



COMMUNITY POLICY

PROTECTING PUBLIC SECTOR ASSETS

COMPREHENSIVE PROPERTY
PROTECTION – WARRANTY FREE
2018 v1

aspen-insurance.com

A GUIDE TO THE INSURANCE COVER YOU HAVE CHOSEN

Throughout this guide words with specific important meanings are written in **italic bold type**. Definitions of these words can be found on page 4.

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INTRODUCTION

THE SCHEDULE

The parties have entered into this contract in good faith and understand their respective obligations.

This is a warranty free policy

You must comply with the terms of this **Policy** at all times

With regard to the events that culminate in a loss **We** will not rely on a breach of **Policy** term to decline a claim where **You** can prove that the breach could not have increased the risk of loss which occurred in the circumstances in which it occurred

Please check these documents carefully and contact your insurance broker or advisor immediately if incorrect.

CLAIMS

In the event of a claim please contact **Us**. The best way to do this is using the 24hr telephone line stated in your **Schedule**. Our experienced claims handlers will take the details of **Your** claim and explain to **You** the next steps to ensure the process is as smooth and efficient as possible. Please note that it is important that **You** read and understand the Claims Conditions (found under General Policy Conditions) which explain **Your** responsibilities in the event of a claim.

COMPLAINTS PROCEDURE

Should there be a problem regarding this policy please contact your insurance broker or advisor quoting the policy number shown in the schedule. If you still are not satisfied, then please write to:

The Compliance Officer
Aspen Insurance UK Limited
30 Fenchurch Street
London
EC3M 3BD

Should you remain dissatisfied you may, if eligible, refer your complaint to the Financial Ombudsman Service at the address below. Details of eligibility can be found on their website at www.financial-ombudsman.org.uk

The Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR

CHOICE OF LAW

There is a choice of law applicable to this contract. Unless specifically agreed to the contrary this insurance is subject to English Law and the parties agree to submit to the exclusive jurisdiction of the English Courts.

THIRD PARTY RIGHTS

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

GENERAL DATA PROTECTION REGULATION

We will hold all personal data relating to **You** in accordance with all applicable data protection legislation as amended from time to time including but not limited to the Data Protection Act 1998 the Data Protection (Amendment) Act 2003 and when it comes into force the General Data Protection Regulation (Regulation (EU) 2016/679). **Your** personal data may be used by **Us** or any service provider contractor or agent appointed by **Us** in order to administer **Your** policy which shall include but not be limited to underwriting decisions renewal information analysis validation of claims history claims handling fraud detection and debt recovery. **We** will ensure that personal data is stored securely and we will prevent unauthorised access to or loss of such data.

Should you have any queries about data privacy please see www.aspen.co/Terms--Conditions/ or contact DPO@aspen.co

DEFINITIONS AND INTERPRETATIONS

Your Policy comprises various Sections and documents

These should all be read together as part of the same contract

Definitions are set out below and any word or phrase which has a definition is printed throughout the **Policy** in **italic bold type**

Various specific definitions are set out in individual Sections which relate only to those Sections

Where a more general meaning applies this will be apparent from the way it is used in the **Policy**

Aggregate Limit of Liability

Our maximum liability in respect of any one claim and in the aggregate during any one **Period of Insurance** in accordance with the amount as stated in the **Schedule**

Where more than one **Aggregate Limit of Liability** appears in the **Schedule Our** liability will be the highest **Aggregate Limit of Liability** relevant to the **Persons Guaranteed** involved in the loss or losses

Breakdown

Loss or damage as a result of the actual breaking or burning out of a part of a machine or other equipment while in use arising from electrical or mechanical defect which prevents the machine or equipment from working

Buildings

The **Buildings** at the **Premises** including

- (a) landlord's fixtures and fittings
- (b) outbuildings yards forecourts and car parks
- (c) roads pavements and street furniture but only to the extent of **Your** responsibility
- (d) walls gates fences canopies and fixed signs
- (e) foundations
- (f) piping ducting cables wires and associated equipment on the **Premises** and extending to the public mains but only to the extent of **Your** responsibility

Solely for the purposes of **Damage** by theft or attempted theft the definition of **Buildings** will be as above but excluding any

- (i) yard forecourt and car park
- (ii) shed lean-to greenhouse open sided or open ended structure

Business

The description of **Your** occupation used for the purpose of this insurance as shown in the **Schedule**

Computer Equipment

All parts of **Your** electronic data processing installation including tapes cards disks and any other data carrying media air conditioning temperature and environmental control equipment power supply and voltage regulating control equipment and interconnecting wiring

Computer Virus

program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, Computer Systems, Data or operations, whether involving self-replication or not. The definition of **Computer Virus** 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

Consequential Loss

Loss resulting from interruption of or interference with the **Business** carried out by **You** at the **Premises** in consequence of an **Incident**

Contents

All property at the **Premises** except **Buildings** and **Stock** which belongs to **You** or for which **You** are responsible including

- (a) fixtures fittings alterations improvements repairs and decorations
- (b) the **Contents** of water oil gas and fuel tanks and ancillary equipment and pipework
- (c) property in the open yards and spaces adjoining and used in connection with the **Premises**
- (d) patterns models moulds plans and designs for an amount not exceeding the cost of the labour and materials expended in reinstatement
- (e) **Electronic Data** processing media
- (f) documents manuscripts and **Business** books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to **You** of the information contained therein and so far as the same are not otherwise insured
- (g) directors' **Employees'** and visitors' personal effects not exceeding GBP500 whilst on **Your Premises**
The term personal effects includes tools instruments pedal cycles and the like

Contract

Any agreement in writing for work to be carried out by **You** in the course of **Your Business** by way of construction installation extension alteration repair or maintenance

Damage

Loss or destruction of or damage to property insured

Deductible

The amount shown in any section of the **Schedule** being the first part of any claim which **You** must pay

Under Section 1 and 2 and 6 any **Deductible** is applied to each separate **Premises or Site** and is deducted after the application of all other provisions of the **Policy** including any condition of average (underinsurance)

Deductible – Annual Aggregate

If during the annual **Period of Insurance** the aggregate of the amounts borne by **You** as defined under **Deductible** (less the amount of the **Deductible – Non Ranking** specified in the **Schedule**) exceeds the amount of any **Deductible – Annual Aggregate** specified in the **Schedule** We will pay **You** such excess amount after the application of any **Deductible – Drop Down** per loss

Deductible – Non Ranking

The amount to be deducted from each loss before counting towards the **Deductible – Annual Aggregate**

Deductible – Drop Down

After the **Deductible – Annual Aggregate** has been exceeded the amount shown in any section of the **Schedule** being the first part of any claim which **You** must pay

Under Section 1 and 2 and 6 any **Deductible – Drop Down** is applied to each separate **Premises or Site** and is deducted after the application of all other provisions of the **Policy** including any condition of average (underinsurance)

Denial of Service Attack

Any actions or instruction constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems

Denial of Service Attacks include but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

Electronic Data

Data of any sort whatsoever including without limitation 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

Employee or Person(s) Guaranteed

A person in **Your** regular and permanent service in the ordinary course of **Your Business** during the **Period of Insurance** and whom **You** compensated by salary wages and/or commissions and whom **You** have the right to govern and direct in the performance of such service and shall also mean

- (a) any of **Your** non-compensated officers
- (b) any of **Your** directors or trustees while performing acts coming within the scope of the usual duties of an **Employee**

and **Employees** shall be interpreted accordingly

Endorsement

Any variation or addition to the terms of the **Policy**

Estimated Gross Profit

The amount declared by **You** as representing the anticipated **Gross Profit** which will be earned during the financial year most nearly concurrent with the relevant **Period of Insurance** (proportionately adjusted where the Indemnity Period exceeds 12 months)

Estimated Revenue

The amount declared by **You** as representing the anticipated **Revenue** which will be earned during the financial year most nearly concurrent with the relevant **Period of Insurance** (proportionately adjusted where the Indemnity Period exceeds 12 months)

Flood

- (a) the escape of water from the normal confines of any natural or artificial water course lake reservoir canal or dam
- (b) inundation from the *sea*
whether caused by storm or otherwise

Fraud or Dishonesty

The intentional and unlawful taking of money securities or other property to **Your** deprivation including the use of a computer

Gross Profit

The amount by which

- (a) the sum of the **Revenue** and the amount of the closing stock and closing work in progress exceeds
- (b) the sum of the amount of the opening stock and opening work in progress and the amount of the **Specified Working Expenses**

The amounts of the opening and closing stocks will be arrived at in accordance with **Your** normal accountancy methods due provision being made for depreciation

Gross Rentals

The amount of the actual annual **Rent** at the commencement of the **Period of Insurance** (proportionately adjusted where the Indemnity Period exceeds 12 months)

Hacking

Unauthorised access to any computer system, whether **Your** property or not

Incident

Damage to property used by **You** at the **Premises** for the purpose of the **Business**

Materials

The materials for use in connection with the **Works In Progress** at the **Site** thereof or in transit thereto or therefrom by road rail or inland waterway within the **United Kingdom** and including temporary storage in the course of transit

Money

Cash bank notes currency (but excluding cryptographic or virtual money including Bitcoin) notes tokens cheques Giro cheques postal orders money orders bankers drafts bills of exchange unused postage stamps holiday with pay stamps National Savings stamps and certificates TV licence stamps certificates of deposit consumer redemption vouchers National Insurance stamps luncheon vouchers premium bonds trading stamps and vouchers railway travel warrants railway tickets airline tickets which have been authenticated and purchased for use travellers cheques credit company sales vouchers VAT purchase invoices embossed stamps and unexpired franking machine units

Non-Negotiable Money

Money in the form of crossed cheques crossed postal orders crossed bankers' drafts premium bonds National Savings certificates unused units in postage stamp franking machines stamped or franked National Insurance cards and VAT purchase vouchers/invoices credit card sales vouchers documents of value trading stamps certificates of deposits consumer redemption vouchers

Notifiable Disease

Illness sustained by any person resulting from

- (a) food or drink poisoning or
- (b) one of the following specified human infectious or human contagious diseases
 - Acute encephalitis
 - Malaria
 - Acute meningitis
 - Measles
 - Acute poliomyelitis
 - Meningococcal septicaemia
 - Acute infectious hepatitis
 - Mumps
 - Anthrax
 - Plague
 - Botulism
 - Rabies
 - Brucellosis
 - Rubella
 - Cholera
 - SARS
 - Diphtheria
 - Smallpox
 - Enteric fever (typhoid or paratyphoid fever)
 - Tetanus
 - Food poisoning
 - Tuberculosis
 - Haemolytic uraemic syndrome (HUS)
 - Typhus
 - Infectious bloody diarrhoea
 - Viral haemorrhagic fever (VHF)
 - Invasive group A streptococcal disease and scarlet fever
 - Whooping Cough
 - Legionnaires' Disease
 - Yellow fever
 - Leprosy

an outbreak of which the competent local authority has stipulated shall be notified to them

Period of Insurance

The **Period of Insurance** shown in the **Schedule**

Phishing

Any access or attempted access to data or information made by means of misrepresentation or deception

Plant

- (a) Owned constructional plant tools and equipment machinery (and spare parts for same) site huts (and **Contents**) and scaffolding all intended for use or whilst being used in connection with any **Contract** whilst at the **Site** or in transit thereto or therefrom by road rail or inland waterway within the **United Kingdom** or whilst at any of **Your Premises**
- (b) Hired constructional plant tools and equipment machinery (and spare parts for same) site huts (and **Contents**) and scaffolding for which **You** are legally responsible under the Contractors Plant Association or the Scottish Plant Operators Association conditions

Policy

This document the **Schedule** the specifications and any **Endorsement**

Pollution

- i) the contamination of the atmosphere or of any water, land or other tangible property by any pollutant (which shall include any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapour, soot, fumes, odour, chemical, waste or disease carrying water droplet).
- ii) any outbreak of legionella.

In respect of ii) above, any such outbreak will be deemed by the Company to be sudden, identifiable, unintended and unexpected.

Premises

The premises which **You** use for **Your Business** and as detailed in the **Schedule**

Rate of Gross Profit

The rate of **Gross Profit** earned on the **Revenue** during the financial year immediately before the date of the **Incident** after account has been taken of the trends of the **Business** and variations or other circumstances affecting the **Business**

Rent

The money paid or payable to **You** for accommodation provided and related services rendered at the **Premises** If the **Premises** are untenanted the rent will be deemed to be the money estimated to be paid or payable once the **Premises** would have been let as evidenced by leases or negotiation or in the absence of such evidence based on money paid or payable in respect of similar property in the same locality as the **Premises** Such estimation shall be determined by a competent professional valuer acceptable to both **You** and **Us**

Revenue

The money paid or payable to **You** in respect of work done and services rendered in the course of the **Business** at the **Premises**

Schedule

The most current **Schedule** issued to **You** which states the **Period of Insurance** the amount of premium payable and details of the cover provided by this **Policy**

The **Schedule** is part of the **Policy** and must be read in conjunction with it

Site

The **Premises** where the **Works In Progress** are being carried out including any special storage areas set up in connection with a **Contract** and adjacent to the **Site**

Specified Working Expenses

- (a) Purchases (less discounts received)
- (b) Discounts allowed
- (c) Carriage Packaging and Freight
- (d) Bad Debts

or as varied in the **Schedule**

Standard Revenue

The **Revenue** which would have been earned during the Indemnity Period had the **Incident** not occurred after account has been taken of the trends of the **Business** and variations or other circumstances affecting the **Business** either before or after the **Incident** or which would have affected the **Business** had the **Incident** not occurred

Stock

Your stock and materials in trade and work in progress including items

- (a) belonging to **Your** customers purchased but not delivered
- (b) temporarily in **Your** custody for alteration renovation or repair or otherwise held in trust or on commission unless they are more specifically insured

Terrorism

- a) **Terrorism** in England and Wales and Scotland but not the territorial seas adjacent thereto (as defined by the Territorial Sea Act 1987) shall mean an 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
- b) **Terrorism** in any territory other than those stated in a) above shall mean an act including but not limited to the use of force or violence and/or the threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear

In any action suit or other proceedings where **We** allege that by reason of this definition any **Damage** or **Consequential Loss** cost or expense 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** cost or expense is covered (or is covered beyond that limit of liability) shall be upon **You**

United Kingdom

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

We/Us/Our

Aspen Insurance UK Limited

Works In Progress

The permanent and temporary works carried out by **You** or on **Your** behalf at the **Site** of a **Contract** but excluding any work

- (a) with a value in excess of GBP100,000 which involves
 - (i) operations in under over or adjacent to rivers canals lakes reservoirs dams tidal waters or coastal defence work
 - (ii) bridges or tunnels (other than work of a non-structural nature)
 - (iii) a depth in excess of 10 metres
- (b) with a construction period in excess of 3 years
- (c) involving the construction of a timber frame building in excess of 3 storeys or GBP5,000,000 **Contract** value

You/Your/Yours

The first party and any associated or subsidiary company named in the **Schedule** as the Policyholder

COVER

For each Section shown in the **Schedule** as operative **We** agree to provide cover to **You** in accordance with the provisions of this **Policy** during any **Period of Insurance** for which **You** have paid or agreed to pay and **We** have accepted the premium in respect of

SECTION 1 – MATERIAL DAMAGE

any of the property described in the **Schedule** suffering **Damage** due to a **Contingency** shown in the **Schedule** when **We** will pay for the value of the property at the time of the **Damage** or at **Our** option reinstate or replace such property or any part of it

SECTION 2 – BUSINESS INTERRUPTION

any **Building** or other property used by **You** at the **Premises** for the purpose of the **Business** suffering **Damage** due to a Contingency shown in the **Schedule** when **We** will pay for the amount of any **Consequential Loss**

SECTION 3 – MONEY

Damage to **Money** when **We** will pay the value of the **Money** at the time of the **Damage**

SECTION 4 – COMPUTERS

4a: any **Computer Equipment** described in the **Schedule** suffering **Damage** due to a Contingency shown in the **Schedule** or **Breakdown** when **We** will pay for the value of the **Computer Equipment** at the time of the **Damage** or **Breakdown** or at **Our** option reinstate or replace such **Computer Equipment** or any part of it
4b and 4c: any **Computer Equipment** used by **You** at the **Premises** for the purpose of the **Business** suffering **Damage** due to a Contingency shown in the **Schedule** or **Breakdown** when **We** will pay for the amount of any **Consequential Loss**

4d: the loss of **Electronic Data** as a result of **Damage** due to a Contingency shown in the **Schedule** or **Breakdown** when **We** will pay for the cost of reinstating or replacing that **Electronic Data**

4e: unauthorised interference with **Computer Equipment** when **We** will pay for any resulting loss of **Money** or other property

SECTION 5 – SPECIFIED ALL RISKS

any of the property described in the **Schedule** suffering **Damage** when **We** will pay for the value of the property at the time of the **Damage** or at **Our** option reinstate or replace such property or any part of it

SECTION 6 – WORKS IN PROGRESS

any of the property described in the **Schedule** suffering **Damage** due to a Contingency shown in the **Schedule** when **We** will pay for the value of the property at the time of the **Damage** or at **Our** option reinstate or replace such property or any part of it

SECTION 7 – FIDELITY GUARANTEE

loss of **Money** or goods belonging to **You** as a direct result of any act of **Fraud** or **Dishonesty** by an **Employee** or **Person Guaranteed**

It is provided that

- (1) the most **We** will pay under each Section is – the total sum insured or in respect of any item its sum insured or any other limit of liability stated in the **Schedule** at the time of the **Damage**
- (2) in respect of the insurance under Sections 2 and 4b and 4c – at the time of the **Damage** there shall be in force an insurance covering **Your** interest in the property at the **Premises** against such **Damage** and that
 - (a) payment shall have been made or liability admitted therefore or
 - (b) payment would have been made or liability admitted therefore but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

CONTINGENCIES

Covers under the various sections of this **Policy** are only operative for the Contingencies shown in the **Schedule** where applicable

1. Fire

Fire but excluding **Damage** or **Consequential Loss** caused by

- (a) explosion resulting from fire
- (b) earthquake subterranean fire riot or civil commotion
- (c) the property's own spontaneous fermentation or heating or
- (d) the property undergoing any heating or any process involving the application of heat

Lightning

Explosion

- (a) of gas or boilers used for domestic purposes only
- (b) of any other boilers or economisers on the **Premises**

but excluding **Damage** or **Consequential Loss** caused by earthquake or subterranean fire

2. Explosion

Explosion excluding in respect of

- (a)
 - (i) **Damage** resulting from the bursting of a boiler or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under **Your** control
 - (ii) **Damage** to or of vessels machinery or apparatus or their **Contents** resulting from their explosion
- (b) **Consequential Loss** resulting from the bursting by steam pressure 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 **Your** control

3. Aircraft

Aircraft and other aerial devices or articles dropped from them

4. Riot

Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation excluding

- (a) **Damage** or **Consequential Loss** arising from confiscation requisition or destruction by order of the government or any public authority or from cessation of work
- (b) **Consequential Loss** arising from deliberate **Damage** erasure distortion or corruption of information on records data or software

5. Riot and Malicious Damage

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 or from cessation of work
 - (ii) caused (other than by fire or explosion) by theft attempted theft or malicious persons not acting on behalf of or in connection with any political organisation in respect of any **Buildings** empty or not in use
- (b) **Consequential Loss** arising from deliberate **Damage** erasure distortion or corruption of information on records data or software

6. Riot Fire

Damage or **Consequential Loss** caused by fire as a result of riot or civil commotion excluding the results of

- (a) confiscation requisition or destruction by order of the government or any public authority
- (b) cessation of work

7. Earthquake or Subterranean Fire

8. Fire only resulting from the property's own spontaneous fermentation or heating

9. Storm

Storm excluding **Damage** or **Consequential Loss**

- (a) caused by flood
- (b) attributable solely to change in the water table level
- (c) caused by frost subsidence ground heave or landslip
- (d) in respect of movable property in the open fences and gates

10. Storm and Flood

Storm and **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

11. Escape of Water

Escape of water 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 **Premises** which
 - (i) is insufficiently equipped for **Business** use
 - (ii) has not been occupied for 30 consecutive days

12. Impact Third Party

Impact by any road vehicle or animal not belonging to nor under the control of **You** or any of **Your Employees**

13. Impact

Impact by any road vehicle or animal

14. Sprinkler Leakage

Accidental escape of water from any automatic sprinkler installation excluding **Damage** or **Consequential Loss**

- (a) in respect of any **Premises** which
 - (i) is insufficiently equipped for **Business** use
 - (ii) has not been occupied for 30 consecutive days
 - (iii) is not heated to a temperature of at least 40°F at all times
- (b) caused by explosion earthquake subterranean fire or heat caused by fire

15. Subsidence

Subsidence or ground heave of any part of the site on which the property stands or landslip excluding

- (a)
 - (i) **Damage** to yards car-parks roads pavements walls gates and fences unless also affecting the structure of other parts of the **Buildings** insured by this Section
 - (ii) **Consequential Loss** resulting from **Damage** to yards car-parks roads pavements walls gates and fences unless the structure of other parts of the **Buildings** are also damaged thereby
- (b) **Damage** resulting from
 - (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** resulting from destruction or damage which originated prior to the inception of this cover

- (d) **Damage** resulting from
 - (i) demolition construction structural alteration or repair of any property or
 - (ii) groundworks or excavationat the same **Premises**

16. Theft

- (1) Theft or attempted theft of **Contents**
 - (a) involving entry to or exit from **Buildings** by forcible and violent means or
 - (b) following actual or threatened assault or violence on the **Premises**but excluding
 - (i) **Damage** to
 - (A) motor vehicles and their accessories
 - (B) livestockunless such items are specifically mentioned as insured
 - (ii) **Damage** caused by
 - (A) fire
 - (B) explosion (other than the use of explosives to facilitate theft provided explosion is not otherwise insured)
 - (C) any person or persons obtaining any of the property insured by deception
 - (D) any person lawfully on the **Premises**
 - (E) acts of deception unless deception is used only to gain entry to the **Premises**
 - (iii) **Damage** caused (other than by fire or explosion) by theft attempted theft or malicious persons not acting on behalf of or in connection with any political organisation in respect of any **Premises** which
 - (A) is insufficiently equipped for **Business** use
 - (B) has not been occupied for 30 consecutive days
 - (iv) any part of the **Premises** which is not securely locked and fastened when closed for **Business** or left unattended
 - (v) **Buildings** empty or not in use
- (2) **Applicable to Buildings**
Theft or attempted theft of the **Buildings** including **Damage** to the **Buildings** for which **You** are responsible

17. Falling Trees

Falling trees branches telegraph poles or lighting standards

18. Leakage of Oil

Leakage of Oil from any fixed oil-fired installation including smoke or other **Damage** caused by defective vaporisation

19. Breakage or Collapse of Aerials

Breakage or collapse of television or radio signal receiving apparatus excluding **Damage** caused to the apparatus itself

20. Fixed Glass and Sanitary Ware

Damage to fixed glass fixed sanitary ware fixed water or heating installations inspection covers cables and pipes serving the **Premises**

21. Accidental Damage

Damage not resulting from

(a) **Damage** which is specifically insured or excluded elsewhere in the **Policy**

(b)

(i) faulty or defective materials or workmanship inherent vice latent defect gradual deterioration change in water table level wear and tear or frost

(ii) corrosion rust change in temperature dampness dryness wet or dry rot shrinkage evaporation loss of weight contamination change in colour flavour texture or finish vermin insects marring or scratching

(iii) acts of **Fraud or Dishonesty** by any **Employee**

(iv) disappearance unexplained or inventory shortage misfiling or misplacing of information

(v) mechanical or electrical **breakdown** and/or derangement of machinery or equipment but **We** will not exclude

(a) such **Damage** if resulting from a cause

(b) subsequent **Damage** resulting from an ensuing cause which is not otherwise excluded

SECTION 1 – MATERIAL DAMAGE

This Section applies only where shown as operative in the *Schedule*

SETTLEMENT OF CLAIMS

Buildings and Contents

1. **We** will pay for the reinstatement of the **Damage** subject to the following SPECIAL CONDITIONS
Reinstatement means
 - (a) the rebuilding or replacement of property lost or destroyed which provided Our liability is not increased may be carried out
 - (i) in any manner suitable to **Your** requirements
 - (ii) upon another site
 - (b) the repair or restoration of property damagedin either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new
2. **You** have provided the Declared Value (shown in brackets on the *Schedule*) for each of the relevant items and the premium has been calculated accordingly
Declared Value means **Your** assessment of the cost of reinstatement of the property insured arrived at in accordance with paragraph 1(a) at the level of costs applying at the inception of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently) together with insofar as the insurance by the item provides due allowance for
 - (a) the additional cost of reinstatement to comply with public authority requirements
 - (b) professional fees
 - (c) debris removal costs

SPECIAL CONDITIONS

- (1) At the inception of each **Period of Insurance** **You** must notify **Us** of the Declared Value of the property insured by each item
In the absence of such declaration the last amount declared by **You** will be taken as the Declared Value for the ensuing **Period of Insurance**
- (2) If at the time of **Damage** the Declared Value of the property covered by such item is less than the cost of reinstatement (as defined in paragraph 2 above) at the inception of the **Period of Insurance** then **Our** liability for any **Damage** is limited
The most **We** will pay is the proportion of the **Damage** which the Declared Value bears to such cost of reinstatement
- (3) **Our** liability for the repair or restoration of property damaged in part only is limited to the amount which would have been payable had such property been wholly destroyed
- (4) No payment beyond the amount which would have been payable in the absence of this clause will be made
 - (a) unless reinstatement commences and proceeds without unreasonable delay
 - (b) until the cost of reinstatement has been incurred
 - (c) if the property insured at the time of any **Damage** is insured by any other insurance effected by **You** or on **Your** behalf which is not upon the same basis of reinstatement
- (5) All other provisions of the **Policy** shall apply
 - (a) in respect of any claim payable under the provisions of this clause except insofar as they are varied hereby
 - (b) where claims are payable as if this clause had not been incorporated except that the maximum payable for any item will be the sum insured shown in the *Schedule*
- (6) 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 **Your** books

Stock

We will pay the value of the **Stock** at the time of the **Damage** or at **Our** option reinstate or replace such **Stock** or any part of it provided that the most **We** will pay for will not exceed the sum insured stated in the **Schedule**

EXTENSIONS

1. Additional Interests

We acknowledge that third parties may be interested in the insurance by this policy and in the event of **Damage** such third parties and the nature of their interests in **Buildings Contents** and **Stock** damaged are to be declare to **Us**

2. Automatic Reinstatement

The sum insured will not be reduced by the amount of any claim payable under this Section provided that **You** pay an appropriate additional premium if required by **Us** from the date of the **Damage** giving rise to the claim and effect any reasonable additional protections required by **Us** to prevent a further occurrence of **Damage**

3. Capital Additions

The insurance by this Section includes

- (a) any newly acquired **Buildings** or **Contents** in the **United Kingdom** provided the same are not otherwise insured and
- (b) alterations additions and improvements to **Buildings** or **Contents** but not in respect of any appreciation in value during the current **Period of Insurance** at any of the **Premises** insured provided that
 - (i) at any one situation this cover will not exceed 10% of the total sum insured on such property or GBP2,500,000 whichever is the less
 - (ii) **You** undertake to give particulars of such Extension of cover as soon as practicable and to effect specific insurance retrospective to the date of the commencement of **Our** liability
 - (iii) the provisions of this Extension shall be fully maintained notwithstanding any specific insurance effected under (ii) above

4. Contracting Purchasers

In the event that **You** have contracted to sell the interest in the **Buildings** the contracting purchaser who completes the purchase will have the benefit of the insurance by this Section up to the date of completion if and insofar as the **Buildings** are not otherwise insured and without prejudice to **Our** rights and liabilities

5. Contract Price

Our liability shall be based on the contract price in respect of goods sold but not delivered for which **You** are responsible and which are subject to a sale contract which following **Damage** is cancelled by reason of its conditions

6. Debris Removal

Unless specifically insured by this Section items relating to **Buildings Contents** and **Stock** extend to include reasonable costs and expenses necessarily incurred by **You** with **Our** consent in

- (a) removing debris from
- (b) clearance or repair of drains sewers or gutters of
- (c) dismantling and/or demolishing
- (d) shoring up or propping

the portion or portions of the property insured destroyed or damaged by any cause not excluded but excluding any costs or expenses

- (i) incurred in removing debris except from the site of property destroyed or damaged and the area immediately adjacent to such site
- (ii) arising from **Pollution** of property not insured by this Section

The most **We** will pay following **Damage** including such costs is the sum insured by the relative item stated in the **Schedule**

7. Drains and Gutters

In the event of **Damage** **We** will pay for costs and expenses necessarily and reasonably incurred by **You** with **Our** consent in cleaning drains sewers and gutters of the property insured or for which **You** are responsible. The most **We** will pay following **Damage** including such costs is the sum insured by the relative item stated in the **Schedule**

8. Electronic Data Processing Media Valuation

Should **Electronic Data** processing media insured by this **Policy** suffer **Damage** then the basis of valuation will be the cost of the blank media plus the costs of copying the **Electronic Data** from back-up or from originals of a previous generation

These costs will not include research and engineering nor any costs of recreating gathering or assembling such **Electronic Data**

If the media is not repaired replaced or restored the basis of valuation will be the cost of the blank media.

However this **Policy** does not insure any amount pertaining to the value of such **Electronic Data** to **You** or any other part even if such **Electronic Data** cannot be recreated gathered or assembled

9. Fire Extinguishing Expenses and Alarm Resetting Expenses

We will pay for costs and expenses necessarily and reasonably incurred by **You** in

- (a) recharging replenishing or replacing fire extinguishing appliances
- (b) recharging of gas extinguishing installations
- (c) refilling sprinkler tanks where costs are metered
- (d) replacing sprinkler heads in automatic sprinkler installations
- (e) resetting fire and intruder alarms and closed circuit television systems

as a result of **Damage** to property insured caused by fire at the **Premises**

The most **We** will pay following **Damage** including such costs is the sum insured by the relative item stated in the **Schedule**

10. Inadvertent Omissions

In the event of **You** inadvertently omitting to notify **Us** of any **Buildings Contents** or **Stock** in the **United Kingdom** for which **You** are responsible **We** will automatically hold such property covered provided that

- (1) such cover will commence
 - (i) from the inception of **Your** interest in the **Buildings Contents** or **Stock** or
 - (ii) from the date previous insurance lapsed or
 - (iii) from inception of the current **Period of Insurance** whichever is the latest
- (2) at any one **Premises** this cover shall not exceed GBP1,000,000
- (3) **You** will annually undertake and complete a thorough review of **Your Buildings Contents** and **Stock** and if any such omission to insure is discovered **You** shall immediately advise **Us** and pay the additional premium required from inception of this cover
- (4) **You** do not have any other forms of insurance in place which could be deemed to also cover such omissions

11. Landscaped Gardens

We will pay for costs and expenses necessarily and reasonably incurred by **You** in restoring any **Damage** done to landscaping at the **Premises** caused by the emergency services in entering the **Premises** as a result of any **Damage** to the property insured

The most **We** will pay following **Damage** including such costs is the sum insured by the relative item stated in the **Schedule**

12. Lock Replacement

We will pay costs incurred as a result of necessary replacement of locks following the loss of keys by theft from the **Premises** or from the homes of **Your** principals directors or authorised **Employees**

No cover applies for safe or strongroom keys left on the **Premises** overnight unless the **Premises** are in normal occupation 24 hours a day

The most **We** will pay following **Damage** will be GBP5, 000

13. Metered Utilities

We will pay the direct additional costs resulting from

- (a) accidental escape of metered water from tanks apparatus and pipes
- (b) unauthorised use of gas or electricity

but only to the extent that such loss is determined by measurement from water gas or electricity meters for which **You** are responsible and in any event does not exceed GBP50,000

14. Non-Invalidation

Your interest in the insurance by this Section will not be prejudiced by any act or neglect of any tenant or occupier of any **Building** whereby the risk of **Damage** is increased without **Your** authority or knowledge provided immediately on becoming aware thereof **You** give **Us** notice in writing and on demand pay such reasonable additional premium as **We** may require

15. Professional Fees

Unless specifically insured by this Section the sums insured on **Buildings** and **Contents** include amounts for professional fees necessarily and reasonably incurred in the reinstatement of **Damage** (but not such fees for the preparation of claims)

The most **We** will pay for the **Damage** (including such fees) is the sum insured by the relative item stated in the **Schedule**

16. Property at Other Premises

The insurance by this Section extends to include such property whilst in or at the **premises** of another for temporary purposes including whilst in transit by road rail or inland waterway and temporary housing en route to and from such premises all in the **United Kingdom** or Ireland

17. Public Authorities

Where following **Damage** **We** pay for the reinstatement of **Buildings** and/or **Contents** allowance will be made in the settlement of claims for costs incurred by **You** solely to comply with European Community legislation or government or local authority requirements in respect of

- (a) the property insured which suffers **Damage**
- (b) undamaged portions thereof

excluding

- (i) the cost incurred in complying with any of the aforesaid legislation or requirements
 - (A) in respect of **Damage** occurring prior to the granting of this Extension
 - (B) in respect of **Damage** not insured by this Section
 - (C) under which notice has been served upon **You** prior to the happening of the **Damage**
 - (D) in respect of property entirely undamaged by any cause hereby insured against
- (ii) the additional cost that would have been required to make good the property suffering **Damage** to a condition equal to its condition when new had the necessity to comply with any of the aforesaid legislation or requirements not arisen
- (iii) the amount of any charges or assessment arising out of the capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid legislation or requirements

provided that

- (1) the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the **Damage** or within such further time as **We** may allow (during the said twelve months) and may be carried out upon another site (if the aforesaid legislation or requirements so necessitate) subject to **Our** liability under this Extension not being thereby increased
- (2) if **Our** liability under this **Policy** apart from this Extension is reduced by the application of any of the provisions of this **Policy** then **Our** liability under this Extension will be reduced in like proportion
- (3) the total amount recoverable under this Extension will not exceed
 - (i) in respect of undamaged portions of property other than foundations 15% of the total amount for which **We** would have been liable had the property been wholly destroyed
 - (ii) the sum insured on the property suffering **Damage**

- (4) all provisions of this **Policy** except in so far as they are varied hereby will apply as if they had been incorporated herein

18. Sprinkler Upgrade Costs

We will pay the costs incurred by **You** in upgrading an automatic sprinkler installation in accordance with the current Loss Prevention Council (LPC) Rules solely as required by **Us** as a result of **Damage** to the **Buildings** provided that at the time of **Damage** the installation conformed to the LPC rules in force at the time of the original installation

19. Subrogation Waiver

In the event of a claim arising under this Section **We** agree to waive any rights remedies or relief to which **We** might become entitled by subrogation against any company standing in the relation of holding subsidiary or fellow subsidiary to **You** in each case as defined by current legislation

20. Tenants

If **Your Premises** are occupied by **Your** tenants or co-tenants this Section will not be prejudiced by any act or omission or default by them provided **You** shall immediately on becoming aware thereof give **Us** notice in writing

21. Trace and Access

In the event of **Damage** resulting from escape of water at **Your Premises We** will pay for the reasonable costs incurred in locating the source of the **Damage** and making good

22. Workmen

Workmen are allowed to work in the **Buildings** for the purpose of effecting any repairs and/or minor additions and alterations and/or decorations without prejudice to this insurance provided that **You** continue to take all reasonable care for the safety and protection of property insured and that no change or alteration shall be made to any alarm system or other protective device without **Our** consent

SECTION 1 – MATERIAL DAMAGE

CONDITIONS

1. Average (underinsurance)

If at the time of the happening of any **Damage** to the property insured by any item (other than those applying solely to fees **Rent** removal of debris or private dwelling houses) the sum insured by that item is less than the total value of the property to which it applies **You** will be considered as being **Your** own insurer for the difference and will bear a rateable share of the **Damage** accordingly

2. Fire Protection

- (a) All fire protection equipment on **Your Premises** must be
 - (i) installed in accordance with manufacturers' specifications
 - (ii) in full and efficient working order at all times and serviced under an approved maintenance contract
- (b) **You** must inform **Us** immediately if
 - (i) **You** discontinue using any fire alarm or automatic sprinkler installation
 - (ii) water supplies used for sprinklers are turned off
 - (iii) there are alterations to any sprinkler installation or **Your Buildings** which may affect the installation

Breach of this condition will only invalidate claims in respect of **Damage** by fire to property insured at the **Premises** at which the breach of condition has occurred

3. Security Requirements

- (a) Any intruder alarm system required by **Us** must be
 - (i) installed in accordance with the manufacturer's schedule agreed by **Us**
 - (ii) in full and efficient working order at all times and serviced under an approved maintenance contract
 - (iii) tested and set whenever the alarmed portion of the **Premises** is closed for **Business** or not attended by **You** or any person authorised by **You** to be responsible for the security of the **Premises**
- (b) Any other additional protection required by **Us** must be fitted in accordance with its requirement and together with all other devices for the protection of the property must be kept in good order and put into full effective operation when the **Premises** are closed for **Business** to customers or callers or are unattended
- (c) All keys including duplicate keys relative to the security of the **Premises** must be removed from the secured **Premises** when closed for **Business** or left unattended
- (d) **You** must advise **Us** immediately of any notice from the police or a security organisation that intruder alarm system signals will be disregarded where the system is required by **Us**

Breach of this condition will only invalidate claims in respect of theft or attempted theft of property whilst contained in the **Premises** at which the breach of condition has occurred

4. Unoccupied Premises

Notice must be given to **Us** when any **Premises** become unoccupied or when unoccupied **Premises** or a portion thereof is again occupied and a suitable additional premium paid if required

SECTION 2 – BUSINESS INTERRUPTION

This Section applies only where shown as operative in the *Schedule*

SETTLEMENT OF CLAIMS

The *Schedule* will indicate which Basis of Cover is in force

1. Basis of Cover – Gross Profit

In the event of *Consequential Loss* We will pay for loss of *Gross Profit* due to

- (a) Reduction in *Revenue* the sum produced by applying the *Rate of Gross Profit* to the amount by which the *Revenue* during the Indemnity Period falls short of the *Standard Revenue* in consequence of the *Incident* LESS any sum saved during the Indemnity Period in respect of the charges and expenses of the *Business* payable out of *Gross Profit* which may cease or be reduced in consequence of the *Incident*
- (b) Increase in Cost of Working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in *Revenue* which but for that expenditure would have taken place during the Indemnity Period in consequence of the *Incident* but not exceeding the sum produced by applying the *Rate of Gross Profit* to the amount of any reduction avoided by such expenditure

SPECIAL CONDITIONS

- (1) Indemnity Period means the period beginning with the occurrence of the *Incident* and ending not later than the number of months shown in the *Schedule* as the Maximum Indemnity Period
- (2) The most We will pay in respect of any one claim is 133.33% of the *Estimated Gross Profit* as stated in the *Schedule* subject to any limits stated otherwise in this Section

2. Basis of Cover – Advance Gross Profit

In the event of *Consequential Loss* We will settle claims in accordance with *Basis of Cover – Gross Profit* except that SPECIAL CONDITION (1) shall read as follows

- (1) Indemnity Period means the period beginning with the date upon which but for the *Incident Revenue* would have commenced to be earned and ending not later than the number of months shown in the *Schedule* as the Maximum Indemnity Period

3. Basis of Cover – Revenue

In the event of *Consequential Loss* We will pay for

- (a) Reduction in *Revenue*
the amount by which the *Revenue* during the Indemnity Period in consequence of the *Incident* falls short of the *Standard Revenue*
LESS any sum saved during the Indemnity Period in respect of the charges and expenses of the *Business* payable out of *Revenue* as may cease or be reduced in consequence of the *Incident*
- (b) Increase in Cost of Working
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in *Revenue* which but for that expenditure would have taken place during the Indemnity Period in consequence of the *Incident* but not exceeding the total amount of reduction in *Revenue* avoided by such expenditure

SPECIAL CONDITIONS

- (1) Indemnity Period means the period beginning with the occurrence of the *Incident* and ending not later than the number of months shown in the *Schedule* as the Maximum Indemnity Period
- (2) The most We will pay in respect of any one claim is 133.33% of the *Estimated Revenue* as stated in the *Schedule* subject to any limits stated otherwise in this Section

4. Basis of Cover – Advance Revenue

In the event of **Consequential Loss We** will settle claims in accordance with **Basis of Cover - Revenue** except that SPECIAL CONDITION (1) shall read as follows

- (1) Indemnity Period means the period beginning with the date upon which but for the **Incident Revenue** would have commenced to be earned and ending not later than the number of months shown in the **Schedule** as the Maximum Indemnity Period

5. Basis of Cover – Additional Increase in Cost of Working

In the event of **Consequential Loss We** will pay for additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Profit/Revenue** during the Indemnity Period in consequence of the **Incident** beyond that amount recoverable under paragraph (b) Increase in Cost of Working of **Basis of Cover – Gross Profit** or **Basis of Cover – Revenue**

SPECIAL CONDITIONS

- (1) Indemnity Period means the period beginning with the occurrence of the **Incident** and ending not later than the number of months shown in the **Schedule** as the Maximum Indemnity Period
- (2) The most **We** will pay in respect of any one claim is the sum insured stated in the **Schedule**

6. Basis of Cover – Increase in Cost of Working Only

In the event of **Consequential Loss We** will pay for the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing any interruption or interference with the **Business** during the Indemnity Period in consequence of the **Incident** but not exceeding

- (a) 50% of the sum insured shown in the **Schedule** for such additional expenditure arising in the first 3 months following the date of the **Incident**
- (b) 15% of the sum insured shown in the **Schedule** for such additional expenditure incurred in any one month after the first 3 month period has elapsed

SPECIAL CONDITIONS

- (1) Indemnity Period means the period beginning with the occurrence of the **Incident** and ending not later than the number of months shown in the **Schedule** as the Maximum Indemnity Period
- (2) The most **We** will pay in respect of any one claim is the sum insured stated in the **Schedule**

7. Basis of Cover – Gross Rentals

In the event of **Consequential Loss We** will pay for

- (a) Reduction in **Gross Rentals**
the amount of the reduction in the **Rent** received or receivable by **You** during the Indemnity Period solely as a consequence of the **Incident**
LESS any sum saved during the Indemnity Period in respect of the charges and expenses of the **Business** as may cease or be reduced in consequence of the **Incident**
- (b) Increased Landlord's Costs
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Rentals** which but for that expenditure would have taken place during the Indemnity Period in consequence of the **Incident** but not exceeding the reduction in **Gross Rentals** avoided by such expenditure
- (c) Reletting Costs
the costs necessarily and reasonably incurred during the Indemnity Period in reletting the **Premises** (including legal fees in connection with the reletting but excluding any legal fees or other charges associated with reletting which are payable by the new tenant) solely in consequence of the **Incident**

SPECIAL CONDITIONS

- (1) Indemnity Period means
 - (a) for occupied **Premises**
the period beginning with the occurrence of the **Incident** and ending not later than the number of months shown in the **Schedule** as the Maximum Indemnity Period

- (b) for unoccupied **Premises**
the period beginning with the date upon which but for the **Incident Gross Rentals** would have begun to be payable to **You** and ending not later than the number of months shown in the **Schedule** as the Maximum Indemnity Period
- (2) The most **We** will pay in respect of any one claim is 200% of the **Gross Rentals** for each lease or rental agreement declared to **Us**

EXTENSIONS

1. Accountants

We will pay for the reasonable charges payable by **You** to professional accountants for producing details or evidence as may be required by **Us**

2. Alternative Trading

If during the Indemnity Period goods are sold or services are rendered elsewhere than at the **Premises** for the benefit of the **Business** either by **You** or by others on **Your** behalf the **Money** paid or payable in respect of such sales or services will be brought into account in arriving at the **Revenue** during the Indemnity Period
If following an **Incident** **You** hold a salvage sale any **Revenue** obtained will be taken into account in settlement of any claim in respect of that **Incident**

3. Automatic Reinstatement

The sum insured will not be reduced by the amount of any claim payable under this Section provided that **You** pay if required by **Us** appropriate additional premium from the date of the **Incident** giving rise to the claim

4. Payments on Account

Payments on account for valid claims under this Section may be made at **Our** discretion upon **Your** request

5. Subrogation Waiver

In the event of a claim arising under this Section **We** agree to waive any rights remedies or relief to which **We** might become entitled by subrogation against any company standing in the relation of holding subsidiary or fellow subsidiary to **You** in each case as defined by current legislation

The following OPTIONAL EXTENSIONS only apply if shown as operative in the **Schedule**

6. Extension of Premises

Consequential Loss at the undernoted situations (if shown as operative in the **Schedule**) will be deemed to be **Consequential Loss** resulting from **Damage** to property used by **You** at the **Premises** provided that after the application of all provisions of the Section the most **We** will pay in respect of any one **Incident** is the limit stated in the **Schedule**

- (a) Contract Sites
Any situation in the **United Kingdom** not in **Your** occupation where **You** are carrying out a contract
- (b) Customers
 - (i) Specified – the premises of the customers stated in the **Schedule**
 - (ii) Unspecified – the premises of any of **Your** customers situate in the **United Kingdom**
- (c) Prevention of Access
Property in the vicinity of the **Premises Damage** to which prevents or hinders the use of the **Premises** or access thereto whether the **Premises** or property belonging to **You** is damaged or not
- (d) Public Utilities
Property at any of the following undertakings or suppliers (including the connecting underground cables and pipes up to the supply feed at the **Premises**)
 - (i) generating station or substation of the public electricity supply undertaking
 - (ii) land based premises of the public gas supply or any linked natural gas producer
 - (iii) water works or pumping station of the public water supply undertaking
 - (iv) land based premises of the public telecommunications undertaking
from which **You** obtain electricity gas water or telecommunications services all within the **United Kingdom**

We will not be liable for any **Consequential Loss** resulting from the first 24 consecutive hours of any one **Incident**
- (e) Storage Sites and Transit
Premises in the **United Kingdom** or Ireland not in **Your** occupation but where **Your** property is stored including whilst in transit thereto and therefrom by road rail or inland waterway but excluding **Consequential Loss** in so far as it relates to impact to the conveying vehicle

- (f) Suppliers
 - (i) Specified – the premises of the suppliers stated in the **Schedule**
 - (ii) Unspecified – the premises of any of **You** suppliers manufacturers or processors of components goods or materials situate in the **United Kingdom** but excluding the premises of any public supply undertaking from which **You** obtain electricity gas water or telecommunications services

7. Infectious Diseases

The insurance by this Section subject to the SPECIAL CONDITIONS and EXCLUSIONS set out below extends to include **Consequential Loss** in consequence of

- (a)
 - (i) any occurrence of a **Notifiable Disease** 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 the **Premises**
- (b) the discovery of vermin or pests at the **Premises** which causes restrictions on the use of the **Premises** on the order or advice of the competent local authority
- (c) any event 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 the competent local authority
- (d) any occurrence of murder or suicide at the **Premises** and if the **Business** comprises/includes hotel or boarding house proprietors or nursing and residential home proprietors
- (e) the cancellation of bookings for accommodation at the **Premises** in consequence of the outbreak of a **Notifiable Disease** anywhere in the **United Kingdom**

SPECIAL CONDITIONS

- (1) Indemnity Period means the period during which the results of the **Business** are affected in consequence of the occurrence discovery or accident beginning
 - (a) in the case of 7(a) 7(d) and 7(e) above with the date of the occurrence or discovery
 - (b) in the case of 7(b) and 7(c) above with the date from which the restrictions on the **Premises** are applied
- (2) **Premises** means only those locations stated in the **Schedule**
If this **Policy** includes an Extension which deems **Damage** at other locations to be an **Incident** such Extensions will not apply to this Extension
- (3) **We** will only be liable for the loss arising at those **Premises** which are directly affected by the occurrence discovery or accident
- (4) **You** shall comply with all issues identified as Contraventions arising from a Food Premises Inspection Report within the timescales stated in such report
- (5) **You** shall notify **Us** immediately of any prohibition notice emergency prohibition notice or emergency prohibition order served against **You** or the manager of the **Premises** in relation to a breach of the Food Safety Act 1990 General Food Regulations 2004 or Food Hygiene Regulations 2006 including any modification or re-enactment thereof
- (6) **We** will not be liable under this Extension for more than the Limit of Liability stated in the **Schedule** and ending not later than the Maximum Indemnity Period thereafter

EXCLUSIONS

- (1) **We** will not be liable under this Extension for loss arising from restrictions on the use of the **Premises** in consequence of an emergency notice or emergency prohibition order being served against **You** or the manager of the **Premises** in relation to a breach of the Food Safety Act 1990 General Food Regulations 2004 or Food Hygiene Regulations 2006 including any modification or re-enactment thereof
- (2) **We** will not be liable under this Extension for any costs incurred in the cleaning repair replacement recall or checking of property

SECTION 3 – MONEY

This Section applies only where shown as operative in the *Schedule*

SETTLEMENT OF CLAIMS

In the event of **Money** belonging to **You** or for which **You** are responsible suffering **Damage** **We** will pay the value of the **Money** at the time of the **Damage** but limited to the sum insured stated in the *Schedule* and provided that

1. **Damage** occurs within the **United Kingdom**
2. if the office room or area in which the safe or strongroom containing **Money** is situated becomes unattended
 - (a) the safe or strongroom is securely locked and
 - (b) all keys to the safe/strongroom are removed from the office room or area concerned or kept on **Your** person or with an authorised **Employee**
3. **You** keep a complete account of **Money** in transit and on the **Premises** and deposit such record in a secure place other than a safe or strongroom containing **Money**

SPECIAL CONDITIONS

- (1) Any **Money** (other than **Non-Negotiable Money**) being carried must be accompanied by at least the following number of able-bodied persons aged between 16 and 70 years

Less than GBP 3,000	1 person
GBP 3,001 – GBP 6,000	2 persons
GBP 6,001 – GBP 10,000	3 persons
Over GBP 10,000	As agreed in writing by Us

- (2) **We** will also pay for
 - (a) the cost of repair or replacement (whichever is the lower) for **Damage** to safes strongrooms security cases or other receptacles for **Money**
 - (b) additional charges made by computer bureaux for rerunning payroll and/or the additional costs of making up wage packets following **Damage**
- (3) **We** will not be liable for
 - (a) loss from any unattended vehicle or from any gaming or amusement machine
 - (b) **Damage** arising from
 - (i) fraud or dishonesty of an **Employee** not discovered within 14 days of the act
 - (ii) currency fluctuations depreciation in value or failure to honour the obligations of the issuer

PERSONAL ASSAULT EXTENSION

If **You** or any **Employee** between the ages of 16 and 70 sustain bodily injury by violent external and visible means during the course of **Your Business** and whilst handling **Money** arising from malicious attack or assault by any person committing robbery or attempt thereat during the **Period of Insurance** then **We** will pay **You** or **Your** legal personal representative the sum or sums set out in the following Table of Benefits

Table of Benefits	
1. Death	GBP 25,000
2. Total loss of limb or limbs and/or total or irrecoverable loss of all sight of an eye or eyes	GBP 25,000
3. Permanent total inability to attend to any occupation or business	GBP 25,000
4. Temporarily total inability to attend to the usual occupation or business	The normal weekly wage or salary not exceeding GBP 250 per week of inability

Provided always that

- (1) loss of limb means total loss by physical separation at or above the wrist or ankle or permanent total loss of use of an entire hand arm foot or leg
- (2) the most **We** will pay under Benefit (4) is for 104 weeks in respect of any one assault
- (3) Benefit will only be payable provided death or loss occurs or disablement commences within twenty four months of the injury
- (4) if while Benefit (4) is payable **We** are satisfied that the inability is permanent Benefit (3) will become payable instead of Benefit (4)
We will not otherwise be liable to pay more than one Benefit in respect of the same assault
- (5) in no case will more than one Benefit be payable in respect of the same period of time
- (6) no Benefit will be payable until the entire amount thereof has been ascertained and agreed

If **You** or any **Employee** as a result of malicious attack or assault or attempt thereat as defined above sustains **Damage** to clothing or personal effects **We** will indemnify **You** to the extent of that **Damage**

SECTION 4 – COMPUTERS

This Section applies only where shown as operative in the *Schedule*

SECTION 4A: COMPUTER EQUIPMENT

SETTLEMENT OF CLAIMS

We will pay for the reinstatement of the **Damage** or **Breakdown** subject to the following SPECIAL CONDITIONS
Reinstatement means

(a) the replacement of property lost or destroyed which provided **Our** liability is not increased maybe carried out

- (i) in any manner suitable to **Your** requirements
- (ii) upon another site

(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

SPECIAL CONDITIONS

(1) If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by such item exceeds its sum insured at the commencement of any **Damage** or **Breakdown** **Our** liability will not exceed that proportion of the amount of the **Damage** or **Breakdown** which the said sum insured bears to the sum representing the total cost of reinstating the whole of such property at that time

(2) **Our** liability for the repair or restoration of property damaged in part only is limited to the amount which would have been payable had such property been wholly destroyed

(3) No payment beyond the amount which would have been payable in the absence of this clause will be made

(a) unless reinstatement commences and proceeds without unreasonable delay

(b) until the cost of reinstatement has been incurred

(c) if the property insured at the time of any **Damage** or **Breakdown** is insured by any other insurance effected by **You** or on **Your** behalf which is not upon the same basis of reinstatement

(4) All other provisions of the **Policy** will apply

(a) in respect of any claim payable under the provisions of this clause except insofar as they are varied hereby

(b) where claims are payable as if this clause had not been incorporated except that the maximum payable for any item shall be the sum insured shown in the *Schedule*

EXTENSIONS

For Section 4a only the following Extensions apply

1. Accidental Discharge of Gas Flooding Systems

We will pay for the cost of refilling the cylinders of any gas flooding systems installed solely for the protection of **Computer Equipment** arising out of the accidental discharge of such system provided that **Our** liability under this Extension in respect of any one claim shall not exceed GBP10,000

2. Additional Interests

The interest of parties supplying property to **You** under a hiring leasing or similar agreement is noted in this Insurance

The nature and extent of any interest must be disclosed by **You** in the event of **Damage** or **Breakdown** **We** will normally pay the legal owner in respect of **Damage** to or **Breakdown** of their property

3. Automatic Reinstatement

The sum insured will not be reduced by the amount of any claim payable under this Section provided that **You** pay an appropriate additional premium if required by **Us** from the date of the **Damage** giving rise to the claim and effect any reasonable additional protections required by **Us** to prevent a further occurrence of **Damage**

4. Capital Additions

We will pay for additions to the **Computer Equipment** occurring during any one **Period of Insurance** subject to a limit of GBP100,000 any one item of property and up to GBP500,000 in total in any one **Period of Insurance** provided that

- (1) **You** undertake to give particulars of such extension of cover as soon as practicable and to effect specific insurance retrospective to the date of the commencement of **Our** liability
- (2) the provisions of this extension shall be fully maintained notwithstanding any specific insurance effected under (1) above

5. Debris Removal

Unless specifically insured by this Section the sums insured on **Computer Equipment** include amounts for reasonable costs and expenses necessarily incurred by **You** with **Our** consent in

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

Computer Equipment insured destroyed or damaged by any cause not excluded but excluding any costs or expenses

- (i) incurred in removing debris except from the site of property destroyed or damaged and the area immediately adjacent to such site
- (ii) arising from **Pollution** of property not insured by this Section

The most **We** will pay following **Damage** including such costs is the sum insured by the relative item stated in the **Schedule**

6. Incompatibility of Computer Records

- (a) In the event of **Damage** or **Breakdown** **We** will pay
- (b) the costs of modification of **Computer Equipment**

the costs of replacing computer records including reinstatement of programs and information thereon whichever is the lower to achieve compatibility in the event that **Damage** or **Breakdown** has resulted in undamaged computer records programs and data thereon being incompatible with the replacement **Computer Equipment** provided the most **We** will pay under this Extension is GBP10,000

7. Investigation Costs

We will pay for costs incurred including consulting engineers fees with the prior consent of **Us** in conducting investigations and/or tests into possible repair replacement or reinstatement of **Computer Equipment** suffering **Damage** or **Breakdown** regardless of whether such investigations and/or tests are successful or not provided the most **We** will pay under this Extension is GBP10,000

8. Professional Fees

Unless specifically insured by this Section the sums insured on **Computer Equipment** include amounts for professional fees necessarily and reasonably incurred in the reinstatement of **Damage** or **Breakdown** (but not such fees for the preparation of claim)

The most **We** will pay for the **Damage** or **Breakdown** (including such fees) is the sum insured by the relative item stated in the **Schedule**

9. Public Authorities

Where following **Damage** or **Breakdown** **We** pay for the reinstatement of **Computer Equipment** allowance will be made in the settlement of claims for costs incurred by **You** solely to comply with European Community legislation or government or local authority requirements in respect of

- (a) the property insured which suffers **Damage** or **Breakdown**
- (b) undamaged portions thereof excluding
 - (i) the cost incurred in complying with any of the aforesaid legislation or requirements
 - (A) in respect of **Damage** or **Breakdown** occurring prior to the granting of this Extension
 - (B) in respect of **Damage** or **Breakdown** not insured by this Section
 - (C) under which notice has been served upon **You** prior to the happening of the **Damage** or **Breakdown**

- (D) in respect of property entirely undamaged by any cause hereby insured against
- (ii) the additional cost that would have been required to make good the property suffering **Damage or Breakdown** to a condition equal to its condition when new had the necessity to comply with any of the aforesaid legislation or requirements not arisen (iii) the amount of any charges or assessment arising out of the capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid legislation or requirements

Provided that

- (1) the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the **Damage or Breakdown** or within such further time as **We** may allow (during the said twelve months) and may be carried out upon another site (if the aforesaid legislation or requirements so necessitate) subject to **Our** liability under this Extension not being thereby increased
- (2) if **Our** liability under this **Policy** apart from this Extension is reduced by the application of any of the provisions of this **Policy** then **Our** liability under this Extension will be reduced in like proportion
- (3) the total amount recoverable under this Section will not exceed
 - (i) in respect of undamaged portions of property other than foundations 15% of the total amount for which **We** would have been liable had the property been wholly destroyed
 - (ii) the sum insured on the property suffering **Damage or Breakdown**
- (4) all provisions of this **Policy** except in so far as they are varied hereby will apply as if they had been incorporated herein

10. Temporary Removal

We will pay for **Damage** to or **Breakdown of Computer Equipment** whilst temporarily removed from the **Premises** anywhere in the world including whilst in transit provided the most **We** will pay under this Extension is GBP10,000

11. Temporary Repairs

In the event of **Damage** or **Breakdown** **We** will pay the reasonable additional expenses incurred by **You** with **Our** consent in making a temporary repair or in expediting a permanent repair to an item of **Computer Equipment** to minimise a loss provided the most **We** will pay under this Extension is GBP10,000

EXCLUSIONS

For Section 4a only the following Exclusions apply

We will not pay for

- 1. the cost of replacing or reinstating **Electronic Data** or any **Consequential Loss**
- 2. **Damage** or **Breakdown** directly or indirectly resulting from design faulty or defective materials or workmanship inherent vice latent defect or gradual deterioration
- 3. **Breakdown**
 - (a) to computers or other electronic equipment controlling any manufacturing process
 - (b) resulting from an extraneous cause
 - (c) to computers or other electronic equipment which are not covered by a maintenance contract leasing contract or guarantee providing for repair or replacement
 - (d) recoverable under a maintenance or leasing contract or guarantee
- 4. **Damage** by theft to Portable **Computer Equipment** left in an unattended vehicle unless hidden from view and all windows and sunroofs are securely closed and the boot and all doors locked

SECTION 4B: LOSS OF REVENUE

SETTLEMENT OF CLAIMS

In the event of **Consequential Loss** **We** will pay for

- (a) Reduction in **Revenue**
 - the amount by which the **Revenue** during the Indemnity Period shall in consequence of the **Incident** fall short of the **Standard Revenue**
 - LESS any sum saved during the Indemnity Period in respect of the charges and expenses of the **Business** payable out of **Revenue** as may cease or be reduced in consequence of the **Incident**

- (b) Increase in Cost of Working
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Revenue** which but for that expenditure would have taken place during the Indemnity Period in consequence of the **Incident** but not exceeding the total amount of reduction in **Revenue** avoided by such expenditure

SPECIAL CONDITIONS

- (1) For the purposes of this Section **Incident** extends to include **Breakdown** of **Computer Equipment** used by **You** for the purpose of the **Business**
- (2) Indemnity Period means the period beginning with the occurrence of the **Incident** and ending not later than the number of months shown in the **Schedule** as the Maximum Indemnity Period
- (3) The most **We** will pay in respect of any one claim is 133.3% of the **Estimated Revenue** as stated in the **Schedule** subject to any limits stated otherwise in this Section

EXTENSIONS

For Section 4b only the following Extension applies

1. Public Utilities

We will pay for **Consequential Loss** resulting from the failure or fluctuation of the supply of electricity or telecommunications transmission systems to any part of the **Computer Equipment**

We will not pay for any **Consequential Loss** resulting from the first 24 consecutive hours following any failure or fluctuation and in any event **We** will not pay more than the amount shown as the limit in the **Schedule**

EXCLUSIONS

We will not pay for

1. the cost of replacing or reinstating **Electronic Data**
2. **Damage** or **Breakdown** directly or indirectly resulting from design faulty or defective materials or workmanship inherent vice latent defect or gradual deterioration

SECTION 4C: INCREASED COST OF WORKING

SETTLEMENT OF CLAIMS

In the event of **Consequential Loss** **We** will pay for any additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing any interruption or interference with the **Business** during the Indemnity Period in consequence of the **Incident**

SPECIAL CONDITIONS

- (1) For the purposes of this Section **Incident** extends to include **Breakdown** of **Computer Equipment** used by **You** for the purpose of the **Business**
- (2) Indemnity Period means the period beginning with the occurrence of the **Incident** and ending not later than the number of months shown in the **Schedule** as the Maximum Indemnity Period
- (3) The most **We** will pay in respect of any one claim is the sum insured stated in the **Schedule**

EXTENSIONS

For Section 4c only the following Extension applies

1. Public Utilities

We will pay for **Consequential Loss** resulting from the failure or fluctuation of the supply of electricity or telecommunications transmission systems to any part of the **Computer Equipment**

We will not pay for any **Consequential Loss** resulting from the first 24 consecutive hours following any failure or fluctuation and in any event **We** will not pay more than the amount shown as the limit in the **Schedule**

EXCLUSIONS

For Section 4c only the following Exclusions apply

We will not pay for

1. the cost of replacing or reinstating **Electronic Data**

2. **Damage** or **Breakdown** directly or indirectly resulting from design faulty or defective materials or workmanship inherent vice latent defect or gradual deterioration

SECTION 4D: LOSS OF DATA

SETTLEMENT OF CLAIMS

Notwithstanding General Policy Exclusion 7 **We** will pay for

- (a) the cost of reinstating **Electronic Data** onto the data carrying media and/or fixed discs following accidental or malicious erasure destruction distortion or corruption of **Electronic Data** from identifiable causes
- (b) the cost of reinstating or replacing **Electronic Data** as a result of theft of data carrying media

SPECIAL CONDITIONS

- (1) The most **We** will pay in respect of any one claim is the sum insured stated in the **Schedule**

EXCLUSIONS

For Section 4d only the following Exclusions apply

We will not pay for

1. the value to **You** of any **Electronic Data** information stored
2. any costs of reinstatement or replacement described above which result from any of the following causes
 - (a) pre-existing faults in or unsuitability of programmes computers or data carrying media
 - (b) interference with **Your** computer operating systems or data or the intended functions of **Your** programmes resulting from the introduction of additional programmes or modifications to **Your** programmes which in each case were not authorised by **You** and which were not accidental errors or omissions made by **You** or **Your Employees**
 - (c) theft by or in collusion with any member of **Your** family **Business** staff or domestic servants

SECTION 4E: THIRD PARTY COMPUTER FRAUD

SETTLEMENT OF CLAIMS

In the event of unauthorised interference with **Computer Equipment** which is discovered during the **Period of Insurance** or within 24 months following the expiry of the **Period of Insurance** **We** will pay the value of any loss of **Money** or other property for which **You** are responsible which is directly due to the unauthorised interference

Provided the most **We** will pay for under this Section is GBP25,000 in any one **Period of Insurance**

EXCLUSIONS

For Section 4e only the following Exclusions apply

We will not pay for

1. any loss that does not involve addition amendment corruption distortion or substitution of or to **Electronic Data**
2. loss caused by any **Employee** or by any other party or parties acting in collusion with any **Employee** or persons under **Your** control or direction
3. loss caused by any other person for whom **You** have effected insurance in respect of dishonesty or caused by any other party or parties acting in collusion with any such person
4. the first GBP5,000 of any one claim or series of claims consequent upon or attributable to any person or any group of persons acting in collusion

SECTION 5 – SPECIFIED ALL RISKS

This Section applies only where shown as operative in the *Schedule*

SETTLEMENT OF CLAIMS

If the insured property as detailed in the *Schedule* suffers **Damage** not otherwise excluded and within territorial limits noted in the *Schedule* **We** will replace the property or **We** will pay the cost of replacement as new except for items that can be economically repaired when **We** will pay the cost of repair

We will not deduct any amount for wear and tear

Agreed Value Basis of Settlement

The basis upon which **We** will settle any claim in respect of **Damage** to paintings and other works of art antiques civic regalia and the like is as follows

1. in the event of partial destruction or damage **We** will pay the cost of restoration and renovation but in no case will **We** pay more than the value of the item suffering such partial destruction or damage as stated in details lodged with **Us** by **You**
2. in the event of total loss destruction or damage **We** will not pay more than the value of the item suffering such total loss destruction or damage as stated in the specification lodged with **Us** by **You**

Provided that in the event of **Damage** to any insured property which has a special or increased value by virtue of forming part of a pair or set any indemnity under this *Policy* will not take account of any such special or increased value but will only pay a proportional part of the value of the pair or set

EXCLUSIONS

We will not pay for

1. property more specifically insured elsewhere
2. the cost of maintenance
3. **Damage** caused by or consisting of
 - (a) faulty or defective design materials or workmanship inherent vice latent defect gradual deterioration change in water table level wear and tear or frost
 - (b) corrosion rust change in temperature dampness dryness wet or dry rot shrinkage evaporation loss of weight contamination change in colour flavour texture or finish vermin insects marring or scratching
 - (c) acts of fraud or dishonesty by any **Employee**
 - (d) disappearance unexplained or inventory shortage misfiling or misplacing of information
 - (e) any process of fitting testing servicing repair renovation or adjustment
4. mechanical or electrical **Breakdown** and/or derangement of machinery or equipment
5. **Damage** caused by the process of cleaning dyeing repair or restoration
6. confiscation or detention by order of any government public or police authority
7. breakage of electrical valves bulbs or tubes unless the equipment in which they are contained is damaged at the same time
8. **Damage** by theft to property left in an unattended vehicle unless the property is hidden from view and all windows and sunroofs are securely closed and the boot and all doors locked
9. **Consequential Loss** of any kind or description

SECTION 6 – WORKS IN PROGRESS

This Section applies only where shown as operative in the *Schedule*

SETTLEMENT OF CLAIMS

We will pay for the reinstatement of the **Damage** subject to the following SPECIAL CONDITIONS

Reinstatement means

- (a) the rebuilding or replacement of property lost or destroyed which provided **Our** liability is not increased maybe carried out
 - (i) in any manner suitable to **Your** requirements
 - (ii) upon another site
 - (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

SPECIAL CONDITIONS

- (1) **Our** liability for the repair or restoration of property damaged in part only is limited to the amount which would have been payable had such property been wholly destroyed
- (2) No payment beyond the amount which would have been payable in the absence of this clause will be made
 - (a) unless reinstatement commences and proceeds without unreasonable delay
 - (b) until the cost of reinstatement has been incurred
 - (c) if the property insured at the time of any **Damage** is insured by any other insurance effected by **You** or on **Your** behalf which is not upon the same basis of reinstatement
- (3) All other provisions of the **Policy** will apply
 - (a) in respect of any claim payable under the provisions of this clause except insofar as they are varied hereby
 - (b) where claims are payable as if this clause had not been incorporated except that the maximum payable for any item shall be the sum insured shown in the *Schedule*

EXTENSIONS

1. Additional Interests

We acknowledge that third parties may be interested in the insurance by this policy and in the event of **Damage** such third parties and the nature of their interests in **Buildings Contents** and **Stock** damaged are to be declare to **Us**

2. Automatic Reinstatement

The sum insured will not be reduced by the amount of any claim payable under this Section provided that **You** pay an appropriate additional premium if required by **Us** from the date of the **Damage** giving rise to the claim and effect any reasonable additional protections required by **Us** to prevent a further occurrence of **Damage**

3. Debris Removal

The insurance by this Section includes reasonable costs and expenses necessarily incurred by **You** with **Our** consent in

- (a) removing debris from
- (b) clearance or repair of drains sewers or gutters of
- (c) dismantling and/or demolishing
- (d) shoring up or propping

the portion or portions of the property destroyed or damaged by any cause not excluded when said costs and expenses are incurred to enable **You** to continue working on the **Site** of any **Works In Progress** but excluding any costs and expenses

- (i) incurred in removing debris except from the **Site**
- (ii) arising from **Pollution** of property not insured by this Section

4. Professional Fees

Unless specifically insured by this Section the sums insured on **Works In Progress** and **Plant** include amounts for professional fees necessarily and reasonably incurred up to a maximum of 15% in the reinstatement of **Damage** (but not such fees for the preparation of claims)

The most **We** will pay for the **Damage** (including such fees) is the sum insured by the relative item stated in the **Schedule**

5. Public Authorities

Where following **Damage We** pay for the reinstatement of **Works In Progress** allowance will be made in the settlement of claims for costs incurred by **You** solely to comply with European Community legislation or government or local authority requirements in respect of

- (a) the property insured which suffers **Damage**
- (b) undamaged portions thereof
excluding
 - (i) the cost incurred in complying with any of the aforesaid legislation or requirements
 - (A) in respect of **Damage** occurring prior to the granting of this Extension
 - (B) in respect of **Damage** not insured by this Section
 - (C) under which notice has been served upon **You** prior to the happening of the **Damage**
 - (D) in respect of property entirely undamaged by any cause hereby insured against
 - (ii) the additional cost that would have been required to make good the property suffering **Damage** to a condition equal to its condition when new had the necessity to comply with any of the aforesaid legislation or requirements not arisen
 - (iii) the amount of any charges or assessment arising out of the capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid legislation or requirements

provided that

- (1) the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the **Damage** or within such further time as **We** may allow (during the said twelve months) and may be carried out upon another site (if the aforesaid legislation or requirements so necessitate) subject to **Our** liability under this Extension not being thereby increased
- (2) if **Our** liability under this **Policy** apart from this Extension is reduced by the application of any of the provisions of this **Policy** then **Our** liability under this Extension will be reduced in like proportion
- (3) the total amount recoverable under any item of this Section will not exceed
 - (i) in respect of undamaged portions of property other than foundations 15% of the total amount for which **We** would have been liable had the property been wholly destroyed
 - (ii) the sum insured on the property suffering **Damage**
- (4) all provisions of this **Policy** except in so far as they are varied hereby will apply as if they had been incorporated herein

EXCLUSIONS

For Section 6 only the following Exclusions apply

We will not pay for

- 1. **Damage** directly or indirectly resulting from defective design plan specification materials or workmanship inherent vice latent defect wear and tear corrosion oxidation gradual deterioration wet or dry rot shrinkage dampness frost marring or scratching
- 2. loss of **Materials** or **Plant** either by disappearance or by shortage if such disappearance is only revealed when an inventory is made or is not traceable to an identifiable event
- 3. consequential losses of any kind including penalties or fines for delay lack of performance non-completion or non-compliance with the conditions of any **Contract** or reimbursement of any financial guarantees

4. loss as a result of theft or attempted theft of **Materials** or **Plant** from any vehicle belonging to **You** or under **Your** control unless
 - (a) all doors have been securely locked all windows and other openings securely and adequately fastened and any immobiliser and any alarm fitted to the said vehicle correctly set to operate and all keys removed
 - (b) after the last **Business** transit of the day until collected by the driver for the next **Business** transit the vehicle is housed in a securely locked building of substantial construction or a compound which has secure walls and/or fences and securely locked gates
5. **Damage** consisting of mechanical or electrical **Breakdown** or derangement in respect of the particular machine apparatus or equipment in which such **breakdown** or derangement originates but this shall not exclude
 - (a) such **Damage** not otherwise excluded which itself results from any other accidental **Damage**
 - (b) subsequent **Damage** which itself results from a cause not otherwise excluded
6. **Damage** to property forming or which has formed part of any structure prior to the commencement of the **Works In Progress**
7. **Damage** to work for which a certificate of practical completion has been issued

SECTION 7 – FIDELITY GUARANTEE

This Section applies only where shown as operative in the *Schedule*

SETTLEMENT OF CLAIMS

We will pay for

- (a) loss of **Money** or goods belonging to **You** or for which **You** are responsible during the **Period of Insurance** as a direct result of any act of **Fraud Or Dishonesty** by an **Employee** or **Person Guaranteed** (who must be identified by name) committed on or after the commencement of insurance and discovered
 - (i) within 24 calendar months of the expiration of the **Period of Insurance**
 - (ii) within 24 calendar months of the death dismissal or retirement of the **Employee** or **Person Guaranteed** whichever of these events shall occur first
- (b) loss of **Money** or goods belonging to **You** or for which **You** are responsible as a direct result of any **Fraud or Dishonesty** by an **Employee** or any **Person Guaranteed** during the currency of any previous fidelity insurance effected by **You** but not discovered during the period stipulated in such insurance but
 - (i) only to the extent that such loss would have been insured had such insurance remained in force since the expiry of the previous insurance
 - (ii) only if cover provided by this Section has been continuously in force since the expiry of the previous insurance
- (c) auditors fees necessarily incurred by **You** and with **Our** consent for an amount not exceeding 10% of the amount payable in respect of any one claim in any event not exceeding the total sum insured

provided that the most **We** will pay following loss is the **Aggregate Limit of Liability** as stated in the *Schedule*

EXTENSIONS

1. Automatic Reinstatement

The **Aggregate Limit of Liability** will not be reduced by the amount of any claim payable under this Section provided that **You** shall pay any additional premium as required by **Us** on the amount of the claim from the date thereof to the expiry of the **Period of Insurance** provided that the amount by which the **Aggregate Limit of Liability** is reinstated shall only apply to acts of **Fraud or Dishonesty** committed subsequent to the date of such claim

Upon discovery of a loss giving rise to a valid claim reinstatement under this clause will apply automatically

2. Bailiffs

Any person partnership firm or company (or employees thereof) duly appointed by or acting for **You** under a contract for services as a bailiff for the recovery of sums due to **You** will be treated as an **Employee** and when so treated the words fraud and dishonesty will be held to include bankruptcy insolvency or liquidation of the bailiff

3. School Funds

This Section extends to include loss sustained by **You** as a direct result of **Fraud Or Dishonesty** in respect of the **Contents** of official school bank accounts or the unofficial school funds held by educational establishments in the area administered by **You** and for which **You** are responsible

CONDITIONS

1. Territorial Limits

This Section only covers acts of **Fraud Or Dishonesty** which occur within the **United Kingdom**

2. Previous Insurance

Our liability with respect to any loss committed by an **Employee** or **Persons Guaranteed** will not exceed the amount which would have been recoverable under the insurance in force at the time the loss was sustained or the amount recoverable under this Section whichever is the smaller

3. Aggregate Limit of Liability

If the cover **We** provide continues in force for more than one year then **Our** liability in respect of any one claim will not be accumulated or increased thereby and **Our** aggregate liability during any one year/**Period of Insurance** and for any number of losses forming the basis of any one claim will not exceed the **Aggregate Limit of Liability**

4. Deductions

Any sum of **Money** which but for **Fraud or Dishonesty** of an **Employee** or **Person Guaranteed** would become payable to him/her will be deducted from the amount of any claim otherwise payable under this Section

5. Notice of Claim

You shall within fourteen days of the discovery of any act of **Fraud or Dishonesty** on the part of any **Employee** or **Person Guaranteed** or any matter in respect of which a claim may arise or might have arisen give notice in writing to **Us** with all available particulars

Within three months after such notice **You** shall deliver to **Us** full details of the claim and shall furnish proof of the correctness of such claim

6. Deductible

Our liability will be reduced by deduction of the amount specified in the **Schedule** from each loss sustained by **You** after prior deduction for any loss recoveries and deduction in accordance with Condition 4 above

7. Inspection

At **Our** request **You** shall produce and permit inspection by **Us** of all pertinent records as relate to this Section and any claim at such reasonable times and places as **We** designate and shall co-operate with **Us** in all matters pertaining to any loss or claim

8. System of Check

We have no liability under this Section unless the following procedures are adhered to on all occasions (or such other procedures as are agreed in writing by **Us**)

- (a) References
You shall obtain written references covering the whole of the preceding three years of employment confirming the honesty of all **Employees** and **Persons Guaranteed** with responsibility for money stock and/or accounts who are engaged after the inception of this Section
- (b) Cheque Signing
All instruments for the operation of bank accounts issued must be signed by two authorised signatories where the amount of such instrument exceeds GBP10,000
Supporting vouchers will be examined against the instrument in all cases by the signatories of the amount of the instrument
- (c) General Accounting Checks
 - (i) There will be a split in duties so that no one **Employee** or **Person Guaranteed** compiles both the payroll and makes wage payments
 - (ii) The cast of the payroll will be subject to an independent check to ensure that the total amount drawn is correct
 - (iii) All payments of whatever form received by **Employees** or **Persons Guaranteed** will be remitted and/or banked in full on the day of receipt or on the next banking day
 - (iv) Statements of account for all sums due will be issued direct to customers independently of **Employees** or **Persons Guaranteed** receiving or collecting payment at least at monthly intervals with management action being taken after the account is three months overdue
 - (v) Cash book entries will be subject to a monthly physical check independently of the **Employees** or **Persons Guaranteed** responsible against bank paying-in book counterfoils and vouchers and the balance tested with cash and unrepresented cheques

- (d) General
- (i) Every **Employee** or **Person Guaranteed** is required to take an uninterrupted holiday of at least two weeks duration in any period of twelve months during which he or she performs no duties and is absent from his or her place of **Business**
 - (ii) All departments are subject to an audit by an independent firm of chartered accountants at least every twelve months and the auditor's reports are submitted direct to **Your** executive committee
 - (ii) The System of Check and supervision thereof applies to all addresses from which **You** operate

EXCLUSIONS

We will not pay for

1. any loss arising out of any act of **Fraud** or **Dishonesty** committed by any **Employee** or **Person Guaranteed** after **You** or any person acting on **Your** behalf 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 **Employee** or **Person Guaranteed** and this Exclusion will also be a bar to any claim involving such an **Employee** or **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
Not more than one claim will be payable in respect of the same **Employee** or **Person Guaranteed**
2. loss of interest or **Consequential Loss** of any kind
3. any claim arising out of or in connection with any circumstances or occurrences
 - (a) which have been notified to the insurer of any other **Policy** of insurance effected prior to the inception of this Section or
 - (b) which have been known to **You** prior to the inception of this Section

TERRORISM EXTENSION

This Extension applies only where shown as operative in the **Schedule**

Notwithstanding General Policy Exclusion 3,4,6 and 7 in respect of the **Period of Insurance** stated in the **Schedule** this insurance extends to include **Damage** and **Consequential Loss** resulting from an **Act of Terrorism** insofar as and to the extent that the property is insured in England Wales or Scotland (but not adjacent territorial seas as defined by the Territorial Sea Act 1987) subject to all the terms conditions and limitations of the **Policy** except as varied below

EXCLUSIONS

We will not pay

- (1) for **Residential Property** insured by a **Private Individual**
- (2) for war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- (3) in respect of 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**
- (4) any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss caused by or contributed to by or arising from Damage to any computer or other equipment or component or system or item which processes stores transmits or receives **Electronic Data** and whether **Your** property or not where such **Damage** is caused by **Computer Virus** or **Phishing** or **Hacking** or **Denial of Service Attack**

However, other than **Money, Goods In Transit** or loss of **Electronic Data** **We** will cover **Damage** occurring during the **Period of Insurance** to **Buildings Contents Stock** and **Computer Equipment** insured by this Extension directly caused by **Defined Perils** if such damage results from any of the matters described above subject to all terms conditions and Exclusions of this Extension but **We** will not cover any concurrent or subsequent **Damage**

Furthermore where cover is provided under **Section 2 – Business Interruption** and as a result of an **Act of Terrorism** the amount suffered directly by you by way of loss of or reduction in **Gross Profit, Gross Rentals, Revenue** or increased cost of working as a direct result of

- (a) Damage to **Building Contents Stock** and electrical equipment and / or
- (b) Denial prevention or hindrance of access to or use of the by reason of an **Act of Terrorism** causing **Damage** to other property within one mile of **Your Premises** and **You** are prevented from accessing **Your Premises** cover will be provided by this Exclusion

We will not cover any **Damage** proximately caused by any acts 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

SPECIAL CONDITIONS

- (1) In any action suit or other proceedings where **We** allege that any damage or loss resulting from **Damage** is not covered by this **Policy** the burden of proving that such **Damage** or loss is covered will be upon **You**
- (2) Any terms in the **Policy** which provide for adjustments of premium based upon declarations on expiry or during the **Period of Insurance** do not apply to this Terrorism Extension
- (3) Any provision for the automatic reinstatement of Sums Insured in this **Policy** shall not apply to this Extension

DEFINITIONS APPLICABLE TO THE TERRORISM EXTENSION

Act of Terrorism

Any 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 and which happens per any one **Event**

Defined Perils (Cyber Terrorism)

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

Event

all individual losses arising in respect of a continuous period of seventy two (72) hours of which the proximate cause is the same **Act of Terrorism**, and **We** may choose the date and time when any such period of 72 hours shall commence provided that no two periods overlap and no period commences earlier than the date and time of the happening of the first recorded individual loss to the Reinsured as a result of the **Act of Terrorism** in question; and an **Event** shall be taken to arise in the **Period of Insurance** in which such 72 hour period commences, notwithstanding that it may extend beyond the time limit of the expiry of the contract of direct insurance concerned.

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 radiations
- (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 course of the production or use of nuclear fuel

Nuclear Reactor

Any plant (including any machinery equipment or appliance whether affixed to land or not) designed or adopted 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

Private Individual

Any person other than

- (a) a sole trader
- (b) a trustee, executor or beneficiary of a trust or will provided such person does not occupy the Residential Property as a private residence

The definition of **Private Individual** will also include two or more persons where insurance is arranged in their several names and/or the title of the insured includes the name of a bank or building society or other financial institution for the purpose of noting their interest in the property insured

Residential Property

- (a) houses and blocks of flats and other dwellings
- (b) household goods and personal effects of every description

GENERAL POLICY CONDITIONS

1. Fundamental Conditions

- a) **You** have a duty at inception and renewal of this **Policy** and a continuing duty throughout the **Period of Insurance** to disclose all facts that are material to this **Policy** including those relating to a claim
If **You** have any doubt as to whether or not a fact is material **You** should disclose it to **Us**
- b) **You** must pay **Us** all premiums due to **Us** together with all taxes due on the premiums

2. Your Obligations

You must

- a) give immediate notice to **Us**
 - (i) of anything which materially affects the risk insured specifically anything which might increase the risk of loss or **Damage or Breakdown**
- (b) take all reasonable care to
 - (i) prevent accidents or **Damage or Breakdown or Fraud or Dishonesty**
 - (ii) maintain all **Premises** plant and equipment and everything used in connection with **Your Business** in proper repair
- (c) on any defect or danger becoming apparent either
 - (i) immediately make good or remedy any such defect or danger or
 - (ii) take such additional precautions as the circumstances require to avoid such defect or danger

3. Claims Conditions

The following conditions explain the actions and co-operation required by **You** regarding the handling of claims

No claim will be paid unless full and complete adherence to these conditions is maintained by **You**

You must

- (a) give immediate notice to **Us** of anything which may give rise to a claim being made against **You** or for which **You** intend to seek indemnity under this **Policy**
- (b) provide **Us** with such particulars as **We** may require in connection with such circumstances
- (c) forward to **Us** immediately on receipt every letter writ summons and process in connection with such circumstances
- (d) give all information and assistance required by **Us** in connection with such circumstances
- (e) neither make any admission of liability nor any offer promise or payment in connection with such circumstances without **Our** written consent
- (f) in respect of loss or **Damage** caused by theft or malicious persons or **Fraud or Dishonesty**
give immediate notice to the police
- (g) use all due diligence to do and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the **Business** and to avoid or diminish loss

4. Administrative Conditions

- (a) **We** may at any time and at **Our** discretion waive **Our** rights under any of the GENERAL POLICY CONDITIONS but this will not waive or limit **Your** obligations or **Our** rights in respect of any other GENERAL POLICY CONDITIONS
- (b) Any claimant under this **Policy** shall at **Our** request and expense execute and deliver instruments and papers and take and permit to be taken all necessary steps for enforcing rights against any other party in **Your** name before or after any payment is made by **Us**
You shall do nothing to prejudice such rights
- (c) **We** will be entitled at any time and at **Our** discretion to
 - (i) take over and conduct in **Your** name the defence of or the settlement of any claim and to prosecute at **Our** own expense and for **Our** own benefit any claim for indemnity or damages against all other parties or persons
 - (ii) cancel this **Policy** by sending fourteen days' notice by recorded delivery post to **You** at **Your** last address known to **Us** together with any appropriate refund of premium

- (d) Notwithstanding the provisions of condition 4(c)(ii) if **We** agree to accept payment by instalments then in the event of any default in payment of any instalment by **You** the full outstanding balance will become payable immediately
If **You** then fail to pay such amount within seven day's of **Our** notice to **You** of the default in payment **We** may cancel this **Policy** by seven days' notice in writing to **You**
- (e) Unless otherwise stated elsewhere in this **Policy** if at the time of any loss or **Damage** or **Breakdown** insured by any Sections (excluding Personal Assault Extension under Section 3) there is any other insurance or security guarantee effected by **You** or on **Your** behalf covering such loss **Our** liability will be limited to **Our** rateable proportion of such loss or **Damage** Further in respect of items on **Buildings Contents** and **Stock** only (as insured under Section 1) if any such other insurance is subject to average (underinsurance) this **Policy** if not already subject to any condition of average will be subject to average in like manner
If any other insurance effected by **You** or on **Your** behalf covers any property insured any Section(excluding Personal Assault Extension under Section 3) but is subject to any provision wholly or partly excluding it from ranking concurrently with this **Policy** or from contributing rateably to the loss or **Damage** or **Breakdown** **Our** liability will be limited to such proportion of the loss or **Damage** or **Breakdown** as the sum insured bears to the value of the property
- (f) On the happening of any loss or **Damage** in respect of which a claim is or may be made under this **Policy** **We** and any person authorised by **Us** may
- (i) enter take or keep possession of the **Premises** where such loss or **Damage** has occurred
 - (ii) take possession of or require to be delivered to them the insured property
 - (iii) deal with such property for all reasonable purposes and in any reasonable manner without thereby incurring any liability or diminishing any of **Our** rights under this Section
- (g) Any loss recovery effected to **Your** benefit will be deducted from any claim otherwise paid or payable under this **Policy**

GENERAL POLICY EXCLUSIONS

We will not pay for

1. The amount of any **Deductible**

2. **Damage** or **Consequential Loss** or **Breakdown** directly or indirectly resulting from war invasion act of foreign enemy hostilities or any persons acting on behalf of or part of any de jure de facto government of any nation country or state (whether war be declared or not) civil war rebellion revolution insurrection military or usurped power nationalisation confiscation requisition seizure or destruction by the government or any public authority

3. **Damage** or **Consequential Loss** or **Breakdown** or expense directly or indirectly caused by or contributed to by or arising from

- (a) ionising radiation 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 reactor or other nuclear assembly or nuclear component thereof
- (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- (d) the radioactive toxic explosive or other hazardous or contaminating properties of any radioactive matter
- (e) pressure waves caused by aircraft or aerial devices travelling at sonic or supersonic speeds

4.

(a) **Damage** caused by **Pollution** but this will not exclude **Damage** to the property insured not otherwise excluded caused by

- (i) **Pollution** which results from an insured Contingency
- (ii) an insured Contingency which results from **Pollution**

(b) In respect of Sections 2 and 4b and 4c only loss resulting from **Pollution** but this will not exclude loss resulting from **Damage** to property used by **You** at the **Premises** for the purpose of the **Business** not otherwise excluded caused by

- (i) **Pollution** at the **Premises** which results from an insured Contingency
- (ii) an insured Contingency which results from **Pollution**

5. **Damage** or **Consequential Loss** or **Breakdown** in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of civil commotion

6. **Damage** or **Consequential Loss** or **Breakdown** cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss

This **Policy** also excludes loss or destruction of or damage to property or any consequential loss directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to any act of **Terrorism**

7. any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss caused by or contributed to by or arising from **Damage** to any computer or other equipment or component or system or item which processes stores transmits or receives **Electronic Data** and whether **Your** property or not where such **Damage** is caused by **Virus** or **Similar Mechanism** or **Phishing** or **Hacking** or **Denial of Service Attack**

However **We** will cover physical damage occurring during the **Period of Insurance** to property insured by this **Policy** directly caused by fire or explosion if such damage results from any of the matters described above subject to all terms conditions and Exclusions of this **Policy**

8. **Damage** or **Consequential Loss** directly or indirectly caused by consisting of or arising from or connected with the failure or inconsistency in performance or function of any equipment whether **Your** property or not and whether occurring before during or after the year 2000 where such equipment is affected by any failure

- (a) correctly to recognise or establish any date as its true calendar date
- (b) to recognise capture save retain and/or correctly to manipulate calculate interpret or process any data or information or command or instruction as a result of failure in date based functionality and/or associated algorithms or rules
- (c) to recognise capture save retain and/or correctly to manipulate calculate interpret or process any data or information as a result of the operation of any command which had been programmed into any computer software or hardware being a command which causes the loss of data or the inability to recognise capture save retain or to manipulate calculate interpret or process correctly such data or information as a result of failure in date based functionality and/or associated algorithms or rules

but that this will not exclude resultant **Damage** or **Consequential Loss** not otherwise excluded which itself results from a Defined Contingency

For the purposes of this exclusion only Defined Contingency means **1.Fire 2.Explosion 3.Aircraft 5.Riot and Malicious Damage 7.Earthquake 8.Subterranean Fire 10.Storm and Flood 11.Escape of Water 13.Impact 14.Sprinkler Leakage 15.Theft**

LONG TERM UNDERTAKING

Only applicable if shown in the **Schedule** and not applicable to any Terrorism Extension

You undertake to offer at each renewal until the expiry date shown in the **Schedule** the insurance under this policy on the terms and conditions in force at the expiry of each **Period of Insurance** and to pay the premiums annually in advance it being understood that

- (a) **We** shall be under no obligation to accept an offer made in accordance with the said undertaking
- (b) the sums insured or limits of indemnity or liability may be reduced at any time to correspond with any reduction in value or business

This undertaking applies to any policy(s) which may be issued by **Us** in substitution for this policy