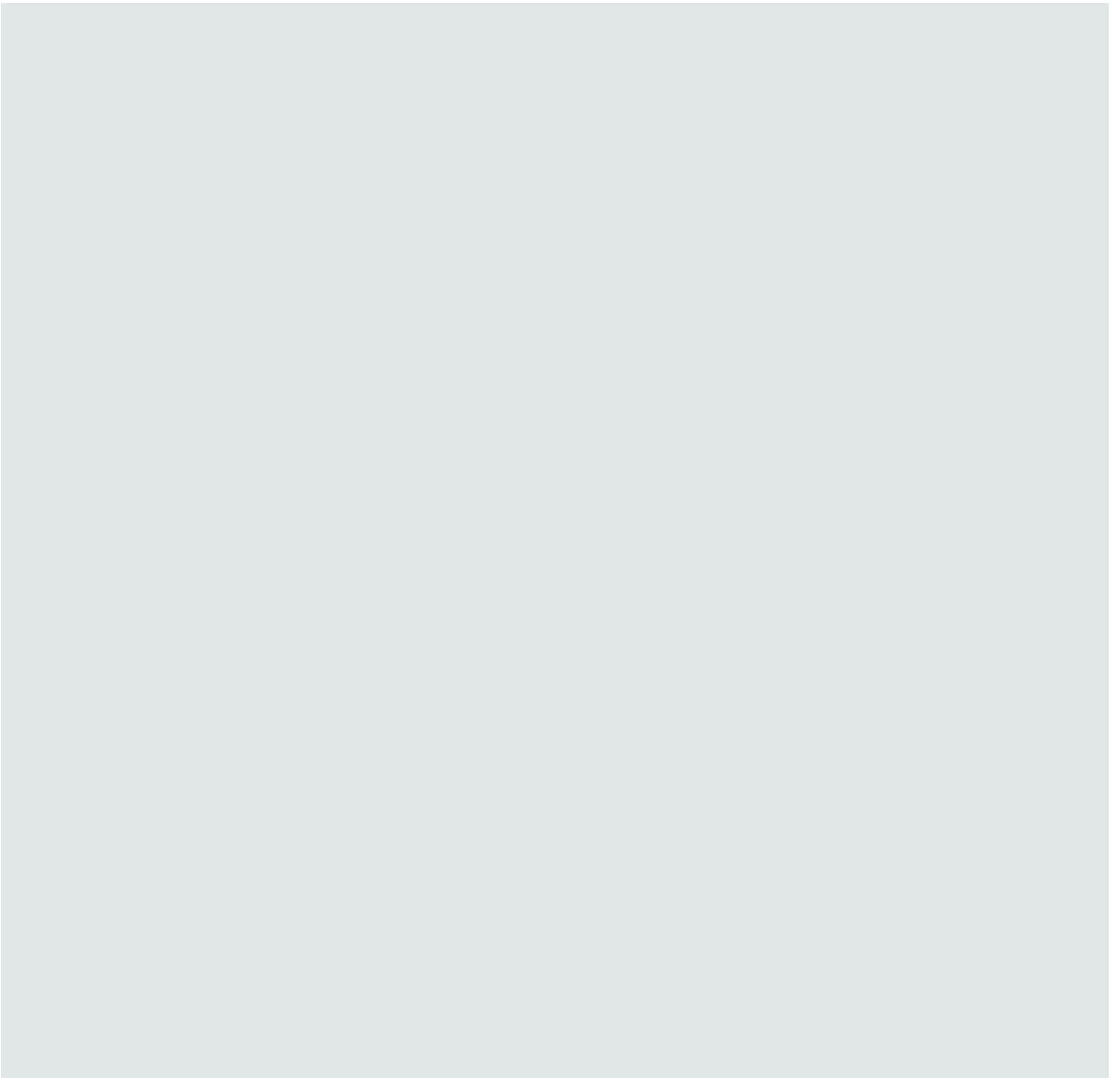


Select for Local Councils

Policy document



Contents

How we use your information	3
Your Select for Local Councils policy	6
General Definitions (not Applicable to Part K)	7
General Conditions (not Applicable to Part K)	10
General Exclusions (not Applicable to Part K)	14
Part A – Material Damage	15
Part B – Business Interruption	17
Insured Perils	20
Part C – All Risks	24
Additional Covers	25
Special Conditions	27
Exclusions to Parts A, B and C	28
Endorsements	30
Part D – Money	33
Part E – Public Liability	35
Part F – Hirers Liability	41
Part G – Employers Liability	44
Part H – Libel and Slander	47
Part I – Motor Vehicles	49
Part J – Motor Legal Expenses and Uninsured Loss Recovery	57
Part K – Inspection Contract	59
Part L – Plant Protection	70
Part M – Deterioration of Stock	76
Part N – Fidelity Guarantee	78
Part O – Personal Accident	80
Part P – Legal Expenses	84
Part Q – Impact Damage (Street Furniture)	92
Part R – Terrorism	93
Commercial Helplines	96
Our complaints procedure	97

How we use your information

Not applicable to Part K

Who controls your personal information

This notice tells you how Zurich Insurance plc ('Zurich'), as data controller, will deal with your personal information. Where Zurich introduces you to a company outside the group, that company will tell you how your personal information will be used.

You can ask for further information about our use of your personal information or complain about its use in the first instance, by contacting our Data Protection Officer at: Zurich Insurance Group, Tri-centre 1, Newbridge Square, Swindon, SN1 1HN or by emailing the Data Protection Officer at GBZ.General.Data.Protection@uk.zurich.com.

If you have any concerns regarding our processing of your personal information, or are not satisfied with our handling of any request by you in relation to your rights, you also have the right to make a complaint to the Information Commissioner's Office. Their address is: First Contact Team, Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, SK9 5AF.

What personal information we collect about you

We will collect and process the personal information that you give us by phone, e-mail, filling in forms, including on our website, and when you report a problem with our website. We also collect personal information from your appointed agent such as your trustee, broker, intermediary or financial adviser in order to provide you with the services you have requested and from other sources, such as credit reference agencies and other insurance companies, for verification purposes. We will also collect information you have volunteered to be in the public domain and other industry-wide sources.

We will only collect personal information that we require to fulfil our contractual or legal requirements unless you consent to provide additional information. The type of personal information we will collect includes; basic personal information (i.e. name, address and date of birth), occupation and financial details, health and family information, claims and convictions information and where you have requested other individuals be included in the arrangement, personal information about those individuals.

If you give us personal information on other individuals, this will be used to provide you with a quotation and/or contract of insurance and/or provision of financial services. You agree you have their permission to do so. Except where you are managing the contract on another's behalf, please ensure that the individual knows how their personal information will be used by Zurich. More information about this can be found in the 'How we use your personal information' section.

How we use your personal information

We and our selected third parties will only collect and use your personal information (i) where the processing is necessary in connection with providing you with a quotation and/or contract of insurance and/or provision

of financial services that you have requested; (ii) to meet our legal or regulatory obligations; or (iii) for our "legitimate interests". It is in our legitimate interests to collect your personal information as it provides us with the information that we need to provide our services to you more effectively including providing you with information about our products and services. We will always ensure that we keep the amount of information collected and the extent of any processing to the absolute minimum to meet this legitimate interest. Examples of the purposes for which we will collect and use your personal information are:

1. to provide you with a quotation and/or contract of insurance;
2. to identify you when you contact us;
3. to deal with administration and assess claims;
4. to make and receive payments;
5. to obtain feedback on the service we provide to you;
6. to administer our site and for internal operations including troubleshooting, data analysis, testing, research, statistical and survey purposes;
7. for fraud prevention and detection purposes.

We will contact you to obtain consent prior to processing your personal information for any other purpose, including for the purposes of targeted marketing unless we already have consent to do so.

Who we share your personal information with

Where necessary, we will share the personal information you gave us for the purposes of providing you with the goods and services you requested with the types of organisations described below:

- associated companies including reinsurers, suppliers and service providers;
- introducers and professional advisers;
- regulatory and legal bodies;
- survey and research organisations;
- credit reference agencies;
- healthcare professionals, social and welfare organisations; and
- other insurance companies

Or, in order to meet our legal or regulatory requirements, with the types of organisations described below:

- regulatory and legal bodies;
- central government or local councils;
- law enforcement bodies, including investigators;
- credit reference agencies; and
- other insurance companies

How we use your personal information for websites and email communications

When you visit one of our websites we may collect information from you such as your email address or IP address. This helps us to track unique visits and monitor patterns of customer website traffic, such as who visits and why they visit.

We use cookies and/or pixel tags on some pages of our website. A cookie is a small text file sent to your computer. A pixel tag is an invisible tag placed on certain pages of our website but not on your computer. Pixel tags usually work together with cookies to assist us to provide you with a more tailored service. This allows us to monitor and improve our email communications and website. Useful information about cookies, including how to remove them, can be found on our websites.

How we transfer your personal information to other countries

Where we transfer your personal information to countries that are outside of the UK and the European Union (EU) we will ensure that it is protected and that the transfer is lawful. We will do this by ensuring that the personal information is given adequate safeguards by using 'standard contractual clauses' which have been adopted or approved by the UK and the EU, or other solutions that are in line with the requirements of European data protection laws.

A copy of our security measures for personal information transfers can be obtained from our Data Protection Officer at: Zurich Insurance Group, Tri-centre 1, Newbridge Square, Swindon, SN1 1HN, or by emailing the Data Protection Officer at GBZ.General.Data.Protection@uk.zurich.com.

How long we keep your personal information for

We will retain and process your personal information for as long as necessary to meet the purposes for which it was originally collected. These periods of time are subject to legal, tax and regulatory requirements or to enable us to manage our business.

Your data protection rights

You have a number of rights under the data protection laws, namely:

- to access your data (by way of a subject access request);
- to have your data rectified if it is inaccurate or incomplete;
- in certain circumstances, to have your data deleted or removed;
- in certain circumstances, to restrict the processing of your data;
- a right of data portability, namely to obtain and reuse your data for your own purposes across different services;
- to object to direct marketing;

- not to be subject to automated decision making (including profiling), where it produces a legal effect or a similarly significant effect on you;
- to claim compensation for damages caused by a breach of the data protection legislation.
- if we are processing your personal information with your consent, you have the right to withdraw your consent at any time.

We will, for the purposes of providing you with a contract of insurance, processing claims, reinsurance and targeted marketing, process your personal information by means of automated decision making and profiling where we have a legitimate interest or you have consented to this.

What happens if you fail to provide your personal information to us

If you do not provide us with your personal information, we will not be able to provide you with a contract or assess future claims for the service you have requested.

Fraud prevention and detection

In order to prevent and detect fraud we may at any time:

- check your personal data against counter fraud systems
- use your information to search against various publicly available and third party resources
- use industry fraud tools including undertaking credit searches and to review your claims history
- share information about you with other organisations including but not limited to the police, the Insurance Fraud Bureau (IFB), other insurers and other interested parties.

If you provide false or inaccurate information and fraud is identified, the matter will be investigated and appropriate action taken. This may result in your case being referred to the Insurance Fraud Enforcement Department (IFED) or other police forces and fraud prevention agencies. You may face fines or criminal prosecution. In addition, Zurich may register your name on the Insurance Fraud Register, an industry-wide fraud database.

Claims history

We may pass information relating to claims or potential claims to the Claims and Underwriting Exchange Register (CUE) and the Motor Insurance Anti-Fraud and Theft Register (MIAFTR), where the data is controlled by the Motor Insurers' Bureau, and other relevant databases.

We and other insurers may search these databases when you apply for insurance, when claims or potential claims are notified to us or at time of renewal to validate your claims history or that of any other person or property likely to be involved in the policy or claim.

This helps to check information provided and prevent fraudulent claims.

Employers' Liability Tracing Office (ELTO)

We are members of the Employers' Liability Tracing Office (ELTO), an independent industry body who maintains a centralised database that helps those who have suffered injury or disease in the workplace to identify the relevant Employers' Liability insurer quickly and efficiently.

It is important, for the services of ELTO to be fully effective, that you inform us of your ERN (Employer Reference Number also known as the Employer PAYE reference) and all subsidiary company names and their ERNs if applicable.

As members of ELTO we will forward details of your policy if it contains Employers' Liability cover to ELTO together with details of any ERNs you have supplied to us.

Motor Insurance Database

Information relating to your insurance policy will be added to the Motor Insurance Database (MID) managed by the Motor Insurers' Bureau (MIB). MID and the data stored on it may be used by certain statutory or authorised bodies including the police, the DVLA, the DVANI, the Insurance Fraud Bureau and other bodies permitted by law for purposes not limited to but including:

- a) electronic licensing;
- b) continuous insurance enforcement;
- c) law enforcement (prevention, detection, apprehension and or prosecution of offenders);
- d) the provision of government services or other services aimed at reducing the level and incidence of uninsured driving.

If a vehicle of yours is involved in a road traffic accident (either in the United Kingdom, the EEA or certain other territories), insurers and/or the MIB may search the MID to obtain relevant information.

Persons (including their appointed representatives) pursuing a claim in respect of a road traffic accident (including citizens of other countries) may also obtain relevant information which is held on the MID.

It is vital that the MID holds correct registration numbers for your vehicles. If incorrect details for any of your vehicles are shown on the MID you are at risk of having the relevant vehicle seized by the police. You can check that correct registration number details for your vehicles are shown on the MID at www.askmid.com

Your Select for Local Councils policy

Applicable to the whole policy except Part K

This Policy is a contract between the **insured** (also referred to as **you, your, yours** or **yourselves**) and the **insurer** (also referred to as **we, us, our** or **ours**).

This Policy and any Schedule, Endorsement and Certificate should be read as if they are one document.

We will insure **you** under those Parts stated in the Schedule during any Period of Insurance for which **we** have accepted **your** premium. **Our** liability will in no case exceed the amount of any sum insured or limit of indemnity stated in this Policy, the Schedule or any Endorsement to this Policy.

Any reference to the singular will include the plural and vice versa.

Any reference to any statute or statutory instrument will include any amendments thereto or re-enactment thereof.

Any heading in this Policy is for ease of reference only and does not affect its interpretation.

Please read this Policy and any Schedule, Endorsement and Certificate carefully and contact **us** if they do not meet **your** needs.

Applicable to Part K

This **contract** is an agreement between the **contract holder** (also referred to as **you** or **your**) and the **contractor** (also referred to as **we, us** or **our**).

In this **contract**:

- a) any reference to the singular will include the plural and vice versa
- b) any reference to any statute or statutory instrument will include any amendments thereto or re-enactment thereof
- c) any reference to a "clause" means a clause of this agreement
- d) the words "include", "includes", "including", "included" and "in particular" will not be construed as terms of limitation; and
- e) any heading in this contract is for ease of reference only and does not affect its interpretation.

Please read this **contract** carefully and ensure that it meets **your** needs. Please notify **us** immediately if **you** have any queries about this **contract** or **you** are concerned that it does not meet **your** needs or if there are any other circumstances which may affect this **contract**.

Law applicable to this contract

In the UK the law allows both **you** and **us** to choose the law applicable to this contract. This contract will be subject to the relevant law of England and Wales, Scotland, Northern Ireland, the Isle of Man or the Channel Islands depending upon **your** address stated in the schedule. If there is any dispute as to which law applies it will be English law.

The parties agree to submit to the exclusive jurisdiction of the English courts.

This is a legal document and should be kept in a safe place.

General Definitions (not Applicable to Part K)

Wherever the words defined below appear in this Policy in bold they will have the same special meaning unless their meaning has been specifically varied in a particular Part.

AVERAGE

if at the commencement of **damage** a sum insured under any item which is declared to be subject to **average** is less than the value of the **property** covered by that item, the **insured** will be considered as being its own insurer for the difference and will bear a rateable proportion of the loss accordingly

For the avoidance of doubt solely in respect of the application of **average** to any item under this Policy clause c) iii) of General Condition 4 will not apply.

BUILDINGS

the buildings at the **premises** including:

- a) landlords's fixtures and fittings
- b) outbuildings, yards, forecourts, car parks
- c) roads and pavements, but only to the extent of the **insured's** responsibility
- d) walls, gates, fences, canopies and fixed signs
- e) foundations
- f) oil tanks, piping, ducting, cables, wires and associated control gear and accessories on the **premises** and extending to the public mains but only to the extent of the **insured's** responsibility

BUSINESS

the business specified in the Schedule including:

- a) the provision and management of catering, social, sports, first aid and welfare activities for **employees**
- b) the **insured's** fire, security and ambulance services.
- c) maintenance of the **buildings**, plant and equipment
- d) activities of **employees** and **members** approved by the **insured** in connection with outside organisations but only where the **insured** is legally entitled to:
 - (a) approve such activities; and
 - (b) indemnify such **employees** and **members** in respect of such activities

COMPUTER EQUIPMENT

computer equipment owned, leased, hired or rented by the **insured** including:

- a) personal computers, monitors, printers, file servers, minicomputers, disk drives, modems and associated and peripheral equipment
- b) mainframe systems including all inter-connected wiring, fixed disks, and associated and peripheral equipment (including associated telecommunication equipment)
- c) terminal equipment linked into mainframe systems
- d) operating systems and proprietary software packages

CONSEQUENTIAL LOSS

loss resulting from interruption of or interference with the **business** carried on by the **insured** at the **premises** in consequence of **damage** to **property** used by the **insured** at the **premises** for the purpose of the **business**

CONTENTS

the contents situated at the **buildings** including:

- a) tenants' improvements, alterations and decorations
- b) patterns, models, moulds, plans or designs but only for an amount not exceeding £1,000 for any one item or set of items

- c) i) documents, manuscripts and other business books but only for their value as stationary plus the clerical cost of reproducing them
- ii) computer systems records but only for the cost of the materials and of clerical labour and computer time expended in reproducing them and not exceeding £10,000 in total

excluding any expense in connection with the production of information to be recorded therein

- d) personal effects and tools of any **member, employee**, customer or visitor but only for an amount not exceeding £750 in respect of any one person provided that they are not otherwise insured

contents excludes:

- a) landlord's fixtures and fittings
- b) any contents more specifically insured
- c) **money**, credit cards or securities of any description

DAMAGE

material loss, destruction or damage

DATA PROCESSING SYSTEM

any computer or data processing equipment or media or microchip or integrated circuit or any similar device or any computer software or computer firmware

DEFINED PERIL

fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape or water from any tank apparatus or pipe or impact by any road vehicle or animal

EMPLOYEE

any person who is:

- a) under a contract of service or apprenticeship with the **insured**
- b) supplied to or hired or borrowed by the **insured** under the terms of a written agreement
- c) engaged under any work experience or similar scheme

whilst employed or engaged by the **insured** in connection with the **business**

EXCESS

the amount for which the **insured** is responsible and which will be deducted from any payment under this Policy as ascertained after the application of all other terms and conditions of this Policy

INSURED

as specified in the Schedule to this Policy

INSURER

In respect of:

- a) part K Zurich Management Services Limited
- b) part P and the Helpline Services DAS Legal Expenses Insurance Company Limited
- c) all other parts Zurich Insurance plc.

MEMBER

any elected or co-opted member of the **insured** or the **insured's** committees or sub-committees

MONEY

coinage, bank and currency notes, bills of exchange, luncheon vouchers, cheques, giro cheques, giro cash cheques, bankers' drafts, national giro drafts, money orders, postal orders, current postage stamps, unused franking machine units, national insurance stamps, national savings stamps, national savings certificates, holiday with pay stamps (provided the **insured** is not otherwise indemnified), credit company sales vouchers, Value Added Tax purchase invoices and trading stamps, belonging to the **insured** or for which the **insured** has accepted responsibility and held in connection with the **business**

NUCLEAR INSTALLATION

any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument being an installation designed or adapted for:

- a) the production or use of atomic energy
- b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiation
- c) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the production or use of nuclear fuel.

NUCLEAR REACTOR

Any plant including any machinery, equipment or appliance whether affixed to land or not designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

PREMISES

the premises specified in the Schedule owned and/or occupied by the **insured** for the purposes of the **business**

PROPERTY

material property

SPECIAL DEFINITION

wherever words commencing with a capital letter appear within a Part of this Policy following **special definition** they will have the same defined special meaning within that Part of this Policy

TERRITORIAL LIMITS

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

TERRORISM

- a) any act or preparation in respect of action or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group whether acting alone or on behalf of or in connection with any organisation or government de jure or de facto and which:
 - i) involves violence against one or more persons
 - ii) involves damage to property
 - iii) endangers life other than that of the person committing the action
 - iv) creates a risk to health or safety of the public or a section of the public
 - v) is designed to interfere with or to disrupt an electronic system
- b) any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation in respect of action or threat of action described in a) above.

UNOCCUPIED

vacant empty untenanted or not in use.

VOLUNTEER

any person volunteering to assist or co-opted to assist the **insured** in the **business**

General Conditions (not Applicable to Part K)

1. Policy Interpretation

Each Part of this Policy is declared to be a separate contract but will be subject to the General Conditions, General Definitions and General Exclusions.

2. Compulsory Insurance

The **insured** must repay the **insurer** any amounts which the **insurer** is required by compulsory insurance legislation to pay out under this Policy to the extent that the **insurer** would not otherwise have been liable to make such payments on account of a breach of any of the terms or conditions of this Policy.

3. Reasonable Precautions

The **insured** will comply with all regulations imposed by any competent authority and take all reasonable precautions to prevent or minimise accident, injury, loss or **damage**. In addition, the **insured** will comply with makers recommendations made in respect of plant and machinery wherever reasonably practicable.

4. Fair Presentation of the Risk

- a) At inception and renewal of this Policy and also whenever changes are made to it at the **insured's** request the **insured** must:
 - i) disclose to the **insurer** all material facts in a clear and accessible manner; and
 - ii) not misrepresent any material facts.
- b) If the **insured** does not comply with clause a) of this condition the **insurer** may:
 - i) avoid this Policy which means that the **insurer** will treat it as if it had never existed and refuse all claims where any non-disclosure or misrepresentation by the **insured** is proven by the **insurer** to be deliberate or reckless in which case the **insurer** will not return the premium paid by the **insured**; and
 - ii) recover from the **insured** any amount the **insurer** has already paid for any claims including costs or expenses the **insurer** has incurred.
- c) If the **insured** does not comply with clause a) of this condition and the non-disclosure or misrepresentation is not deliberate or reckless this Policy may be affected in one or more of the following ways depending on what the **insurer** would have done if the **insurer** had known about the facts which the **insured** failed to disclose or misrepresented:
 - i) if the **insurer** would not have provided the **insured** with any cover the **insurer** will have the option to:
 - 1) avoid the Policy which means that the **insurer** will treat it as if it had never existed and repay the premium paid; and
 - 2) recover from the **insured** any amount the **insurer** has already paid for any claims including costs or expenses the **insurer** has incurred
 - ii) if the **insurer** would have applied different terms to the cover the **insurer** will have the option to treat this Policy as if those different terms apply. The **insurer** may recover any payments made by the **insurer** on claims which have already been paid to the extent that such claims would not have been payable had such additional terms been applied
 - iii) if the **insurer** would have charged the **insured** a higher premium for providing the cover the **insurer** will charge the **insured** the additional premium which the **insured** must pay in full.
- d) Where this Policy provides cover for any person other than the **insured** and that person would if they had taken out such cover in their own name have done so for purposes wholly or mainly unconnected with their trade, business or profession the **insurer** will not invoke the remedies which might otherwise have been available to the **insurer** under this condition if the failure to make a fair presentation of the risk concerns only facts or information which relate to a particular insured person other than the **insured**.

Provided always that if the person concerned or the **insured** acting on their behalf makes a careless misrepresentation of fact the **insurer** may invoke the remedies available to the **insurer** under this condition as against that particular person as if a separate insurance contract had been issued to them leaving the remainder of the Policy unaffected.

5. Change in Circumstances

The **insured** must notify the **insurer** as soon as possible during the Period of Insurance if there is any change in circumstances or to the material facts previously disclosed by the **insured** to the **insurer** or stated as material facts by the **insurer** to the **insured** which increases the risk of accident, injury, loss, damage or liability.

Upon notification of any such change the **insurer** will be entitled to vary the premium and terms for the rest of the Period of Insurance. If the changes make the risk unacceptable to the **insurer** then the **insurer** is under no obligation to agree to make them and may no longer be able to provide the **insured** with cover.

If the **insured** does not notify the **insurer** of any such change the **insurer** may exercise one or more of the options described in clauses c) i), ii) and iii) of General Condition 4 but only with effect from the date of the change in circumstances or material facts.

This Policy will come to an end immediately if the **insured's** organisation ceases to exist or if the **insured** dies where the **insured** is an individual except that the **insured's** executors or personal administrators will be entitled to benefit from any cover until the **insured's** estate has been administered.

6. Claims Procedures

a) Action by the insured

On the happening of any event which could give rise to a claim or on receiving verbal or written notice of any claim the **insured** will:

- i) as soon as possible give notice to the **insurer**
- ii) as soon as possible notify the Police in respect of any loss or **damage** caused by theft or malicious persons
- iii) immediately forward to the **insurer** any writ or summons issued against the **insured**
- iv) at the **insured's** own expense and within:
 - 1) 7 days of **damage** caused by riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons
 - 2) 30 days of expiry of the Indemnity Period in respect of Part B
 - 3) 30 days in all other cases

supply full details of the claim in writing to the **insurer** together with any evidence and information that may be required by the **insurer** for the purpose of investigating or verifying the claim.

No settlement, admission or repudiation of liability, payment or promise of payment will be made without the written consent of the **insurer**.

b) Rights of the insurer

The **insurer** may take over in the name of and on behalf of the **insured** the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim for indemnity or damages and the **insured** will provide all information and assistance which the **insurer** may require. On the happening of **damage** to any **property** in respect of which a claim is made, the **insurer** and any person authorised by the **insurer** may, without incurring any liability or diminishing any of the **insurer's** rights under this Policy, enter, take or keep possession of the **premises** where such **damage** has occurred and take possession of or require to be delivered to the **insurer** any insured **property** and deal with such **property** in any reasonable manner. This Policy will be evidence of the **insurer's** licence so to act. No **property** may be abandoned to the **insurer** whether taken possession of by the **insurer** or not.

c) Subrogation

The **insurer** may take legal proceedings in the name of the **insured** (but at its own expense) for the purpose of exercising for its own benefit any right of recovery of the **insured** against any other party and this Condition will be evidence of the **insurer's** right so to do, whether before or after the **insured** has received an indemnity.

7. Contribution

If at the time of any occurrence giving rise to the claim there is any other insurance effected by or on behalf of the **insured** providing an indemnity the **insurer's** liability will be limited to its rateable proportion. If any other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Policy in whole or in part or from contributing proportionately the liability of the **insurer** under this Policy will be limited to any excess beyond the amount which would be payable under such other insurance had this Policy not been effected.

8. Fraudulent Claims

If the **insured** or anyone acting on the **insured's** behalf:

- a) makes a fraudulent or exaggerated claim under this Policy; or
- b) uses fraudulent means or devices including the submission of false or forged documents in support of a claim whether or not the claim is itself genuine; or
- c) makes a false statement in support of a claim whether or not the claim is itself genuine; or
- d) submits a claim under this Policy for loss or damage which the **insured** or anyone acting on the **insured's** behalf or in connivance with the **insured** deliberately caused; or
- e) realises after submitting what the **insured** reasonably believed was a genuine claim under this Policy and then fails to tell the **insurer** that the **insured** has not suffered any loss or damage; or
- f) suppresses information which the **insured** knows would otherwise enable the **insurer** to refuse to pay a claim under this Policy

the **insurer** will be entitled to refuse to pay the whole of the claim and recover any sums that the **insurer** has already paid in respect of the claim.

The **insurer** may also notify the **insured** that the **insurer** will be treating this Policy as having terminated with effect from the date of any of the acts or omissions set out in clauses a) to f) of this condition.

If the **insurer** terminates this policy under this condition the **insured** will have no cover under this Policy from the date of termination and not be entitled to any refund of premium.

If any fraud is perpetrated by or on behalf of an insured person and not on behalf of the **insured** this condition should be read as if it applies only to that insured person's claim and references to this Policy should be read as if they were references to the cover effected for that person alone and not to the Policy as a whole.

9. Reinstatement

The **insurer** at its option may indemnify the **insured** by payment, reinstatement, replacement or repair in respect of **damage** to any **property** or part thereof. If the **insurer** elects to reinstate or replace any **property** it will not be bound to reinstate or replace exactly or completely but only as circumstances permit and in reasonably sufficient manner and will not in any case be bound to expend in respect of any one of the items insured under any Part more than the sum insured specified in the Schedule.

10. Long Term Agreement

(Applicable separately to each Part of this Policy unless otherwise stated in the Schedule).

In consideration of a discount being incorporated in the premiums on Parts of this Policy the **insured** undertakes to offer annually the insurance under each such Part on the terms and conditions in force at the expiry of each Period of Insurance and to pay the premiums in advance, it being understood that:

- a) the **insurer** will be under no obligation to accept an offer made in accordance with the above mentioned undertaking
- b) the sum insured may be reduced at any time to correspond with any reduction in value or in the **business**
- c) Parts I, K and L only. Rates will be amended at each renewal date in line with the change in an index selected by the **insurer** during the period of 12 months which expires 3 months prior to the month of renewal.

The above mentioned undertaking applies to any policy (or Part) which may be issued by the **insurer** in substitution for this Policy (or Part) and the same discount will be incorporated in the premium on any substituted policy (or Part) issued by the **insurer**.

Payment of the first or renewal premium will be deemed acceptance by the **insured** of this Condition.

11. Premium Adjustment

If the premium for any Part of this Policy has been calculated on estimates furnished by the **insured**, the **insured** will within one month of the expiry of each Period of Insurance furnish to the **insurer** such particulars and information as the **insurer** may require. The premium for such period will then be adjusted and the difference paid by or allowed to the **insured** as the case may be, subject to the retention by the **insurer** of any amount described as a minimum premium.

12. Observance

The due observance and fulfilment of the terms and conditions of this Policy by the **insured** in so far as they relate to anything to be done or complied with by the **insured** will be a condition precedent to any liability of the **insurer** to make any payment under this Policy.

13. Arbitration

If the **insurer** admits liability for a claim but there is a dispute as to the amount to be paid the dispute will be referred to an arbitrator. The arbitrator will be appointed jointly by the **insured** and the **insurer** in accordance with the law at the time. The **insured** may not take any legal action against the **insurer** over the dispute before the arbitrator has reached a decision.

14. Cancellation

The **insurer** may cancel this Policy or any Part thereof by giving 30 days notice in writing by recorded delivery to the **insured** at the **insured's** last known address. The **insured** will be entitled to a pro rata return of premium calculated from the date of cancellation.

15. Sanctions

Notwithstanding any other terms of this Policy the **insurer** will be deemed not to provide cover nor will the **insurer** make any payment or provide any service or benefit to the **insured** or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of the **insured** would violate any applicable trade or economic sanctions law or regulation.

General Exclusions (not Applicable to Part K)

The **insurer** will not be liable for:

1. Radiation

death, injury or disablement, **damage** to any **property** whatsoever or any loss or expense whatsoever relating or arising therefrom or any **consequential loss** or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any **nuclear installation, nuclear reactor** or other nuclear assembly or nuclear component thereof
- c) any weapon employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes.

This Exclusion will not apply to injury to an **employee** insured under Part G except where the insured has undertaken under a contract or agreement either to indemnify another party or to assume the liability of another party in respect of such injury

2. War Risks or Government or Public Authority Order

any consequence (except so far as necessary to meet the requirements of the Road Traffic Acts) of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, nationalisation, confiscation or requisition, seizure or destruction by the government or any public authority

3. Civil Commotion and Terrorism (Not applicable to Parts J and K)

- a) in England and Wales and Scotland but not the territorial seas adjacent thereto (as defined by the Territorial Sea Act 1987) and not the Channel Islands nor the Isle of Man, **damage** or **consequential loss** by fire or explosion occasioned by or happening through or in consequence directly or indirectly of **terrorism** except to the extent stated in the Special Provision incorporated in this Policy
- b) in Northern Ireland **damage** or **consequential loss** occasioned by or happening through or in consequence directly or indirectly of:
 - i) civil commotion
 - ii) **terrorism**

In any action, suit or other proceedings where the **insurer** alleges that by reason of this Exclusion any **damage** or **consequential loss** is not covered by this Policy (or is covered only up to a specified limit of liability) the burden of proving that such **damage** or **consequential loss** is covered (or is covered beyond that limit of liability) will be upon the **insured**

4. Sonic Bangs

damage or **consequential loss** by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

Part A – Material Damage

Section 1 – Special Definitions

Damage

Damage by any of the Insured Perils specified in the Schedule

Reinstatement

a) the rebuilding or replacement of **property** lost or destroyed which may be carried out:

i) in any manner suitable to the requirements of the **insured**

ii) upon another site

provided the liability of the **insurer** is not increased

b) the repair or restoration of **property** damaged

in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

Section 2 – Cover

In the event of Damage to the **property** insured specified in the Schedule and occurring at the **premises** during the Period of Insurance the **insurer** will pay to the **insured** the value of the **property** at the time of the Damage or the amount of such Damage or at the **insurer's** option replace, reinstate or repair the **property** or any part of it provided that the liability of the **insurer** will not exceed:

a) i) in the whole the total Sum Insured

ii) in respect of any item its Sum Insured

iii) any other Limit of Liability specified in the Schedule

at the time of the Damage

b) the sum Insured (or Limit) remaining after deduction for any other Damage occurring during the same Period of Insurance, unless the **insurer** has agreed to reinstate any such Sum Insured (or Limit).

(Note: for Exclusions please see Exclusions to Parts A and B).

Rent

The insurance on rent applies only whilst any part of the Buildings is sufficiently damaged to render it unfit for occupation. The amount payable will not exceed the proportion of the Sum Insured on rent that the period necessary for reinstatement bears to the period of rent insured.

Section 3 – Additional Covers

Contracting Purchaser's Interest

If at the time of Damage to **property** the **insured** has contracted to sell its interest in any of the **buildings** and the sale has not been completed, the contracting purchaser who completes the purchase (providing the **property** is not otherwise insured by the purchaser or on the purchaser's behalf) will be entitled until completion to benefit under this Part without prejudice to the rights and liabilities of the **insured** or **insurer**.

Temporary Removal

The following are insured whilst temporarily removed to premises not in the **insured's** occupation but whilst remaining within the **territorial limits**:

- a) Deeds and other documents, manuscripts, plans and writings of every description and books (but excluding computer system records) up to an amount not exceeding £10,000 any one loss
- b) computer system records up to an amount not exceeding £2,000 any one loss
- c) **contents** up to 15% of the Sum Insured on **contents**.

This Additional Cover does not apply to:

- i) **property** insofar as it is otherwise insured
- ii) stock in trade or goods in process of manufacture
- iii) motor vehicles and motor chassis licensed for road use.

Section 4 – Special Conditions

Repairs and Alterations

Tradesmen may be employed to effect repairs or minor structural alterations in or to the **buildings** without prejudice to this insurance.

Mortgagees, Freeholders and Lessors Clause

Any increase in the risk of Damage resulting from any act or neglect of any Mortgagor, Leaseholder, Lessee or Occupier of any of the **buildings** insured by this Part will not prejudice the interest of any Mortgagee, Freeholder or Lessor provided such increase in risk is without their prior knowledge or authority and that the **insurer** is notified immediately they become aware of such increase in risk and they pay any additional premium required.

Part B – Business Interruption

Section 1 – Special Definitions

Annual Gross Revenue

the Gross Revenue during the 12 months immediately before the date of the Incident

Damage

damage by any of the Insured Perils specified in the Schedule

Gross Revenue

the money paid or payable to the **insured** for goods sold or for services rendered in the course of the **business** at the **premises**

Incident

accidental damage to **property** used by the **insured** at the **premises** for the purposes of the **business**

Indemnity Period

the period during which the results of the **business** are affected in consequence of the Incident, beginning with the Incident and lasting not longer than the Maximum Indemnity Period specified in the Schedule

Standard Gross Revenue

the Gross Revenue during that period in the 12 months immediately before the date of the Incident which corresponds with the Indemnity Period

Notes:

1. Where the Maximum Indemnity Period exceeds 12 months the amount calculated using the definition Standard Gross Revenue will be proportionately increased.
2. Provision will be made for the trend of the **business** and for variations in or other circumstances, either before or after the date of the Incident, which affect the **business** or would have affected the **business** had the Incident not occurred, and the figures for Annual Gross Revenue and Standard Gross Revenue adjusted to represent as nearly as reasonably practicable the results which would have been obtained during the relative period after the Incident if the Incident had not happened.
3. To the extent that the **insured** is accountable for Value Added Tax, all terms in this Part will be exclusive of such Tax.
4. For the purpose of the above **special definitions** any adjustment implemented in current cost accounting will be disregarded.

Section 2 – Cover

In the event of an Incident during the Period of Insurance the **insurer** will pay to the **insured**:

- a) under Item 1 in respect of **Additional Expenditure** the amount of any additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the interruption of or interference with the **business** which but for the expenditure would have taken place during the Indemnity Period in consequence of the Incident
- b) under Item 2 in respect of **Loss of Gross Revenue and Increase in Cost of Working** the amount of any **consequential loss**.

Provided that:

- i) insurance is in force at the time of the Incident covering the interest of the **insured** in the **property** at the **premises** against such Damage
- and
- ii) payment has been made or liability admitted for such Damage (or payment would have been made or liability admitted for such Damage but for a proviso excluding liability for losses below a certain amount).

The liability of the **insurer** will not exceed:

- i) in the whole the total Sum Insured or in respect of any item its Sum Insured or any other Limit of Liability specified in the Schedule at the time of the Damage

- ii) the Sum Insured (or Limit) remaining after deduction for any other interruption or interference consequent upon Damage occurring during the same Period of Insurance, unless the **insurer** has agreed to reinstate any such Sum Insured (or Limit).

(Note: For Exclusions please see Exclusion to Parts A and B)

Section 3 – Additional Cover

Automatic Reinstatement of Sum Insured

In consideration of the insurance not being reduced by the amount of any loss the **insured** will pay the appropriate extra premium on the amount of the loss from the date of the Incident to the date of expiry of the Period of Insurance.

Section 4 – Special Conditions

Basis of Claims Settlement

The amount payable as indemnity will be:

a) **in respect of Additional Expenditure:**

- i) additional costs incurred in order effectively to continue administration and maintain services including the fitting out of temporary premises, costs of removal, hiring of vehicles plant and machinery and incidental expenses relating thereto
- ii) increased costs incurred for rent, rates taxes lighting heating cleaning and insurance due to the enforced occupation of temporary premises
- iii) legal clerical and other charges incurred in the replacement or restoration of deeds plans specifications documents books of account, card indices and other office records

less any sum saved during the Indemnity Period in the **insured's** normal expenditure which may have been effected in consequence of the Incident

- b) i) in respect of Loss of Gross Revenue: the amount by which the Gross Revenue during the Indemnity Period falls short of the Standard Gross Revenue in consequence of the Incident
- ii) in respect of Increase in Cost of Working: the additional expenditure incurred solely to avoid or diminish the reduction in Gross Revenue which but for the expenditure would have taken place during the Indemnity period in consequence of the incident, provided that such additional expenditure:
 - 1) is necessarily and reasonably incurred
 - 2) does not exceed the amount of reduction in Gross Revenue thereby avoided

less any sum saved during the Indemnity Period in respect of charges and expenses of the **business** payable out of Gross Revenue which cease or are reduced in consequence of the Incident.

AVERAGE (Applicable to paragraph (b) above)

If the Sum Insured specified in the Schedule in respect of Gross Revenue is less than the Annual Gross Revenue (or a proportionately increased multiple where the Maximum Indemnity Period exceeds 12 months) the amount payable will be proportionately reduced.

For the avoidance of doubt solely in respect of the application of **average** to any item under this Policy clause c) iii) of General Condition 4 will not apply.

Professional Accountants

Any details contained in the **insured's** business books required by the **insurer** for the purpose investigating or verifying any claim may be produced by professional accountants if at the time they are regularly acting as such for the **insured** and their report will be prima facie evidence of the details to which such report relates. The **insurer** will pay to the **insured** the reasonable charges payable to its professional accountants for producing such evidence and reporting to the **insurer** and the **insured** that such details are in accordance with the **insured's** books of account provided that the total amount payable does not exceed the liability of the **insurer** as specified.

Alternative Trading

If during the Indemnity Period goods are sold or services rendered elsewhere than at the **premises** for the benefit of the **business** either by the **insured** or by others on behalf of the **insured** the money paid or payable in respect of such sales or services will be brought into account in arriving at the Gross Revenue during the Indemnity Period.

Section 5 – Special Extensions

1. Any loss as insured by this Part resulting from interruption of or interference with the **business** in consequence of Damage to **property** at the undernoted situations within the **territorial limits** will be deemed to be an Incident:
 - a) any generating station or sub-station of any public electricity supply undertaking
 - b) any land-based premises of any public gas supply undertaking or any natural gas producer linked directly to them
 - c) any water works and pumping stations of any public water supply undertaking
 - d) any land-based premises of any public telecommunications undertaking
from which the **insured** obtains electricity, gas, water or telecommunications services
 - e) in the vicinity of the **premises** which prevents or hinders the use of or access to the **premises** excluding **damage to property** of any supply undertaking which prevents or hinders the supply of services by any electricity, gas, water or telecommunications undertaking to the **premises**.
2. The insurance by this Part is extended to include loss resulting from interruption of or interference with the **business** carried on by the **insured** at the **premises** in consequence of:
 - a)
 - i) any occurrence of a Notifiable Disease (as defined below) at the **premises** or attributable to food or drink supplied from the **premises**
 - ii) any discovery of an organism at the **premises** likely to result in the occurrence of a Notifiable Disease
 - iii) any occurrence of a Notifiable Disease within a radius of 25 miles of **premises**
 - b) the discovery of vermin or pests at the **premises**
 - c) any accident causing defects in the drains or other sanitary arrangements at the **premises** which causes restrictions on the use of the **premises** on the order or advice of a competent local authority
 - d) any occurrence of murder or suicide at the **premises**.

Special Provisions

- a) Notifiable Disease will mean illness sustained by any person resulting from:
 - i) food or drink poisoning, or
 - ii) any human infectious or human contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition), an outbreak of which a competent local authority has stipulated will be notified to them.
 - b) For the purpose of this Extension:
 - i) Indemnity Period will mean the period during which the results of the **business** are affected in consequence of the occurrence discovery or accident, beginning with the date from which the restrictions on the **premises** are applied (or in the case of (d) above, with the date of the occurrence) and ending not later than the Maximum Indemnity Period thereafter. Maximum Indemnity Period will mean 3 months.
 - ii) In the event that this Part includes an extension which deems Damage at the other locations to be Damage at the **premises** such extension will not apply to this Extension.
 - c) The **insurer** will not be liable under this Extension for any costs incurred in the cleaning, repair, replacement, recall or checking of **property**.
 - d) The **insurer** will only be liable for the loss arising at those **premises** which are directly affected by the occurrence, discovery or accident, then only for any amount not exceeding £250,000 or the Sum Insured whichever is the lower.
3. The insurance by this Part extends to include loss or **damage** to data or information on **computer equipment** not accompanied by visible and identifiable **damage** to the data carrying media. Limit £5,000 any one loss.

Excluding loss or **damage** occasioned to data or information by defects in the data, information or other records or caused by a defect of design, material or workmanship in the **computer equipment** or any computer software.

Insured Perils

Applicable to Parts A and B

1. **Fire** but excluding **damage** to **property** or **consequential loss** caused by:
 - a) explosion resulting from fire
 - b) earthquake or subterranean fire
 - c) i) its own spontaneous fermentation or heating, or
ii) its undergoing any heating process or any process involving the application of heat

Lightning

Explosion:

- a) of gas used for domestic purposes only
 - b) of boilers used for domestic purposes only,
 - c) in respect of Part B – of any other boilers or economisers on the **premises** but excluding **damage** or **consequential loss** caused by earthquake or subterranean fire
2. **Explosion** excluding:
 - a) in respect of Part A – **damage**:
 - i) caused by or consisting of the bursting of a boiler, economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the **insured**
 - ii) in respect of and originating in any vessel, machinery or apparatus, or its contents, belonging to or under the control of the **insured** which requires to be examined to comply with any statutory regulations unless such vessel machinery or apparatus is the subject of a policy or other contract providing the required inspection service
 - b) in respect of Part B – **consequential loss** caused by the bursting of any vessel machine or apparatus (not being a boiler or economiser on the **premises**) in which internal pressure is due to steam only and belonging to or under the control of the **insured**
 3. **Aircraft** or other aerial devices or articles dropped from them
 4. **Riot civil commotion strikers locked-out workers** or persons taking part in labour disturbances or **malicious persons** excluding:
 - a) **damage** or **consequential loss**;
 - i) arising from confiscation, requisition or destruction by order of the government or any public authority
 - ii) arising from cessation of work
 - iii) caused (other than by fire or explosion) by malicious persons (not acting on behalf of or in connection with any political organisation) in respect of any building which has been **unoccupied** for a period of more than 30 consecutive days.
 - b) **damage** by theft directly caused by malicious persons not acting on behalf of or in connection with any political organisation
 - c) **consequential loss** arising from deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programs or software
 5. **Earthquake**
 6. **Subterranean fire**
 7. **Storm or flood** excluding **damage** or **consequential loss**:
 - a) attributable solely to change in the water table level
 - b) caused by frost, subsidence, ground heave or landslip
 - c) in respect of movable property in the open, fences and gates

8. **Escape of water or beer from any tank apparatus or pipe** excluding **damage or consequential loss**:
 - a) caused by water discharged or leaking from any automatic sprinkler installation
 - b) in respect of any building which has been **unoccupied** for a period of more than 30 consecutive days
9. **Impact** by any road vehicle or animal
10. **Breakage or collapse** of television or radio signal receiving apparatus
11. **Falling trees** or branches
12. **Leakage of oil** from any fixed oil-fired heating installation, including smoke and smudge damage arising from defective vaporisation
13. **Accidental damage** to fixed glass, associated framework and sanitaryware for which the **insured** is responsible at the **premises**.

In addition the **insurer** will pay the cost necessarily incurred, of boarding up until the broken glass is replaced

The **insurer** will not be liable for **damage**:

- a) caused by scratching
 - b) to bent, curved, moveable, laminated or special glass unless such glass has been specially noted by the **insurer**
 - c) when the **premises** are **unoccupied**
 - d) caused by repairs or alterations to the **premises**
 - e) caused by Insured Perils 1 to 12, 14 or 15 whether insured or not
14. **Subsidence or ground heave** of any part of the site on which the **property** stands or **landslip** excluding:
 - a) **damage** to or **consequential loss** arising from **damage** to yards, car parks, roads, pavements, walls, gates and fences unless also affecting a building insured under Part A
 - b) **damage** or **consequential loss** caused by or consisting of:
 - i) the normal settlement or bedding down of new structures
 - ii) the settlement or movement of made up ground
 - iii) coastal or river erosion
 - iv) defective design or workmanship or the use of defective materials
 - v) fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
 - c) **damage** or **consequential loss** which originated prior to the inception of this cover
 - d) **damage** or **consequential loss** resulting from:
 - i) demolition, construction, structural alteration or repair of any **property**, or
 - ii) groundworks or excavation at the **premises**

Special Condition

The **insurer's** liability under this Insured Peril will be avoided if the risk of **damage** or **consequential loss** is increased by reason of demolition, groundworks, excavation or construction being carried out on any adjoining site unless admitted by the **insurer** in writing

15. **theft** involving:
 - a) forcible and violent entry to or exit from any building or part of any building at the **premises**
 - b) personal violence or threat of personal violence to any **employee**
 or any attempt at such theft, other than:
 - a) by any person lawfully in or on the **premises** or involving the **insured** or any **employee**
 - b) involving parting with title or possession of any **property** insured if induced to do so by fraud, trick or false pretence

- c) of **money**, credit cards or securities of any description
- d) from a vending machine unless other **property** at the **premises** suffers **damage** at the same time

unless specifically mentioned as insured.

The **insurer** will also indemnify the **insured** for the cost of:

- i) repair of **damage** to the **buildings** caused by theft or attempted theft of the **property** insured where the **insured** is legally responsible for the cost of repairing such **damage**
- ii) external glazing and the cost of boarding up provided this is directly accompanied by theft or attempted theft of **property** insured
- iii) replacement of locks at the **premises** made necessary by theft or attempted theft that is not excluded by this insurance of keys from the **premises** or from the home of any adult person authorised to hold such keys, but excluding the cost of replacing safe or strongroom locks and in no case exceeding the sum of £500
- iv) **damage** by theft accompanied by forcible and violent entry to or exit from buildings at the **premises** caused with the connivance of any **employee**

16. **Accidental damage** being all risks of **damage** to the **property** insured excluding:

- a) **damage** or **consequential loss** caused by Insured Perils 1 to 13 above whether insured or not or specifically excluded by those Insured Perils
- b) **damage** or **consequential loss** caused by or consisting of:
 - i) inherent vice, latent defect, gradual deterioration, wear and tear, its own faulty or defective design or materials
 - ii) faulty or defective workmanship, operational error or omission on the part of the **insured** or any **employee**

but this will not exclude subsequent **damage** or **consequential loss** which itself results from a cause not otherwise excluded

- c) **damage** or **consequential loss** caused by or consisting of:
 - i) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
 - ii) change in temperature, colour, flavour, texture or finish
 - iii) theft or attempted theft
 - iv) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of associated steam and feed piping
 - v) mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates
 - vi) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services

but this will not exclude:

- 1) such **damage** or **consequential loss** not otherwise excluded which itself results from any other accidental **damage**
- 2) subsequent **damage** or **consequential loss** which itself results from a cause not otherwise excluded

- d) **damage** or **consequential loss** caused by or consisting of:
 - i) subsidence, ground heave, or landslip
 - ii) normal settlement or bedding down of new structures
 - iii) acts of fraud or dishonesty
 - iv) disappearance, unexplained or inventory shortage, misfiling or misplacing of information

- e) **damage** to **buildings** or any structure caused by its own collapse or cracking
- f) **damage** or **consequential loss** (other than by fire or explosion) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair
- g) **damage** to:
 - i) jewellery, precious metals, bullion, furs, curiosities, works of art or rare books
 - ii) property in transit
 - iii) glass, china, earthenware, marble or other fragile or brittle objects
 - iv) **money**, credit cards or securities of any description
- h) in respect of Part A unless specifically mentioned as insured, and in respect of Part B:
 - i) vehicles licensed for road use (including accessories on such vehicles), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
 - ii) Land, roads, pavements, piers, jetties, bridges, culverts or excavation
 - iii) Livestock, growing crops or trees
 - iv) **property** or structures in course of construction or erection and materials or supplies in connection with all such **property** in course of construction or erection.

Part C – All Risks

Section 1 – Cover

In the event of accidental **damage** to the **property** insured specified in the Schedule arising during the Period of Insurance within the **territorial limits** the **insurer** will pay to the **insured** the value of the **property** at the time of the **damage** or the amount of such **damage** or at the **insurer's** option replace, reinstate or repair the **property** or any part of it provided that the liability of the **insurer** will not exceed:

- a)
 - i) in the whole the total Sum Insured
 - ii) in respect of any item its Sum Insured
 - iii) any other Limit of Liability specified in the Schedule at the time of the Damage
- b) the Sum Insured (or Limit) remaining after deduction for any other **damage** occurring during the same Period of Insurance, unless the **insurer** has agreed to reinstate any such Sum Insured (or Limit).

Section 2 – Exclusions

The **insurer** will not be liable for:

- a) theft of **property** from an unattended vehicle unless all the doors, windows and other means of access have been secured and locked and all keys of the vehicle removed to a place of safety, and the **property** is placed in the boot of the vehicle or is otherwise out of sight
- b) **damage** caused by:
 - i) depreciation, inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level
 - ii) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, vermin or insect, marring or scratching
 - iii) pollution, contamination, change in temperature colour texture or finish
 - iv) mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates not accompanied by **damage** to the machine, apparatus or equipment
 - v) disappearance, unexplained or inventory shortage
 - vi) any testing, repairing, adjusting, servicing or maintenance operation
- c) **damage** to data-processing media and computer systems records caused by:
 - i) data-processing media failure or breakdown or malfunction of the data-processing system including equipment and component parts whilst the said media is being run through the system unless fire or explosion
 - ii) electrical or magnetic injury, disturbance or erasure of electronic recordings except by lightning.

Section 3 – Special Condition

The sum insured by each item of this Part is declared to be separately subject to **average**.

For the avoidance of doubt clause c) iii) of general condition 4 will not apply.

Section 4 – Special Extension

The insurance by this Part on **computer equipment** includes the actual breaking or burning out of any part whilst actually in use, arising from either mechanical or electrical defect (including fluctuations in power supply) or derangement to the **computer equipment** causing sudden stoppage of its functions and necessitating repair, replacement or rearrangement before it can resume working. Limit £5,000 any one loss.

This Special Extension will not apply to **computer equipment** not covered by a maintenance contract, leasing contract or guarantee providing for repair or replacement.

Additional Covers

Applicable to Parts A and C

European Community and Public Authorities Clause

Subject to the following special conditions the insurance by each item on **buildings** and **contents** includes such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of:

1. European Community Legislation, or
2. Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye-Laws of any Public Authority

(hereafter referred to as 'the Stipulations') in respect of:

- Damage to **property** insured
- undamaged portions

excluding:

- a) the cost incurred in complying with the Stipulations:
 - i) in respect of Damage occurring prior to the granting of cover by this extension
 - ii) in respect of Damage not insured by the policy
 - iii) under which notice has been served upon the **insured** prior to the happening of the Damage
 - iv) for which there is an existing requirement which has to be implemented within a given period
 - v) in respect of **property** entirely undamaged by any cause hereby insured against
- b) the additional cost that would have been required to make good the **property** lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the **property** or by the owner thereof by reason of compliance with the Stipulations.

Special Conditions

1. The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months of the Damage or within such further time as the **insurer** may allow (during the said 12 months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of the **insurer** under this extension not being thereby increased.
2. If the liability of the **insurer** under this Part other than from this Additional Cover shall be reduced by the application of any of the terms and conditions of this Part then the liability of the **insurer** under this Additional Cover shall be reduced in like proportion.
3. The total amount recoverable under any item of this Part in respect of this Additional Cover shall not exceed:
 - a) in respect of the lost destroyed or damaged **property**:
 - i) 15% of its sum insured
 - ii) where the sum insured by the item applies to **property** at more than one **premises** 15% of the total amount for which the **insurer** would have been liable had the **property** insured by the item at the **premises** where the Damage has occurred been wholly destroyed
 - b) in respect of undamaged portions of **property** (other than foundations) 15% of the total amount for which the **insurer** would have been liable had the **property** insured at the **premises** where the **damage** has occurred been wholly destroyed.
4. The total amount recoverable under this Part will not exceed its sum insured.
5. All the terms and conditions of this Part except in so far as they are varied by this Additional Cover will apply as if they had been incorporated in this Additional Cover.

Removal of Debris

The insurance by each item on **buildings** and/or **contents** extends to include costs and expenses necessarily and reasonably incurred by the **insured** with the consent of the **insurer** in:

- a) removing debris of
- b) dismantling or demolishing
- c) shoring up or propping

the **property** insured following Damage.

The amount payable under each item will not exceed in total its Sum Insured.

The **insured** will not pay any costs or expenses:

- i) incurred in removing debris except from the site of the **property** destroyed or damaged and the area immediately adjacent to the site
- ii) arising from pollution or contamination of **property** not insured by this Part.

Non-Invalidation

This insurance will not be invalidated by any act or omission or by any alteration which increases the risk of Damage without the authority or knowledge of or beyond the control of the **insured**, provided that immediately the **insured** becomes aware of the increased risk of Damage notice is given to the **insurer** and any additional premium paid.

Professional Fees

The insurance by each item on **buildings** or **contents** includes an amount in respect of Architects', Surveyors', Legal and Consulting Engineers' fees necessarily and reasonably incurred in the reinstatement or repair of **property** insured consequent upon its Damage but not for preparing any claim. The amount payable under each item will not exceed in total its Sum Insured.

Capital Additions

This insurance extends to include **buildings** and **contents** acquired during its currency including additions and extensions to existing structures but not any appreciation in value provided that:

- i) the Additional Cover will not apply to stock in trade or goods in process of manufacture
- ii) in any one situation this Additional Cover will not exceed £1,000,000
- iii) the **insured** gives particulars of such extensions of cover as soon as practicable but not later than 6 months after such cover has applied and will effect specific insurance on such **buildings** and **contents** retrospective to the time the **insured** became responsible
- iv) immediately such specific insurance is effected, cover by the Additional Cover will be fully reinstated.

Drains and Gutters

The insurance by each item on **buildings** or **contents** extends to include costs and expenses necessarily and reasonably incurred by the **insured** with the consent of the **insurer** in cleaning and/or clearing drains and/or sewers and/or gutters, the **property** of the **insured** or for which the **insured** is responsible following Damage to the **property** insured.

The amount payable under each item will not exceed in total its Sum Insured.

Trace and Access

In the event of **damage** arising following the escape of water this insurance is extended in addition to the Sum Insured to pay costs incurred in locating the source of **damage**, effecting repairs and general making good. Limit £5,000 any one loss.

Underground Services

The insurance by each item on **buildings** or **contents** extends to include accidental damage to oil tanks, piping, ducting, cables, wires and associated control gear and accessories serving the **buildings** but only to the extent of the **insured's** responsibility. Limit £1,000 any one loss.

Automatic Reinstatement of Sum Insured

In consideration of the insurance not being reduced by the amount of any loss the **insured** will pay the appropriate extra premium on the amount of the loss from the date of the occurrence to the date of expiry of the Period of Insurance.

Special Conditions

Applicable to Parts A and C

Average

The Sum Insured by each item of this Part (other than those applying solely to fees, rent or removal of debris) is declared to be separately subject to **average**.

For the avoidance of doubt clause c) iii) of general condition 4 will not apply.

Fire Extinguishing Appliances

In consideration of any discount for Fire Extinguishing Appliances allowed from the premium the appliances will be inspected every week and any defect disclosed by such inspection or otherwise will be promptly remedied.

Providing the above is observed by the **insured** this insurance will not be affected by any defect in any of the appliances due to circumstances unknown to or beyond the control of the **insured**.

Designation

For the purpose of determining where necessary the heading under which any **property** is insured, it is agreed to accept the designation under which such **property** has been entered in the **insured's** books.

Other interests

It is agreed and understood that where the **insured** so intend the interests of parties other than the **insured** in this insurance are admitted, the nature of such interests to be declared in the event of loss.

Security Protections

- a) All protections will be fitted in accordance with the **insurer's** requirements and together with all other devices for the protection of the **property** insured will be kept in good order and put into full and effective operation when the **premises** are closed for **business** or are unattended.
- b) All keys including duplicate keys relative to the security of the **premises** will be removed from the secured **premises** whenever they are closed or unattended.
- c) Any intruder alarm system will be:
 - i) installed in accordance with the specification agreed by the **insurer** and no alteration or variation of the system or the procedures agreed with the **insurer** for Police or any other response to any activation of the system or any structural alteration to the **premises** which would affect the system will be made without the written consent of the **insurer**
 - ii) maintained in full and effective working order at all times under a contract to provide both corrective and preventive maintenance with the installing company or such other company as approved by the **insurer** with no alteration being made thereto without the written consent of the **insurer**
 - iii) tested and set whenever the alarmed portion of the **premises** are closed or unattended by the **insured** or any person authorised by the **insured** to be responsible for the security of the **premises**.
- d) Immediate advice will be given to the **insurer**
 - i) of any notice from the Police or a security organisation that the intruder alarm system signals will be disregarded
 - ii) of any notice from the local authority or a magistrate of any requirement imposed under the terms of the Environmental Protection Act 1990 or other legislation requiring modification of the intruder alarm system
 - iii) if the intruder alarm system cannot be turned on or maintained in full working order.
- e) All keys to the intruder alarm system are removed from the **premises** when they are left unattended.
- f) The **insured** maintains secrecy of codes for the operation of the intruder alarm system and no details of same are left on the **premises**.
- g) The **insured** shall appoint at least two keyholders and lodge written details (which must be kept up to date) with the alarm company and Police.
- h) In the event of notification of any activation of the intruder alarm system or interruption of the means of communication during any period that the intruder alarm system is set, a keyholder shall attend the **premises** as soon as reasonably possible.

Exclusions to Parts A, B and C

Applicable to Part A

Excesses

Each claim arising from the undernoted Insured Perils will be subject to an **excess** applying to each and every loss, each and every separate **premises**, the amount of which is specified in the Schedule.

- 4 Malicious Persons
- 7 Storm or Flood
- 8 Escape of Water or Beer
- 11 Falling Trees
- 14 Subsidence, Ground Heave or Landslip
- 15 Theft
- 16 Accidental Damage

The **insurer** will not be liable for:

1. **damage** to any **property** more specifically insured by or on behalf of the **insured**
2. consequential loss of any kind other than loss of rent if insured.

Applicable to Part B

The **insurer** will not be liable for **consequential loss** arising directly or indirectly from erasure, loss, distortion or corruption of information on computer systems or other records, programs or software:

- a) whilst mounted in or on any machine or data-processing apparatus
- b) due to the presence of a magnetic flux
- c) caused deliberately by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotion or malicious persons
- d) caused otherwise unless resulting from Damage.

Applicable to Parts A and B

The **insurer** will not be liable for:

1. **damage** to **property** or **consequential loss** caused by or resulting from pollution or contamination but this will not exclude **damage** or **consequential loss** not otherwise excluded caused by:
 - a) pollution or contamination which itself results from Damage
 - b) Damage which itself results from pollution or contamination
2. **damage** to any **property** or any **consequential loss** arising from riot or civil commotion unless these Perils are specified and then only to the extent stated.

Applicable to Part C

The **insurer** will not be liable for an **excess** the amount of which is specified in the Schedule. Unless otherwise stated the **excess** will apply to each and every loss.

Applicable to Parts A, B and C

1. The **insurer** will not be liable for **damage** or **consequential loss** directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:
 - a) the way in which any **data processing system** responds to or deals with or fails to respond to or fails to deal with any true calendar date
 - b) any **data processing system** responding to or dealing in any way with:
 - i) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
 - ii) any data not denoting a calendar date or dates as if such data denoted a calendar date or dates

whether such **data processing system** is the property of the **insured** or not and whether occurring before during or after the year 2000

but in respect of **damage** or **consequential loss** insured by Parts A and B this **general exclusion** will apply only to insured Peril 16 (if insured) and in respect of Insured Peril 16 will not exclude subsequent **damage** or **consequential loss** not otherwise excluded which results from a Defined Peril

This exclusion does not apply to **damage** caused by **theft** as defined under Peril 15 in the Insured Perils section.

2a. Exclusion in respect of terrorism

This Policy does not cover loss, **damage**, **consequential loss**, cost or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with:

- a) any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:
 - i) involves violence against one or more persons; or
 - ii) involves **damage** to **property**; or
 - iii) endangers life other than that of the person committing the action; or
 - iv) creates a risk to health or safety of the public or a section of the public; or
 - v) is designed to interfere with or to disrupt an electronic system
- b) any action in controlling, preventing, suppressing, retaliating against, or responding to any act, or preparation in respect of action, or threat of action described in a) above.

In any action or suit or other proceedings where the **insurer** alleges that by reason of this Exclusion cover is not provided under this Policy, the burden of proving that cover is provided under this Policy shall be upon the **insured**.

2b. Northern Ireland Exclusion

This Policy does not cover **damage** or **consequential loss** in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of civil commotion.

Endorsements

Applicable only where specified in the Schedule.

1. Reinstatement

Subject to the following Special Conditions the basis upon which the amount payable in respect of **buildings** and **contents** is to be calculated will be the Reinstatement of the **property** suffering **damage**.

Special Conditions

1. The liability of the **insurer** for the repair or restoration of **property** which is only partially damaged will not exceed the amount which would have been payable had such **property** been wholly destroyed.
2. In respect of any item which is declared to be subject to **average**: if the sum insured at the commencement of Damage is less than 85% of the cost, at the time of reinstatement, of reinstating the whole of the **property** covered by that item the **insured** will bear a proportional share of the loss directly related to the difference between the Sum Insured and the estimated cost of reinstating the whole of the **property**.
3. Any additional amount which may be payable solely due to this Reinstatement Condition will be paid only if:
 - a) Reinstatement commences and proceeds without unreasonable delay
 - b) the cost of Reinstatement has been actually incurred
 - c) at the time of its Damage the **property** insured is not insured by any other insurance effected by or on behalf of the **insured** which is not upon the same basis of Reinstatement.
4. All the terms and conditions of this Part will apply:
 - a) in respect of any claim payable under the provisions of this Reinstatement Condition except in so far as they are varied hereby.
 - b) where claims are payable as if this Reinstatement Condition had not been incorporated.

2. Index-linking

The Sum Insured in respect of each of the items specified under Parts A and C in the Schedule will be adjusted monthly in line with the indices selected by the **insurer**. At each renewal the premium will be calculated on the adjusted Sum Insured.

3. Unoccupied Buildings

- a) The **insured** undertake in respect of **unoccupied buildings**
 - i) to notify the **insurer** immediately they become aware that any **buildings** or portion thereof is **unoccupied** or any **unoccupied buildings** or portion thereof becomes tenanted.
 - ii) that all mains services will be turned off (except electricity supply to maintain any fire or intruder alarm system).
 - iii) that the water system be completely drained or, during the period 1 October to 1 April each year any central heating system may be kept working at a minimum temperature of 5 degrees C. (additionally, where sprinkler systems are installed it may be necessary to maintain water supplies. In these circumstances heating must be maintained at a minimum temperature of 5 degrees C.)
 - iv) to arrange the inspection of the **buildings** internally and externally by an authorised representative, removing waste where necessary. Frequency to be notified in writing by the **insurer**.
 - v) to seal up all letter boxes and take steps to prevent accumulations of mail.
 - vi) to secure the **buildings** against unlawful entry by closing and locking doors and windows and setting any security and alarm systems.

4. Day one basis (non-adjustable)

The following **special definition** and Declaration Conditions apply in respect of the items specified in the Schedule under Part A:

Special Definition

Declared Value

The **insured's** assessment of the cost of Reinstatement of the **property** insured arrived at in accordance with the Reinstatement provisions at the level of costs applying at the inception of each Period of Insurance (ignoring inflationary factors which may operate subsequently) together with, insofar as the insurance by the item provides, due allowances for:

- a) the additional costs of reinstatement to comply with European Community and Public Authority requirements
- b) professional fees
- c) debris removal costs.

Declaration Conditions

1. The **insured** having stated in writing the Declared Value which is shown in the Schedule as the sum insured for each of the said items the premium has been calculated accordingly. The actual sum insured is 125% of the Declared Value.
2. At the inception of each Period of Insurance the **insured** will notify the **insurer** of the Declared Value of the **property** by each of the item(s). In the absence of such declaration the last amount declared by the **insured** Index Linked in accordance with Endorsement 2 will be taken for the ensuing Period of Insurance.
3. The following wording replaces Special Condition 2 of Endorsement 1:
 2. If at the commencement of Damage the Declared Value of the **property** covered by an item is less than the cost of Reinstatement at the inception of the Period of Insurance then the **insurer's** liability for any loss will be limited to the proportion which the Declared Value bears to such cost of Reinstatement.
4. Where claims are payable as if Endorsement 1 had not been incorporated all the terms and conditions of the Part will apply except that the Sums Insured will be limited to the percentage specified in the Schedule of each Declared Value

5. Automatic fire alarm installations

In respect of automatic fire alarm installation(s) the **insured** hereby undertake to:

- a) carry out the testing and checking requirements referred to on the completion certificate and remedy promptly any defect disclosed
- b) carry out the maintenance procedures specified by the manufacturers of the equipment
- c) notify the **insurer** immediately of any disconnection or failure of the automatic fire alarm installation likely to leave any area unprotected for 12 hours or more
- d) record details of all events such as alarms faults, tests, maintenance and disconnections and keep such details available for examination by the **insurer**.

6. Portable Heating

Portable Heating appliances are allowed for use in the **premises** on a maximum of 2 days of any week subject to their type conforming to the following:

A. Electrical Appliances

heaters with enclosed elements or forced convection heaters incorporating a fan failure cut-out device and/or an overheat cut-out device

B. Gas Appliances having both:

- a) an integral fuel source, and
- b) one or more of the following safety features: a flame failure device, an overheat cut-out device and where relevant, a fan failure cut-out device.

All Portable Heating Appliances must be located in a safe position:

- a) at least 1 metre clear of any combustible material
- b) where they cannot be accidentally knocked over

and in addition in respect of paragraph B:

- a) away from draughts
- b) provided with an independent non-combustible guard.

7. Electrical

The electrical installation must be checked by an Institution of Electrical Engineers qualified electrician with any defects being attended to within 3 months of inception of this Policy.

8. Basement storage

It is a condition precedent to the **insurer's** liability that all property kept in any cellar, basement or sub-basement will be kept on racks or shelves at least 30cm above floor level.

9. Fire break doors and shutters

It is a condition precedent to the **insurer's** liability that all fire break doors and shutters will be kept closed (except during working hours) and will be maintained in efficient working order.

Part D – Money

Section 1 – Special Definitions

Assault

- a) violent or criminal assault, or
- b) attack by animals

Non-Negotiable Money

crossed cheques, crossed girocheques, crossed bankers' drafts, crossed national giro drafts, crossed money orders, crossed postal orders, franking machine units, used national insurance stamps, national savings certificates, credit company sales vouchers and Value Added Tax purchase invoices

Person Insured

any person aged between 16 and 65 years inclusive other than:

- a) an employee of a security company or similar organisation
- b) any person committing or attempting robbery.

Section 2 – Cover

The **insurer** will pay to the **insured** in the event of loss of **money** from any cause which is not excluded arising during the Period of Insurance, the amount of such loss not exceeding the Limits specified in the Schedule.

Section 3 – Additional Cover

	Limit of Liability
a) accidental damage as a direct result of robbery or attempted robbery to:	
i) personal effects of any employee	£500
ii) any franking machine, safe, strongroom or security case, bag specially designed container for the carriage of money	Reinstatement or other Value
b) the cost of replacing safe or strongroom locks made necessary by theft of keys from the premises or from the home of any adult authorised to hold such keys, but excluding such cost where the keys have been left on the premises whilst closed for business purposes	£1,000
c) provided that no other personal accident insurance is operative the insurer will pay to the insured such of the amounts below as are applicable if a Person Insured sustains bodily injury by Assault whilst entrusted with money by the insured , as a result of which death or disablement occurs within 24 months of such injury:	
i) death, total loss of use of one or more hands and feet or total loss of sight in one or both eyes	£10,000
ii) permanent total disablement (other than stated in (i) above) from engaging in usual profession or occupation	£10,000
iii) temporary disablement from engaging in usual profession or occupation for a maximum period of 104 weeks from date of disablement	Normal weekly wage or salary up to £150 per week

All sums paid under (iii) will be deducted from any sums payable under (i) or (ii) in respect of the same injury to the same Person Insured.

Section 4 – Exclusions

The **insurer** will not be liable for:

- a) any loss arising from error or omission in receipts, payments, accounting practice or depreciation in value
- b) any loss due to fraud or dishonesty on the part of an **employee** but this Exclusion will not apply to loss arising from fraud or dishonesty which is discovered within 72 hours, provided that:
 - i) such loss is not recoverable under a Fidelity Guarantee bond or policy of insurance
 - ii) the **insurer's** liability will not exceed the amount specified in the Schedule against Item 2(c)(i)
- c) any loss of **money**:
 - i) in excess of £100 from an unattended vehicle
 - ii) in the custody or control of a security company or similar organisation except for the amount of any loss which cannot be recovered from the security company by legal means but not exceeding the relevant Limit specified in the Schedule
 - iii) resulting from gradual deterioration, mechanical or electrical defect, breakdown or malfunction of any franking, dispensing or similar machines
 - iv) in the mail other than sent by registered post
- d) an **excess** the amount of which is specified in the Schedule. Unless stated otherwise, the **excess** will apply to each and every loss.

Section 5 – Special Conditions

Accompaniment

The **insurer** will not be liable for any loss of **money** in transit unless accompanied by able-bodied adult persons as follows:

Amount Carried	Minimum Number of Persons
Up to £2,500	One
Over £2,500 and up to £5,000	Two
Over £5,000 and up to £10,000	Three

cover for amounts over £10,000 is only applicable if specified in the Schedule

Condition Precedent

It is a condition precedent to the **insurer's** liability that whenever an office, room or area in which a safe or strongroom containing **money** is situated becomes unattended:

- a) such safe or strongroom is securely locked
- b) all keys or combination code to such safe or strongroom are removed from the **premises** or kept on the person of an authorised **member** or **employee**.

Part E – Public Liability

Section 1 – Special Definitions

Financial Loss

loss or damage other than arising from Injury or **damage to property**

Geographical Limits

- a) the **territorial limits**
- b) elsewhere in the world in connection with temporary visits by **members** and **employees** not engaging in manual work and normally resident in and travelling from the **territorial limits**
- c) in respect of Products worldwide other than the United States of America, Canada and any territory within their jurisdictions

Injury

bodily injury including death, illness and disease

Pollution or Contamination

- a) all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
- b) all loss or **damage** or Injury directly or indirectly caused by such pollution or contamination

Products

goods (including containers, packaging, labelling and instructions) sold, supplied, repaired, altered, treated, erected or installed by the **insured** in connection with the **business**.

Section 2 – Cover

The **insurer** will indemnify the **insured** in respect of all sums which the **insured** may become legally liable to pay as damages and claimants' costs and expenses for:

- a) accidental Injury to any person (other than an **employee** if such Injury arises out of and in the course of employment by the **insured**)
- b) accidental **damage to property**:
 - i) not belonging to nor in the custody or control of the **insured**
 - ii) not in the custody or control of an **employee**
- c) accidental **damage to property** in the custody or control of the **insured** or any **employee** being:
 - i) personal effects including motor vehicles and their contents belonging to any **member**, **employee** or visitor
 - ii) buildings including their contents which are not owned, leased, hired or rented by the **insured**
- d) accidental **damage to buildings** and their contents including fixtures and fittings which are leased, hired or rented by the **insured** but excluding:
 - i) liability assumed by the **insured** under a tenancy or other agreement which would not have attached in the absence of such agreement
 - ii) the first £100 of each claim for **damage** unless caused by fire or explosion

occurring within the Geographical Limits during the Period of Insurance arising out of the **business**.

In addition the **insurer** will pay all costs and expenses incurred with its written consent:

- i) in defending any claim for damages
- ii) for representation at any coroner's inquest or fatal inquiry or court of summary jurisdiction in respect of any occurrence

which may be the subject of indemnity under this Part.

Section 3 – Financial Loss

The **insurer** will indemnify the **insured** in respect of all sums which the **insured** may become legally liable to pay as damages and claimants' costs and expenses for Financial Loss arising as a result of a negligent act or accidental error or accidental omission committed, or alleged to have been committed, within the Geographical Limits, by an **employee** or **volunteer** in, or about, or in consequence of, their duties (meaning activities approved by the **insured** where the **insured** is legally entitled to approve such activities) arising out of the **business** occurring during the Period of Insurance.

In addition the **insurer** will pay all costs and expenses incurred with its written consent:

- i) in defending any claim for damages
- ii) for representation at any coroner's inquest or fatal inquiry or court of summary jurisdiction in respect of any occurrence

which may be the subject of indemnity under this Section.

Exceptions

The **insurer** will not be liable for Financial Loss:

- a) caused by the failure of the **insured** to fulfil its obligations under any contract entered into with the claimant
- b) arising from Products
- c) arising from libel, slander, defamation, malicious falsehood or injurious falsehood.

Section 4 – Indemnity to the Other Persons

The **insurer** will also indemnify under the terms of this Part at the **insured's** request:

- a) any **employee**
- b) any **member**
- c) any **volunteer**
- d) any principal for whom the **insured** is or has been carrying out work but only to the extent required by the contract for the work
- e) any officer or member of the **insured's** catering, social, sports and welfare organisations provided that:
 - i) the **insured** would have been entitled to indemnity had the claim been made against the **insured**
 - ii) any person claiming indemnity:
 - 1) is not entitled to indemnity from any other source
 - 2) was, at the time of the incident giving rise to the claim, acting within the scope of their authority
 - 3) will be subject to the terms and conditions of this Part insofar as they can apply
 - iii) the **insurer** has the sole conduct and control of any claim
 - iv) no indemnity will be provided to any person in respect of the consequences of their own fraud, dishonesty or criminal act in respect of Section 3.

Section 5 – Health and Safety at Work, etc. Act 1974

The **insurer** will indemnify the **insured** (and any **member** or **employee** if the **insured** so requests) against legal costs and expenses incurred with the **insurer's** written consent in defending any prosecution including an appeal against a conviction resulting from a prosecution brought under sections 2 to 8 (inclusive) of the Health and Safety at Work, etc. Act 1974 or any subsequent legislation in addition thereto or in substitution therefor relating to the health, safety and welfare of persons other than **employees** provided that:

- a) the prosecution relates to a matter that may be the subject of indemnity under this Part
- b) no indemnity is otherwise available.

Section 6 – Consumer Protection Act 1987

The **insurer** will indemnify the **insured** (and any **member** or **employee** if the **insured** so requests) against legal costs and expenses incurred with the **insurer's** written consent in connection with any criminal proceedings brought in respect of a breach or alleged breach of Part II of the Consumer Protection Act 1987 provided that:

- a) the alleged offence was committed during the Period of Insurance
- b) no indemnity is otherwise available
- c) the alleged offence was accidental in origin
- d) the proceedings relate to a matter that may be the subject of indemnity under this Part.

Section 7 – Overseas Personal Liability

The **insurer** will indemnify the **insured** and if the **insured** so requests any **member** or **employee** (and any member of their families accompanying them) normally resident within the **territorial limits** in respect of liability incurred by such persons in a personal capacity whilst temporarily outside the **territorial limits** in connection with the **business** provided that the indemnity will not apply to liability:

- a) which attaches because of a contract or agreement and which would not otherwise have attached
- b) arising from any employment, business, profession or trade
- c) arising from the ownership, occupation, possession or use of land, buildings, motor vehicles, caravans, watercraft or aircraft.

Section 8 – Defective Premises Act 1972

The **insurer** will indemnify the **insured** in respect of liability incurred under Section 3 of the Defective Premises Act 1972 arising from Injury or **damage** occurring within 7 years from the cancellation or expiry of this Part provided that:

- a) the **insurer** will not be liable for the cost of remedying any defect or alleged defect in any premises
- b) the **insured** is not entitled to indemnity under any other policy.

Section 9 – Contingent Motor Liability

Notwithstanding Exclusion 9 the **insurer** will indemnify the **insured** in respect of all sums which the **insured** may become legally liable to pay as damages and claimants' costs and expenses arising out of the use of any motor vehicle not owned or provided by the **insured** while being used with the permission of the **insured** in connection with the **business** by any **member** or **employee** other than:

- a) in respect of **damage** to the vehicle or its contents
- b) where indemnity is available under any other policy.

It is a condition that before the **insured** gives permission to any person to use a vehicle for the **business** the **insured** will take all reasonable steps to ensure that there is in force a separate policy of motor insurance giving similar indemnity and including indemnity to the **insured** in respect of liability arising from the use of such vehicle in connection with the **business**.

Section 10 – Compensation for Court Appearance

The **insurer** will pay the **insured** the following daily rates for the attendance of any **member** or **employee** at Court as a witness at the **insurer's** request in connection with a claim under this Part:

- a) any director £250
- b) any employee £100.

Section 11 – Data Protection Act 1984

The **insurer** will indemnify the **insured** and at the request of the **insured** any **employee** in respect of legal costs and expenses incurred with the written consent of the **insurer** in the defence of any prosecution brought or made against the **insured** or any **employee** for breach or alleged breach of the provisions of the Data Protection Act 1984 provided that:

- a) the breach or alleged breach arises out of the **business**
- b) the **insurer** will not be liable for:
 - i) any fines of whatsoever nature
 - ii) any costs or expenses which arise from a deliberate or intentional criminal act or omission of the person claiming indemnity.

It is a condition precedent to the liability of the **insurer** that the **insured** must advise the **insurer** in writing as soon as possible of:

- 1) any circumstances of which the **insured** or any **employee** become aware which are likely to give rise to a prosecution
- 2) the receipt by the **insured** or any **employee** of a notice of intended prosecution from any person.

Section 12 – Heat Precautions

If the **insured** works away from the **premises** using welding or flame cutting equipment, blow lamps, blow torches or hot air guns, no claim under this Part will be payable unless the following conditions have been complied with:

- a) All movable combustible materials are removed from the vicinity of the work.
- b) Suitable portable fire extinguishing appliances are kept ready for immediate use as near as practicable to the scene of the work and that **employees** are trained in their use.
- c) Before heat is applied to any wall or partition or to any material built into or passing through the wall or partition an inspection will be made by a responsible person to make sure that there are not combustible materials which may be ignited by direct or conducted heat.
- d) Such equipment is lit or operating for a short a time as possible before use and is extinguished immediately after use and is not left unattended whilst lit or operating.
- e) Blow lamps are filled and gas canisters are changed in the open.
- f) A fire safety check is made in the vicinity of the work on completion of each period of work and again after 30 minutes.
- g) Fixed combustible materials in the area in which welding or flame cutting equipment is used will be protected by overlapping sheets or screens of non-combustible material.

Section 13 – Corporate Manslaughter and Corporate Homicide Act 2007

The **insurer** will also indemnify the **insured** in respect of legal costs and expenses incurred with the **insurer's** prior written consent in connection with the defence of any criminal proceedings including any appeal against conviction arising from any such proceedings brought in respect of a charge and or investigations connected with a charge of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man committed or alleged to have been committed during the period of insurance in the course of the **business**.

Provided always that:

- a) the **insurer's** total liability under this Section will not exceed in the aggregate the sum specified in the Schedule as the Limit of Indemnity in any one period of insurance. This limit will form part of and not be in addition to the Limit of Indemnity specified in the
- b) this Section will only apply to proceedings brought in great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- c) the **insurer** must consent in writing to the appointment of any solicitor or counsel who are to act for and on the **insured's** behalf
- d) the **insured** will give **insurer** immediate notice of any summons or other process served upon the **insured** which may give rise to proceedings under this Section
- e) in relation to any appeal counsel has advised there are strong prospects of such appeal succeeding
- f) the **insurer** will be liable for:
 - i) any deliberate or intentional criminal act committed by the **insured** giving rise to a corporate manslaughter or corporate homicide charge
 - ii) fines or penalties of any kind

- iii) the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of:
 - 1) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work Act (Northern Ireland) Order 1978 or any regulations made thereunder
 - 2) the Food Safety Act 1990 or any regulations made thereunder
 - 3) the Consumer Protection Act 1987 or any regulations made thereunder
- iv) where indemnity for defence costs is available from any other source or is provided under any other insurance or where but for the existence of this clause indemnity would have been provided by such other source or insurance
- g) where the **insurer** have already indemnified the **insured** in respect of legal costs or expenses incurred in the defence of any criminal proceedings arising out of the same cause or occurrence which gave rise to the charge of and or investigation connected with corporate manslaughter or corporate homicide under another clause applicable to this part the amount paid under that clause will be taken into account in arriving at the **insurer's** liability payable under this clause.

Section 14 – Exclusions

The **insurer** will not be liable for:

1. **Products Liability under Contract**
any liability for Injury of **damage** caused by Products which attaches solely because of a contract or agreement
2. **Liquidated or Punitive Damages**
any amount in respect of:
 - a) liquidated damages or penalties which attach solely because of a contract or agreement
 - b) punitive or exemplary damages
 - c) fines
3. **Vessels and Craft**
Injury, **damage** or Financial Loss arising out of the use of or caused by any vessel or craft designed to travel in, on or through water, air or space other than waterborne vessels under 5 metres in length
4. **Airports**
Injury, **damage** or Financial Loss arising out of flying operations and activities incidental to such operations in respect of any airport owned or operated by the **insured**
5. **Aircraft Products**
Injury or **damage** caused by Products which have been knowingly supplied by the **insured** for installation in an aircraft and are directly concerned with the safety of such aircraft
6. **Defective Work and Damage to Products**
 - a) the cost of rectifying defective work carried out by or on behalf of the **insured**
 - b) the cost of recalling, removing, repairing, replacing or making any refund on the price of any Products or **damage** to the Products themselves
7. **Damage to Property**
 - a) **damage** to that part of any **property** which was caused by faulty workmanship prior to the sale or transfer of the **property** to some other party
 - b) losses consequent upon **damage** to **property** designed by the **insured** or on the **insured's** behalf and subsequently sold or transferred to some other party
8. **Professional Liability, Errors and Omissions**
Injury, **damage** or Financial Loss resulting from errors or omissions in advice, treatment, design or specification provided by the **insured** or anything used or supplied in such connection
9. **Motor**
Injury, **damage** or Financial Loss arising from the ownership, possession or use by or on behalf of the **insured** or any person entitled to indemnity under this Part, of any mechanically propelled vehicle or any attached trailer (or broken away after attachment) which is licensed for road use and for which compulsory insurance or security is necessary by virtue of the Road Traffic Acts.

Provided the **insured** is not entitled to indemnity under any other policy or any other Part of this Policy this Exclusion will not apply to:

- a) use of any mechanically propelled vehicle which is confined to the **premises**
- b) the loading or unloading of any vehicle or the bringing to or taking away of a load from that vehicle
- c) the use of any item of plant in circumstances for which the Road Traffic Acts would not require compulsory insurance or security where such liability arises solely out of its use as a tool of trade

10. Pollution or Contamination

Injury, **damage** or Financial Loss when such Injury, **damage** or Financial Loss arises directly or indirectly out of Pollution or Contamination other than caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

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

The **insurer's** total liability for all Pollution or Contamination claims arising, or treated by the **insurer** as arising, directly or indirectly from incidents during any one Period of Insurance will not exceed in the aggregate the sum specified in the Schedule as the Limit of Indemnity.

11. Courts Jurisdiction

Any claim made or brought:

- a) in the United States of America or Canada or territories under their jurisdiction
- b) under or in consequence of any judgement or order in or under the laws of the United States of America or Canada or territories under their jurisdiction

12. Date Recognition

Injury, **damage** or Financial Loss or costs and expenses or any amounts payable under Sections 6 and 11 of this Part directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:

- a) the way in which any **data processing system** responds to or deals with or fails to respond to or fails to deal with any true calendar date
- b) any **data processing system** responding to or dealing in any way with:
 - i) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
 - ii) any data not denoting a calendar date or dates as if such data denoted a calendar date or dates

whether such **data processing system** is the property of the **insured** or not and whether occurring before during or after the year 2000.

Section 15 – Special Provisions

Limit of Indemnity

The Limit of Indemnity specified in the Schedule is the **insurer's** monetary limit in respect of the insurance provided by this Part (other than any Limit otherwise specified) and applies to any one claim or series of claims arising from any one cause except for claims caused by Products where the Limit of Indemnity specified applies in the aggregate in any one Period of Insurance.

Where the **insured** becomes liable to pay a sum above the Limit of Indemnity in respect of claims the **insurer** will pay only the proportion of costs and expenses that the Limit of Indemnity bears to the **insured's** total liability.

Insurer's Rights

The **insurer** may at any time pay any Limit of Indemnity (after deduction of any sum of sums already paid) or any lower amount for which any claim or claims can be settled and then relinquish the conduct and control and be under no further liability in respect of the claim except for the payment of costs and expenses incurred with its written consent prior to the date of such payment.

Terrorism

The Limit of Indemnity in respect of any one claim or series of claims arising directly or indirectly from **terrorism** is £5,000,000 or the Limit of Indemnity specified in the Schedule, whichever is lower.

Part F – Hirers Liability

Section 1 – Special Definitions

Agreement

the tenancy rental or other contract between the **insured** and Hirer concerning the use of the **premises**

Hirer

any person or organisation hiring the **premises** under an Agreement with the **insured**

Injury

bodily injury including death, illness and disease

Pollution or Contamination

- a) all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
- b) all loss or **damage** or injury directly or indirectly caused by such pollution or contamination.

Section 2 – Cover

The **insurer** will indemnify the Hirer in respect of all sums which the Hirer may become legally liable to pay as damages and claimants' costs and expenses for:

- a) accidental Injury to any person (other than an employee of the Hirer if such Injury arises out of and in the course of employment by the Hirer)
- b) accidental **damage** to the **premises** or the contents of the **premises** subject to the liability of the **insurer** not exceeding £1,000,000 any one claim in respect of legal liability which attaches to the Hirer solely by reason of the Agreement that would not have attached in the absence of such Agreement
- c) accidental **damage** to other **property** not belonging to nor in the custody or control of the Hirer or of any person in the Hirer's service

occurring during the Period of Insurance arising out of the activities of the Hirer at the **premises**.

In addition the **insurer** will pay all costs and expenses incurred with its written consent:

- i) in defending any claim for damages
- ii) for representation at any coroner's inquest or fatal inquiry or court of summary jurisdiction in respect of any occurrence

which may be the subject of indemnity under this Part.

Section 3 – Exclusion

The **insurer** will not be liable for:

1. Products Liability

any liability for Injury or **damage** caused by goods (including containers, packaging, labelling and instructions) sold, supplied, repaired, altered, treated, erected or installed by the Hirer

2. Liquidated or Punitive Damages any amount in respect of:

- a) liquidated damages fines or penalties which attach solely because of a contract or agreement
- b) punitive or exemplary damages
- c) fines

3. Vessels and Craft

Injury or **damage** arising out of the use of or caused by any vessel or craft designed to travel in on or through water, air or space

4. Defective Work and damage to Products

- a) the cost of rectifying defective work carried out by or on behalf of the Hirer
- b) the cost of recalling, removing, repairing, replacing or making any refund on the price of any goods or property sold or supplied by the Hirer or **damage** to the goods or property itself

5. Professional Liability, Errors and Omissions

Injury or **damage** resulting from errors or omissions in advice, treatment, design or specification provided by the Hirer or anything used or supplied in such connection

6. Motor

Injury or **damage** arising from the ownership, possession or use by or on behalf of the Hirer or any person entitled to indemnity under this Part, of any mechanically propelled vehicle or any attached trailer (or broken away after attachment) which is licensed for road use and for which compulsory insurance or security is necessary by virtue of the Road Traffic Acts

7. Pollution or Contamination

Injury or **damage** when such Injury or **damage** arising directly or indirectly out of Pollution or Contamination other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

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

The **insurer's** total liability for all Pollution and Contamination claims arising, or treated by the **insurer** as arising, directly or indirectly from incidents during any one Period of Insurance will not exceed in the aggregate the sum specified in the Schedule as the Limit of Indemnity

8. Political or Business Use

Injury or **damage** arising out of the use of the **premises** for:

- a) meetings organised by political parties
- b) commercial or business use

9. EXCESS

the first £100 of each and every claim for **damage** to the **premises** or contents caused other than by fire or explosion

10. Courts Jurisdiction

any claim made or brought:

- a) in the United States of America or Canada or territories under their jurisdiction
- b) under or in consequence of any judgement or order in or under the laws of the United States of America or Canada or territories under their jurisdiction

11. Date Recognition

Injury or **damage** directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:

- a) the way in which any **data processing system** responds to or deals with or fails to respond to or fails to deal with any true calendar date
- b) any **data processing system** responding to or dealing in any way with:
 - i) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
 - ii) any data not denoting a calendar date or dates as if such data denoted a calendar date or dates

whether such **data processing system** is the property of the **insured** or not and whether occurring before during or after the year 2000.

Section 4 – Special Provisions

Limit of Indemnity

The Limit of Indemnity specified in the Schedule is the **insurer's** monetary limit in respect of the insurance provided by this Part (other than any Limit otherwise specified) and applies to any one claim or series of claims arising from any one cause.

Where the **insured** becomes liable to pay a sum above the Limit of Indemnity in respect of claims the **insurer** will pay only the proportion of costs and expenses that the Limit of Indemnity bears to the **insurer's** total liability.

Insurer's Rights

The **insurer** may at any time pay any Limit of Indemnity (after deduction of any sum or sums already paid) or any lower amount for which any claim or claims can be settled and then relinquish the conduct and control and be under no further liability in respect of the claim except for the payment of costs and expenses incurred with its written consent prior to the date of such payment.

Terrorism

The Limit of Indemnity in respect of any one claim or series of claims arising directly or indirectly from **terrorism** is £5,000,000 or the Limit of Indemnity specified in the Schedule, whichever is lower.

Part G – Employers Liability

Section 1 – Special Definitions

Geographical Limits

- a) the territorial limits
- b) elsewhere in the world in connection with temporary visits by **employees** not engaging in manual work and normally resident in and travelling from the **territorial limits**

Injury

bodily injury including death, illness and disease.

Section 2 – Cover

The **insurer** will indemnify the **insured** in respect of all sums which the **insured** may become legally liable to pay as damages and claimants' costs and expenses in respect of Injury caused during the Period of Insurance to any **employee** arising out of and in the course of employment by the **insured** in the **business** within the Geographical Limits.

In addition the **insurer** will pay all costs and expenses incurred with its written consent:

- a) in defending any claim for damages
- b) for representation at any coroner's inquest or fatal inquiry or court of summary jurisdiction in respect of any occurrence
- c) in defending any proceedings in respect of any act or omission or alleged breach of statutory regulations causing or relating to any event

which may be the subject of indemnity under this Part.

Section 3 – Indemnity to Other Persons

The **insurer** will also indemnify under the terms of this Part at the **insured's** request:

- a) any **employee**
- b) any **member**
- c) any **volunteer**
- d) any principal for whom the **insured** is or has been carrying out work but only to the extent required by the contract for the work
- e) any officer or member of the **insured's** catering, social, sports or welfare organisations

provided that:

- i) the **insured** would have been entitled to indemnity had the claim been made against the **insured**
- ii) any person claiming indemnity:
 - 1) is not entitled to indemnity from any other source
 - 2) was, at the time of the incident giving rise to the claim, acting within the scope of their authority
 - 3) will be subject to the terms and conditions of this Part insofar as they can apply
- iii) the **insurer** has the sole conduct and control of any claim.

Section 4 – Health and Safety at Work, etc. Act 1974

The **insurer** will indemnify the **insured** (and any **member** or **employee** if the **insured** so requests) against legal costs and expenses incurred with the **insurer's** written consent in defending any prosecution including an appeal against a conviction resulting from a prosecution brought under Sections 2 to 8 (inclusive) of the Health and Safety at Work, etc. Act 1974 or any subsequent legislation in addition thereto or in substitution therefor relating to the health, safety and welfare of **employees** provided that:

- a) the prosecution relates to a matter that may be the subject of indemnity under this Part
- b) no indemnity is otherwise available
- c) the **insurer** will provide no indemnity in respect of any fines or penalties.

Section 5 – Unsatisfied Court Judgements

The **insurer** will pay to any **employee** (or their personal representative) at the **insured's** request the amount of damages and awarded costs remaining unsatisfied 6 months after the date judgement was obtained against another party domiciled in the **territorial limits** for Injury to that **employee** occurring during the Period of Insurance and arising out of and in the course of the **employee's** engagement by the **insured** in the **business** provided that:

- a) there is no appeal pending
- b) the **employee** (or their personal representative) assigns the judgement to the **insurer**
- c) the **insurer** will not be liable for judgements obtained in any Court situated outside the **territorial limits**.

Section 6 – Corporate Manslaughter and Corporate Homicide Act 2007

The **insurer** will also indemnify the **insured** in respect of legal costs and expenses incurred with the **insurer's** prior written consent in connection with the defence of any criminal proceedings including any appeal against conviction arising from any such proceedings brought in respect of a charge and or investigations connected with a charge of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man committed or alleged to have been committed during the period of insurance in the course of the **business**.

Provided always that:

- a) the **insurer's** total liability under this Section will not exceed in the aggregate the sum specified in the Schedule as the Limit of Indemnity in any one period of insurance. This limit will form part of and not be in addition to the Limit of Indemnity specified in the
- b) this Section will only apply to proceedings brought in great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- c) the **insurer** must consent in writing to the appointment of any solicitor or counsel who are to act for and on the **insured's** behalf
- d) the **insured** will give **insurer** immediate notice of any summons or other process served upon the **insured** which may give rise to proceedings under this Section
- e) in relation to any appeal counsel has advised there are strong prospects of such appeal succeeding
- f) the **insurer** will be liable for:
 - i) any deliberate or intentional criminal act committed by the **insured** giving rise to a corporate manslaughter or corporate homicide charge
 - ii) fines or penalties of any kind
 - iii) the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of:
 - 1) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work Act (Northern Ireland) Order 1978 or any regulations made thereunder
 - 2) the Food Safety Act 1990 or any regulations made thereunder
 - 3) the Consumer Protection Act 1987 or any regulations made thereunder
 - iv) where indemnity for defence costs is available from any other source or is provided under any other insurance or where but for the existence of this clause indemnity would have been provided by such other source or insurance
- g) where the **insurer** have already indemnified the **insured** in respect of legal costs or expenses incurred in the defence of any criminal proceedings arising out of the same cause or occurrence which gave rise to the charge of and or investigation connected with corporate manslaughter or corporate homicide under another clause applicable to this part the amount paid under that clause will be taken into account in arriving at the **insurer's** liability payable under this clause

Section 7 – Exclusions

The **insurer** will not be liable for:

1. Offshore Exposures

any Injury caused in connection with any work carried out offshore.

For the purpose of this Exclusion an **employee** will be deemed to be 'offshore' as from the time when they embark onto a conveyance at the point of final departure to an offshore rig or an offshore platform. An **employee** will continue to be deemed to be 'offshore' until such time as they disembark from the conveyance onto land upon their return from an offshore rig or an offshore platform

2. Passengers in Motor Vehicles

any Injury caused to any passenger travelling in or on or mounting or dismounting from any mechanically propelled vehicle or attached trailer the property of or in the custody or control of the **insured** whilst such vehicle or trailer is being used by or on behalf of the **insured** in connection with the **business** on a road as described in the Road Traffic Acts.

For the purpose of this Exclusion passenger will not include the driver or person in charge of the vehicle for the purposes of driving.

Section 8 – Special Provisions

Compulsory Insurance

The indemnity provided by this Part is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to employees in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, but the **insured** will repay to the **insurer** all sums paid by the **insurer** which the **insurer** would not have been liable to pay but for the provision of such law.

Limit of Indemnity

The Limit of Indemnity specified in the Schedule is the **insurer's** monetary limit (including all costs and expenses) in respect of the insurance provided by this Part (other than any Limit otherwise specified) and applies to any one claim or series of claims arising from any one cause.

Insurer's Rights

The **insurer** may at any time pay:

- a) any Limit of Indemnity (after deduction of any sum or sums already paid), or
- b) any lower amount for which any claim or claims can be settled including costs and expenses incurred with the **insurer's** written consent prior to the date of such payment

and then relinquish the conduct and control and be under no further liability in respect of the claim.

Terrorism

The Limit of Indemnity in respect of any one claim or series of claims arising directly or indirectly from **terrorism** is £5,000,000 or the Limit of Indemnity specified in the Schedule, whichever is lower.

Part H – Libel and Slander

Section 1 – Cover

The **insurer** will indemnify the insured in respect of all sums which the **insured** may become legally liable to pay as damages for:

- a) libels appearing in any publications normal in the **business** by:
 - i) any **member** provided such publications were specifically authorised by the **insured**
 - ii) any **employee**
- b) slanders in oral utterances made by any **member** or **employee** arising out of and in the course of:
 - i) the discharge of official duties on behalf of the **insured**
 - ii) in the case of a **member** official business at meetings of the **insured** or of its committees or sub-committees or any occasion when the **member** is specifically authorised to represent the **insured**

for which a claim is first made against the **insured** and notified to the **insurer** during the Period of Insurance or within 12 months of this Part ceasing to operate provided that:

- i) the date of any publication or utterance on which a claim is based occurs during the Period of Insurance
- ii) any claim notified during the additional 12 month period after this Part ceases to operate will be deemed to have been made during the final Period of Insurance.

In addition the **insurer** will pay all costs and expenses incurred with its written consent in the defence or compromise of any proceedings for libel or slander as stated above begun or threatened against the **insured** and will also pay any costs awarded against the **insured** in any such proceedings.

Provided that the liability of the **insurer** (including costs and expenses) will not exceed in the aggregate the sum specified in the Schedule as the Limit of Indemnity in respect of:

- a) all claims made during any one Period of Insurance
and
- b) all damages, costs and expenses incurred or awarded in connection with any one publication or utterance whether all claims in respect of such publication or utterance are made during the same Period of Insurance or not.

Section 2 – Indemnity to Other Persons

The **insurer** will also indemnify under the terms of this Part at the **insured's** request:

- a) any **employee**
- b) any **member**

provided that:

- i) the **insured** would have been entitled to indemnity had the claim been made against the **insured**
- ii) the total liability of the **insurer** will not be increased beyond the Limit of Indemnity
- iii) any person claiming indemnity:
 - 1) is not entitled to indemnity from any other source
 - 2) will be subject to the terms and conditions of this Part insofar as they can apply
- iv) the **insurer** has the sole conduct and control of any claim.

Section 3 – Exclusions

The **insurer** will not be liable for:

1. **Punitive or Exemplary Damages**
any amount in respect of punitive or exemplary damages
2. **Courts Jurisdiction**
any claim made or brought:
 - a) in the United States of America or Canada or territories under their jurisdiction
 - b) under or in consequence of any judgement or order in or under the laws of the United States of America or Canada or territories under their jurisdiction
3. **Malicious Falsehood or Injurious Falsehood**
losses arising from malicious falsehood or injurious falsehood
4. **Excess**
an **excess** the amount of which is specified in the Schedule. Unless stated otherwise, the **excess** will apply to each and every claim or series of claims arising from any one publication or utterance.

Section 4 – Special Provisions

Insurer's Rights

The **insurer** may at any time pay the maximum amount payable under this Part (after deduction of any sum or sums already paid) or any lower amount for which any claim or claims can be settled and then relinquish the conduct and control and be under no further liability in respect of the claim except for the payment of costs and expenses incurred with its written consent prior to the date of such payment.

Claims Notification

The notification to the **insurer** in writing, during the Period of Insurance or the extended 12 months reporting period allowed for under this Part after cessation, of any circumstances that might give rise to a claim under this Part will constitute a claim first made against the **insured** during the Period of Insurance in which the notification is received, even though no notification of any claim has been received from a third party.

Part I – Motor Vehicles

Section 1 – Special Definitions

The Insured Vehicle

any motor vehicle as defined below and described in the Certificate of Motor Insurance

Commercial Vehicle

any motor vehicle that is not a Motor Car, Motor Cycle or Special Type

Motor Car

any private car estate car utility car or passenger carrying vehicle with not more than 16 passenger seats

Motor Cycle

any motor cycle, motor cycle and sidecar or moped

Pollution or Contamination

all pollution or contamination of buildings or other structures or of water or land or the atmosphere

Special Type

any agricultural vehicle or item of mechanically propelled plant.

Section 2 – Third Party Liability

- a) If death or bodily injury or **damage to property** is caused by or arises out of the use of or in connection with the loading or unloading of The Insured Vehicle or an attached trailer the **insurer** will indemnify:
- a) the **insured**
 - b) any person permitted by the **insured** to drive The Insured Vehicle provided such person holds a licence to drive The Insured Vehicle or has held and is not disqualified from holding or obtaining such a licence unless a licence is not required by law
 - c) any person (other than the driver) permitted by the **insured** to use The Insured Vehicle for social domestic or pleasure purposes
 - d) at the request of the **insured** any person being carried in or upon or entering or alighting from The Insured Vehicle
 - e) the legal representatives of any person who would be or have been entitled to indemnity under this Section
- in respect of their legal liability for such death or bodily injury or **damage to property** and will in addition pay:
- i) solicitors' fees for representation at any coroner's magistrates' or similar court in respect of any act which may be the subject of indemnity under this Section
 - ii) costs for the defence of the **insured** or at the request of the **insured** any person entitled to drive The Insured Vehicle against a charge of manslaughter or of causing death by reckless driving provided the accident gives rise to a valid claim under this Section
 - iii) other legal costs and expenses incurred with the **insurer's** written consent
- b) In respect of any event which may be the subject of indemnity under this Section the **insurer** will pay legal costs and expenses incurred with the **insurer's** prior written consent in connection with the defence of any criminal proceedings including any appeal against conviction arising from any such proceedings brought in respect of a charge and or investigations connected with a charge of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands committed or alleged to have been committed during the Period of Insurance in the course of the **business**.

Provided always that:

- a) the insurer's liability under this clause will not exceed £5,000,000 in any one Period of Insurance
- b) this clause will only apply to proceedings brought in the **territorial limits**
- c) the **insurer** must consent in writing to the appointment of any solicitor or counsel who are to act for and on the **insured's** behalf
- d) the **insured** will give the **insurer** immediate notice of any summons or other process served upon the **insured** which may give rise to proceedings under this clause
- e) in relation to any appeal counsel has advised there are strong prospects of such an appeal succeeding
- f) the **insurer** will be under no liability:
 - i) where the **insured** has committed any deliberate or intentional criminal act giving rise to a corporate manslaughter or corporate homicide charge
 - ii) in respect of fines or penalties of any kind
 - iii) where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this clause indemnity would have been provided by such other source or insurance.

Exceptions

The **insurer** will not be liable for:

- a) death or bodily injury to any person arising out of or in the course of that persons employment by the person claiming indemnity if insurance cover in respect of liability for such death or bodily injury is provided as a requirement of any compulsory employers liability legislation within the geographical limits as detailed in Section 18
- b) **damage** to **property** owned by or held in trust by or in the custody or control of the **insured** or any other person claiming to be indemnified under this Section or being conveyed by The Insured Vehicle
- c) any amount in excess of that specified in the Schedule as the Limit for **damage** to **property** in respect of any one claim or number of claims arising out of one cause
- d) death or bodily injury or **damage** caused or arising beyond the limits of any carriageway or thoroughfare in connection with:
 - i) the bringing of the load to The Insured Vehicle for loading, or
 - ii) the taking away of the load from The Insured Vehicle after unloadingby any person other than the driver or attendant(s) of The Insured Vehicle
- e) death or bodily injury caused to any person or **damage** to **property** arising from the use of any item of mechanically propelled plant or attachment of The Insured Vehicle whilst operating as a tool of trade other than in accordance with the requirements any compulsory motor insurance legislation operative within the geographical limits as detailed in Section 18
- f) death or bodily injury caused to any person or **damage** to **property** in respect of any claim which arises directly or indirectly out of Pollution or Contamination unless such Pollution or Contamination arises as a result of a sudden identifiable unintended and unexpected incident which takes place in its entirety at the specific time and place during the Period of Insurance other than in accordance with the requirements any compulsory motor insurance legislation operative within the geographical limits as detailed in Section 18. All Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place.
- g) legal liability directly or indirectly caused by or contributed to by or arising from the The Insured Vehicle while in or on that part of any aerodrome, airfield, airport or military installation provided for:
 - i) the takeoff or landing of aircraft or aerial devices or for the movement of aircraft or aerial devices on the ground
 - ii) aircraft parking including any associated service roads, refuelling areas, ground equipment parking areas, aprons, maintenance areas and hangars.

Section 3 – Indemnity to Owner

Where required by a contract entered into by the owner and the **insured** the **insurer** will in the terms of and subject to the limitations of Section 2 indemnify the owner of The Insured Vehicle loaned or hired to the **insured** provided that such owner is not entitled to indemnity under any other policy.

Section 4 – Cross Liabilities

In respect of claims under Section 2 each **insured** named in the Schedule will be deemed to be a third party to the other.

Section 5 – Indemnity to Principals

The indemnity provided by Section 2 will extend to indemnify any principal of the **insured** in respect of liability at law arising out of the use of The Insured Vehicle in connection with any contract entered into between the **insured** and such principal provided always that:

- a) the **insurer** will not be liable for death or bodily injury or **damage** to **property** arising out of the negligence or other default of the principal or their servants or agents
- b) the **insurer** will have the sole conduct and control of any claim
- c) the principal is not entitled to indemnity under any other policy.

Section 6 – Movement of Third Party Vehicles

The indemnity provided by Section 2 will apply to any accident caused by or arising from:

- a) the driving or movement of a vehicle not the property of the **insured** when it is interfering with the performance of the **business** directly connected with the legitimate passage of The Insured Vehicle
- b) the parking or movement by an **employee** of a vehicle belonging to a customer or visitor of the **insured** on or within the vicinity of the **premises**

For the purposes of this Section the words “or in the custody or control of” in Section 2 Exception (b) will not apply to such third party vehicles.

Section 7 – Contingent Liability

The indemnity provided by Section 2 will apply in respect of all sums which the **insured** may become legally liable to pay as damages and claimants’ costs and expenses arising out of the use of any motor vehicle not owned or provided by the **insured** while being used with the permission of the **insured** in connection with the **business**

Provided always that:

- a) such motor vehicle is not the **insured’s** property or held by the **insured** under a hire purchase agreement or hired or leased by the **insured**
- b) the **insured** has taken all reasonable steps to ensure that there is in force in respect of such motor vehicle an insurance that is valid for such use
- c) if any claim covered by this Section is covered by any other insurance then notwithstanding General Condition 7 the **insurer** will not be liable to make any contribution to such claim
- d) motor vehicle does not include any vehicle registered outside of the **territorial limits**

Section 8 – Towing Disabled Vehicles

If The Insured Vehicle is being used for the purpose of towing any one disabled mechanically propelled vehicle the **insurer** will indemnify the **insured** in the terms of Section 2 in respect of liability in connection with the towed vehicle provided that:

- a) such vehicle is not towed for reward
- b) the **insurer** will not be liable by reason of this Section in respect of **damage** to the towed vehicle or **property** being conveyed by such vehicle.

Section 9 – Damage to Vehicle – By Fire or Theft

The **insurer** will indemnify the **insured** in respect of **damage** to The Insured Vehicle or its accessories caused by fire or theft or attempted theft.

Section 10 – Damage to Vehicle – Other than by Fire or Theft

The **insurer** will indemnify the **insured** in respect of **damage** to The Insured Vehicle or its accessories other than as described in Section 9.

Exceptions to Sections 9 and 10

The **insurer** will not be liable in respect of:

- a) depreciation wear and tear mechanical electrical electronic computer and computer software breakdowns or failures or faults or breakages
- b) diminution in the value of The Insured Vehicle
- c) loss of use
- d) Section 10 – **damage** to tyres by application of brakes or by punctures cuts or bursts.
- e) **damage** caused by deception

Section 11 – Age and Inexperienced Driver Excess

In the event of **damage** to The Insured Vehicle (as detailed in Section 10) whilst being driven by or in charge of any persons who is:

- a) under 25 years of age
- b) age 25 years or over and:
 - i) holds a provisional licence
 - ii) has held a licence other than a provisional licence for less than 12 months

the **insured** will be responsible for the **excess** as specified in the Schedule.

Section 12 – Repairs/Spare Parts

Following a claim under Sections 9 or 10 the **insurer** will:

- a) pay the reasonable cost of removal to the nearest competent repairer and delivery to the **insured** when repairs have been completed
- b) at its discretion repair or replace The Insured Vehicle or its accessory or make a cash settlement not exceeding the market value of The Insured Vehicle or its accessory at the time of the **damage**
- c) not be liable for a greater sum than the makers' last list price in the United Kingdom for the supply of any spare part and at the **insurer's** discretion a cash settlement on this basis may be made if a spare part cannot be obtained. If the supply of any spare part is delayed or repair is postponed and the **insured** uses the vehicle in a damaged condition the **insurer** will not be liable for the cost of any further **damage** so caused.

Repairs may be commenced if a completed claim form and detailed estimate are sent to the **insurer** on the day instructions are given. Where instructions to repair The Insured Vehicle are given by the **insured** any damaged part which has been replaced should be retained for a period of 10 days following completion of the repairs

Section 13 – Personal Effects

The **insurer** will indemnify the **insured** or at the request of the **insured** any other person in respect of **damage** to personal effects (other than money) whilst in or on The Insured Vehicle resulting from fire theft attempted theft or accidental means provided that:

- a) the amount payable in respect of any one occurrence will not exceed the sum specified in the Schedule as the Limit
- b) the **insurer** may at its option repair replace or pay in cash the current market value of any such personal effects
- c) receipt by the person indemnified will constitute a discharge in respect of any claim under this Section.

Section 14 – Medical Expenses

The **insurer** will at the request of the **insured** pay the cost of medical expenses in respect of any person who sustains bodily injury whilst in The Insured Vehicle caused by accidental means in connection with the use of The Insured Vehicle provided that the amount in respect of each person injured will not exceed the sum specified in the Schedule as the Limit.

Section 15 – Hiring Agreements

If to the knowledge of the **insurer** The Insured Vehicle is the subject of any contract or hire purchase agreement all settlements made in cash under Sections 9 and 10 will be to the owner whose receipt will constitute a discharge.

Section 16 – Trailers

The indemnity provided by Section 2 and Sections 9 and 10 if operative will apply in respect of any trailer the property of or in the custody or control of the **insured** provided that:

- a) for the purpose of Section 2 Exception (b) The Insured Vehicle and any attached trailer will together be deemed to constitute one Insured Vehicle
- b) the **insurer** will not be liable by virtue of this Section to indemnify the **insured** in connection with The Insured Vehicle or trailer while The Insured Vehicle is drawing a greater number of trailers in all than is permitted by law.

Section 17 – Unauthorised Use

The **insurer** will indemnify the **insured** in the terms of Section 2 and Sections 9 and 10 if operative whilst The Insured Vehicle is being used without the knowledge or consent of an authorised official of the **insured**. The **insurer** will not be liable under the terms of this Section to indemnify any person driving or using The Insured Vehicle.

Section 18 – Geographical Limits

This Part applies within the geographical limits of:

- a) any member country of the European Union
- b) any other country in respect of which the Commission of the European Union is satisfied that arrangements have been made to meet the requirements of Article 7(2) of the EU Directive on insurance of civil liabilities arising from the use of motor vehicles (No. 72/166/EEC)
- c) any other country for which the **insured** has requested and the **insurer** has agreed to provide indemnity.

and whilst The Insured Vehicle is in transit (including processes of loading and unloading) between ports in countries within the geographical limits as detailed in Section 18 provided that such transit will be by a recognised route of not longer than 65 hours duration under normal conditions.

Section 19 – Foreign Use

- a) The **insurer** will indemnify the **insured** against liability for the payment of general average, salvage sue and labour charges arising from transportation by sea provided that in respect of The Insured Vehicle Section 10 is operative.
- b) The **insurer** will indemnify the **insured** in respect of the enforced payment of customs duty following **damage** to The Insured Vehicle giving rise to a valid claim under Section 9 or 10.

Section 20 – Special Exclusions

The **insurer** will not be liable for:

1. **Unauthorised Use**
any claim directly or indirectly arising from use of The Insured Vehicle otherwise than in accordance with the limitations as to use specified in the Certificate of Motor Insurance except to indemnify the **insured** only whilst The Insured Vehicle is in the custody of a member of the motor trade for the purpose of maintenance or repair
2. **Licence to Drive**
any claim directly or indirectly arising from the driving of The Insured Vehicle by any person who to the knowledge of the **insured** does not hold a licence to drive unless the person has held and is not disqualified from holding or obtaining such a licence. This Exclusion will not apply when a licence is not required by law
3. **Earthquake, Riot and Civil Commotion**
any consequence of:
 - a) earthquake occurring elsewhere than in any member country of the European Union

- b) riot or civil commotion occurring:
 - i) in Northern Ireland
 - ii) elsewhere than in any other member country of the European Union

4. Contractual Liability

any liability which attaches by virtue of an agreement which would not have attached in the absence of such agreement unless the conduct and control of any claim is vested in the **insurer** but in any event there will be no indemnity provided in respect of liquidated damages or under any penalty clause.

Section 21 – Special Condition

The **insured** will take all reasonable steps to maintain and use The Insured Vehicle in a safe condition and to comply with statutory regulations.

Section 22 – Cover

Cover applies within the geographical limits as detailed in Section 18 in respect of death of or bodily injury to any person or **damage** to **property** caused or arising in the Period of Insurance stated in the Schedule. The extent of cover applicable is as stated in the Schedule or any relevant Endorsement and the following meanings apply to words and expressions used.

- A. **Comprehensive**
Sections 1 to 22 apply.
- B. **Comprehensive Excluding Windscreens**
Sections 1 to 22 apply apart from Section 10 which is cancelled solely in respect of claims for the breakage of glass windscreens windows or sunroofs.
- C. **Third Party, Fire and Theft**
Sections 1 to 9 and 12 to 22 apply.
- D. **Third Party and Fire**
Sections 1 to 9 and 12 to 22 apply. Section 9 is cancelled other than in respect of **damage** caused by fire.
- E. **Third Party and Theft**
Section 1 to 9 and 12 to 22 apply. Section 9 is cancelled other than in respect of **damage** caused by theft or attempted theft.
- F. **Third Party**
Sections 1 to 8 and 16 to 22 apply.

Section 23 – Excess

Applicable only where specified in the Schedule(s).

Any **excess** specified in the Schedule(s) will apply to each of The Insured Vehicles in accordance with the following:

- K. **Accidental Damage**
Section 10 **damage** other than **damage** to glass windscreens windows or sunroofs.
- L. **Fire**
Section 9 **damage** caused by fire.
- M. **Theft**
Section 9 **damage** caused by theft or attempted theft.
- N. **Windscreens**
Section 10 breakage of glass windscreens windows or sunroofs.
- P. **Third Party**
Section 2.
- Q. **Theft Total Loss**
Section 9 **damage** caused by theft or attempted theft where such **damage** renders The Insured Vehicle a total loss constructive or otherwise.

Any **excess** specified in the Schedule(s) will be in addition to any other **excess** which may apply.

Section 24 – Additional Covers

Applicable only where specified in the Schedule(s)

T. Continuing Hire Charges

In the event of the **insured** being liable to pay continuing hire charges incurred under a contract with the owner of a vehicle on temporary hire to the **insured** as a direct result of loss or **damage** caused to such vehicle and which is the subject of indemnity under Section 9 or 10 the **insurer** will pay such charges for a period not exceeding 120 days from the date of the occurrence provided that:

- a) the **insurer** will not be liable for the first 72 hours of such charges
- b) the amount payable in respect of any one occurrence will not exceed the sum specified in the Schedule as the Limit.

Sections 9 and 10 Exception (c) will not apply to this cover.

U. Occasional Business Use

At the request of the **insured** this Part will apply in respect of any Motor Car not the property of hired lent or provided by the **insured** whilst being used in connection with the **business**.

General Condition 7 will not apply to this cover.

V. Loss of No Claim Discount/Excess

Special Definitions for this Additional Cover

Excess

the first part of each and every claim under a current Motor Car policy which is not compulsorily imposed following an insurer's underwriting consideration of a proposal form or renewal of such policy

No Claim Discount

a discount allowed by an insurer by way of a reduction from normal premium payable in recognition of a period or periods of insurance without claim under a Motor Car policy.

Person Insured

anyone authorised by the **insured** to use a Motor Car in connection with the **business**

Cover

The **insurer** will indemnify the Person Insured in respect of:

- a) loss of or reduction in No Claim Discount
- b) payment of an Excess

incurred as a result of an accident occurring within the **territorial limits** involving a Motor Car which at the time of the accident was being used by the Person Insured in connection with the **business**.

Exceptions

The **insurer** will not be liable for:

- a) any claim which is a direct result of the use of a Motor Car by the Person Insured between their domestic residence and their normal place of work
- b) any temporary payment of an Excess or loss of No Claim Discount
- c) any amount in excess of:
 - i) £500 in respect of loss of or reduction in No Claims Discount
 - ii) £100 in respect of payment of an Excessfor any Person Insured in any Period of Insurance

Special Conditions

1. In the event of loss of No Claim Discount the **insurer** will pay the loss of or reduction in the ensuring years No Claim Discount between that earned and that which would have been earned had the accident not occurred.
2. The calculation of the amount to be paid will be based on the scale of No Claim Discount in force at the time of the accident.
3. On request the Person Insured will provide from their Motor Car insurer evidence stating:
 - a) the amount of No Claim Discount permanently lost
 - b) the scale of No Claim Discount
 - c) the date of the accident and location
 - d) the amount and reason the Excess applied.

W. Hiring Charges

In the event of **damage** to The Insured Vehicle giving rise to a valid claim under Sections 9 and 10 the **insurer** will indemnify the **insured** in respect of the cost of hiring a replacement vehicle of a similar model and performance provided that:

- a) the amount payable in respect of any one occurrence will not exceed the sum specified in the Schedule as the Limit
- b) no cover will apply in respect of the first 48 hours of any period of hire
- c) the **insurer** will not be liable as a result of **damage** occurring elsewhere than within the **territorial limits** or the Republic of Ireland
- d) the **insured** shall take all reasonable steps to mitigate loss and expedite repairs reinstatement or replacement of The Insured Vehicle.

X. Termination Charges

The **insurer** will indemnify the **insured** in respect of termination charges and/or penalty charge and/or loss of advance rental incurred by the **insured** in respect of the early termination of any Motor Car lease agreement entered into by the **insured** provided that:

- a) the early termination is caused by or is as a direct result of **damage** giving rise to a valid claim under Sections 9 or 10
- b) the amount payable in respect of any one occurrence will not exceed the sum specified in the Schedule as the Limit
- c) the **insurer** will not be liable in respect of a charge incurred as a result of excess mileage.

Section 25 – Special Provisions

Terrorism

The maximum amount for which the **insurer** will be liable in respect of any claim, other than Sections 9 and 10 of this Part, arising directly or indirectly from **terrorism** will be £5,000,000 or such amount as required by compulsory motor insurance legislation within the geographical limits as detailed in Section 18, whichever is greater.

Part J – Motor Legal Expenses and Uninsured Loss Recovery

This Part will apply as specified in the Schedule and should be read in conjunction with Part I.

Section 1 – Special Definitions

Agent

The claims handling agent as specified in the Schedule who will handle all claims and act on behalf of the insurer

Geographical Limits

The territorial limits and any other member country of the European Union or any other territory for which the insurer has agreed to provide cover in accordance with Part I Section 18

Legal Expenses

costs reasonably incurred by the Solicitor on “the standard basis” and costs incurred by opponents in civil cases where the Person Insured is held liable to pay such costs or pays them with the Agent’s consent

Limit of Indemnity

£100,000 per claim

Person Insured

the insured the user of and any passenger (other than a fare paying passenger) in or on The Insured Vehicle

Solicitor

the Solicitor or other person who holds the necessary qualifications, appointed under Special Condition 1 to act for the Person Insured

Section 2 – Cover

In respect of an accident causing:

1. damage to The Insured Vehicle or property carried in or on The Insured Vehicle
2. bodily injury to a Person Insured while in or on The Insured Vehicle
the insurer will pay Legal Expenses in pursuing a claim for the recovery of uninsured loss and/or death or bodily injury caused to the Person Insured provided that:
 - a) the Agent considers there are reasonable prospects of success
 - b) any action must relate to an accident occurring in and be under the jurisdiction of a court within the Geographical Limits
 - c) any person seeking the benefit of this cover does so with the consent of the insured.

Section 3 – Exclusions

The insurer will not be liable for:

1. any claim reported to the Agent more than 180 days after the date a Person Insured should have known about the insured incident
2. any claim where indemnity under Part I of the Policy has been declined by the insurer
3. the cost of any Legal Expenses incurred before the Agent accepts a claim
4. any claim relating to a contract made between the Person Insured and the third party
5. fines, damages or other penalties which the Person Insured is ordered to pay by a court or other authority
6. any legal action a Person Insured takes which the Agent or the Solicitor have not agreed to or where the Person Insured does anything that hinders the Agent or the Solicitor.

Section 4 – Special Conditions

1. The Agent will be entitled to have sole conduct and control of any claim prior to the issue of proceedings. On the issue of proceedings or where a conflict of interest exists or arises the Person Insured may choose a Solicitor to act in any legal proceedings to which the Agent has consented. The Person Insured must submit the name and address of the Solicitor to the Agent on appointment. The Agent may refuse to accept the Person Insured's choice of Solicitor in exceptional circumstances. Any dispute arising from the Person Insured's choice of Solicitor may be referred to arbitration under Special Condition 8. At all times the Person Insured will take all reasonable steps to minimise the Legal Expenses payable under this cover.
2. The Agent will be entitled to instruct a Solicitor on behalf of the Person Insured if it considers this necessary to safeguard the interest of the Person Insured. Any Solicitor nominated to act for the Person Insured will be appointed by the Agent in the name and on behalf of the Person Insured.
3. The Agent will have direct access to the Solicitor. The Person Insured must co-operate fully with the Agent and keep the Agent informed of all developments in the claim. The Person Insured must also instruct the Solicitor to give the Agent all information and will also give the Solicitor such other instruction as the Agent may require.
4. If any offer or payment into court is not accepted by the Person Insured but the amount is equal to or exceeds the total damages eventually recovered the **insurer** will have no liability in respect of further Legal Expenses unless the Agent has agreed to continuation of proceedings.
5. No appeal or further proceedings will be covered unless the Agent authorises such action.
6. If for any reason the Solicitor refuses to continue acting for the Person Insured or if the Person Insured withdraws their claim from the Solicitor then the **insurer** will not pay further Legal Expenses unless the Agent agrees to the appointment of another Solicitor to continue dealing with the claim.
7. If the Person Insured withdraws from the claim without the prior agreement of the Agent then all Legal Expenses will become the responsibility of the Person Insured. The **insurer** will be entitled to be reimbursed by the Person Insured for any costs paid or incurred.
8. If there is any difference arising between the Agent and the Person Insured the Person Insured may request that the difference be resolved by a Solicitor chosen jointly by the Agent and the Person Insured. The decision will be final and binding and all costs of resolving the difference will be met by the losing party.

Part K – Inspection Contract

How we use your information

Who controls your personal information

This notice tells you how Zurich Management Services Ltd (Zurich), as data controller, will deal with your personal information. Where Zurich introduces you to a company outside the group, that company will tell you how your personal information will be used.

You can ask for further information about our use of your personal information or complain about its use in the first instance, by contacting our Data Protection Officer at: Zurich Insurance Group, Tri-centre 1, Newbridge Square, Swindon, SN1 1HN or by emailing the Data Protection Officer at GBZ.General.Data.Protection@uk.zurich.com.

If you have any concerns regarding our processing of your personal information, or are not satisfied with our handling of any request by you in relation to your rights, you also have the right to make a complaint to the Information Commissioner's Office. Their address is: First Contact Team, Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, SK9 5AF.

What personal information we collect about you

We will collect and process the personal information that you give us by phone, e-mail, filling in forms, including on our website, and when you report a problem with our website. We also collect personal information from your appointed agent such as your trustee, broker, intermediary or financial adviser in order to provide you with the services you have requested. We will also collect information you have volunteered to be in the public domain and other industry-wide sources.

We will only collect personal information that we require to fulfil our contractual or legal requirements unless you consent to provide additional information. The type of personal information we will collect includes; basic personal information i.e. name, address and date of birth, national insurance number, contact details, occupation and where you have requested other individuals be included in the arrangement, personal information about those individuals.

If you give us personal information on other individuals, this will be used to provide you with a quotation and/or the services you have requested. You agree you have their permission to do so. Except where you are managing the contract on another's behalf, please ensure that the individual knows how their personal information will be used by Zurich. More information about this can be found in the 'How we use my personal information' section.

How we use your personal information

We and our selected third parties will only collect and use your personal information (i) where the processing is necessary in connection with providing you with a quotation and/or the services you have requested; (ii) to meet our legal or regulatory obligations; or (iii) for our "legitimate interests". It is in our legitimate interests to collect personal information as it provides us with the information that we need to provide our services to you more effectively including providing you with information about our products and services. We will always ensure that we keep the amount of information collected and the extent of any processing to the absolute minimum to meet this legitimate interest. Examples of the purposes for which we will collect and use your personal information are:

1. to provide you with a quotation and/or contract of insurance;
2. to identify you when you contact us;
3. to deal with administration and provide you with necessary documentation
4. to make and receive payments;
5. to obtain feedback on the service we provide to you;
6. to administer our site and for internal operations including troubleshooting, data analysis, testing, research, statistical and survey purposes;
7. for fraud prevention and detection purposes.

Who we share your personal information with

Where necessary, we will share the personal information you gave us for the purposes of providing you with the goods and services you requested with the types of organisations described below:

- associated companies including, suppliers and service providers;
- professional advisers;
- regulatory and legal bodies; and
- credit management organisations

Or, in order to meet our legal or regulatory requirements, with the types of organisations described below:

- regulatory and legal bodies;
- central government or local councils; and
- law enforcement bodies, including investigators;

How we use your personal information for websites and email communications

When you visit one of our websites we may collect information from you such as your email address or IP address. This helps us to track unique visits and monitor patterns of customer website traffic, such as who visits and why they visit.

We use cookies and/or pixel tags on some pages of our website. A cookie is a small text file sent to your computer. A pixel tag is an invisible tag placed on certain pages of our website but not on your computer. Pixel tags usually work together with cookies to assist us to provide you with a more tailored service. This allows us to monitor and improve our email communications and website. Useful information about cookies, including how to remove them, can be found on our websites.

How we transfer your personal information to other countries

Where we transfer your personal information to countries that are outside of the UK and the European Union (EU) we will ensure that it is protected and that the transfer is lawful. We will do this by ensuring that the personal information is given adequate safeguards by using 'standard contractual clauses' which have been adopted or approved by the UK and the EU, or other solutions that are in line with the requirements of European data protection laws.

A copy of our security measures for personal information transfers can be obtained from our Data Protection Officer at: Zurich Insurance Group, Tri-centre 1, Newbridge Square, Swindon, SN1 1HN, or by emailing the Data Protection Officer at GBZ.General.Data.Protection@uk.zurich.com.

How long we keep your personal information for

We will retain and process your personal information for as long as necessary to meet the purposes for which it was originally collected. These periods of time are subject to legal, tax and regulatory requirements or to enable us to manage our business.

Your data protection rights

You have a number of rights under the data protection laws, namely:

- to access your data (by way of a subject access request);
- to have your data rectified if it is inaccurate or incomplete;
- in certain circumstances, to have your data deleted or removed;
- in certain circumstances, to restrict the processing of your data;
- a right of data portability, namely to obtain and reuse your data for your own purposes across different services;
- to object to direct marketing;
- not to be subject to automated decision making (including profiling), where it produces a legal effect or a similarly significant effect on you;
- to claim compensation for damages caused by a breach of the data protection legislation.
- if we are processing your personal information with your consent, you have the right to withdraw your consent at any time.

We will, for the purposes of providing you with a contract of insurance, processing claims, reinsurance and targeted marketing, process your personal information by means of automated decision making and profiling where we have a legitimate interest or you have consented to this.

What happens if you fail to provide your personal information to us

If you do not provide us with your personal information, we will not be able to provide you with a contract or assess future claims for the service you have requested.

Fraud prevention and detection

In order to prevent and detect fraud we may at any time:

- a) check your personal data against counter fraud systems;
- b) use your information to search against various publicly available and third party resources; use industry fraud tools including undertaking credit searches;
- c) share information about you with other organisations including but not limited to the police and other interested parties.

If you provide false or inaccurate information and fraud is identified, the matter will be investigated and appropriate action taken. This may result in your case being referred to the Insurance Fraud Enforcement Department (IFED) or other police forces and fraud prevention agencies. You may face fines or criminal prosecution. In addition, Zurich may register your name on the Insurance Fraud Register, an industry-wide fraud database.

Section 1 – Definitions

Certain words in this **contract** have special meanings. These meanings are given below and apply wherever the words appear in bold.

Additional Services

All services that fall outside of the **inspection service**.

Annexes

The annexes forming part of this **contract** which can be viewed and downloaded from the **contractor's** website at www.zurich.co.uk/municipal

CLAW

The Control of Lead at Work Regulations 2002 and regulation 4 of the Control of Substances Hazardous to Health (Amendment) Regulations 2004.

Commencement Date

The start date of the period of this **contract** stated in the schedule as the effective date from which the **contractor** will provide the **inspection service**.

Competent Person

The competent person as defined in the **regulations**.

Confidential Information

All technical, business and similar information relating to the business affairs of the **contract holder** and the **contractor** that is confidential or secret in nature.

Contract

This part including:

- a) the schedule
- b) the **inspection contract quotation**
- c) the location index.

Contract Holder

The company, person or persons or other legal entity stated in the schedule.

Contractor

Zurich Management Services Limited whose registered office is: The Zurich Centre, 3000 Parkway, Whiteley, Fareham, Hampshire PO15 7JZ Company Number 02741053.

CoSSH

The Control of Substances Hazardous to Health Regulations 2002 (as amended).

Defect

A defect in **plant** that could reasonably be expected to be detected by a **competent person** during an **inspection** and in respect of which it is the **contractor's** judgment that the **contract holder** should take action.

EAW

The Electricity at Work Regulations 1989.

Incident

An incident of damage, injury, loss or death caused or alleged to have been caused by a failure of **plant** following an **inspection** by the **contractor**.

Inspect, Inspected

To perform an **inspection**.

Inspection

A visual examination of **plant** by the **contractor** in accordance with:

- a) the **regulations** including a **thorough examination** where so required by the **regulations**
- b) the **scope**
- c) any **SAFed** guidance; and
- d) any written scheme of examination agreed between the **contractor** and the **contract holder** following a **risk assessment**.

Inspection Contract Quotation

The written quotation for the **inspection service** which sets out the proposed **inspection fee**.

Inspection Fee

The amount payable for the **inspection service** as stated in the schedule as varied from time to time in accordance with clause 2.6.

Inspection Frequency

The maximum interval between **inspections** as recommended by **SAFed** or required under any **regulations** as may be varied by the **competent person** acting in accordance with the **regulations**.

Inspection Interval

The period between **inspections** as requested by the **contract holder** which is no longer than the **inspection frequency** or in accordance with a **risk assessment**.

Inspection Service

The **inspection** of **plant** at **inspection intervals** and the provision of a **report** in accordance with this **contract**.

IRR

The Ionising Radiations Regulations 1999.

LOLER

The Lifting Operations and Lifting Equipment Regulations 1998.

Mid Term Adjustment

A change in the **scope**, the list of **plant** or the **inspection interval**.

Normal Working Hours

Between 08.00 hours and 17.00 hours Monday to Friday except for public holidays.

Plant

The machinery and equipment as stated in the item specification and kept at the **site**.

PSSR

The Pressure Systems Safety Regulations 2000.

PUWER

The Provision and Use of Work Equipment Regulations 1998.

Recommendations

Any recommendations made or issues highlighted by the **contractor** in a **report** including advice on future maintenance of **plant** and recommended follow up tests and **inspections**.

Regulations

All statutes, statutory instruments, orders, laws, **regulations**, guidance and codes of practice issued by a **regulatory body** or industry body which are relevant to **plant** or to which the **contract holder** or the **contractor** are subject in respect of **plant** or the **inspection service**.

Regulatory Body

Any competent governmental, statutory, regulatory or enforcement authority or regulator concerned with **plant** or its **inspection** including:

- a) the Health and Safety Executive
- b) United Kingdom Accreditation Service
- c) the police
- d) local authority Environmental Health Departments.

Report

A report in the **contractor's** standard format that provides details of **plant inspected** and the **inspection** that was undertaken including any **recommendations** and details of tests undertaken. The report is not a Health and Safety certificate.

Risk Assessment

A risk assessment that either:

- a) the **contract holder** has provided and that the **contractor** is able to adopt in accordance with the **regulations**
- b) the **contractor** has provided to the **contract holder** (which would be an **additional service**).

SAFed

The Safety Assessment Federation or any successor body.

Scope

The scope of the **inspection** as limited and explained in this **contract**.

Site

The locations where **plant** is located as set out in the item specification.

Thorough Examination

A systematic and detailed visual examination of **plant** by a **competent person** which is intended to detect any **defects** which are or may become dangerous and which are apparent at the date of examination.

Zurich Engineering

Zurich Engineering a trading name of Zurich Management Services Limited.

Zurich Group

Zurich Insurance Group, a company incorporated in Switzerland (No. CH020.3.023.083-6) Mythenquai 2, Zürich, Switzerland 8002, and its subsidiaries.

Section 2 – Terms and Conditions

2.1 Confidentiality

- a) Neither the **contract holder** nor **contractor** will disclose or communicate to any third party any **confidential information** obtained from the other party as a result of this **contract**.
The **contractor** is entitled to share **confidential information** within the **Zurich Group**.
- b) Nothing in this clause will impose an obligation of confidentiality on information:
 - i) already in the public domain
 - ii) that was rightfully in the possession of such party prior to the **commencement date**
 - iii) that is required to be disclosed pursuant to any **regulations** or required by a **regulatory body**.
- c) The obligations under this clause will come into effect on the **commencement date** and will survive termination.

2.2 Continuity Clause

In consideration of a discount being incorporated in the **inspection fee** the **contract holder** undertakes to offer annually the **inspection service** under this **contract** on the terms and conditions in force at the expiry of each period of **contract** and to pay the **inspection fee** in advance it being understood that:

- a) the **contractor** will be under no obligation to accept an offer made in accordance with this condition
- b) the **inspection fee** will be amended at each renewal date in line with the change in the Average Weekly Earnings – Regular Pay – Whole Economy – 3 month average Index during the period of 12 months which expires 3 months prior to the month of renewal.

Payment of the **inspection fee** or renewal **inspection fee** will be deemed acceptance by the **contract holder** of this condition.

2.3 Contract Duration and Renewal

This **contract** will start on the **commencement date** and continue until the end of the period of **contract** unless the **contract holder** or **contractor** terminate it in accordance with clause 2.11.

2.4 Contract Holder's Responsibilities

- a) Notwithstanding the **contractor's** obligations to the **contract holder** under this **contract** it remains the **contract holder's** legal duty to ensure that **plant** is **inspected** as required by the **regulations** and to make any necessary notifications or reports confirming that **inspection** has taken place.
- b) In particular the **contract holder** is responsible for ensuring that **plant** is **inspected** within the **inspection frequency** or in accordance with a **risk assessment** which meets the **regulations**. The **contractor** recommends that the **contract holder** establish a system to monitor the frequency of **inspections** in order to ensure compliance with the **regulations**.
- c) The **contract holder** will notify the **contractor** in advance of the dates before which **inspection** is required giving sufficient notice for the parties to arrange a mutually convenient appointment.
- d) The **contract holder** will liaise with the **contractor** to ensure the planning and carrying out of the **inspection service** as effectively as possible. The **contract holder** will use reasonable endeavours to assist the **contractor** to complete the **inspection** and will not act or fail to act in such a way that might prevent the **contractor** from providing the **inspection service** in line with this **contract**.
- e) At or prior to the **inspection** the **contract holder** will provide the **contractor** with relevant information of:
 - i) any changes to the quantity of **plant**
 - ii) any **plant** that is being operated outside the scope of usual operating conditions
 - iii) any modification to **plant** that has been made since the last **inspection**
 - iv) any **recommendations** whether made by the **contractor** or any third party
 - v) the service history of **plant**
 - vi) any information and documents that the **contractor** may reasonably request to enable the **contractor** to perform the **inspection**.
- f) The **contract holder** will have **plant** properly cleaned and prepared for **inspection**.
- g) The **contract holder** will provide the **contractor** with safe access to the **site** and a safe working environment on the **site**. The **contract holder** will make available any of their staff, premises, facilities, ancillary testing equipment and access equipment as the **contractor** may reasonably request to enable the **contractor** to perform the **inspection**.
- h) The **contract holder** retains sole responsibility for the operation of **plant**. Where the operation of **plant** or any ancillary equipment is required for an **inspection** the **contract holder** will make available a skilled and qualified operator of the relevant **plant** and any ancillary equipment.
- i) After the **contractor** has completed the **inspection** the **contract holder** is responsible for the reassembly of **plant** except that if the **contractor** removes an inspection cover to perform the **inspection** the **contractor** will put it back in place.

- j) Should an **incident** occur the **contract holder** will notify the **contractor** immediately of such **incident** and the involvement of any **regulatory body**. The **contract holder** will provide the **contractor** with all information, documents and assistance as the **contractor** may reasonably request to enable the **contractor** to investigate and understand the **incident**, its causes and effects including access to the **site, plant**, the **contract holder's** staff and facilities with reasonable notice.
- k) The **contract holder** will act on the information provided in Report of Visit or Customer Advice notifications and will remove **plant** from service where the **contractor** has notified the **contract holder** that an **inspection** that was due could not be started or completed.

2.5 Contractor's Responsibilities

- a) The **contractor** will **inspect plant** at the **site** in line with the **scope** and within **normal working hours**. The **contractor** will use reasonable endeavours to carry out **inspections** at intervals no longer than the **inspection frequency** or more frequently if set out in the **scope**. The **contractor** will only carry out **inspections** less frequently than the **inspection frequency** where it is in accordance with a **risk assessment**.
- b) The **contractor** will act as a **competent person** for the **inspection** and will use reasonable endeavours to ensure that the person performing the **inspection** possesses all necessary skills, experience and qualifications to the extent required by the **regulations** for the **inspection** of the relevant **plant**.
- c) The **contractor** will only **inspect plant** that the **contract holder** makes available to the **contractor** and which is in a suitable condition for the **inspection** to take place. If **plant** or any part of **plant** cannot be located or is not made available by the **contract holder** for **inspection** the **report** will state which **plant** or which part of **plant** the **contractor** did not **inspect** and give the reason for this and the **contractor** will not be liable for any failure to **inspect** that **plant**. The **contractor** will notify the **contract holder** in writing within 14 days of any abortive attempts to arrange or attend an **inspection**.
- d) The **inspection service** does not cover the preparation, operation, repair or maintenance of **plant**. If the **contractor** removes an inspection cover to perform the **inspection** the **contractor** will put it back in place.
- e) While the **contractor** is on site the **contractor** will comply with the **contract holder's** safe systems of work as notified by the **contract holder** provided they do not conflict with **annex 4**. The **contractor** reserves the right not to carry out an **inspection** if in the **contractor's** reasonable opinion to do so would pose an unacceptable risk to the health, safety or welfare of the **contractor**, the **contract holder** or any other person and the **contractor** will notify the **contract holder** of this.
- f) The **contractor** will provide the **contract holder** with a **report** setting out:
 - i) **plant** which has been **inspected**
 - ii) the **scope** of the **inspection**
 - iii) the **regulations** which have been applied
 - iv) whether any supplementary testing or **additional services** have been carried out
 - v) the findings of the **inspection** noting any **defects**. The **contractor** will report **defects** to the **regulatory body** where required to do so by the **regulations**.
- g) The **contractor** will categorise **defects** as A –immediate, A-timed or B-**defects** in line with **annex 3**. In summary:
 - A **defects** pose a risk of injury as specified in the **regulations**.
 - A-immediate **defects** are where the risk of injury is immediate or imminent and should be addressed by the **contract holder** before the **plant** is used.
 - A-timed **defects** are where the risk of injury is posed in the future and should be addressed by the **contract holder** before the date specified in the **contractor's report**.
 - B **defects** may pose a risk of injury but a risk other than as specified in or intended to be addressed by the **regulations**.
- h) The **report** may bring to the **contract holder's** attention other noticeable and obvious **defects** that fall outside the **scope** although the **contractor** is not obliged to do so. The **contractor** will not assess the impact of such other **defects** and it will remain the **contract holder's** sole responsibility to assess them and decide what action to take.

- i) Where the **contractor** has been unable to start or to complete an **inspection** that was due for whatever reason the **contractor** will issue a Report of Visit or Customer Advice notification explaining why the **inspection** could not be completed. The Report of Visit or Customer Advice will be given a reporting status as per **annex 3**.
- j) The **contractor** will issue the **report** to the **contract holder** within 14 days following completion of the **inspection**. Where any **plant** is judged to give rise to 'A' **defects** the **contractor** will also issue a handwritten report prior to leaving the **site** identifying the relevant **plant** and the danger.

The **report** is issued electronically by default as well as in paper hard copy format where preferred or necessary.

The **contract holder** agrees that the **report**:

- i) confirms the condition and operability of **plant** at the date of **inspection** only; and
- ii) is not a health and safety certificate nor evidence of full legal compliance of **plant**.

2.6 Contract Price and Payment

- a) The **contractor** is entitled to invoice the **contract holder** for the **inspection fee** on the **commencement date**.
- b) The **inspection fee** is set out in the schedule. The **contract holder** must notify the **contractor** immediately if the list of **plant** is incorrect.
- c) The **contractor** is entitled to adjust the **inspection fee** where:
 - i) any information the **contract holder** provides to the **contractor** or the list of **plant** is not accurate
 - ii) the **contract holder** advises the **contractor** of any alterations, modifications or other information regarding **plant**
 - iii) the **contract holder** and **contractor** agree in writing to any **mid term adjustments**.
- d) The **contractor** is entitled to increase the **inspection fee** where:
 - i) **inspections** are undertaken outside **normal working hours** at the **contract holder's** request
 - ii) the **contract holder** requires that the **contract holder's** representatives undertake training specific to the **contract holder's** own health, safety and welfare procedures
 - iii) the **contractor** is unable to carry out an **inspection** at an agreed time through no fault of the **contractor**
 - iv) the **contract holder** requests that the **contractor** re-inspect any **plant** through no fault of the **contractor**
 - v) the **contract holder** requests paper or duplicate copies of any **report**.
- e) Where the **contractor** notifies the **contract holder** of an increase to the **inspection fee** during the period of **contract** the **contractor** is entitled to invoice the **contract holder** for the additional amount. Otherwise any change to the **inspection fee** will be set off against the **inspection fee** for the following period of **contract**.
- f) Unless the **contractor** agrees otherwise in writing the **contract holder** must pay all the **contractor's** invoices within 30 days of the date of invoice.
- g) Unless otherwise agreed in writing the **inspection fee** is in sterling and exclusive of VAT or any other similar tax or duty levied by any government or other authority.

2.7 General

- a) The **contractor** is entitled to apply any monies due to the **contract holder** under this **contract** in or towards any sum the **contract holder** owes the **contractor** in relation to any matter whatsoever and at any time.
- b) All notices to be given under this **contract** will be in writing and must be delivered by first class post or by email and will be deemed to have been delivered 48 hours after posting in the case of first class pre-paid letter and at the time stated in the delivery receipt in the case of email unless an undelivered message is received.
- c) Failure by either party to enforce any of the rights under this **contract** will not be taken as or deemed to be a waiver of such rights.

- d) If any term or provision of this **contract** is held illegal or unenforceable the remainder will remain in full force and effect.
- e) The **contract holder** may not assign, transfer or otherwise dispose of the **contract holder's** rights or obligations under this **contract** without the **contractor's** prior written consent. The **contractor** may assign this **contract** to another company in **Zurich Group**.
- f) No variation or modification of this **contract** will be valid unless in writing and signed by the **contract holder** and **contractor**.
- g) Nothing in this **contract** is intended to or will operate to create a partnership or joint venture of any kind between the **contract holder** and **contractor** or to authorise the **contract holder** or **contractor** to act as agent for the other or bind the other in any way.
- h) No third party is entitled to benefit from this **contract** whether under The Contracts (Rights of Third Parties) Act 1999 or otherwise.
- i) This **contract** represents the entire agreement between the **contract holder** and **contractor** and supersedes all prior agreements and representations made orally or in writing. In entering into this **contract** neither the **contract holder** nor the **contractor** have relied on nor will have any remedy in respect of any statement or other representation made orally or in writing made by the other.
- j) This **contract** will be governed by and construed in accordance with the laws of England and any dispute under or relating to this **contract** will be subject to the exclusive jurisdiction of the English courts.

2.8 Responsibility for Issues

- a) Except for the types of loss or damage set out in paragraphs c) and d) and subject to the limit of liability in paragraph e) if the **contractor** or the **contractor's** employees, agents or subcontractors are negligent in providing the **inspection service** or breach the **contractor's** obligations in this **contract** then the **contractor** will indemnify the **contract holder** against loss or damage which the **contract holder** suffers as a direct result of:
 - i) property damage
 - ii) injury to or death of any person
 - iii) claims brought against the **contract holder** by a third party.
- b) Except for the types of loss or damage set out in paragraph d) and subject to the limit of liability in paragraph e) if the **contract holder** or the **contract holder's** employees, agents or subcontractors are negligent or in breach of **contract** whether or not arising out of an **incident** then the **contract holder** will indemnify the **contractor** against loss or damage which the **contractor** suffers as a direct result of:
 - i) property damage
 - ii) injury to or death of any person
 - iii) claims brought against the **contractor** by a third party.
- c) The **contractor** is not liable for:
 - i) damage to any **plant** as a result of its failure to withstand a test applied as part of an **inspection**
 - ii) problems which arise or are made worse by the **contract holder** after an **inspection** including any loss or damage which is caused or contributed to by the **contract holder's** failure to follow or apply the **contractor's recommendations**
 - iii) loss or damage caused or contributed to by any modification to **plant** or use of **plant** outside of normal operating conditions where such modification or use has not been notified to the **contractor** by the **contract holder** before the last **inspection** prior to the date the loss or damage first arose; and
 - iv) any failure of **plant** unless the **contractor** as a result of the **contractor's** negligence or breach of this **contract** failed to notify the **contract holder** of a **defect** in the **report** which directly caused the failure of **plant**.
- d) Notwithstanding anything else contained in this **contract** neither the **contract holder** nor the **contractor** will be liable for loss of profits or contracts, loss of goodwill or any indirect or consequential loss whether arising from negligence, breach of contract or otherwise.

- e) The **contract holder's** and **contractor's** contract liability will not exceed £10,000,000 in aggregate. For the purposes of this clause "contract liability" means liability howsoever arising under or in relation to this **contract** or the **inspection service** that is not unlimited under paragraph f) or excluded under paragraphs c) or d).
- f) Nothing in this **contract** excludes liability for injury to or death of any person caused by negligence or any other liability which cannot be limited or excluded by law (for which no limit applies).

2.9 Sanctions

Notwithstanding any other terms of this **contract** the **contractor** will not provide any service or benefit to the **contract holder** or any other party to the extent that such service, benefit and/or any business or activity of the **contract holder** would violate any applicable trade or economic sanctions law or regulation.

2.10 Subcontracting

The **contractor** may subcontract in whole or in part any of their obligations under this **contract**. The **contractor** will retain responsibility for the execution of any subcontracted work in accordance with this **contract**.

2.11 Termination

- a) The **contractor** may terminate this **contract** on 30 days written notice. If the **contract holder** has paid the **inspection fee** in full the **contractor** will refund the proportion of the **inspection fee** that covers any **inspections** that are outstanding.
- b) Either the **contractor** or the **contract holder** may terminate this **contract** by giving written notice to the other if the other:
 - i) commits any breach of **contract** and fails to remedy the breach within 30 days after being required to do so in writing
 - ii) goes into liquidation, becomes bankrupt, makes a voluntary arrangement with its creditors or has a receiver or administrator appointed.

Any refund is subject to clause 2.7 a)

Part L – Plant Protection

Section 1 – Special Definitions

Breakdown

- a) the failure, breaking, distortion, or burning out of any part of the Plant whilst in use arising from either mechanical or electrical defect in the Plant or failure or fluctuation of electricity supply necessitating repair or replacement of the Plant before it can resume normal working including resultant loss of cooling, lubricating or insulating oil, refrigerant or brine
- b) complete severance of a rope forming part of the Plant designed for lifting but not including breakage of wires or strands even if this necessitates replacement of such rope
- c) fracturing of any part of the Plant by frost when such fracture renders the Plant inoperative

Collapse

sudden and dangerous distortion (whether or not attended by rupture) of any part of the Plant caused by crushing stresses by force of steam or other fluid pressure (other than pressure of ignited flue gases)

Explosion

sudden and violent rending of the Plant by force of internal steam or other fluid pressure (other than pressure of ignited flue gases) causing bodily displacement of any part of the Plant together with forcible ejection of the contents

Fragmentation

Damage to Own Surrounding Property arising from fragmentation of any part of the Plant described in the plant specification.

Insured Damage

damage to Plant described in the Plant Specification as indicated by the applicable Cover Code(s)

Own Surrounding Property Damage

damage to the **insured's** own surrounding **property** directly resulting from Insured Damage to Plant and in the case of:

- a) boiler and pressure items described in the Plant Specification, **damage** caused by the escape of contents directly consequent upon and solely due to Explosion or Collapse
- b) lifts or lifting equipment described in the Plant Specification, **damage** caused by impact through the normal operation of such Plant even though the Plant itself is not damaged

but excluding such **damage** where caused by the escape of contents from the Plant except where specifically stated to be covered within this insurance

Plant

as defined in Part K – Inspection Contract

Plant Specification

as defined in Part K – Inspection Contract

Reinstatement

- a) the rebuilding or replacement of **property** lost or destroyed which may be carried out:
 - i) in any manner suitable to the requirements of the **insured**
 - ii) upon another siteprovided the liability of the **insurer** is not increased
- b) the repair or restoration of **property** damaged

in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

Section 2 – Cover

The **insurer** will indemnify the **insured** in respect of:

- a) Insured Damage to Plant
- b) Own Surrounding Property Damage

The **insurer's** liability will not exceed the amount specified in the Schedule as the Limit of Indemnity in respect of all claims arising out of any one occurrence or arising out of all occurrences of a series consequent upon or attributable to one source or original cause.

In the event of:

- a) **damage** to Plant which at the time of such **damage** is less than 2 years old
- b) **damage** to the **insured's** own surrounding **property** (excluding stock in trade or goods in process of manufacture) caused by Explosion or Collapse of Plant

for which indemnity is provided by this Part, subject to the Reinstatement Special Conditions the basis upon which the amount payable will be calculated will be the Reinstatement of the Plant or surrounding **property** suffering **damage**.

Reinstatement Special Conditions

1. The liability of the **insurer** for the repair or restoration of **property** which is only partially damaged will not exceed the amount which would have been payable had such **property** been wholly destroyed.
2. Any additional amount which may be payable solely due to this Reinstatement provision will be paid only if:
 - a) Reinstatement commences and proceeds without unreasonable delay
 - b) the cost of Reinstatement has been actually incurred
 - c) at the time of its **damage** the **property** insured is not insured by any other insurance effected by or on behalf of the **insured** which is not upon the same basis of reinstatement.

Section 3 – Capital Additions

Subject to the Limit of Indemnity any item of Plant of a similar type to the Plant described in the Plant Specification which is newly acquired by the **insured** will be insured for the same cover for a period not exceeding 12 months from the time the **insured** becomes responsible for it provided that:

- a) such item is as far as the **insured** is aware, free from material defect, suitable for service, and in satisfactory working condition
- b) the item complies with any relevant statutory provisions for certification or examination prior to commencing operation
- c) the **insured** will provide details of the Plant and its location as soon as practical
- d) the **insurer** is entitled to withdraw cover if the Plant is found to be unsatisfactory for insurance following inspection.

Section 4 – Temporary Repairs/Expediting Costs

The **insurer** will pay reasonable additional costs incurred in effecting temporary repairs or for expediting permanent repairs to Plant including the cost of reasonable overtime payments provided the **insurer's** approval is first obtained and that the additional costs do not exceed 50% of the normal cost of repair or £3,000 whichever is the lower.

Section 5 – European Community and Public Authorities Clause

Subject to the following special conditions the insurance of each item of Plant described in the Plant Specification includes such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of:

1. European Community Legislation, or
2. Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye-Laws of any Public Authority

(hereafter referred to as 'the Stipulations') in respect of **damage** to **property** insured

excluding:

- a) the cost incurred in complying with the Stipulations:
 - i) in respect of **damage** occurring prior to the granting of this extension
 - ii) in respect of **damage** not insured by the policy
 - iii) under which notice has been served upon the **insured** prior to the happening of the **damage**
 - iv) for which there is an existing requirement which has to be implemented within a given period
 - v) in respect of any entirely undamaged property
- b) the additional cost that would have been required to make good the **property** lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the **property** or by the owner thereof by reason of compliance with the Stipulations.

Special Conditions

1. The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the **damage** or within such further time as the **insurer** may allow (during the said 12 months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of the **insurer** under this extension not being thereby increased.
2. If the liability of the **insurer** under this Part apart from this Section shall be reduced by the application of any of the terms and conditions of this Part then the liability of the **insurer** under this Section shall be reduced in like proportion.
3. The total amount recoverable under any item of this Part will not exceed the Limit of Indemnity.
4. Those terms and conditions of this Part which have not been varied by this Section will apply as if they had been incorporated in this Section.

Section 6 – Debris Removal

The **insurer** will pay for costs and expenses necessarily and reasonably incurred by the **insured** with the consent of the **insurer** in:

- a) removing debris of
- b) dismantling or demolishing
- c) shoring up or propping

the **property** insured following **damage** which is not excluded.

The liability of the **insurer** under this Part including costs and expenses under this Section in respect of any occurrence will in no case exceed the Limit of Indemnity stated in the Schedule.

The **insurer** will not pay any costs or expenses:

- i) incurred in removing debris except from the site of the **property** destroyed or damaged and the area immediately adjacent to the site
- ii) arising from pollution or contamination of **property** not insured by this Part.

Section 7 – Mitigating Costs

Subject to the Limit of Indemnity the **insurer** will pay reasonable costs incurred by the **insured** in taking exceptional measures to avoid or mitigate impending Insured Damage provided that **damage** would have been expected to have occurred in the absence of such action and does not stem from any defect within the Plant.

Section 8 – Payments on Account

Where liability is admitted under this insurance, the **insured** shall be entitled to receive payment as agreed with the **insurer** in advance of any final claim settlement.

Section 9 – Exclusions

The insurer will not be liable for:

1. **Maintenance**
the cost of maintenance, overhauls, alterations, improvements, additions or modifications but Insured Damage arising from such work is not excluded
2. **Wear and Tear**
wear and tear or gradual deterioration, gradually developing defects, flaws, deformation, distortion, cracks or partial fractures, loose parts or defective joints or seams but Insured Damage arising from such defects is not excluded
3. **Testing and Repair**
damage caused by or occurring during testing of Plant or by application of any tool or process in the course of maintenance, inspection, repair, alteration, modification or overhaul
4. **Installation**
damage to the Plant during installation, erection or dismantling
5. **Plant Movements**
damage to the Plant during re-siting, transportation or removal but such **damage** to self propelled Plant travelling under its own power is not excluded
6. **Foundations**
damage to foundations, masonry, brickwork and chimneys
7. **Batteries, Cables and Hoses**
batteries, trailing cables or flexible hoses or parts made of glass all used in connection with mobile Plant
8. **Tyre Damage**
tyres when damaged by the application of brakes, or by cuts, bursts or punctures
9. **Linings and Surfaces**
damage to any non metallic protective lining or the scratching of painted or polished surfaces
10. **Underground Piping**
flexible piping or any pipework buried in the ground or encased in concrete, masonry or brickwork used in connection with pressure Plant
11. **Track**
the track on which travelling cranes operate
12. **Fire and Perils**
damage caused by fire (however arising), lightning, explosion (other than Explosion as defined in this Part), earthquake, aircraft or other aerial devices or articles dropped therefrom, impact by any road vehicle or animal, theft or attempted theft, flood, inundation, or water leaking or discharging from any sprinkler installation
13. **Consequential Loss**
compensation in respect of loss of use, delay or detention or any other **consequential loss**
14. **Tandem Lifting**
damage arising from any raising or lowering operation in which a single load is shared between more than one item of lifting equipment
15. **Chemical Action and Fire**
damage arising from pressure of chemical action or ignited flue gases or ignition of the contents of the Plant
16. **Road Risk**
damage arising whilst any mobile Plant is travelling under its own power on a public road
17. **Re-levelling**
the cost of re-levelling an item of pressure Plant due to subsidence or ground movement unless accompanied by Insured Damage
18. **Wilful Negligence**
damage arising from the **insured's** wilful negligence or deliberate act
19. **Goods Lifted**
damage to **property** whilst being lifted, conveyed or handled by lifts or lifting equipment unless that **property** comprises personal effects and luggage of passengers being carried in or on a passenger lift, escalator or travelator

20. Date Recognition

damage or Mitigating Costs (under Section 7) directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:

- a) the way in which any **data processing system** responds to or deals with or fails to respond to or fails to deal with any true calendar date
- b) any **data processing system** responding to or dealing in any way with:
 - i) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
 - ii) any data not denoting a calendar date or dates as if such data denoted a calendar date or dates

whether such **data processing system** is the property of the **insured** or not and whether occurring before during or after the year 2000.

Section 10 – Excess

Each claim will be the subject of an **excess** the amount of which is shown in the Schedule. Unless stated otherwise the **excess** will apply individually to each and every loss.

Section 11 – Special Conditions

1. Obsolete or Foreign Plant

In the event of a claim involving Plant which is obsolete or of foreign manufacture and for which replacement parts cannot be supplied by the makers from stock, the **insurer's** liability in respect of such parts will be limited to the price of corresponding parts of current Plant of similar size and type together with the estimated cost of installing such parts.

2. Alterations

Any proposed alteration, addition or change of circumstances materially affecting:

- a) the working conditions of the Plant
- b) the insurance of the Plant

must be notified to the **insurer** as soon as possible.

3. Premium Adjustments

If during the Period of Insurance items of Plant are added or deleted, additional/return premium up to the next renewal date will be charged/returned at 50% of the agreed annual premium for the items of Plant concerned.

4. Terrorism

loss, **damage**, **consequential loss**, cost or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with:

- a) any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:
 - i) involves violence against one of more persons; or
 - ii) involves **damage to property**; or
 - iii) endangers life other than that of the person committing the action; or
 - iv) creates a risk to health or safety of the public or a section of the public; or
 - v) is designed to interfere with or to disrupt an electronic system
- b) any action in controlling, preventing, suppressing, retaliating against, or responding to any act, or preparation in respect of action, or threat of action described in (a) above.

In any action or suit or other proceedings where the **insurer** alleges that by reason of this Exclusion cover is not provided under this Policy, the burden of proving that cover is provided under this Policy shall be upon the **insured**.

Northern Ireland Exclusion

This Policy does not cover **damage** or **consequential loss** in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of civil commotion.

Section 12 – Cover Codes

Applicable as indicated in the Plant Specification

- A) Alternative Standby Working
For any item of Plant which is operated alternately with another or is kept for standby purposes only, a reduced premium is applied.
- B) Breakdown
As defined in Section 1
- E) Flue Gas Explosion
damage (other than by fire) directly consequent upon and solely due to explosion of ignited flue gases in the furnace or flues of the Plant.
- EC) Explosion/Collapse
As defined in Section 1.
- F) Fragmentation
As defined in Section 1.
- G) Goods Being lifted
damage to goods while such goods are being lifted, conveyed or handled by the Plant.
- L) Loss of Contents
 - a) The loss, contamination or solidification of the contents of the Plant but excluding loss caused by evaporation, seepage or any form of normal trade loss.
 - c) The cost of removing any escaped liquid for which liability is admitted under (a) above.
- R) Reinstatement
Subject to the Reinstatement Special Conditions set out in Section 2, the basis upon which the amount payable will be calculated will be the Reinstatement of the **property** suffering **damage**.
- S) Sudden and Unforeseen **damage**
damage which is sudden and unforeseen and necessitates immediate repair or replacement of the Plant, but excluding the cost of remedying or making good:
 - a) **damage** to glass or non-metallic parts (other than shells constructed of fibre-glass) or the chipping or scratching of painted or polished surfaces
 - b) any gradually developing distortion or deformation or any wearing away or wasting of material
 - c) in respect of pressure Plant included in the Plant Specification:
 - i) any crack, partial fracture, blister, lamination, flaw or grooving which has not penetrated through the entire thickness of the material
 - ii) burning or distortion by heat of refractory linings or mechanical parts of furnaces, kilns, stoking or firing units
 - iii) defective joints or seams (other than joints between sections of cast iron sectional boilers or welded or brazed seams) unless directly resulting from overheating due to general deficiency of water in Plant under pressure.
- U) **Damage** to the **insured's** own surrounding **property** or **property** for which the **insured** is responsible arising from the normal use of Plant described in the Plant Specification.
- W) Ingress of Water
damage of Plant caused by accidental ingress of water.

Part M – Deterioration of Stock

Section 1 – Special Definitions

Contents of any Refrigerator or Cold Chamber

the term “contents of any refrigerator or cold chamber” will include **property** which is elsewhere on the premises but which would in the normal course be placed in any refrigerator or cold chamber for which cover is provided

Plant Specification

the Plant Specification sets out details of the refrigerating plant together with the premises in which it is situated including the Sum Insured for each item.

Section 2 – Cover

The **insurer** will indemnify the **insured** subject to the Sum Insured, in respect of **damage** to the Contents of any Refrigerator or Cold Chamber caused by:

- i) rise or fall in temperature within the cold chamber of any machine described in the Plant Specification
- i) action of refrigerant fumes escaping from any machine described in the Plant Specification resulting from any cause not otherwise excluded.

Section 3 – Automatic Reinstatement

The Sums Insured stated in the Plant Specification will be automatically reinstated without additional premium from the date of occurrence of any claim of £1,000 or less.

Section 4 – Mitigating Costs

Subject to the Sum Insured the **insurer** will pay reasonable costs incurred by the **insured** in taking exceptional measures to avoid or mitigate impending **damage** provided that **damage** would have been expected to have occurred in the absence of such action.

Section 5 – Proof of Loss Costs

The **insurer** will pay reasonable costs incurred by the **insured** in obtaining a condemnation certificate issued by an Environmental Health Officer as proof of loss in respect of any valid claim.

Section 6 – Special Exclusions

The **insurer** will not be liable for **damage** resulting from:

1. **Experiments**
experiments involving the imposition of abnormal condition
2. **Maintenance or the Application of Tools**
the direct application or misapplication of a tool or process to any refrigerator or cold chamber in the course of alteration, maintenance, modification, overhaul or repair
3. **Wilful Negligence**
the wilful negligence or the deliberate act of the **insured**
4. **Fire and Perils**
fire (however arising), lightning, explosion, earthquake, aircraft or other aerial devices or articles dropped therefrom, impact by any road vehicle or animal, theft or attempted theft, flood, inundation, or water leaking or discharging from any sprinkler installation
5. **Act of the Supply Authority**
the deliberate act of any electricity supplier or the exercise by any such supplier of its power to withhold or restrict supply

6. Date Recognition

damage or Mitigating Costs (under Section 4) directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:

- a) the way in which any **data processing system** responds to or deals with or fails to respond to or fails to deal with any true calendar date
- b) any **data processing system** responding to or dealing in any way with:
 - i) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
 - ii) any data not denoting a calendar date or dates as if such data denoted a calendar date of dates

whether such **data processing system** is the property of the **insured** or not and whether occurring before during or after the year 2000.

Section 7 – Excess

Each claim will be subject to an **excess** the amount of which is specified in the Schedule. Unless stated otherwise the **excess** will apply individually to each and every loss.

Section 8 – Special Conditions

1. Right to Inspect

The **insurer** will have the right to inspect any refrigerator or cold chamber described in the Plant Specification at all reasonable times.

2. Average

The Sum Insured by each item is declared to be separately subject to **average**.

For the avoidance of doubt clause c) iii) of general condition 4 will not apply.

Part N – Fidelity Guarantee

Section 1 – Cover

The **insurer** will indemnify the **insured** in respect of loss of **money** or other property belonging to the **insured** or in the **insured's** trust or custody for which the **insured** is legally responsible occurring as a direct result of any act of fraud or dishonesty committed by any Person Guaranteed specified in the Schedule during the Period of Insurance, provided that such loss is discovered not more than 24 months following:

- a) the termination of the insurance relative to the Person Guaranteed concerned in such loss, or
- b) the termination of employment with the **insured** of the Person Guaranteed or the last of the respective Persons Guaranteed if more than one was concerned with the fraud or dishonesty, or
- c) the termination of this Part

whichever happens first.

Section 2 – Auditors Fees

The **insurer** will indemnify the **insured** in respect of costs and expenses incurred by the **insured** in investigating and proving any act of fraud or dishonesty provided that the liability of the **insurer** will not exceed 10% of the amount otherwise payable under this Part in respect of such claim.

Section 3 – Automatic Reinstatement

Upon discovery of a loss leading to a valid claim under this Part the Sum Guaranteed will be reinstated by the amount of such loss as subsequently ascertained provided that:

- a) the amount by which the Sum Guaranteed is reinstated will only apply to acts of fraud or dishonesty committed subsequent to the date of such reinstatement
- b) the **insured** will pay any additional premium required by the **insurer**.

Section 4 – Exclusions

The **insurer** will not be liable for:

- a) any loss unless the **insured** within 6 weeks of engaging any **employee** obtains written references from former employers covering the whole period of 3 years immediately preceding the **employee's** engagement by the **insured**
- b) any loss unless the original references relating to any defaulting **employee** have been passed to the **insurer**
- c) any loss arising from the engagement of any **employee** or appointment of any **member**, who to the **insured's** knowledge previously committed any fraudulent or dishonest act (except for convictions regarded as spent under the Rehabilitation of Offenders Act 1974)
- d) any loss arising out of any act of fraud or dishonesty committed by any Person Guaranteed after the **insured** or any person acting on behalf of the **insured** has become aware of, or has reasonable grounds for suspicion of any act of fraud dishonesty or improper or irregular conduct on the part of that Person Guaranteed and this Exclusion will also be a bar to any claim involving such a Person Guaranteed acting in collusion with another or others even though such other person(s) may not have committed or have given reasonable grounds for suspicion of any act of fraud or dishonesty or irregular conduct
- e) any loss of interest or consequential loss of any kind

- f) any loss directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:
- i) the way in which any **data processing system** responds to or deals with or fails to respond to or fails to deal with any true calendar date
 - ii) any **data processing system** responding to or dealing in any way with:
 - 1) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
 - 2) any data not denoting a calendar date or dates as if such data denoted a calendar date or dates
- whether such **data processing system** is the property of the **insured** or not and whether occurring before during or after the year 2000
- g) an **excess** the amount of which is specified in the Schedule. Unless stated otherwise, the **excess** will apply to each and every loss.

Section 5 – Special Provisions

Insurer's Rights

The commencement of criminal proceedings against any Person(s) Guaranteed alleged by the **insured** to have committed any act of fraud or dishonesty will not be a condition precedent to the right of the **insured** to indemnity under this Part but in the event of the **insurer** being required to indemnify, the **insurer** will be entitled to exercise in the name of the **insured** (but at its own expense) for its own benefit all the **insured's** rights of action against the Person(s) Guaranteed or their estate(s). This Policy will be evidence of the **insurer's** leave so to do and the **insured** will be provided all such assistance as the **insurer** may require in pursuit of the said rights.

Reduction of Claim

Any **money** or the value of any property in the hands of the **insured** and belonging to or otherwise due to any Person Guaranteed whose fraud or dishonesty has given rise to a loss for which a claim is made under this Part and which may legally be retained by the **insured** will be deducted from any amount that would otherwise be payable to the **insured**.

Sum Guaranteed

The Sum Guaranteed specified in the Schedule is the **insurer's** monetary limit in respect of:

- a) any one loss irrespective of the number of Persons Guaranteed involved
- b) the total of all losses discovered during any one Period of Insurance. Any losses discovered within the 24 month period allowed under Section 1(c) will be treated as having been discovered during the final Period of Insurance
- c) the total liability of the **insurer** during any number of Periods of Insurance and for any number of losses forming the basis of any one claim whether under this Part or any similar policies issued in addition thereto or in substitution therefor.

Where more than one Sum Guaranteed appears in the Schedule the **insurer's** monetary limit will be the higher Sum Guaranteed relevant to the Persons Guaranteed involved in the loss or losses.

Part O – Personal Accident

Section 1 – Special Definitions

Accident

- a) violent, accidental, external and visible means, or
- b) unavoidable exposure to the elements

Activities

official duties in connection with the **business** including journeys directly connected therewith

Annual Earnings

- a) the gross basic annual wage or salary (inclusive of emoluments, guaranteed overtime and local weightings) from the **insured** of the Person Insured at the date of sustaining bodily injury, or
- b) the gross earnings from the **insured** of the Person Insured during the 12 months preceding the date of sustaining bodily injury

whichever is the greater

Assault

- a) violent or criminal assault, or
- b) attack by animals, or
- c) explosion or whilst searching for explosives

Person Insured

as specified in the Schedule

Weekly Earnings

the gross average weekly earnings from the **insured** of the Person Insured during the 52 weeks preceding the date of sustaining bodily injury.

Section 2 – Accident Cover

In the event of any Person Insured whilst engaged in the Activities sustaining bodily injury by Accident (other than Assault) during the Period of Insurance as a result of which death or disablement occurs independently of any other cause within 24 months of sustaining such injury, the **insurer** will pay to the **insured** such of the amounts payable under Section 6 as are applicable.

In the event of the disappearance of any Person Insured and where the **insurer** agrees after a suitable time has elapsed that it is reasonable to assume that such Person Insured has died as a result of sustaining bodily injury by Accident (other than Assault) whilst engaged in the Activities, the **insurer** will pay the appropriate amount payable in respect of death to the **insured** subject to a signed undertaking from an authorised person that if the assumption of death is subsequently found to be wrong the amount paid in settlement will be refunded.

The **insurer** will also provide indemnity in respect of **damage** to personal effects consisting of money, articles of clothing, footwear and other property worn or carried by the Person Insured when such **damage** arises as a result of the Person Insured sustaining bodily injury for which the **insurer** is liable to pay compensation under this Section provided that the **insurer** will not pay more than the sum of £5,000 in respect of **damage** to personal effects of any one Person Insured.

Section 3 – Assault Cover

In the event of any Person Insured whilst engaged in the Activities sustaining bodily injury by Assault during the Period of Insurance as a result of which death or disablement occurs independently of any other cause within 24 months of sustaining such injury, the **insurer** will pay to the **insured** such of the amounts payable under Section 6 as are applicable.

In the event of the disappearance of any Person Insured and where the **insurer** agrees after a suitable time has elapsed that it is reasonable to assume that such Person Insured has died as a result of sustaining bodily injury by Assault whilst engaged in the Activities, the **insurer** will pay the appropriate amount payable in respect of death to the **insured** subject to a signed undertaking from an authorised person that if the assumption of death is subsequently found to be wrong the amount paid in settlement will be refunded.

The **insurer** will also provide indemnity in respect of **damage** to personal effects consisting of money, articles of clothing, footwear and other property worn or carried by the Person Insured when such **damage** is sustained as a result of Assault arising out of, or in the course of, the Activities during the Period of Insurance, provided that the **insurer** will not pay more than the sum of £5,000 in respect of **damage** to personal effects of any one Person Insured.

Section 4 – Exclusions

The **insurer** will not be liable to pay compensation in respect of death or disablement or provide indemnity for **damage** caused directly or indirectly by:

- a) intoxication of, or the illegal use of drugs by any Person Insured, or through sexually transmitted disease
- b) deliberate exposure to unnecessary danger (except in an attempt to save human life)
- c) racing of any kind other than on foot
- d) air travel other than as a passenger in a licensed passenger carrying aircraft.
- e) with effect from the 2004 renewal date the **insurer** will not be liable for any actual loss directly or indirectly arising out of, contributed to by, or resulting from actual, threatened, feared or perceived use of biological, chemical, radioactive or nuclear agent, material, device or weapon.

Section 5 – Special Conditions

1. In the event of any incident giving or likely to give rise to a claim under this Part the **insured** will as soon as possible and at the **insured's** own expense:
 - a) inform the **insurer** in writing
 - b) furnish such information as the **insurer** may require and render all assistance as may be requested
 - c) supply all necessary certificates including evidence of death or injury with a report from a qualified medical practitioner if required.
2. In the case of injury the medical representative of the **insurer** will be allowed to visit and examine the Person Insured at all reasonable times and if such visit or examination is not permitted the insurance will be void in respect of that injury.
3. The amount payable in respect of death for persons:
 - a) under 18 years of ageand
 - b) who are still in full-time educationat the date of sustaining bodily injury is limited to £7,500
4. For persons over 75 years of age the Scale of Compensation will be limited to Items 1 and 2 only. The amount payable will be the Capital Sum specified in the Schedule or £10,000 whichever is the lower
5. It will be a condition precedent to the liability of the **insurer** that in respect of:
 - a) any hazardous activity or any pursuit requiring special skills the Person Insured has achieved a reasonable standard of proficiency in the said activity or pursuit, or is under the direct supervision of a person suitably qualified
 - b) yachting and canoeing, life jackets or buoyancy aids are worn by the Person Insured and for other sailing (except in rowing boats) life-saving equipment is carried on the vessel.
6. The amount payable in respect of any one Person Insured will not exceed £500,000.
7. If the aggregate amount payable under this Part in respect of any one incident exceeds the sum of £2,000,000 the amount payable for each Person Insured will be proportionately reduced until the total is equal to the sum of £2,000,000.

Section 6 – Scale of Compensation

Item	Amount Payable	
	The following percentage of the Capital Sum specified in the Schedule	
1. Death, total loss of use or total loss by physical severance of one or more hands or feet or total loss of sight in one or both eyes	100%	
2. Permanent total disablement (other than as stated in Item 1) from engaging in or giving attention to usual profession or occupation	100%	
3. Permanent partial disablement (not otherwise provided for above)		
a) total loss of hearing	60%	
b) total loss of hearing in one ear	15%	
c) complete loss of use of hip or knee or ankle	20%	
d) removal of the lower jaw by surgical operation	30%	
e) fractured leg or foot with established non-union	25%	
f) fractured knee cap with established non-union	20%	
g) shortening of a leg by at least 3 centimetres	15%	
h) loss by amputation or complete loss of use of:	Right	Left
i) one thumb	20%	17.5%
ii) one index finger	15%	12.5%
iii) any other finger	10%	7.5%
iv) one big toe	10%	10%
v) any other toe	3%	3%
i) complete loss of use of shoulder or elbow	25%	20%
j) complete loss of use of wrist	20%	15%
4. Permanent facial disfigurement to an extent of not less than 5 square centimetres of scar tissue in the area from the hairline to and including the lower jaw and ears	10%	
5. Loss of or damage to teeth or dentures – the cost of dental treatment or repair or replacement of dentures up to a maximum of	2.5%	
6. Temporary total disablement from engaging in or giving attention to usual profession or occupation for a maximum period of 104 weeks from date of disablement	the Weekly Sum specified in the Schedule	
7. Temporary partial disablement from engaging in or giving attention to usual profession or occupation for a maximum period of 104 weeks from date of disablement	50% of the Weekly Sum specified in the Schedule	

Memoranda to the Scale of Compensation

1. Applicable to Item 2

If after expiry of 52 weeks of consecutive disablement the Person Insured is still totally disabled from engaging in or giving attention to usual profession or occupation but the medical evidence is such that it cannot be said that disablement is permanent and total, payments will be made for as long as total disablement continues for a period not exceeding 10 years. Payments will be at an annual rate of 10% of the benefit provided under Item 2, and will be made by half yearly instalments in arrears. The first payment will be made 18 months after commencement of disablement in respect of the first 18 months of disablement.

2 Applicable to Item 3

a) In the case of other permanent partial disablement not specified in Item 3 the amount payable will be such percentage of the Capital Sum set out in the Schedule as is commensurate with the degree of permanent partial disablement when compared with the degrees of disablement specified in Item 3.

b) The benefits under (h), (i) and (j) will be reversed in the case of a left-handed person.

3. Applicable to Items 6 and 7

a) Unless otherwise agreed by the **insurer** weekly compensation will not become payable until the total amount due has been ascertained.

b) Weekly Sums whether payable for total or partial disablement will not be payable for more than 104 weeks in respect of the same incident.

4. The total amount payable under Items 1 to 5 for all bodily injury sustained in any one Period of Insurance by any one Person Insured will not exceed the Capital Sum specified in the Schedule.

Part P – Legal Expenses

All claims will be handled by the claims handling agent specified in the Schedule on behalf of the insurer.

Section 1 – Special Definitions

Appointed Representative

the lawyer or accountant or other suitably qualified person, who has been appointed to act for a Person Insured within the terms of this Part

Aspect Enquiry

an examination by the Inland Revenue which considers one or more specific aspects of the insured's self-assessment tax return

Costs and Expenses

1. Accountants Costs

a reasonable amount in respect of all costs reasonably incurred by the Appointed Representative

2. Attendance Expenses

the Person Insured's salary or wages for the time that the Person Insured is off work to attend any court or tribunal hearing at the request of the Appointed Representative or as a defendant or while attending jury service. The insurer will pay for each half or whole day that the court, tribunal or the Person Insured's employer will not pay for.

The amount the insurer will pay is based on the following:

- a) the time the Person Insured is off work including the time it takes to travel to and from the court or tribunal calculated to the nearest half day assuming that a whole day is eight hours
- b) if the Person Injured works full-time, the salary or wages for each whole day equals 1/250th of the Person Insured's yearly salary or wages
- c) if the Person Insured works part-time, the salary or wages will be a proportion of the Person Insured's weekly salary or wages

3. Legal Costs

all reasonable and necessary costs charged by the Appointed Representative on a standard basis and costs incurred by opponents in civil cases if a Person Insured has to pay them or pays them with the insurer's consent

Date of Occurrence

- a) for civil cases (other than under Section 6 Tax Protection and Section 8 Statutory Licence Protection), the Date of Occurrence is when the cause of action occurred
- b) for criminal cases, the Date of Occurrence is when the Person Insured commenced or is alleged to have commenced to violate the criminal law in question

Full Enquiry

An extensive examination by the Inland Revenue which considers all aspects of the insured's tax affairs, excluding those enquiries which are limited to one or more specific aspects of the insured's self-assessment tax return

Insured Incident

The circumstances in which the insurance provided by this Part will operate as described in each separate Section

Person Insured

The insured or any employee

Geographical Limits

The territorial limits and, in respect of Sections 4 and 5(B) only:

The European Union, Albania, Andorra, Bosnia Herzegovina, Bulgaria, Gibraltar, Iceland, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey.

Section 2 – Cover

The **insurer** will indemnify the Person Insured in respect of any Insured Incident arising in connection with the **business** provided that:

- a) the Date of Occurrence of the Insured Incident happens during the Period of Insurance and within the Geographical Limits
- b) any legal proceedings will be dealt with by a court or body which the **insurer** agrees to, in the Geographical Limits
- c) in civil claims it is always more likely than not that a Person Insured will recover damages (or obtain any other legal remedy which the **insurer** has agreed) or make a successful defence.

For all Insured Incidents the **insurer** will help in appealing or defending an appeal as long as the Person Insured tells the **insurer** within the time limits allowed that they want the **insurer** to appeal. Before the **insurer** pays any costs or expenses for appeals, the **insurer** must agree that it is always more likely than not that the appeal will be successful.

The **insurer** will pay for costs and expenses incurred by an Appointed Representative

The liability of the **insurer** will not exceed the Limit of Indemnity specified in the Schedule in respect of all Insured Incidents related in time or by cause.

Section 3 – Employment Disputes and Compensation Awards

A) Employment Disputes

Insured Incident

Costs and Expenses incurred by the **insured** in:

- a) defending the **insured's** legal rights prior to the issue of legal proceedings in a court or tribunal following the dismissal of an **employee**
- b) defending the **insured's** legal rights in legal proceedings in respect of any dispute with an **employee** or ex **employee** or a trade union acting on behalf of an **employee** or ex **employee** which arise out of, or relates to, a contract of employment with the **insured**
- c) defending the **insured's** legal rights in legal proceedings in respect of any dispute with an **employee**, or ex **employee** or prospective **employee** arising from an alleged breach of their statutory rights under employment legislation.

Exceptions

The **insurer** will not provide any indemnity in respect of or arising from or relating to:

- 1) any employment dispute where the cause of action arises within the first 90 days of the indemnity provided by this Part
- 2) any dispute with an **employee** who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of this Part if the Date of Occurrence was within the first 180 days of the indemnity provided by this Part
- 3) any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the indemnity provided by this Part
- 4) any claim in respect of damages for personal injury or **damage to property**
- 5) 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 1981 or the Acquired Rights Directive.

B) Compensation Awards

Insured Incident

The **insurer** will pay:

- a) any basic and compensatory award and/or
- b) an order for compensation following a breach of the **insured's** statutory duties under employment legislation

in respect of a claim the **insurer** has accepted under the Section 3(A) provided that:

- i) in cases relating to performance and/or conduct, the **insured** has throughout the employment dispute either:
 - 1) followed the ACAS Code of Disciplinary Practice and Procedures in Employment as prepared by the Advisory Conciliation and Arbitration Service; or
 - 2) sought and followed advice from the **insurer**
- ii) for an order of compensation following the **insured's** breach of statutory duty under employment legislation, the **insured** has at all times sought and followed the **insurer's** advice since the date when the **insured** should have known about the employment dispute
- iii) for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, the **insured** has sought and followed the **insurer's** advice prior to serving notice of dismissal
- iv) the compensation is awarded by a tribunal under a judgement made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by the **insurer**
- v) the total of the compensation awards payable by the **insurer** will not exceed £1,000,000 in any one Period of Insurance.

Exceptions

The **insurer** will not provide indemnity in respect of or arising from or relating to:

- 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
 - 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 compensation award or increase in compensation award ordered by the tribunal for failure to comply with a recommendation it has made, including non-compliance with a reinstatement or re-engagement order
- 4) any award ordered as a result of a breach of statutory rights in relation to the provision of relevant records to **employees** under the National Minimum Wage Act 1998.

C) Service Occupancy

Insured Incident

The **insurer** will negotiate for the **insured's** legal rights against an **employee** or ex **employee** to recover possession of premises owned by, or for which the **insured** is responsible.

Exception

The **insurer** will not provide indemnity in respect of or arising from or relating to any claim relating to defending the **insured's** legal rights other than defending a counter-claim.

Section 4 – Legal Defence

Insured Incident

- 1 The **insurer** will defend the **insured** and at the **insured's** request any Person Insured in respect of:
 - a) their legal rights prior to the issue of legal proceedings when dealing with the police where it is alleged that the Person Insured has or may have committed a criminal offence
 - b) an event which leads to the Person Insured being prosecuted in a court of criminal jurisdiction; or
 - c) civil action taken against the Person Insured for compensation under section 13 of the Data Protection Act 1998. The **insurer** will also pay any compensation award made against the Person Insured under section 13 of the Data Protection Act 1998
- 2 The **insurer** will defend the **insured's** legal rights following civil action taken against the **insured** for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance
- 3 The **insurer** will defend the Person Insured's (other than the **insured**) legal rights 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, race, disability, 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 **employees**
- 4 The **insurer** will represent the Person Insured in appealing against the imposition or terms of any Statutory Notice issued under legislation affecting the **insured's** business
- 5 The **insurer** will represent the **insured** in appealing against the refusal of the Data Protection Commissioner to register the **insured's** application for registration
- 6 The **insurer** will pay the attendance expenses of a Person Insured for jury service provided that:
 - a) insofar 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
 - b) at the time of the Insured Incident, the **insured** has registered with the Data Protection Registrar in respect of Insured Incident (1) (b).

Exceptions

The **insurer** will not provide indemnity in respect of or arising from or relating to any claim which leads to the Person Insured being prosecuted for infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

Section 5 – Property Protection and Bodily Injury

A) Property Protection

Insured Incident

The **insurer** will negotiate for the **insured's** legal rights in any civil action relating to **property** which is owned by, or the responsibility of the **insured** following:

- 1) any event which causes or could cause **damage** to such **property**; or
- 2) any nuisance or trespass.

Exceptions

The **insurer** will not provide indemnity in respect or arising from or relating to:

- 1) a contract entered into by the **insured**
- 2) goods in transit or goods lent or hired out
- 3) goods at premises other than those occupied by the **insured** unless the goods are at such premises for the purpose of installation or use in work to be carried out by the **insured**

- 4) mining subsidence
- 5) defending the **insured's** legal rights other than in defending a counter-claim
- 6) a motor vehicle owned by, or hired or leased to, or used by a Person Insured other than damage to motor vehicles where the **insured** is engaged in the business of selling motor vehicles; or a motor vehicle being used by a Person Insured.

B) Bodily Injury

Insured Incident

At the **insured's** request, the **insurer** will negotiate for a Person Insured's legal rights following an event which causes death of, or bodily injury to a Person Insured.

Exceptions

The **insurer** will not provide indemnity in respect of or arising from or relating to:

- 1) any illness or bodily injury which develops gradually or is not caused by a specific or sudden accident
- 2) defending a Person Insured's legal rights other than in defending a counter-claim
- 3) a motor vehicle owned by, or hired or leased to, or used by a Person Insured

Section 6 – Tax Protection

A) Inland Revenue Investigations, Full or Aspect Enquiries

Insured Incident

The **insurer** will negotiate on behalf of the **insured** and represent them in any appeal proceedings in respect of:

- i) an in-depth investigation carried out by the Inland Revenue into the **insured's** business accounts; or
- ii) a Full Enquiry and/or Aspect Enquiry carried out by the Inland Revenue.

B) Employers Compliance

Insured Incident

The **insurer** will negotiate on behalf of the **insured** and represent them in any appeal proceedings in respect of a dispute concerning the **insured's** compliance with Pay As You Earn or Social Security Regulations following a review by the Inland Revenue or the Department of Social Security Contributions Agency.

C) VAT Disputes

Insured Incident

The **insurer** will negotiate on behalf of the **insured** and represent them in any appeal proceedings following an assessment issued by HM Customs and Excise in respect of Value Added Tax due provided that:

- i) for all Insured Incidents under this Section the **insured** has taken reasonable care to ensure that all returns are complete and correct and that such returns are submitted within the statutory time limits allowed
- ii) The **insurer** will not pay more than £1000 for Aspect Enquiries.

Date of Occurrence

For the purposes of this Section the Date of Occurrence shall mean:

- a) for Full Enquiries or Aspect Enquiries the Date of Occurrence is when the Inland Revenue first notifies in writing the intention to make enquiries
- b) for in-depth investigations, the Date of Occurrence is when the Inland Revenue first issues the form IR72 or the Inland Revenue's Code of Practice 2
- c) for Employers Compliance and Value Added Tax disputes, the Date of Occurrence is when the relevant authority send an assessment or written decision to the **insured**.

Exceptions

The **insurer** will not provide indemnity in respect of or arising from or relating to:

- 1) any Insured Incident caused by the failure of the **insured** to register for Value Added Tax
- 2) any Insured Incident arising from any investigations or enquiries undertaken by the Inland Revenue Special Investigation Section or Special Compliance Office
- 3) any Insured Incident arising from any investigation or enquiry by HM Customs and Excise into alleged dishonesty or alleged criminal offences
- 4) In respect of Aspect Enquiries the first £100 of costs and expenses in each and every claim.

Section 7 – Contract Disputes

Insured Incident

The **insurer** will negotiate for the **insured's** legal rights in any contractual dispute arising from an agreement or alleged agreement which has been entered into by or on behalf of the **insured** for the purchase, hire, sale or provision of goods or of services provided that:

- a) the **insured** has entered into the agreement after commencement of this cover under this Part and the amount in dispute exceeds £250
- b) if the amount in dispute exceeds £5,000, the **insured** will be responsible for the first £500 of legal costs in each and every claim
- c) if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceeds £250
- d) if the dispute relates to money owed to the **insured**, a claim under this Part is made within 90 days of the money becoming due and payable.

Exceptions

The **insurer** will not provide indemnity in respect of or arising from or relating to:

- 1) any claim relating to:
 - i) any settlement payable under an insurance policy
 - ii) a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or tenancy agreement
 - iii) a motor vehicle owned by, or hired or leased to the **insured** other than agreements relating to the sale of motor vehicles where the **insured** is engaged in the business of selling motor vehicles
- 2) a dispute with an **employee** or ex **employee** which arises out of, or relates to, a contract of employment with the **insured**
- 3) a dispute which arises out of the purchase, hire, sale or provision of computer hardware, software, systems or services
- 4) a dispute arising from a breach or alleged breach of professional duty by a Person Insured
- 5) the recovery of money and interest due from another party other than disputes where the other party intimates that a defence exists.

Section 8 – Statutory Licence Protection

Date of Occurrence

For licence or Registration appeals, the Date of Occurrence is when the **insured** first became aware of the proposal by the relevant Licensing Authority to suspend, alter the terms of, refuse to renew or cancel the **insured's** licence or British Standard Certificate of Registration.

Insured Incident

The **insurer** will represent the **insured** in appealing to the relevant statutory or Regulatory Authority, Court or Tribunal following an event which results in a relevant Licensing or Regulatory Authority suspending, altering the terms of, refusing to renew or cancelling the **insured's** licence or British Standard Certificate of Registration.

Exceptions

The **insurer** shall not provide indemnity in respect of or arising from or relating to:

- 1) the original application or application for renewal of a statutory licence or British Standard Certificate of Registration
- 2) any licence appeal relating to the ownership, driving or use of a motor vehicle.

Section 9 – Exclusions

The **insurer** will not provide indemnity under any Section of this Part in respect of or arising from or relating to:

- 1) any claim reported to the **insurer** more than 180 days after the day the Person Insured should have known about the Insured Incident.
- 2) any Costs and Expenses incurred before the written acceptance of a claim by the **insurer**
- 3) fines, penalties, compensation or damages which the Person Insured is ordered to pay by a court or other authority other than compensation awards covered under Section 3 (B) Compensation Awards and Section 4 Legal Defence
- 4) any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements
- 5) any claim relating to franchise rights, or agency rights where the **insured** has the legal capacity to alter the legal relations of another
- 6) any Insured Incident deliberately or intentionally solicited by a Person Insured
- 7) a dispute with the **insurer** not otherwise dealt with under Special Condition 7
- 8) any claim relating to a shareholding or partnership share in the **insured** unless such shareholding was acquired under a scheme open to all **employees** or a substantial number of them of a certain minimum grade other than the directors of the **insured**
- 9) an application for judicial review
- 10) any legal action a Person Insured takes which the **insurer** or the Appointed Representative have not agreed to or where the Person Insured does anything that hinders the **insurer** or the Appointed Representative
- 11) when either at the commencement of, or during the course of a claim notified under this Part, the **insured** is bankrupt or has filed a bankruptcy petition or winding-up petition, or has made an arrangement with its creditors, or has entered into a deed, arrangement or is in liquidation or part or all of its affairs or **property** are in the care or control of a receiver or administrator
- 12) any Insured Incident directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:
 - i) the way in which any **data processing system** responds to or deals with or fails to respond to or fails to deal with any true calendar date
 - ii) any **data processing system** responding to or dealing in any way with:
 - 1) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
 - 2) any data not denoting a calendar date or dates as if such data denoted a calendar date or dates

whether such **data processing system** is the property of the **insured** or not and whether occurring before, during or after the year 2000.

Section 10 – Special Conditions

1. A Person Insured must:
 - a) take reasonable steps to keep any amount the **insurer** has to pay as low as possible.
 - b) try to prevent anything happening that may cause a claim.
2. a) The **insurer** may take over and conduct in the name of a Person Insured, any claim or legal proceedings at any time.

The **insurer** can negotiate any claim on behalf of a Person Insured.

- b) If the **insurer** agrees to start legal proceedings and it becomes mandatory for a Person Insured to be represented by a lawyer, or if there is a conflict of interest, a Person Insured can choose an Appointed Representative by sending the **insurer** the suitably qualified person's name and address.
The **insurer** may choose not to accept the choice of representative, but only in exceptional circumstances. If there is a disagreement over the choice of Appointed Representative, another suitably qualified person can be appointed to decide the matter.
 - c) Before a Person Insured chooses a lawyer or an accountant, the **insurer** can appoint an Appointed Representative.
 - d) An Appointed Representative will be appointed by the **insurer** and represent a Person Insured according to the **insurer's** standard terms of appointment. The Appointed Representative must co-operate fully with the **insurer** at all times.
 - e) The **insurer** will have direct contact with the Appointed Representative.
 - f) A Person Insured must co-operate fully with the **insurer** and the Appointed Representative and must keep the **insurer** up to date with the progress of the claim.
 - g) A Person Insured must give the Appointed Representative any instructions that the **insurer** requires.
3. a) A Person Insured must tell the **insurer** if anyone offers to settle a claim.
 - b) If a Person Insured does not accept a reasonable offer to settle a claim, the **insurer** may refuse to pay any further Costs and Expenses.
 - c) The **insurer** may decide to pay the Person Insured the amount of damages that the Person Insured is claiming or is being claimed against them instead of starting or continuing legal proceedings.
 4. a) If the **insurer** asks, the Person Insured must tell the Appointed Representative to have costs and expenses taxed, assessed or audited.
 - b) A Person Insured must take every step to recover Costs and Expenses that the **insurer** has to pay and must pay the **insurer** any Costs and Expenses that are recovered.
 5. If an Appointed Representative refuses to continue acting for a Person Insured or if a Person Insured dismisses an Appointed Representative, the cover the **insurer** provides will end immediately unless the **insurer** agrees to appoint another Appointed Representative.
 6. If a Person Insured settles a claim or withdraws their claim without the **insurer's** agreement, or does not give suitable instructions to an Appointed Representative, the cover the **insurer** provides will end immediately and the **insurer** will be entitled to reclaim any Costs and Expenses paid.
 7. If the **insurer** and a Person Insured disagree about the choice of Appointed Representative, or about the handling of a claim, the **insurer** and the Person Insured can choose another suitably qualified person to decide the matter. The **insurer** and Person Insured must both agree to this in writing. If the **insurer** cannot agree with the Person Insured about the choice of the second suitably qualified person, the **insurer** will ask the president of a relevant national law society to choose a suitably qualified person. If the **insurer** loses the disagreement the **insurer** will pay the costs of settling it. If the **insured** lose the disagreement, costs will be paid by the **insured**.
 8. The **insurer** may at their discretion require the **insured** to obtain an opinion from counsel at the **insured's** 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 for by the **insurer**.
 9. The **insurer** will not pay any claim covered under any other policy, or any claim that would have been covered by any other policy if this Part did not exist.
 10. This Part will be governed by English law.
 11. All Acts of Parliament within this Part will include equivalent legislation in Scotland, Northern Ireland, the Isle of Man or the Channel Islands as the case may be.

Part Q – Impact Damage (Street Furniture)

Section 1 – Cover

In the event of **damage** to the **property** insured as specified in the Schedule from impact by any road vehicle or animal the **insurer** will pay to the **insured** the value of the **property** at the time of its **damage** or at the **insurer's** option reinstate or replace the **property** or any part of it.

Section 2 – Exclusions

1. The **insurer** will not be liable for an **excess** the amount of which is specified in the Schedule. Unless stated otherwise the **excess** will apply individually to each and every loss.
2. **Terrorism**
 - a) This Policy does not cover **damage** or **consequential loss** occurring anywhere in the world caused by or contributed to by or arising or resulting from whether directly or indirectly any act falling within sub-clause (b) below the use or threat of which is made for the purpose of advancing a political, religious or ideological cause and to intimidate or seek to intimidate the public or a section of the public.
 - b) An act falls within this sub-clause (b) if it:
 - i) involves serious violence against a person; and/or
 - ii) involves serious damage to property; and/or
 - iii) endangers a person's life, other than that of the person committing the act; and/or
 - iv) creates a serious risk to health and safety of the public or a section of the public; and/or
 - v) is designed seriously to interfere with or seriously to disrupt an electronic system.
 - c) This Policy does not cover **damage** or **consequential loss** occurring anywhere in the world caused by or contributed to by or arising or resulting from whether directly or indirectly any act or acts of any person or 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 any government de jure or de facto.
 - d) In any action or suit or other proceedings where the **insurer** alleges that by reason of this **exclusion** cover is not provided under this Policy, the burden of proving that cover is provided under this Policy shall be upon the **insured**.

Northern Ireland Exclusion

This Policy does not cover **damage** or **consequential loss** in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of Civil Commotion.

Section 3 – Special Condition

The sum insured by each item of this Part is declared to be separately subject to **average**.

For the avoidance of doubt clause c) iii) of general condition 4 will not apply.

Part R – Terrorism

Section 1 – Special Definitions

Computer System

A computer or other equipment or component or system or item which processes, stores, transmits or receives Data.

Data

Data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or Computer Systems.

Denial of Service Attacks include but are not limited to the generation of excess traffic into the network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other Computer Systems.

Hacking

Unauthorised access to any Computer System whether the **insured's** property or not.

Phishing

Any access or attempted access to Data made by means of misrepresentation or deception.

Terrorism

Any act or 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.

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions intentionally constructed with the ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor Computer Systems, Data or operations, whether involving self-replication or not.

Virus or Similar Mechanism includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

Section 2 – Cover

In the event that:

- a) Her Majesty's Government or Her Majesty's Treasury or any successor relevant authority issue a certificate certifying an event or occurrence to have been Terrorism; or
- b) Her Majesty's Government or Her Majesty's Treasury or any successor relevant authority refuse to issue a certificate certifying an event or occurrence to have been Terrorism and that refusal is reversed by the decision of a validly constituted tribunal

the **insurer** will pay to the **insured** the amount of any loss in respect of:

- i) **damage to property** insured under parts A, C, D and L
- ii) **consequential loss** insured under part B

caused by or arising from Terrorism. In the case of i) above the **insurer** will at the **insurer's** option replace, reinstate or repair the **property** or any part of it.

Provided always that:

- 1) the liability of the **insurer** will not exceed:
 - A) in the whole the total sum insured
 - B) in respect of any item its sum insured
 - C) any other limit of indemnitystated in the schedule at the time of the **damage**
- 2) such **damage** and/or **consequential loss** occurs in England, Wales or Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 and not Northern Ireland, the Channel Islands or the Isle of Man
- 3) in any action, suit or other proceedings where the **insurer** alleges that any **damage** or **consequential loss** is not covered under section 2 the burden of proving that such **damage** or **consequential loss** is covered will fall upon the **insured**
- 4) the insurance effected by section 2 excludes:
 - A) any losses whatsoever:
 - a) occasioned by riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
 - b) directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:
 - i) damage to or the destruction of any Computer System; or
 - ii) any alteration, modification, distortion, erasure or corruption of Datain each case whether the property of the **insured** or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism, Hacking, Phishing or Denial of Service Attack

Proviso to exclusion 4) A) b)

save that Covered Loss otherwise falling within this exclusion 4) A) b) will not be treated as excluded by exclusion 4) A) b) solely to the extent that such Covered Loss:

- i) results directly (or, solely as regards ii) 3) below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer System; and
- ii) comprises:
 - 1) the cost of reinstatement, replacement or repair in respect of damage to or destruction of Property insured; or
 - 2) the amount of business interruption loss suffered directly by the **insured** by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either damage to or destruction of Property insured or as a direct result of denial, prevention or hindrance of access to or use of the Property insured by reason of Terrorism causing damage to other Property within one mile of the Property insured to which access is affected; or
 - 3) the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of Property and any additional costs or charges reasonably and necessarily paid by the **insured** to avoid or diminish such loss

and

- iii) is not caused by or arising from Terrorism in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.

- iv) for the purposes of this Proviso
 - 1) The meaning of 'Property' shall exclude:
 - A) any money (including **money**), currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever; and
 - B) any Data.
 - 2) 'Covered Loss' means all losses arising as a result of damage to or the destruction of Property insured caused by or arising from Terrorism.
- v) Notwithstanding the exclusion of Data from Property, to the extent that damage to or destruction of Property within the meaning of sub-paragraph ii) above indirectly results from any alteration, modification, distortion, erasure or corruption of Data, because the occurrence of one or more of the matters referred to in sub-paragraph i) above results directly or indirectly from any alteration, modification, distortion, erasure or corruption of Data, that shall not prevent cost or business interruption loss directly resulting from damage to or destruction of such Property and otherwise falling within sub-paragraphs i) and ii) 1) or 2) nor any loss, cost or charges otherwise falling within sub-paragraphs i) and ii) 3) above from being recoverable under section 2 of this part.

In no other circumstances than the previous sentence, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of Data be recoverable under section 2 of this part

- B) any type of property which has been specifically excluded under parts A, C, D and L
- C) any **nuclear installation** or **nuclear reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes, wires, cables, drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **nuclear installation** or **nuclear reactor**
- 5) save for the exclusions listed in 4) above no other exclusions applicable to parts A, B, C, D and L will apply to the insurance effected by section 2 of this part. All the other terms, definitions, provisions and conditions of said parts including but not limited to any **excess** or deductible to be borne by the **insured** will apply to the insurance effected by section 2 of this part except for:
 - A) any Long Term Agreement applying to this policy
 - B) any terms which provide for adjustments of premium based upon declarations on expiry or during the Period of Insurance
 - C) any extension of **premises** to locations outside England and Wales and Scotland.

2.1 Uncertified Terrorism

In the event that Her Majesty's Government or Her Majesty's Treasury or any successor relevant authority refuse to issue a certificate certifying an event or occurrence to have been Terrorism and such refusal is upheld by the decision of a validly constituted tribunal general exclusion 3 will not apply to parts A, B, C and L in respect of such event or occurrence.

Provided always that:

- a) such **damage** and/or **consequential loss** occurs in England, Wales or Scotland but not the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987 and not Northern Ireland, the Channel Islands or the Isle of Man.
- b) the liability of the **insurer** will not exceed:
 - i) in the whole the total sum insured
 - ii) in respect of any item its sum insured
 - iii) any other limit of indemnity
 stated in the schedule to parts A, B, C, D and L at the time of the said event or occurrence
- c) save for proviso a) above the terms, definitions, provisions and conditions applicable to parts A, B, C, D and L will apply to this clause.

Commercial Helplines

The following services are provided by DAS Law Limited and/or a preferred law firm on behalf of DAS Legal Expenses Insurance Company Limited (DAS, we, us or our for the purposes of these services).

In using these services you acknowledge that all rights and obligations relating to the provision of these services rest with DAS and that you will have no recourse to Zurich Insurance plc in this regard.

If you have a complaint about the service or about the way you have been treated, please write to: DAS Customer Relations Department at:

DAS House, Quay Side, Temple Back, Bristol BS1 6NH.

Alternatively you can contact DAS by telephone on:

0117 934 0066, or email: customerrelations@das.co.uk.

These helplines are open 24 hours a day, 7 days a week. To help us check and improve our service standards we record all calls except those to the Counselling Service.

Commercial Legal Advice Helpline

This Helpline offers your organisation unlimited access to DAS's team of solicitors and other legal experts who are ready to provide practical, informed advice on any commercial legal problem, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway.

The Legal Advice Helpline provides your organisation with essential 'first aid' legal advice backed by a sophisticated computer system to check points of law in complex cases. For example, you can check your legal position before taking any disciplinary action against an employee.

Tax Advice

Confidential advice on the telephone is available on any tax matters affecting your organisation, under the laws of the United Kingdom.

Business Assistance Helpline

This Helpline provides assistance to your organisation following an emergency, problem or damage affecting the insured property, such as fire, flooding, broken glazing and so on.

One telephone call will bring a reputable repairer or other suitable assistance to the property, whether day or night.

Your organisation is responsible for payment of repair, call out and other charges incurred by contractors.

Claims Reporting Helpline

Claims should be reported to the Zurich Municipal office administering your policy as soon as possible. If you wish to notify a claim outside of office hours then please ring the helpline number.

To use the Helpline Services please telephone at any time on 0117 929 1141 or 0117 976 2030. Please quote your Policy Number when telephoning.

Counselling Service

This provides all employees (including any member of their immediate family who permanently live with them) of your organisation with a confidential counselling service over the phone if they are aged 18 or over, including where appropriate, onward referral to relevant voluntary and/or professional services.

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

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

Our complaints procedure

Not applicable to Part K

Our commitment to customer service

We are committed to providing a high level of customer service. If you feel we have not delivered this, we would welcome the opportunity to put things right for you.

Who to contact in the first instance

Many concerns can be resolved straight away. Therefore in the first instance, please get in touch with your usual contact at Zurich as they will generally be able to provide you with a prompt response to your satisfaction.

Contact details will be provided on correspondence that we or our representatives have sent you.

Many complaints can be resolved within a few days of receipt

If we can resolve your complaint to your satisfaction within the first few days of receipt, we will do so. Otherwise, we will keep you updated with progress and will provide you with our decision as quickly as possible.

Next steps if you are still unhappy

If you are not happy with the outcome of your complaint, you may be able to ask the Financial Ombudsman Service to review your case.

We will let you know if we believe the ombudsman service can consider your complaint when we provide you with our decision. The service they provide is free and impartial, but you would need to contact them within 6 months of the date of our decision.

More information about the ombudsman and the type of complaints they can review is available via their website www.financial-ombudsman.org.uk.

You can also contact them as follows:

Post: Financial Ombudsman Service,
Exchange Tower, London, E14 9SR

Telephone: 08000 234567
(free on mobile phones and landlines)

Email: complaint.info@financial-ombudsman.org.uk

If the Financial Ombudsman Service is unable to consider your complaint, you may wish to obtain advice from the Citizens Advice Bureau or seek legal advice

The Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS) which means that you may be entitled to compensation if we are unable to meet our obligations to you. Further information is available on www.fscs.org.uk or by contacting the FSCS directly on 0800 678 1100.

DAS Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority | DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol BS1 6NH | Registered in England and Wales | Company Number 103274 | Website: www.das.co.uk |

DAS Law Limited is authorised and regulated by the Solicitors Regulation Authority (registered number 423113) | DAS Law Limited Head and Registered Office: North Quay, Temple Back, Bristol BS1 6FL | Registered in England and Wales | Company Number: 5417859 | Website: www.daslaw.co.uk

Zurich Management Services Limited

Registered in England and Wales, number 2741053.

Registered Office: The Zurich Centre, 3000 Parkway, Whiteley, Fareham, Hampshire PO15 7JZ.

Zurich Municipal

Zurich Municipal is a trading name of Zurich Insurance plc.

A public limited company incorporated in Ireland Registration No. 13460.

Registered Office: Zurich House, Ballsbridge Park, Dublin 4, Ireland.

UK Branch registered in England and Wales, Registration No. BR7985.

UK Branch Head Office: The Zurich Centre, 3000 Parkway, Whiteley, Fareham, Hampshire PO15 7JZ.

Zurich Insurance plc is authorised by the Central Bank of Ireland and authorised and subject to limited regulation by the Financial Conduct Authority. Details about the extent of our authorisation by the Financial Conduct Authority are available from us on request. Our FCA Firm Reference Number is 203093.

Communications may be monitored or recorded to improve our service and for security and regulatory purposes.

© Copyright – Zurich Insurance plc 2018. All rights reserved. Reproduction, adaptation or translation without written prior permission is prohibited except as allowed under copyright laws.