than hand- propelled watercraft; and/or
  - c) any railway, siding or rolling stock.
- 14 liability arising from any PRODUCTS which are, to YOUR knowledge, used:
- a) in craft designed to travel through air, space or water and which affect or could affect the navigation, propulsion, safety, air worthiness or sea worthiness of the craft;
  - b) in connection with any power station or nuclear installation which affects or could affect the safety or operation of such installation;
  - c) in the pharmaceutical industry involving the manufacture or formulation of drugs or medical supplies; and/or
  - d) in or as medical equipment or devices for internal, invasive and/or critical use in or on the human body.
- 15 any EXCESS shown on YOUR schedule.

### **Special Condition**

The most WE will pay including COSTS will not exceed the limit of indemnity shown on YOUR schedule:

- 1 if any part of YOUR claim is for legal liability which arises; and/or
  - 2 for any action for damages brought;
- outside the European Union, the Channel Islands or the Isle of Man.

### **Warranties**

The warranties set out below and those applied by endorsement are particularly important to US. If YOU fail to comply with any of them and YOUR failure causes or contributes towards an insured loss YOU will lose YOUR right to indemnity or payments for that claim.

#### **Use of Heat**

YOU warrant that if YOU use any electric, oxyacetylene or similar welding or cutting equipment, blow lamps, blow torches or similar equipment for the application of heat, YOU will ensure that the following precautions are put into effect each time such equipment is used:

- 1 make available for immediate use a suitable fire extinguisher which has been maintained;
- 2 where possible, move combustible material to at least 10 metres from the point of application of heat. Where this is not possible, use fire- resistant or purpose made blankets, drapes, shields or screens to protect the PROPERTY;
- 3 where the heat work is being carried out on combustible floors, protect them with fire- resistant materials;
- 4 complete a thorough inspection of the area where the work is to be carried out (including where possible, the other side of any wall or partition being worked upon) to ensure that there are no combustible materials which could be ignited by direct or conducted heat;
- 5 ensure all heat equipment is:
  - a) used in accordance with the manufacturer's instructions;
  - b) attended at all times while alight or in operating mode; and
  - c) extinguished immediately after use;
- 6 where the work involves the use of gas cylinders, keep those not required for immediate use outside the building in which the work is taking place, or at least 10 metres from the point of application of heat; and

- 7 carry out a thorough examination of the area where work was carried out one hour after completion of each period of work or stage of work involving the application of heat to ensure that there is no smouldering or lit material.

### **Underground Services**

YOU warrant that where YOU are involved in any digging, drilling, boring, earth moving or excavation work, YOU will, before commencing any work:

- 1 contact the relevant utility companies to identify the location of underground services;
- 2 communicate the location of these underground services to EMPLOYEES or contractors carrying out such work on YOUR behalf; and
- 3 prepare and retain a written record of the measures taken to locate these underground services.

## **Employers' Liability**

### **Definition**

#### **COSTS**

- 1 legal costs and expenses YOU incur with OUR prior consent to defend a claim which, if proved, would be insured under this section;
- 2 legal costs recoverable from YOU by a claimant for a claim which, if proved, would be insured under this section; and
- 3 legal costs and expenses for:
  - a) representation at any Coroner's Inquest or Fatal Inquiry; and/or
  - b) the defence of criminal proceedings brought against YOU for any breach or alleged breach of statutory duty, resulting in INJURY that may be the subject of a claim under this section.

The following are excluded from the definition of COSTS:

- 1 the costs and expenses of defending any civil claim which YOU incur after WE have paid or offered to pay the full amount of the claim or the limit of indemnity; and
- 2 any costs and expenses which YOU incur without OUR prior consent.

Payment of COSTS for the defence of any EMPLOYEE will be made only at YOUR request.

### **The Cover**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages and COSTS for INJURY sustained by any EMPLOYEE provided that the INJURY:

- 1 arises out of and in the course of their employment by YOU in connection with YOUR BUSINESS; and
- 2 is caused by an occurrence during the PERIOD OF INSURANCE which takes place:
  - a) within the GEOGRAPHICAL LIMITS; or
  - b) elsewhere in the world where an EMPLOYEE is temporarily employed for not more than 60 days provided the EMPLOYEE:
    - i) is domiciled; and
    - ii) was engaged by YOU;within the GEOGRAPHICAL LIMITS.

The most WE will pay including COSTS for any one claim or series of claims (regardless of the number of Claimants) arising directly or indirectly out of one occurrence is the limit of indemnity shown on YOUR schedule.

### **Cover Extensions**

#### **Corporate Manslaughter and Corporate Homicide Act**

WE will indemnify YOU, or at YOUR request any EMPLOYEE, for legal costs and expenses incurred with OUR prior consent to defend a prosecution brought within the GEOGRAPHICAL LIMITS as a result of an offence or alleged offence under Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007 in connection with YOUR BUSINESS.

Provided that:

- 1 the deceased is an EMPLOYEE;
- 2 YOUR liability for the death is insured under this section; and
- 3 the death is caused by an offence or alleged offence which occurs during the PERIOD OF INSURANCE and within the GEOGRAPHICAL LIMITS.

WE will not pay for the:

- 1 costs of prosecution awarded against any defendant;
- 2 costs of any expert witness unless WE have given OUR prior consent; and/or
- 3 costs arising from enforcement of remedial or publicity orders or any other action required to be taken by such orders.

#### **Court Attendance Expenses**

If WE request any of the following people to attend Court as a witness in connection with a claim which is insured under this section, WE will pay:

- |                        |                      |
|------------------------|----------------------|
| 1 YOU or YOUR director | £250 per day; and/or |
| 2 any other EMPLOYEE   | £150 per day.        |

#### **Cross liabilities**

If the policy is issued in joint names of more than one party this section will indemnify each party as if a separate policy had been issued to each of them provided that OUR liability to all parties indemnified will not exceed in total the limit of indemnity shown on YOUR schedule.

No indemnity is provided where liability is owed by one party named on YOUR schedule to another party named on YOUR schedule.

#### **Health and Safety at Work Act**

WE will indemnify YOU, or at YOUR request any EMPLOYEE, for legal costs and expenses incurred with OUR prior consent to defend any criminal proceedings brought for a breach or alleged breach of the Health and Safety at Work Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or any regulations thereunder including COSTS incurred with OUR prior consent in an appeal against conviction arising from such proceedings.

Provided that the proceedings are brought within the GEOGRAPHICAL LIMITS and relate to:

- 1 the health, safety or welfare of an EMPLOYEE; and
- 2 an offence committed or alleged to have been committed within the GEOGRAPHICAL LIMITS during the PERIOD OF INSURANCE and in the course of YOUR BUSINESS.

WE will not pay for:

- 1 costs incurred to defend a prosecution where the charge includes a deliberate criminal act by YOU or any EMPLOYEE;
- 2 the cost of appeal against improvement or prohibition notices; and/or
- 3 the costs of investigation or inquiry other than where carried out on the instructions of a solicitor for the sole purpose of defending proceedings to which this cover extension applies.

#### **Indemnity to Other Parties**

Where YOU would have been entitled to indemnity if the claim had been made against YOU:

- 1 WE will provide indemnity to YOUR legal personal representatives in the event of YOUR death; and
- 2 at YOUR request WE will provide indemnity to:
  - a) any officer or member of YOUR canteen, social, sports, educational and welfare organisations or fire, ambulance, first aid, medical or security services; or
  - b) any EMPLOYEE;  
in their respective capacities as such;
  - c) any principal for whom YOU are carrying out work under contract or agreement in the course of YOUR BUSINESS for liability arising out of the performance of such work by YOU;
  - d) the owner of plant hired in by YOU, but only to the extent required by the contract conditions; or
  - e) in the event of the death of any person specified in a) - d) above, the legal representative of the deceased person.

#### **Injury to Working Partners or Proprietors**

WE will regard any working partner or proprietor of YOUR BUSINESS as an EMPLOYEE for INJURY they sustain while working in connection with YOUR BUSINESS.

Provided that the INJURY is caused by the negligence of another working partner, proprietor or EMPLOYEE in the course of YOUR BUSINESS.

### **Private Work**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for INJURY sustained by an EMPLOYEE arising from the execution of private duties by that EMPLOYEE, for YOU or any of YOUR directors, within the GEOGRAPHICAL LIMITS.

### **Terrorism**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for INJURY sustained by any EMPLOYEE which arises out of TERRORISM committed by a third party.

The most WE will pay including COSTS for any one claim or series of claims (regardless of the number of Claimants) arising directly or indirectly out of one occurrence is £5,000,000.

### **Unsatisfied Court Judgements**

If any EMPLOYEE or their personal representative obtains a court judgement within the European Union, the Channel Islands or the Isle of Man for damages for INJURY against any third party operating within the European Union, the Channel Islands or the Isle of Man and that judgement remains unpaid in whole or in part six months after the date of the award, WE will pay, at YOUR request, the amount of any unpaid damages and awarded costs to the EMPLOYEE or their personal legal representatives.

Provided that:

- 1 the INJURY occurred in the course of employment by YOU in connection with YOUR BUSINESS;
- 2 YOU are not the company or individual against whom the judgement has been made;
- 3 there is no appeal outstanding; and
- 4 before any payment is made under this cover extension, the EMPLOYEE or their personal legal representative will assign all the benefits and advantages of the judgement to US.

### **Exclusions**

WE will not pay for:

- 1 INJURY to any EMPLOYEE arising from the ownership, possession or use of any mechanically propelled vehicle or plant (including any attached trailer) by YOU or on YOUR behalf for which road traffic legislation requires compulsory motor insurance or security.
- 2 any action for damages brought against YOU in a country outside the European Union, the Channel Islands or the Isle of Man.
- 3 INJURY to any EMPLOYEE arising in connection with work on or at any:
  - a) power station or nuclear installation;
  - b) i. offshore oil/ gas installation; and/or  
ii. supply, support or accommodation vessel or structure relating to such an installation; or while travelling to or from them by sea or air;
  - c) chemical works;
  - d) aircraft, airport, airfield, airstrip, satellites, spacecraft, launch site, ship, dock, pier or wharf;
  - e) tower, steeple, chimney shaft, blast furnace, dam, canal, viaduct, bridge or tunnel;
  - f) underground mine or colliery; and/or
  - g) railways and associated equipment, or rolling stock.
- 4 liquidated damages, penalties, fines, aggravated, restitutionary, punitive, vindictive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non- compensatory damages.
- 5 INJURY to any EMPLOYEE arising out of any activity involving working on or processing asbestos or products made entirely or mainly of asbestos. This exclusion shall not apply provided that:
  - a) the discovery of asbestos by YOU or any EMPLOYEE is unintentional or accidental;
  - b) upon discovery of asbestos or products made entirely or mainly of asbestos all work stops immediately; and

- c) an HSE- licensed asbestos removal contractor is employed as soon as possible to make safe the area in which the discovery is made. That contractor must have employers' liability and public liability insurance in force that provide limits of indemnity no less than those applicable to this policy and which do not exclude the work to be carried out.

## **Special Condition**

### **Right of Recovery**

This section is deemed to be in accordance with the provisions of any law relating to compulsory insurance for YOUR liability to EMPLOYEES within the GEOGRAPHICAL LIMITS. Where WE have paid an amount which WE would not have been liable to pay but for the provisions of such legislation, WE have the right to recover this amount from YOU.

# Environmental Liability

**YOUR Environmental Liability cover will not operate in respect of any of YOUR activities that fall within the following trades:**

**Waste Disposal Contractors, Clothing Dyers & Cleaners, Ferrous and Non- Ferrous Metal Smelting & Extraction, Steel Mills, Abstraction and Supply of Potable Water from natural sources, Filling Stations, Fuel Distributors (other than solid fuel), Mines & Quarries, any Speculative Property Developing activity where there is no principal or any development activity on Brownfield sites, Waste Transfer Stations, Landfills, Water or Waste Treatment Plants.**

**In the event of any uncertainty as to whether an activity to be undertaken or being undertaken may fall within an excluded trade, YOU should contact YOUR local office for guidance.**

## Definitions

### ACTIVE ASBESTOS INCIDENT

A discharge, disposal, migration, release or escape of asbestos into the air as a result of asbestos abatement activities at the INSURED PREMISES that are performed:

- 1 by persons both licensed and qualified in such asbestos abatement activities; and
- 2 in accordance with applicable laws.

### BIODIVERSITY

Land, air, water, groundwater, drinking water supplies and fish, wildlife, biota and their habitats.

### BIODIVERSITY DAMAGE

INJURY to or DAMAGE sustained by BIODIVERSITY

### BIODIVERSITY SERVICE

The functions performed by a BIODIVERSITY for the benefit of other BIODIVERSITY or for the public.

### COMPENSATORY REMEDIATION COSTS

Reasonable expenses incurred to the extent required by ENVIRONMENTAL LAW in providing additional improvements to BIODIVERSITY at either the DAMAGED location or at an alternative location to compensate for the interim loss of BIODIVERSITY pending recovery through PRIMARY REMEDIATION COSTS or otherwise.

### COMPLEMENTARY REMEDIATION COSTS

Reasonable expenses incurred in providing BIODIVERSITY and/or BIODIVERSITY SERVICES to the extent required by ENVIRONMENTAL LAW as a consequence of the DAMAGED BIODIVERSITY not having been returned to the condition that would have existed at the time of the DAMAGE had the DAMAGE not occurred.

### COSTS

- 1 legal costs and expenses YOU incur with OUR prior consent to defend a claim which, if proved, would be insured under this section;
- 2 all legal costs recoverable from YOU by any claimant or REGULATORY AUTHORITY which have been incurred before WE have paid or offered to pay either the full amount of the claim or the limit of indemnity;
- 3 legal costs and expenses for:
  - a) representation at any Coroner's Inquest or Fatal Inquiry; and/or
  - b) the defence of criminal proceedings brought against YOU for any breach or alleged breach of statutory duty, resulting in accidental INJURY or DAMAGE to PROPERTY that may be the subject of a claim under this section.

The following are excluded from the definition of COSTS:

- 1 the costs and expenses of defending any civil claim which YOU incur after WE have paid or offered to pay the full amount of the claim or the limit of indemnity; and/or
- 2 any costs and expenses which YOU incur without OUR prior consent.

Payment of COSTS for the defence of any EMPLOYEE will be made only at YOUR request.

#### COVERED OPERATION

Operations performed by YOU or on YOUR behalf in connection with YOUR BUSINESS at locations owned or occupied by YOUR customer.

#### ENVIRONMENTAL LAW

Any law governing YOUR liability with respect to POLLUTION CONDITIONS.

#### FLY TIPPING

The unauthorised dumping of waste on the INSURED PREMISES or at the site of any COVERED OPERATION not licensed to receive it.

#### FUNGI

Any type or form of fungus including mould or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.

#### INSURED PREMISES

The premises shown:

- 1 on YOUR schedule under any other section insured by this policy; and/or
- 2 in the Insured Premises endorsement.

#### PASSIVE ASBESTOS EXPOSURE

Exposure to asbestos or asbestos containing materials other than as a result of any asbestos abatement activities or other deliberate removal or disturbance activities at the INSURED PREMISES.

#### POLLUTION CONDITION

The presence or discovery in on or under land structures thereon the atmosphere surface water or groundwater of any solid liquid gaseous or thermal irritant pollutant or contaminant including smoke soot vapours fumes acids alkalis chemicals FUNGI hazardous substances hazardous materials and waste materials following its discharge dispersal release escape migration or seepage.

#### PRIMARY REMEDIATION COSTS

Reasonable expenses incurred with OUR written consent in the investigation quantification monitoring abatement removal disposal treatment neutralisation or immobilisation of POLLUTION CONDITIONS to the extent required by ENVIRONMENTAL LAW including:

- 1 reasonable legal costs incurred with OUR written consent; and
- 2 expenses necessarily incurred in the repair or replacement of PROPERTY due to DAMAGE sustained in the course of responding to a POLLUTION CONDITION other than expenses incurred in respect of any improvements or betterments.

#### PRODUCTS

Any commodities or goods (including packaging, containers, instructions for use and labels) sold, supplied, manufactured, tested, altered, constructed, erected, installed, treated, planted, repaired, serviced, processed, stored, handled or transported by YOU or on YOUR behalf in the course of YOUR BUSINESS where the work undertaken by YOU or on YOUR behalf does not involve installation, construction, erection or alteration of such goods at the site of THE WORKS.

#### PROPERTY DAMAGE

DAMAGE to PROPERTY, loss of use of PROPERTY which is not physically damaged, reduction in value of PROPERTY of a third party, or BIODIVERSITY DAMAGE.

#### REGULATORY ACTION

Any action taken or any liability imposed by any REGULATORY AUTHORITY under ENVIRONMENTAL LAW.

#### REGULATORY AUTHORITY

Any legal body, authority, agency or other person and/or any court of law or tribunal in each case having authority under ENVIRONMENTAL LAW.

#### REMEDICATION COSTS

- 1 PRIMARY REMEDIATION COSTS
- 2 COMPLEMENTARY REMEDIATION COSTS
- 3 COMPENSATORY REMEDIATION COSTS.

#### RESPONSIBLE OFFICIAL

The EMPLOYEE, officer or partner who is or was responsible for environmental matters, control or compliance at the INSURED PREMISES or COVERED OPERATION.

#### RETROACTIVE DATE

The inception date of this section is shown on YOUR schedule and will remain unaltered during the currency of this insurance.

In respect of any INSURED PREMISES added subsequent to the inception date stated in the above paragraph the retroactive date will be the date on which WE accepted the INSURED PREMISES in writing.

#### THE WORKS

Permanent and temporary works undertaken by YOU in the course of YOUR BUSINESS including:

- 1 materials intended for incorporation within them;
- 2 temporary works and temporary buildings; and
- 3 plant, tools and equipment;

for use in connection with the works.

### **The Cover**

WE will indemnify YOU for all sums which YOU are legally liable to pay as damages for:

- 1 accidental INJURY;
  - 2 PROPERTY DAMAGE; and/or
  - 3 trespass, nuisance or obstruction;
- arising out of any POLLUTION CONDITION:

- 1 on, at, under or migrating from the INSURED PREMISES; or
- 2 which results from any COVERED OPERATION.

Provided that the claim is first made against YOU during the PERIOD OF INSURANCE and notified to US during the same PERIOD OF INSURANCE or within 30 days of its expiry.

WE will also pay on YOUR behalf:

- 1 COSTS in respect of any claim to which this cover applies; and
- 2 Imposed REMEDIATION COSTS which arise out of such POLLUTION CONDITION, where they result from REGULATORY ACTION first imposed during the PERIOD OF INSURANCE and notified to US during the same PERIOD OF INSURANCE or within 30 days of expiry thereof.

The most WE will pay for all damages, COSTS and REMEDIATION COSTS arising out of all POLLUTION CONDITIONS occurring during any one PERIOD OF INSURANCE will be the limit of indemnity shown on YOUR schedule.

### **Cover Extensions**

These cover extensions will apply only where there is no other more specific insurance in force under this or any other policy.

All cover extensions and endorsements will be subject to the limits, conditions and exclusions of this section and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

#### **Court Attendance Expenses**

If WE request any of the following people to attend Court as a witness in connection with a claim which is insured under this section, WE will pay:

- |   |                      |                      |
|---|----------------------|----------------------|
| 1 | YOU or YOUR director | £250 per day; and/or |
| 2 | any other EMPLOYEE   | £150 per day.        |

#### **Cross liabilities**

If the policy is issued in joint names of more than one party this section will indemnify each party as if a separate policy had been issued to each of them provided that OUR liability to all parties indemnified will not exceed in total the limit of indemnity shown on YOUR schedule.

## **Indemnity to Other Parties**

Where YOU would have been entitled to indemnity if the claim had been made against YOU:

- 1 WE will provide indemnity to YOUR legal personal representatives in the event of YOUR death;
- 2 at YOUR request WE will provide indemnity to:
  - a) any officer or member of YOUR canteen, social, sports, educational and welfare organisations or fire, ambulance, first aid, medical or security services; or
  - b) any of YOUR directors or EMPLOYEES;  
in their respective capacities as such;
  - c) any principal for whom YOU are carrying out work under contract or agreement in the course of YOUR BUSINESS for liability arising out of the performance of such work by YOU;
  - d) the owner of plant hired in by YOU, but only to the extent required by the contract conditions; or
  - e) in the event of the death of any person specified in a) - d) above, the legal representative of the deceased person.

## **Exclusions**

WE will not pay for:

- 1 INJURY to any EMPLOYEE.
- 2 liability arising out of or related in any way to:
  - a) asbestos or asbestos containing materials; or
  - b) lead or lead- containing materials;  
on or in structures.

This exclusion does not apply:

- a) in respect of INJURY or COSTS resulting from:
  - i. a PASSIVE ASBESTOS EXPOSURE; or
  - ii. an ACTIVE ASBESTOS INCIDENT that is migrating from the boundaries of the INSURED PREMISES.

Provided that the PASSIVE ASBESTOS EXPOSURE or ACTIVE ASBESTOS INCIDENT giving rise to the claim must start after the RETROACTIVE DATE;

- b) to abatement work performed on YOUR behalf by a subcontractor who holds a valid certificate authorising him to carry out such work and has valid insurance in respect of liability arising from such work; and/or
  - c) the inadvertent disturbance of lead- based paint and/or materials containing asbestos during the course of performing COVERED OPERATIONS.
- 3 DAMAGE to, loss of use of, or reduction in value of:
    - a) PROPERTY belonging to or in the custody or control of YOU or any EMPLOYEE or YOUR agent; or
    - b) INSURED PREMISES or COVERED OPERATION including land or contents leased, let, rented or hired to YOU in connection with YOUR BUSINESS.

This exclusion does not apply to REMEDIATION COSTS.

- 4 liability arising from a POLLUTION CONDITION which commenced prior to the RETROACTIVE DATE.
- 5 liquidated damages, penalties, fines, aggravated damages, restitutionary, punitive, vindictive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non- compensatory damages.
- 6 liability arising from the intentional disregard of or knowing wilful or deliberate non- compliance with any statute, regulation, administrative complaint, notice of violation, notice letter, instruction of any REGULATORY AUTHORITY or executive judicial or administrative order by YOU or by a RESPONSIBLE OFFICIAL.
- 7 claims which are the subject of indemnity under the Public Liability or Property Owners' Liability cover of the Liability Insurance, or would be but for the limit of indemnity applicable thereto.
- 8 liability arising from a POLLUTION CONDITION where the relevant discharge, dispersal, release, escape, migration and/or seepage emanates from any tank or associated piping and appurtenance, where:
  - a) such tank has more than 10% of its volume below ground; and

- b) YOU knew about the presence of such tank prior to the RETROACTIVE DATE.
- 9 liability arising:
- a) from professional advice or professional services given by YOU for a fee;
  - b) from the design, plan, formula or specification of PRODUCTS or work for a fee; and/or
  - c) out of medical or veterinary treatment (other than first aid) or the dispensing of medicines or drugs.
- 10 liability arising from FLY TIPPING.
- 11 liability arising out of or in any way related to PRODUCTS other than:
- 1 PRODUCTS remaining in YOUR custody or control; or
  - 2 any food or drink sold or supplied to visitors for consumption on YOUR premises.
- 12 claims if the Public Liability or Property Owners' Liability cover under the Liability Insurance is subject to a Pollution Exclusion Endorsement.
- 13 claims made against YOU in any country outside the European Union, the Channel Islands or the Isle of Man in which YOU occupy premises or are represented by any resident EMPLOYEE or holder of YOUR power of attorney.
- 14 liability arising from the ownership, possession or use of any mechanically propelled vehicle or plant (including attached trailers) by YOU or on YOUR behalf:
- a) for which road traffic legislation requires compulsory insurance or security; and/or
  - b) where indemnity is provided by another insurance policy.
- Where there is no indemnity provided by another policy this exclusion will not apply to:
- a) loading and unloading; or
  - b) liability arising solely from the use as a tool of trade.
- 15 liability arising from the ownership, possession or use by YOU or on YOUR behalf of:
- a) any vessel or craft designed to travel through air or space;
  - b) hovercraft or watercraft or any other vessel or craft designed to float on or in, or travel through water other than hand- propelled watercraft; and/or
  - c) any railway, siding or rolling stock.
- 16 liability which arises solely due to a contract or agreement other than:
- a) liability imposed by a tenancy agreement following the Model Clauses of the Agricultural Holdings Act 1986;
  - b) liability arising from any condition or warranty of goods implied by law; or
  - c) liability assumed under the terms of any contract for:
    - i. the construction, alteration, repair or renovation of PROPERTY or the installation of anything in such PROPERTY; or
    - ii. INJURY or DAMAGE to PROPERTY other than THE WORKS arising in connection with any contract described in i. above.
- 17 any EXCESS shown on YOUR schedule.
- 18 liability arising in connection with work on or at any:
- a) power station or nuclear installation;
  - b) i. offshore oil/ gas installation; and/or
  - ii. supply, support or accommodation vessel or structure relating to such an installation; or while travelling to or from them by sea or air;
  - c) chemical works;
  - d) aircraft, airport, airfield, airstrip, satellites, spacecraft, launch site, ship, dock, pier or wharf;
  - e) tower, steeple, chimney shaft, blast furnace, dam, canal, viaduct, bridge or tunnel;
  - f) underground mine or colliery; and/or
  - g) railways and associated equipment, or rolling stock.

## **Special Conditions**

### **Claims Requirement**

YOU will not incur any REMEDIATION COSTS without OUR written consent, except in the event of an imminent and substantial threat to human health or the environment.

**Inspection and Audit**

WE will have the right but not the duty to inspect the INSURED PREMISES or COVERED OPERATION and to take samples therefrom. Such right and any resultant findings will not imply that such INSURED PREMISES or COVERED OPERATION are safe or in compliance with any law.

# Commercial Legal Expenses

## Definitions

### ACAS

Advisory Conciliation and Arbitration Service.

### ACCOUNTANT'S COSTS

A reasonable amount in respect of all costs reasonably incurred by the REPRESENTATIVE.

### ASPECT ENQUIRY

An examination by HM Revenue & Customs which considers one or more specific aspects of YOUR self assessment and/or corporation tax return.

### ATTENDANCE EXPENSES

The INSURED PERSON'S salary or wages for the time that the INSURED PERSON is off work to attend any court, arbitration or tribunal hearing, at the request of the REPRESENTATIVE or while attending jury service. WE will pay for each half or whole day that the court, tribunal or the INSURED PERSON'S employer will not pay for.

The amount WE will pay is based on the following:

- 1 the time the INSURED PERSON is off work including the time it takes to travel to and from the hearing. This will be calculated to the nearest half day assuming that a whole day is eight hours;
- 2 if the INSURED PERSON works full time, the salary or wages for each whole day equals 1/250th of the INSURED PERSON'S yearly salary or wages; or
- 3 if the INSURED PERSON works part- time, the salary or wages will be a proportion of the INSURED PERSON'S weekly salary or wages.

### COSTS AND EXPENSES

LEGAL COSTS, ACCOUNTANT'S COSTS and ATTENDANCE EXPENSES.

### DAS

DAS Legal Expenses Insurance Company Limited which administers the independent claims handling service on OUR behalf.

DAS Legal Expenses Insurance Company Limited is authorised and regulated by the Financial Services Authority.

### DATE OF OCCURRENCE

- 1 For civil cases (other than under Contract Disputes and Tax Protection), the date of occurrence is when the cause of action first accrued.
- 2 For criminal cases, the date of occurrence is when the INSURED PERSON commenced or is alleged to have commenced to violate the criminal law in question.
- 3 For Contract Disputes, the date of occurrence is when the INSURED PERSON could reasonably be expected to become aware of the breach of contract.
- 4 For FULL ENQUIRIES and ASPECT ENQUIRIES, the date of occurrence is when HM Revenue & Customs first notifies in writing the intention to make enquiries.
- 5 For Employers' Compliance and Value Added Tax disputes, the date of occurrence is when the HM Revenue & Customs sends YOU an assessment or written decision.

### FULL ENQUIRY

An extensive examination by HM Revenue & Customs which considers all aspects of YOUR direct tax affairs, excluding those enquiries which are limited to one or more specific aspects of YOUR self assessment and/or corporation tax return.

### GEOGRAPHICAL LIMITS

- 1 For Legal Defence cover (excluding 4) and Bodily Injury cover:  
The European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Croatia, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey.
- 2 For all other covers:  
The United Kingdom of Great Britain, Northern Ireland, the Isle of Man, and the Channel Islands.

## INSURED PERSON

YOU and YOUR directors and employees.

## LEGAL COSTS

- 1 All reasonable and necessary costs chargeable by the REPRESENTATIVE on a standard basis; and
- 2 the costs incurred by opponents in civil cases if an INSURED PERSON has been ordered to pay them or pays them with the agreement of DAS.

## REPRESENTATIVE

The lawyer, accountant or other suitably qualified person, who has been appointed to act for the INSURED PERSON in accordance with the terms of this section of the policy.

## The Cover

WE will provide indemnity for the covers detailed below provided that:

- 1 the DATE OF OCCURRENCE happens during the PERIOD OF INSURANCE and occurs within the GEOGRAPHICAL LIMITS in connection with the BUSINESS;
- 2 any legal proceedings will be dealt with by a court, or other body which DAS agree to, in the GEOGRAPHICAL LIMITS; and
- 3 in civil claims it is always more likely than not that an INSURED PERSON will recover damages (or obtain any other legal remedy which DAS have agreed to) or make a successful defence.

WE will pay:

- 1 the COSTS AND EXPENSES incurred by a REPRESENTATIVE; and/or
- 2 Compensation Awards that DAS have agreed to.

DAS will help in appealing or defending an appeal as long as the INSURED PERSON tells DAS within the time limits allowed that they want DAS to appeal. Before WE pay any COSTS AND EXPENSES for appeals, DAS must agree that it is always more likely than not that the appeal will be successful.

The most WE will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is the amount shown on YOUR schedule.

Any endorsements will be subject to the limits, conditions and exclusions detailed in this section and to the general definitions, conditions, exclusions and claims conditions of this policy unless otherwise stated.

## Covers

### Employment Disputes and Compensation Awards

#### Employment Disputes

DAS will defend YOUR legal rights:

- 1 prior to the issue of legal proceedings in a court or tribunal following the dismissal of an employee;
- 2 in the resolution of unfair dismissal disputes under the ACAS Arbitration Scheme; or
- 3 in legal proceedings in respect of any dispute with:
  - a) an employee or ex- employee or a trade union acting on behalf of an employee or ex- employee which arises out of, or relates to a contract of employment with YOU; or
  - b) an employee, prospective employee or ex- employee arising from an alleged breach of their statutory rights under employment legislation.

WE will not pay for:

- 1 any claim in respect of damages for personal injury or loss of or damage to PROPERTY; and/or
- 2 any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Transfer of Employment (Pension Protection) Regulations 2005.

#### Compensation Awards

WE will pay:

- 1 any basic and compensatory award; and/or
- 2 an order for compensation following a breach of YOUR statutory duties under employment

legislation;  
in respect of a claim DAS have accepted under Employment Disputes.

Provided that:

- 1 in cases relating to performance and/or conduct, YOU have throughout the employment dispute either:
  - a) followed the ACAS Code of Disciplinary and Grievance Procedures;
  - b) followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
  - c) sought and followed advice from DAS' legal advice service;
- 2 for an order of compensation following YOUR breach of statutory duty under employment legislation YOU have at all times sought and followed advice from DAS' legal advice service since the date when YOU should have known about the employment dispute;
- 3 for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, YOU have sought and followed advice from DAS' Claims Department prior to serving notice of redundancy;
- 4 the compensation is awarded by a tribunal or through the ACAS Arbitration Scheme under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by DAS; and
- 5 the total of the compensation awards payable by US will not exceed £1,000,000 in any one PERIOD OF INSURANCE.

For provisos 1c), 2 and 3 above YOU can telephone DAS on **0845 070 0173**

WE will not pay for:

- 1 any compensation award relating to the following:
  - a) trade union activities, trade union membership or non- membership;
  - b) pregnancy or maternity rights;
  - c) health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
  - d) statutory rights in relation to trustees of occupational pension schemes; and/or
  - e) statutory rights in relation to Sunday shop and betting work;
- 2 non- payment of money due under the relevant contract of employment or statutory provision relating thereto;
- 3 any award ordered because YOU have failed to provide relevant records to employees under the National Minimum Wage laws; and/or
- 4 any compensation award or increase in compensation award ordered by a court or tribunal for failing to comply with a recommendation or order it has made, including non- compliance with a reinstatement or re- engagement order.

### **Service Occupancy**

DAS will negotiate for YOUR legal rights against an employee or ex- employee to recover possession of premises owned by, or for which YOU are responsible.

WE will not pay for any claim relating to defending YOUR legal rights other than defending a counter- claim.

### **Legal Defence**

At YOUR request:

- 1 DAS will defend the INSURED PERSON'S legal rights:
  - a) prior to the issue of legal proceedings when dealing with the:
    - i. Police; and/or
    - ii. Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer; where it is alleged that the INSURED PERSON has or may have committed a criminal offence;
  - b) following an event which leads to the INSURED PERSON being prosecuted in a court of criminal jurisdiction; or
  - c) if civil action is taken against the INSURED PERSON for compensation under section 13 of the Data Protection Act 1998. WE will also pay any compensation award made against the INSURED PERSON under section 13 of the Data Protection Act 1998;
- 2 DAS will defend YOUR legal rights following civil action taken against YOU for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the PERIOD OF INSURANCE;
- 3 DAS will defend the legal rights of YOUR directors, partners, managers and employees if:

- a) an event arising from their work as an employee leads to civil action being taken against them under legislation for unlawful discrimination on the grounds of sex, sexual orientation, race, disability, age, religious belief or political opinion; or
  - b) civil action is taken against them as a trustee of a pension fund set up for the benefit of YOUR employees;
- 4 DAS will represent the INSURED PERSON in appealing against the imposition or terms of any Statutory Notice issued under legislation affecting YOUR BUSINESS;
  - 5 DAS will represent YOU in appealing against the refusal of the Information Commissioner to register YOUR application for registration; and/or
  - 6 WE will pay the ATTENDANCE EXPENSES of an INSURED PERSON for jury service.

Provided that:

- 1 in so far as proceedings under the Health and Safety at Work etc Act 1974 are concerned, the GEOGRAPHICAL LIMITS will be any place where the Act applies; and
- 2 prior to the DATE OF OCCURRENCE, YOU have registered with the Information Commissioner in respect of cover 1c).

WE will not pay for:

- 1 any claim which leads to the INSURED PERSON being prosecuted for infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle; and/or
- 2 any claim under 3a) which leads to civil action being taken against YOU.

## **Contract Disputes**

DAS will negotiate for YOUR legal rights in a contractual dispute arising from that agreement or that alleged agreement which has been entered into by YOU or on YOUR behalf for the purchase, hire, sale or provision of goods or services.

Provided that:

- 1 the amount in dispute exceeds £250;
- 2 if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £250; and
- 3 if the dispute relates to money owed to YOU, a claim under the section is made within 90 days of the money becoming due and payable.

WE will not pay for:

- 1 any EXCESS shown on YOUR schedule;
- 2 any claim relating to:
  - a) the settlement payable under an insurance policy;
  - b) a lease, license or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or tenancy agreement;
  - c) a loan, mortgage, pension, investment or borrowing; and/or
  - d) a motor vehicle owned by, or hired or leased to YOU other than agreements relating to the sale of motor vehicles where YOU are engaged in the business of selling motor vehicles;
- 3 a dispute with an employee or ex- employee which arises out of, or relates to, a contract of employment with YOU;
- 4 a dispute arising from or relating to the renewal of a lease or tenancy agreement, or a rent review;
- 5 a dispute which arises out of the:
  - a) sale or provision of computer hardware, software, systems or services; or
  - b) purchase or hire of computer hardware, software, systems or services; tailored by a supplier to YOUR own specification;
- 6 a dispute arising from a breach or alleged breach of professional duty by an INSURED PERSON; and/or
- 7 the recovery of money and interest due from another party other than disputes where the other party intimates that a defence exists.

## **Property Protection and Bodily Injury**

### **Property Protection**

DAS will negotiate for YOUR legal rights in any civil action relating to PROPERTY which is owned by YOU, or is YOUR responsibility, following:

- 1 any event which causes physical damage to such PROPERTY; or
- 2 any nuisance or trespass.

WE will not pay for any claim relating to:

- 1 a contract entered into by YOU;
- 2 goods in transit or goods lent or hired out;
- 3 goods at premises other than those occupied by YOU unless the goods are at such premises for the purpose of installations or use in work to be carried out by YOU;
- 4 mining subsidence;
- 5 defending YOUR legal rights other than in defending a counter-claim; and/or
- 6 a motor vehicle owned or used by, or hired or leased to an INSURED PERSON other than damage to motor vehicles where YOU are engaged in the business of selling motor vehicles.

### **Bodily Injury**

At YOUR request, DAS will negotiate for an INSURED PERSON'S and their family members' legal rights following an event which causes the death of or bodily injury to them.

WE will not pay for any claim relating to:

- 1 any bodily injury which develops gradually or is not caused by a specific or sudden accident;
- 2 defending an INSURED PERSON'S or their family members' legal rights other than in defending a counter-claim; and/or
- 3 a motor vehicle owned or used by, or hired or leased to an INSURED PERSON or their family members.

### **Tax Protection**

#### **Full or Aspect Enquiries**

DAS will negotiate on YOUR behalf in respect of a FULL ENQUIRY and/or ASPECT ENQUIRY and represent YOU in any subsequent appeal proceedings.

The most WE will pay for ASPECT ENQUIRIES is £5,000.

#### **Employers' Compliance**

DAS will negotiate on YOUR behalf and represent YOU in any appeal proceedings in respect of a dispute concerning YOUR compliance with Pay As You Earn or Social Security Regulations following a review by HM Revenue & Customs or the Department of Social Security Contributions Agency.

#### **VAT Disputes**

DAS will negotiate on YOUR behalf and represent YOU in any appeal proceedings following an assessment issued by HM Revenue & Customs in respect of Value Added Tax due.

Provided that in respect of any Tax Protection cover, YOU have taken reasonable care to ensure that all returns are complete and correct and that such returns are submitted within the statutory time limits allowed.

WE will not pay for:

- 1 any EXCESS shown on YOUR schedule;
- 2 any claim arising from a tax avoidance scheme;
- 3 any claim caused by YOUR failure to register for Value Added Tax;
- 4 any claim arising from any investigation or enquiries undertaken by HM Revenue & Customs Special Investigation Section or Special Civil Investigations or the Revenue & Customs Prosecutions Office; and/or
- 5 any claim arising from any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

### **Exclusions**

WE will not pay:

- 1 for any claim where the INSURED PERSON has failed to notify DAS of the claim within a reasonable time of the DATE OF OCCURRENCE and where this failure adversely affects the prospect of successfully recovering damages, of making a successful defence or getting any other legal remedy that DAS have agreed to.
- 2 for an incident or matter arising before the start of this section.

- 3 for COSTS AND EXPENSES incurred before DAS' written acceptance of a claim unless DAS subsequently agree. Where WE have agreed to pay such COSTS AND EXPENSES, WE will only pay those costs which have been reasonably incurred by the lawyer, accountant or other suitably qualified person YOU have appointed. Under the terms of this section, COSTS AND EXPENSES will be paid on the basis of DAS' standard REPRESENTATIVE agreements.
- 4 for fines, penalties, compensation or exemplary damages which the INSURED PERSON is ordered to pay by a court or other authority other than compensation awards as covered under Compensation Awards and Legal Defence.
- 5 for any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- 6 for any claim relating to franchise agreements or agency rights where YOU have the legal capacity to alter the legal relations of another.
- 7 for any claim deliberately or intentionally caused by an INSURED PERSON.
- 8 for a dispute with US or DAS, not otherwise dealt with under Special Condition 7.
- 9 for any claim relating to a shareholding or partnership share in YOU unless such shareholding was acquired under a scheme open to all YOUR employees or a substantial number of them of a certain minimum grade other than YOUR directors or partners.
- 10 for judicial review.
- 11 for any claim where the INSURED PERSON brings legal action resulting from one or more events arising at the same time or from the same cause which could result in the court making a Group Litigation Order.
- 12 for any legal action the INSURED PERSON takes which DAS or the REPRESENTATIVE have not agreed to or where the INSURED PERSON does anything that hinders DAS or the REPRESENTATIVE.
- 13 when either at the commencement of or during the course of a claim, YOU are bankrupt or have filed a bankruptcy petition or winding- up petition, or have made an arrangement with YOUR creditors, or have entered into a deed of arrangement or are in liquidation or part or all of YOUR affairs or PROPERTY are in the care or control of a receiver or administrator.

## Special Conditions

- 1 An INSURED PERSON is required to:
  - a) keep to the terms and conditions of this section;
  - b) notify US immediately of any alteration which may materially affect OUR assessment of the risk;
  - c) take reasonable steps to keep any amount WE have to pay as low as possible;
  - d) try to prevent anything happening that may cause a claim;
  - e) send everything DAS ask for, in writing; and
  - f) give DAS full details of any claim as soon as possible and give DAS any information DAS need.
- 2
  - a) DAS can take over and conduct in the name of an INSURED PERSON any claim, proceeding or investigation. DAS can negotiate any claim on behalf of an INSURED PERSON;
  - b) A REPRESENTATIVE will be appointed by DAS and DAS will have direct contact with the REPRESENTATIVE. However, the INSURED PERSON will be free to choose an alternative REPRESENTATIVE by sending DAS the suitably qualified person's name and address;
  - c) The REPRESENTATIVE is required to co- operate fully with DAS at all times and will represent the INSURED PERSON according to DAS' standard terms of appointment (which may include a 'no win, no fee' agreement);
  - d) An INSURED PERSON is required to co- operate fully with DAS and the REPRESENTATIVE and is required to keep DAS up- to- date with the progress of the claim; and
  - e) An INSURED PERSON is required to give the REPRESENTATIVE any instructions that DAS require.
- 3
  - a) An INSURED PERSON is required to tell DAS if anyone offers to settle a claim and must not agree to any settlement without the written consent of DAS;
  - b) If an INSURED PERSON does not accept a reasonable offer to settle a claim, WE may be instructed by DAS to refuse to pay further COSTS AND EXPENSES; and

- c) WE may decide to pay the INSURED PERSON the amount of damages that the INSURED PERSON is claiming or is being claimed against them instead of starting or continuing legal proceedings.
- 4 a) If DAS ask, an INSURED PERSON is required to tell the REPRESENTATIVE to have COSTS AND EXPENSES taxed, assessed or audited; and
  - b) An INSURED PERSON is required to take every step to recover COSTS AND EXPENSES that WE have to pay and is required to pay US any COSTS AND EXPENSES that are recovered.
- 5 If a REPRESENTATIVE refuses to continue acting for an INSURED PERSON with good reason or if an INSURED PERSON dismisses a REPRESENTATIVE without good reason, the cover WE provide will end at once, unless DAS agree to appoint another REPRESENTATIVE.
- 6 If an INSURED PERSON settles a claim or withdraws their claim without the agreement of DAS, or does not give suitable instructions to a REPRESENTATIVE, the cover WE provide will end at once and WE will be entitled to re- claim any COSTS AND EXPENSES paid by US.
- 7 If there is a disagreement about the way DAS handle a claim and that disagreement is not resolved through DAS' internal complaints procedure, DAS and the INSURED PERSON can choose a suitably qualified person to arbitrate. DAS and the INSURED PERSON must both agree to the choice of this person in writing. If no such agreement is reached, DAS will ask the president of a national association relevant to the arbitration to choose a suitably qualified person. All costs of resolving the matter will be paid by the party whose argument is rejected. If the decision is not clearly made against either party, the arbitrator will decide how the costs are shared.
- 8 DAS may at their discretion require YOU to obtain an opinion from counsel at YOUR expense as to the merits of a claim or proceedings. If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings, the cost of obtaining the opinion will be paid by US.
- 9 This section will be governed by English law.
- 10 All Acts of Parliament within this section of the policy wording will include equivalent legislation in Scotland, Northern Ireland, the Isle of Man or the Channel Islands as the case may be and any subsequent amendment or replacement legislation.

## Helpline Services

DAS provide these services 24 hours a day, seven days a week during the PERIOD OF INSURANCE. To help DAS check and improve service standards, all calls are recorded except those to the Counselling Service.

### **Eurolaw Commercial Legal Advice**

DAS will give YOU confidential legal advice over the phone on any commercial legal problem affecting YOUR BUSINESS, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway.

### **Tax Advice**

DAS will give YOU and YOUR directors and partners confidential advice over the phone on any tax matters affecting YOUR BUSINESS, under the laws of the United Kingdom.

### **Business Assistance**

In the event of an unforeseen emergency affecting YOUR BUSINESS premises which causes damage or potential danger, DAS will contact a suitable repairer or contractor and arrange assistance on YOUR behalf. All costs of assistance provided are YOUR responsibility.

To contact the above services, phone DAS on **0845 070 0173** and state that YOU are an NFU Mutual policyholder.

### **Counselling**

DAS will provide all YOUR employees (including any members of their immediate family who permanently live with them) with a confidential counselling service over the phone including, where appropriate, onward referral to relevant voluntary and/or professional services.

To contact the counselling helpline, phone DAS on **0117 934 2121**. These calls are not recorded.

DAS will not accept responsibility if the Helpline Services fail for reasons they cannot control.

## **The Employment Manual**

The DAS Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit the DAS website at [www.das.co.uk](http://www.das.co.uk). From the Home Page click on the Employment Manual icon. All the sections of this web- based document can be printed off for YOUR own use.

## **Complaints**

DAS will always try to give YOU a quality service. If YOU think DAS have let YOU down, please write to DAS' Customer Relations Department at DAS' Head Office address shown below. Alternatively, YOU can phone DAS on **0117 934 0066** or email DAS at: [customerrelations@das.co.uk](mailto:customerrelations@das.co.uk)

Details of DAS' internal complaint- handling procedures are available on request.

DAS' Head and Registered Office is:  
DAS Legal Expenses Insurance Company Limited,  
DAS House, Quay Side, Temple Back, Bristol BS1 6NH.  
Registered in England and Wales, number 103274.  
Website: [www.das.co.uk](http://www.das.co.uk)

# Group Personal Accident

## Definitions

### INSURED PERSON

A person or individual member of a group shown on YOUR schedule.

### LOSS OF LIMBS, SIGHT, SPEECH OR HEARING

Total and permanent loss:

- 1 or loss of use of one or more, hands or feet;
- 2 of sight in one or both eyes;
- 3 of speech; or
- 4 of hearing in both ears.

### PARTIAL DISABILITY

A disability which prevents an INSURED PERSON from performing most of their occupation described on YOUR schedule.

### TOTAL DISABILITY

A disability which totally prevents an INSURED PERSON from performing all of their occupation described on YOUR schedule.

If the INSURED PERSON is not in paid work it will mean a disability which totally prevents them from performing paid work of any kind.

## The Cover

WE will pay the benefit shown on YOUR schedule if, during the PERIOD OF INSURANCE, an INSURED PERSON suffers:

- 1 an ACCIDENT which, within 104 weeks of its occurrence, is the direct cause of:
  - a) death;
  - b) LOSS OF LIMBS, SIGHT, SPEECH OR HEARING;
  - c) permanent TOTAL DISABILITY;
  - d) temporary TOTAL DISABILITY;
  - e) temporary PARTIAL DISABILITY; or
- 2 an ILLNESS which, within 104 weeks of diagnosis by a doctor, is the sole and direct cause of temporary TOTAL DISABILITY.

## Cover Extensions

These cover extensions will apply where the loss arises during the PERIOD OF INSURANCE but only where there is no other more specific insurance in force under this or any other policy.

All cover extensions and endorsements will be subject to the limits, conditions and exclusions of this section and to the general definitions, conditions, exclusions and claims conditions of the policy unless otherwise stated.

### Convalescence and Recuperation

If WE pay benefit for temporary TOTAL DISABILITY caused by ILLNESS, WE will also pay 40% of the benefit for any continuing PARTIAL DISABILITY arising from the same ILLNESS.

WE will pay for a maximum of eight weeks provided that, in total, the maximum period for which WE will pay benefit for any one claim does not exceed the payment period shown on YOUR schedule.

**Disappearance**

WE will pay the death benefit if an INSURED PERSON has been missing for 90 days and WE have reason to believe that they have died due to an ACCIDENT. If the INSURED PERSON is found to be alive after WE have paid the benefit it must be refunded to US.

**Hospital Benefit**

WE will pay £25 for each 24 hour period of treatment an INSURED PERSON receives as an in- patient in a hospital or nursing home as a result of an ACCIDENT or ILLNESS insured by this section.

The most WE will pay for any one loss for each INSURED PERSON is £1,000.

**Medical Treatment**

WE may, at OUR option, pay for medical treatment to help an INSURED PERSON recover from an ACCIDENT or ILLNESS insured by this section.

**Private Tuition**

WE will pay the cost of private tuition if an INSURED PERSON is under 18 years of age and has been unable to attend their usual place of education as a result of an ACCIDENT insured by this section,

WE will not pay for costs:

- 1 incurred during the first seven days following the ACCIDENT; or
- 2 recoverable from an education establishment.

The most WE will pay for any one loss is £1,500.

**Professional Counselling**

WE will, at OUR option, pay for professional counselling to help an INSURED PERSON recover from emotional stress resulting from an ACCIDENT or ILLNESS insured by this section.

The most WE will pay for any one loss is £1,000, but not more than £5,000 for all counselling arising from one incident.

**Exclusions**

WE will not pay for:

- 1 ACCIDENT or ILLNESS consequent upon or contributed to by any pre- existing physical or mental defect or infirmity.
- 2 ACCIDENT or ILLNESS which appears before the start of this section or any subsequent renewal.
- 3 ILLNESS which appears within 21 days of the start of this section unless the INSURED PERSON can prove they had previous continuous insurance for ILLNESS.
- 4 ACCIDENT to or ILLNESS of an INSURED PERSON under 16 or over 65 years of age unless individually named on YOUR schedule.
- 5 ACCIDENT or ILLNESS resulting from:
  - a) pregnancy or childbirth;
  - b) suicide or deliberate self- injury;
  - c) alcohol or drugs;
  - d) failure to obtain or follow proper medical advice;
  - e) any HIV related condition;
  - f) an INSURED PERSON putting themselves in danger, other than in an attempt to save human life;
  - g) flying or other aerial activities, other than as a fare- paying passenger in a hot air balloon or power- driven aircraft;
  - h) winter sports, other than sledging, curling or skating;
  - i) hunting on horseback;
  - j) racing, other than swimming, running or yachting;
  - k) mountaineering or rock climbing where ropes or guides are used, or are recommended to be used;
  - l) pot- holing or caving;
  - m) any bungee sport;

- n) professional sport;
  - o) motor cycling as a driver or passenger, unless it is for agricultural purposes on YOUR own land;
  - p) yachting or boating, other than on inland waters or within three miles of the mainland;
  - q) diving using underwater breathing apparatus; and/or
  - r) unarmed combat, boxing or martial arts;
- unless shown on YOUR schedule as insured.

## **Special Condition**

### **Medical Evidence**

- 1 WE will pay for:
  - a) an INSURED PERSON to have a medical examination; or
  - b) a post mortem to be completed;
 if required by US.
- 2 YOU or YOUR personal legal representative will supply to US and pay for any:
  - a) certificate;
  - b) information; and/or
  - c) evidence;
 in the format WE require.

## **Settling Claims**

The most WE will pay for each benefit is the amount shown on YOUR schedule.

The maximum period for which WE will pay a benefit:

- 1 for temporary TOTAL DISABILITY or PARTIAL DISABILITY or a combination of them, following an ACCIDENT; or
  - 2 for any one ILLNESS;
- is the payment period shown on YOUR schedule.

WE will not pay any benefit for the deferment period shown on YOUR schedule.

WE will only pay under one of the benefits for death, LOSS OF LIMBS, SIGHT, SPEECH OR HEARING or permanent TOTAL DISABILITY for any one claim and such payment will end cover for that INSURED PERSON.

If WE pay benefit for death, LOSS OF LIMBS, SIGHT, SPEECH OR HEARING or permanent TOTAL DISABILITY, WE will cease to pay temporary TOTAL DISABILITY or PARTIAL DISABILITY benefits for the same ACCIDENT.

WE will settle claims for temporary TOTAL DISABILITY or PARTIAL DISABILITY or ILLNESS by making payment every four weeks. Unless WE agree otherwise, YOU will receive YOUR first benefit payment four weeks after WE accept YOUR claim.

If the benefits payable under this section are based upon wages WE will use a suitable index to increase the declared waggeroll each year.

# Charitable Assignment Condition

This condition forms part of the terms on which YOUR policy is issued. Words printed in capitals in this condition are explained in paragraph 4 below.

- 1 Unless paragraph 3 applies, YOU agree with US and the CHARITY that YOU will transfer to the CHARITY the right to any WINDFALL which YOU would otherwise be entitled to receive in respect of the policy and any renewal or reissue of it.
- 2 To ensure that the agreement YOU have entered into in paragraph 1 can be effectively carried out:
  - (a) YOU authorise US to transfer any WINDFALL direct to the CHARITY;
  - (b) YOU agree to sign any documents and to do anything else which may be needed to transfer any WINDFALL, and YOUR right to receive the WINDFALL, to the CHARITY;
  - (c) YOU appoint US and any of OUR officers and (as a separate appointment) the CHARITY and any of its officers to be YOUR agent to take any of the steps mentioned in (b) above on YOUR behalf;
  - (d) YOU authorise US to provide the CHARITY with any information it reasonably requires about YOU and any policy YOU hold with US, and YOU consent to US and the CHARITY holding and processing such information for this purpose;
  - (e) YOU cannot revoke the authority contained in (a) or (d) above, or the appointment contained in (c) above.
- 3 Paragraph 1 shall not apply in respect of any WINDFALL which arises from a BUSINESS TRANSFER to any company or other body corporate which is at the time of such transfer OUR subsidiary, in circumstances where such transfer is not in any way related to a DEMUTUALISATION or to any sale or other disposal (or proposed sale or other disposal) of such subsidiary.
- 4 In this condition:
  - (a) the "CHARITY" is the NFU Mutual Charitable Trust or, if it ceases to exist, any other charity which becomes entitled to the benefit of the agreement YOU have entered into in paragraph 1;
  - (b) "BUSINESS TRANSFER" means a transfer of part or all of OUR business to any other person, firm or company;
  - (c) "DEMUTUALISATION" means a change (or proposed change) in OUR constitution or corporate status (whether or not involving or associated with a BUSINESS TRANSFER) which has the effect that WE cease to be a MUTUAL ORGANISATION;
  - (d) "MUTUAL ORGANISATION" means a company or other body whose constitution limits membership and voting rights wholly or mainly to persons purchasing goods or services from it or otherwise trading with it;
  - (e) "WE", "US" and "OUR" refer to The National Farmers Union Mutual Insurance Society Limited and any company or other organisation which becomes entitled to all or part of its business;
  - (f) a "WINDFALL" means any benefit to which YOU become entitled as one of OUR members on or in connection with any future BUSINESS TRANSFER or DEMUTUALISATION;
  - (g) "YOU" and "YOUR" refer to the policyholder.





# Version 4.4