

Your Business Insurance

Packaged Retail and Salons Product

A versatile commercial product with a comprehensive all risks wording



Policy Wording
April 2018

Chartered Insurer

We are proud to be accredited with Chartered Insurer status by the Chartered Insurance Institute (CII). This accreditation demonstrates our commitment to ethical practice based around your needs and requirements and reflects the service and support we provide, ensuring you are at the heart of everything we do.



Contact Us...

If you need to make a claim under sections 1-6, please call:
0330 024 2266

If you need to make a claim under section 7, please call:
0161 603 2203



Please have your policy number to hand when contacting us
All calls may be recorded for training and evidential purposes

Welcome...

to Covéa Insurance

Thank you for choosing Covéa Insurance.

This is **Your** Retail and Salons policy. It sets out the details of **Your** insurance contract with Covéa Insurance.

Your premium has been calculated upon the information shown in the policy **Schedule** and recorded in **Your Statement of Fact**.

Please read the policy and **Schedule** carefully to ensure that the cover meets **Your** requirements.

Please contact **Your** broker if **You** have any questions or if **You** wish to make any adjustments.

A handwritten signature in black ink that reads "James Reader". The signature is written in a cursive style and is underlined with a single horizontal line.

James Reader
Chief Executive Officer

Contents

Introduction – About Your Policy	2
Customer Information	3
How to make a Claim	3
Choice of Law	3
How to make a Complaint	3
Financial Ombudsman Service	4
Financial Services Compensation Scheme	4
How we use Your Information	4
Employers’ Liability Tracing Office	5
Registration and Regulatory Information	5
General Definitions	7
General Conditions	9
Claims Conditions	12
General Exclusions	13
Section 1: Property Damage	15
Section 2: Business Interruption	24
Section 3: Equipment Breakdown	28
Section 4: Money and Assault	32
Section 5: Deterioration of Refrigerated Stock	35
Section 6: Loss of Licence	36
Section 7: Employers’ Liability	37
Section 8: Public and Products Liability	40
Section 9: Terrorism	46
Section 10: Legal Expenses	49

Introduction

About Your Policy

The parts of the policy are:

1. the **Statement of Fact**
2. the **Schedule** which confirms the Sections of cover that are insured and any endorsement(s)
3. this policy wording which contains:
 - (a) this Introduction, Customer Information and the General Definitions, General Conditions and General Exclusions all of which apply to all Sections of the policy unless stated otherwise
 - (b) the Sections of cover provided including the Section Definitions, Extensions, Conditions and Exclusions.

Your policy is divided into a number of Sections. The **Schedule** shows the Sections of the policy that are operative. Where a Section does not apply, **Your Schedule** will state that it is 'not insured'.

Any word or expression given a specific meaning in:

1. the **Schedule**, any policy endorsement(s), or this Introduction, the Customer Information and the General Definitions, Conditions and Exclusions shall have the same meaning throughout the policy unless **We** state otherwise
2. an individual Section or any Section endorsement(s) shall only have the same meaning throughout such Section or endorsement(s) unless **We** state otherwise.

Any such word or expression given a specific meaning shall be highlighted with a leading capital letter and in bold text within the policy wording.

In return for **You** having paid or agreed to pay the premium for the **Period of Insurance**, **We** will indemnify **You**, subject to the terms contained in or endorsed on the policy, in respect of loss **Damage** or liability or pay other benefits which fall within the operative Sections of this policy, provided that the loss, **Damage** or injury which gives rise to the claim occurs (or in the case of the Employers' Liability Section is caused) during the **Period of Insurance** and in connection with the **Business**.

IMPORTANT

This policy is a legal contract.

You have a duty to make a fair presentation of the risk which is covered by this policy. Therefore **You** should ensure that any information **You** have provided to **Us** and the content of any application form, declaration and /or **Statement of Fact** is accurate and complete. Where **You** have provided **Us** with information which relates to matters of **Your** expectation or belief, it does not matter if such information turns out to be inaccurate provided that **You** acted in good faith when **You** provided **Us** with such information. If **You** do not comply with **Your** duty to make a fair presentation of the risk, **Your** policy may not be valid or the policy may not cover **You** fully or at all.

You must also tell **Us** about any facts or changes which affect **Your** insurance and which have occurred either since the policy started or since the last renewal date.

If **You** are not sure whether certain facts are relevant please ask **Your** broker. If **You** do not tell **Us** about relevant changes, **Your** policy may not be valid or the policy may not cover **You** fully or at all.

You should keep a written record (including copies of letters) of any information **You** give **Us** or **Your** broker.

Customer Information

How to make a Claim Sections 1-9

Should **You** be unfortunate enough to have to make a claim, Covéa Insurance Commercial Careline will manage all aspects of the claim for **You** from the time it is reported.

Covéa Insurance Commercial Careline is a service operated 24 hours a day, 365 days a year.

You can notify **Us** of a claim by:

Telephone: **0330 024 2266**

All calls may be recorded for training and evidential purposes.

Email: newcommercialclaims@coveainsurance.co.uk

Post: Covéa Insurance Commercial Careline, Norman Place, Reading, RG1 8DA

Staff trained in managing commercial claims will:

- Take details of **Your** claim over the phone, in most cases removing the need for completion of an incident report form.
- Take control of the management of **Your** claim from start to finish.

Our aim is to bring **Your** claim to a satisfactory conclusion.

24 hour Emergency Assistance

As a Covéa Insurance **Policyholder** **You** have 24 hour access to emergency assistance should **You** encounter a problem affecting **Your Business Premises** ranging from a broken window to a fire or any other emergency including:

- Emergency glazing
- Locks
- Plumbing

Arrangements will be made for a suitable contractor or repairer to attend, although if the incident is not covered by **Your** policy **You** will be responsible for all costs incurred.

Section 10: Legal Expenses

Claims should immediately be reported to Financial and Legal Insurance Company:

Telephone: **0161 603 2203**

Email: nonmotorclaims@financialandlegal.co.uk

Post:

Financial and Legal Insurance Company

No.1 Lakeside

Cheadle Royal Business Park

Cheadle,

Cheshire

SK8 3GW.

Legal Expenses Helpline

As a Covéa Insurance **Policyholder** should **You** require advice on any **Business** legal problem, **You** may use the 24 hour telephone helpline at any time within the **Period of Insurance** of this policy.

This service is provided for **Your** benefit by Financial and Legal Insurance Company. To take advantage of this service telephone **0161 603 2203** and quote **Your** policy number shown on **Your** policy **Schedule**.

Counselling Service

This will provide **You** with access to a confidential counselling service available 24 hours a day/365 days a year. The service is provided by Care First in partnership with MSL Legal Expenses Limited. Care First counsellors are British Association for Counselling and Psychotherapy (BACP) accredited and professionally qualified to a minimum of BACP diploma level. The confidential counselling service can be used to discuss a wide range of concerns. Whether the issue is personal or work related, Care First will be able to assist **You**.

To contact the Counselling Helpline please telephone **0800 197 4515**.

Choice of Law

The parties to an insurance contract are free to choose the law that will apply. Unless **We** agree in writing with **You** otherwise, this insurance shall be subject to the law applying in that part of the United Kingdom, Channel Islands or Isle of Man where **You** have **Your** principal place of business. If there is any dispute, the law of England and Wales shall apply.

How to make a Complaint Sections 1-9

It is always **Our** intention to provide a first class standard of service. However **We** do appreciate that occasionally things go wrong. In some cases the broker who arranged **Your** insurance will be able to resolve any concerns, particularly if **Your** complaint relates to the way the policy was sold, and **You** should contact them directly.

Alternatively please contact **Us** using the following details quoting **Your** policy or claim number.

Customer Relations Covéa Insurance

Norman Place

Reading

Berkshire RG1 8DA

Telephone: **0330 221 0444**

Website: www.coveainsurance.co.uk

Email: customer.relations-rdg@coveainsurance.co.uk

Customer Information

continued

Full details of the Covéa Insurance Internal Complaints Procedure are detailed in **Our** leaflet 'Complaints Procedure' which is available on request or may be downloaded from **Our** website at www.coveainsurance.co.uk/complaints.

Section 10 – Legal Expenses

MSL Legal Expenses Limited aims to provide a first class standard of service at all times. If **You** wish to raise a complaint relating to the sale of the Legal Expenses Insurance Section, please contact **Your** broker.

If **You** feel that MSL Legal Expenses Limited have let **You** down and **You** wish to raise a complaint, please contact:

Telephone: **0161 492 5834**

Email: complaints@financialandlegal.co.uk

Post:

Financial and Legal Insurance Company

No. 1 Lakeside

Cheadle Royal Business Park Cheadle

Cheshire SK8 3GW.

Please quote the policy number shown on **Your Schedule** on all correspondence.

Their staff will attempt to resolve **Your** complaint within three business days of receipt and a summary resolution communication letter will be sent to **You**. Where this is not possible, they will acknowledge **Your** complaint promptly. If the complaint is not resolved within four weeks of receipt, they will write to **You** and let **You** know what further action they will take. A final response letter will be issued within eight weeks of receipt.

Financial Ombudsman Service – all Sections

You may be eligible to refer **Your** complaint to the Financial Ombudsman Service. There are a few instances where they will not be able to assist and they will confirm if **Your** complaint is eligible when **You** contact them. Their contact details are:

Financial Ombudsman Service

Exchange Tower

Harbour Exchange Square

London E14 9SR

Website: www.financial-ombudsman.org.uk

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

Financial Services Compensation Scheme

Covéa Insurance, MSL Legal Expenses Limited and Financial & Legal Insurance Company Limited are covered by the Financial Services Compensation Scheme. **You**/an **Insured Person** may be entitled to compensation from the scheme if **We** or MSL Legal Expenses Limited or Financial & Legal Insurance Company Limited are unable to meet **Our** liabilities under this insurance.

Further information is available from the Financial Services Compensation Scheme
10th Floor
Beaufort House
15 St Botolph Street
London EC3A 7QU.
Telephone: **020 7741 4100**
Website: www.fscs.org.uk
Email: enquiries@fscs.org.uk

How We Use Your Information

Please visit www.coveainsurance.co.uk/dataprotection for further information about how and when **We** process **Your** personal information under **Our** full Privacy Policy.

The personal information, provided by **You**, is collected by or on behalf of Covea Insurance plc ('we, us, our') and may be used by **Us**, **Our** employees, agents and service providers acting under **Our** instruction for the purposes of insurance administration, underwriting, claims handling, for research or for statistical purposes.

We may process **Your** information for a number of different purposes. For each purpose **We** must have a legal ground for such processing. When the information that **We** process is classed as "sensitive personal information", **We** must have a specific additional legal ground for such processing.

Generally, **We** will rely on the following legal grounds:

- It is necessary for **Us** to process **Your** personal information to provide **Your** insurance policy and services. **We** will rely on this for activities such as assessing **Your** application, managing **Your** insurance policy, handling claims and providing other services to **You**.
- **We** have an appropriate business need to process **Your** personal information and such business need does not cause harm to **You**. **We** will rely on this for activities such as maintaining **Our** business records and developing, improving **Our** products and services.
- **We** have a legal or regulatory obligation to use such personal information.
- **We** need to use such personal information to establish, exercise or defend **Our** legal rights.
- **You** have provided **Your** consent to **Our** use of **Your** personal information, including sensitive personal information.

How We Share Your Information

In order to sell, manage and provide **Our** products and services, prevent fraud and comply with legal and regulatory requirements, **We** may need to share **Your** information with the following third parties, including:

Customer Information

continued

- Reinsurers, Regulators and Authorised/Statutory Bodies
- Credit reference agencies
- Fraud prevention agencies
- Crime prevention agencies, including the police
- Suppliers carrying out a service on **Our**, or **Your** behalf
- Product providers where you've opted to buy additional cover
- Other insurers, business partners and agents
- Other companies within the Covea Insurance Group

Marketing

We will not use **Your** information or pass it on to any other person for the purposes of marketing further products or services to **You** unless **You** have consented to this.

Fraud Prevention and Detection

In order to prevent or detect fraud and money laundering **We** will check **Your** details with various fraud prevention agencies, who may record a search. Searches may also be made against other insurers' databases. If fraud is suspected, information will be shared with those insurers. Other users of the fraud prevention agencies may use this information in their own decision making processes.

We may also conduct credit reference checks in certain circumstances. **You** can find further details in **Our** full Privacy Policy explaining how the information held by fraud prevention agencies may be used or in which circumstances **We** conduct credit reference checks and how these checks might affect **Your** credit rating.

Automated Decisions

We may use automated tools with decision making to assess **Your** application for insurance and for claims handling processes, such as price rating tools, flood, theft and subsidence area checks and credit checks.

These automated decisions will produce a result on whether **We** are able to offer insurance, the appropriate price for **Your** policy or whether **We** can accept **Your** claim. If **You** object to an automated decision, **We** may not be able to offer **You** an insurance quotation or renewal.

How to Contact Us

Please contact **Us** if **You** have any questions about **Our** Privacy Policy or the information **We** hold about **You**:

The Data Protection Officer, Covea Insurance plc, 50 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JX or email: dataprotection@coveainsurance.co.uk.

Employers' Liability Tracing Office

If **Your** policy provides Employers' Liability cover information relating to **Your** insurance policy will be provided to the Employers' Liability Tracing Office (the "ELTO") and added to an electronic database, (the "Database") in a format set out by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2010.

The Database assists individual consumers (the Claimants) who have suffered an employment related injury or disease arising out of their course of employment in the UK whilst working for employers carrying on, or who carried on, business in the UK and who are covered by the employers' liability insurance of their employers to identify:

- which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and
- the relevant employers' liability insurance policies.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

The Database will be managed by the ELTO and further information can be found on the ELTO website: www.elto.org.uk

Registration and Regulatory Information

Insurance cover under Sections 1-9 are provided by Covea Insurance plc. Registered in England and Wales No. 613259. Registered office: Norman Place Reading Berkshire RG1 8DA.

Covea Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. **Our** Firm Reference Number is 202277.

The legal expenses cover under Section 10 is underwritten by Financial & Legal Insurance Company Limited Registered in England No. 03034220.

Registered office: No.1 Lakeside Cheadle Royal Business Park Cheadle Cheshire SK8 3GW.

Financial & Legal Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, their Firm Reference Number is 202915.

Customer Information

continued

The legal expenses cover under Section 10 is administered by MSL Legal Expenses Limited. Registered in England No. 2210857.

Registered Office:

No.1 Lakeside

Cheadle Royal Business Park

Cheadle

Cheshire SK8 3GW.

MSL Legal Expenses Limited is authorised and regulated by the Financial Conduct Authority, their Firm Reference Number is 311676.

You can check the regulatory status of each firm on the Financial Services Register by visiting the Financial Conduct Authority's website: www.fca.org.uk/register or by contacting the Financial Conduct Authority on **0800 111 6768**.

General Definitions

Each Section of the policy contains definitions which apply to that particular Section and they must be read in conjunction with the following General Definitions.

Business

The Business stated in the **Schedule** conducted solely within the **Territorial Limits** including:

1. the ownership repair and maintenance of the **Premises**
2. the provision of first aid but excluding any first aid provided by any qualified medical practitioner or nurse
3. private work undertaken by any **Employee** with **Your** prior consent for any director, partner, senior official or other **Employee** of **Yours**
4. the provision and management of canteen, sports, social and welfare organisations by **You** for the benefit of the **Your Employees**
5. **Your** participation in exhibitions.

Business Hours

The period during which the **Premises** are occupied by **You** or **Your** authorised **Employees** for the purposes of the **Business**.

Damage

Loss destruction or damage unless otherwise excluded.

Defined Peril

1. Fire
2. Lightning
3. Explosion
4. Aircraft or other aerial devices or articles dropped therefrom
5. Earthquake
6. Riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances
7. Malicious persons other than thieves
8. Theft
9. Storm
10. Flood
11. Escape of water from any tank apparatus or pipe
12. Escape of oil from any fixed heating installation
13. Impact by any road vehicle or animal.

Employee

Any person working under **Your** control in connection with the **Business** who is:

1. under a contract of service or apprenticeship with **You**
2. a person under a contract of service or apprenticeship with some other employer and who is hired to or borrowed by **You**
3. a labour master or labour only sub-contractor or person supplied by them
4. a self-employed person providing labour only
5. a trainee or person undergoing work experience, training, study or exchange scheme
6. a voluntary helper.

Europe

The **Territorial Limits**, any member country of the European Union, Iceland, Liechtenstein, Norway and Switzerland.

Excess

The amount stated in this policy or the **Schedule** or any endorsement for which **You** will be responsible and which will be deducted from each and every claim.

Period of Insurance

Period of Insurance stated in the **Schedule** and any subsequent period for which **We** have accepted a renewal premium.

Pollution or Contamination

1. All pollution or contamination of buildings or other structures or of water or land or the atmosphere and
2. All Bodily Injury or **Damage** directly or indirectly caused by such pollution or contamination.

Premises

The buildings and the land inside the boundary of the risk address stated in the **Schedule** occupied by **You** for the purpose of the **Business**.

Property Insured

1. Buildings
 2. Contents
 3. Shop Fronts
 4. Stock
 5. Tenants Improvements
 6. Other property
- as specified in the **Schedule**.

General Definitions

continued

Rent Payable

The money paid or payable by **You** for accommodation and services provided (including service charges) at the **Premises**.

Schedule

The document that specifies **Your** details, the **Premises**, the **Property Insured** and any **Excess**, Endorsement(s) and Conditions applicable. The Schedule shows the Sections of the policy that are operative.

Statement of Fact

This is a record of the information that **You** provided to **Us** about **You** and **Your Business** upon which **Your** insurance quotation is based.

Territorial Limits

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

Vacant or Unoccupied

Buildings or part thereof that have become unoccupied, untenanted or which have not been actively used for a period of more than 30 days.

Vehicle

Any road vehicle including trailers and containers.

We/Us/Our

Covea Insurance plc.

You/Your/Policyholder

The person(s) or Company named in the **Schedule**.

General Conditions

The following General Conditions shall apply to all Sections of this policy unless stated otherwise.

1. Alteration in Risk

You or **Your** broker must tell **Us** immediately if during the **Period of Insurance** there is any alteration in risk or to the facts which **You** disclosed when **You** took out this policy, which materially affects the risk of injury, loss, **Damage** or liability which would fall within the policy cover. This includes but is not limited to alterations to the **Business** or the **Premises**.

When **You** tell **Us** about an alteration in risk, **We** may apply additional terms and conditions to this policy (including but not limited to premium) or, if the risk is unacceptable to **Us**, **We** may cancel the policy in accordance with General Condition 3 (b) Our Rights to Cancel the Policy.

If an alteration creates an additional premium, this will be subject to a minimum premium of £10 plus Insurance Premium Tax. If an alteration creates a lower premium, **We** will refund any difference, except for the first £10 or any difference which is less than £10 plus Insurance Premium Tax, which will be retained to cover administrative costs.

If **You** fail to tell **Us** about an alteration in risk, **We** may:

- (a) terminate the policy back to the date when the alteration occurred, if **We** would have cancelled the policy had **You** told **Us** of the alteration in risk;
- (b) proportionately reduce the amount payable in respect of a claim;
- (c) treat the policy as if it contained such different terms (other than relating to the premium) that **We** would have applied to the policy had **You** told **Us** of the alteration in risk.

Any reduction in claims payments or application of different terms will take effect from the date on which the alteration in risk occurred.

Where **We** elect to proportionately reduce the amount payable in respect of a claim, **We** will pay a percentage of the claim, the percentage being calculated by comparing the premium which **You** actually paid with the premium which **We** would have charged had **You** told us about the alteration in risk. For example, if the premium which **You** actually paid is 70 % of the premium **We** would have charged, **We** will only pay 70 % of any claim.

2. Change of Risk or Interest

This policy shall be avoided if:

- (a) **Your** interest ceases other than by death

- (b) the **Business** be wound up or carried on by a liquidator or receiver or permanently discontinued at any time after the commencement of this insurance unless **We** have accepted the change.

Nothing contained in this policy shall give any right against **Us** to any person other than **You** except to a transferee approved by **Us**.

3. Cancellation

(a) Your Rights to Cancel the Policy

You may cancel this policy within 14 days from the date it begins or from the date **You** receive this policy document and **Schedule**, whichever is the latter, returning the policy document and **Schedule** to **Your** broker. If cover has not yet started **You** will receive a full refund of the premium. If cover has started **We** will refund the premium for the exact number of days left on the policy minus an administration fee of £25 plus Insurance Premium Tax. No refund will be given if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**.

In the event of cancellation by **You** after the 14 day period described above, **We** will refund the premium for the exact number of days left on the policy minus an administration fee of £25 plus Insurance Premium Tax. No refund will be given if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**.

(b) Our Rights to Cancel the Policy

We or any agent appointed by **Us** and acting with **Our** authority have the right to cancel **Your** policy, where there is a valid reason for doing so.

We will give **You** fourteen days notice of cancellation in writing, by recorded delivery, to the latest address **We** have for **You** and will set out **Our** reason for cancellation in **Our** letter. Valid reasons may include but are not limited to:

- (i) not
 - paying a premium when it is due
 - co-operating with **Us**, or sending **Us** information or documentation that materially affects **Our** ability to process the policy or **Our** ability to defend **Our** interests
 - taking all reasonable precautions to prevent or minimise **Damage** accident or injury as required by General Condition 8 – Reasonable Precautions of this policy and failing to put this right when **We** ask **You** to by sending **You** seven days written notice to **Your** latest address.

General Conditions

continued

- (ii) use of threatening or abusive behaviour or language, or intimidation or bullying of **Our** staff or suppliers.

If **We** cancel **Your** policy, **We** will refund the premium for the exact number of days left on the policy minus an administration fee of £25 plus Insurance Premium Tax. No refund will be given if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **Period of Insurance**.

If **You** are paying by monthly instalments:

- (a) all outstanding monies must be paid to **Us** as described in **Your** Loan Agreement
- (b) **We** may exercise **Our** right to collect the balance of any outstanding premium in the event of a claim.

4. Contracts (Rights of Third Parties) Act 1999

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

5. Fair Presentation of the Risk

You must make a fair presentation of the risk when **You** first take out this policy and also whenever **You** renew it or ask **Us** to change **Your** cover.

If **You** fail to make a fair presentation of the risk including failing to disclose or misrepresenting a material fact, or disclosing material facts to **Us** in a way which is not clear and accessible:

We may avoid this policy and refuse all claims where:

- (a) such failure was deliberate or reckless; or
- (b) **We** would not have entered into this policy on any terms had **You** made a fair presentation of the risk.

Should **We** avoid this policy **We**:

- (a) shall treat the policy as if it had not existed from the start date, the renewal date, or the date when **You** asked **Us** to change **Your** cover, depending on when the failure to make a fair presentation of the risk occurred
- (b) shall return the premium paid for the period for which the policy is treated as not having existed unless the failure to make a fair presentation of the risk was deliberate or reckless
- (c) may deduct from any return of premium due to **You** any monies already paid in respect of claims falling within the period for which the policy is treated as not having existed or require **You** to repay such claims.

Provided that any failure to make a fair presentation of the risk is not deliberate or reckless, if **We** would have entered into or renewed this policy, or agreed to make changes to **Your** cover on different terms had **You** made a fair presentation of the risk, **We** may:

- (a) proportionately reduce the amount payable in respect of a claim; and/or
- (b) treat the policy as if it contained such different terms (other than relating to the premium) that **We** would have applied to the policy had **You** made a fair presentation of the risk.

Any reduction in claims payments or application of different terms will take effect from the date on which the policy started, was renewed or when changes were made to **Your** cover, depending on when **You** failed to make a fair presentation of the risk.

Where **We** elect to proportionately reduce the amount payable in respect of a claim, **We** will pay a percentage of the claim, the percentage being calculated by comparing the premium which **You** actually paid with the premium which **We** would have charged had **You** made a fair presentation of the risk. For example, if the premium which **You** actually paid is 70% of the premium **We** would have charged, **We** will only pay 70% of any claim.

Where this policy provides benefits to individuals who would, if they had taken out similar insurance in their own name, have done so for purposes wholly or mainly unconnected with their trade, business or profession, **We** will not rely on this condition if the failure to make a fair presentation of the risk concerns only facts or information which relate to that particular individual, unless the individual (or **You** on their behalf) makes a careless misrepresentation, in which case **We** may rely on this condition as against that particular individual as if a separate insurance contract had been issued to them leaving the remainder of the policy unaffected.

6. Instalments

If **You** have a Loan Agreement with Covéa Insurance to pay for **Your** insurance it is a condition precedent to **Our** liability that payments shall be made in line with the Loan Agreement otherwise all benefit under the policy shall be forfeited and the policy shall be cancelled as outlined in **Your** Loan Agreement.

General Conditions

continued

7. Other Interests

The interests of third parties which **You** are required to include on this policy under the terms of any mortgage, property lease or hiring leasing or hire purchase agreement are automatically deemed to be covered subject to **You** advising **Us** at the time of notification of any claim.

8. Reasonable Precautions

You must:

- (a) take all reasonable precautions to prevent or minimise **Damage**, accident or Bodily Injury
- (b) maintain the **Premises**, machinery, equipment and furnishings in a good state of repair
- (c) exercise due care in the selection and supervision of **Employees**
- (d) comply with all relevant statutory requirements, manufacturers' recommendations and other regulations relating to the use, inspection and safety of property and the safety of persons.

9. Reinstatement of Sum Insured

We will in the event of **Damage** under this policy automatically reinstate the sum insured unless there is written notice by **Us** to the contrary, provided that:

- (a) **You** undertake to pay the appropriate additional premium
- (b) **You** immediately implement any recommendations **We** make to prevent further **Damage** and effect all repair or replacement work without delay

10. Vacant or Unoccupied Premises

It is a condition precedent to **Our** liability that whenever the **Premises** or part thereof are **Vacant or Unoccupied** **You** will notify **Us**:

- (a) immediately **You** become aware that the Buildings are **Vacant or Unoccupied**
- (b) of any **Damage** to the **Vacant or Unoccupied** Buildings whether such **Damage** is insured or not
- (c) that the Buildings are to be occupied by contractors for renovation, alteration or conversion purposes

The following action must be implemented by **You**:

- (i) an internal and external inspection of the Buildings every 7 days by **You** or an authorised representative and a written record of such inspections maintained

- (ii) all trade refuse and waste materials are removed from the interior of the Buildings and no accumulation of refuse and waste be allowed in the adjoining yards or spaces owned by **You**
- (iii) the Buildings must be secured against unlawful entry and all locks bolts and other protective devices in full operation
- (iv) all ground floor window openings must be securely fastened and if specified by **Us** in writing boarded up in accordance with **Our** requirements
- (v) ensure all letterboxes are sealed to prevent insertion of material
- (vi) all sources of power fuel or water are turned off and the water system drained down other than:
 - where electricity is needed to maintain any fire or intruder alarm system in operation
 - where the Buildings are protected by a wet sprinkler installation to provide sufficient heat to prevent freezing or bursting of the sprinkler installation.

In the event of any breach of security of the Buildings, malicious damage or any evidence of unlawful entry or attempted entry to the Buildings **You** will immediately:

- (a) carry out the necessary work to satisfy the above requirements
- (b) notify **Us**.

Claims Conditions

All of the following Claims Conditions apply in addition to any Claims Conditions contained in the Sections of this policy.

1. Claims Procedure

It is a condition precedent to **Our** liability that in the event of a claim or possible claim:

- (a) **You** must advise the police as soon as reasonably possible if there has been a theft, attempted theft, riot damage, vandalism or any malicious act or if any **Property Insured** has been lost outside the **Premises**
- (b) **You** must advise **Us** as soon as reasonably possible
- (c) **You** must not admit or repudiate liability without **Our** written consent
- (d) **You** must inform **Us** immediately of any claim being made, or of any impending prosecution, inquest or fatal accident inquiry. All documentation relating to any accident, claim, prosecution or court proceedings must be sent to **Us** immediately, unacknowledged
- (e) **You** must provide at **Your** own expense all details and evidence **We** may reasonably require
- (f) **You** must take all reasonable steps to mitigate the extent of any **Damage**, interruption or interference with the **Business**
- (g) **We** are entitled to enter any building where **Damage** to **Property Insured** by this policy has occurred and to take possession of and deal with any salvage in a reasonable manner. No property may be abandoned to **Us**.

2. Fraudulent Claims

For the purposes of this Condition the definition of '**You / Your**' will also include any person who is entitled to benefit from the policy to the extent that a claim is made by or on their behalf.

If **You** or anyone acting on **Your** behalf makes a claim which is in any way fraudulent **We**:

- (a) will not pay the claim;
- (b) may recover from **You** any sums already paid by **Us** in respect of the claim; and
- (c) may notify **You** that **We** are treating this policy as having terminated with effect from the time of the fraudulent act.

If **We** do treat this policy as having terminated **You** will have no cover under this policy from the date of termination and will not be entitled to any refund of premium.

Where a fraudulent claim is made by or on behalf of a person who is not the **Policyholder** this condition applies only to that person's claim and references to 'this policy' should be read as if they were references to the cover for that person alone and not to the policy as a whole.

Fraudulent claims include but are not limited to:

- (a) making a claim which is fraudulent, fictitious or known to be false
- (b) intentionally exaggerating or inflating a claim
- (c) supporting a claim with false or forged documents, information or statements
- (d) wilfully causing loss, **Damage** or injury.

3. Other Insurances

If **Damage** or liability which is the subject of a claim under this policy is covered by any other insurance **We** will only pay **Our** rateable proportion of the claim.

4. Subrogation

We will be entitled to undertake in **Your** name or on **Your** behalf:

- (a) the defence or settlement of any claim
- (b) steps to enforce rights against any other party before or after payment is made by **Us**.

5. Terms not Relevant to Actual Loss

If payment of a claim is conditional upon compliance with any term of this policy **We** will not pay for any claim where the term has not been complied with except where the term concerned:

- (a) is operative only in connection with particular premises or locations;
- (b) is operative only at particular times; or
- (c) is intended to reduce the risk of particular types of injury, loss, **Damage** or liability

where **We** will pay for claims in respect of which **You** can prove that non-compliance with the term could not have increased the risk of the injury, loss, **Damage** or liability which occurred.

General Exclusions

The following General Exclusions apply to all Sections unless otherwise stated and in addition to the Exclusions contained in each Section.

This policy does not cover:

1. War Government Action and Terrorism

- (a) **Damage** to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any other costs directly or indirectly caused by or contributed to by or arising from:
 - (i) War Government Action or Terrorism
 - (ii) civil commotion in Northern Ireland
- (b) legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War Government Action or Terrorism except to the extent stated in the Liability Provisions.

For the purpose of this Exclusion and its Liability Provisions:

War shall mean war invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny civil commotion assuming the proportions of or amounting to popular rising military rising insurrection rebellion revolution or military or usurped power.

Government Action shall mean martial law confiscation nationalisation requisition or destruction of property by or under the order of any government or public or local authority or any action taken in controlling preventing suppressing or in any way relating to war.

Terrorism shall mean 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.

In any action suit or other proceedings where **We** allege that by reason of this exclusion as far as it relates to **Terrorism** any **Damage** or resulting loss or expense or other costs directly or indirectly caused by such event is not covered by this insurance the burden of proving that such **Damage** loss or expense is covered shall be upon **You**.

Liability Provisions

Subject otherwise to the terms definitions exclusions provisions and conditions of this policy **We** will indemnify **You** under Section 7: Employers' Liability provided that in respect of any one occurrence or series of occurrences arising out of any one original cause **Our** liability in respect of all legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from **Terrorism** shall not exceed £5,000,000.

We will indemnify **You** under Section 8: Public and Products Liability against legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from **Terrorism** provided that **Our** liability shall not exceed:

- (a) in respect of or arising out of any one occurrence or series of occurrences arising out of one original cause £2,000,000 or the amount of the Limit of Liability stated in the **Schedule** whichever is the lower but in respect of Products Supplied this limitation shall apply to all insured events occurring in any one **Period of Insurance**
- (b) in respect of all **Pollution or Contamination** consequent upon **Terrorism** and which is deemed to have occurred during any one **Period of Insurance** £2,000,000 in the aggregate or the amount of the Limit of Liability stated in the **Schedule** whichever is the lower.

2. Radioactive Contamination

Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- (b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component
- (c) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

As far as concerns Bodily Injury caused to any **Employee of Yours** if such Bodily Injury arises out of and in the course of employment or engagement of such person by **You** this exclusion shall apply only in respect of:

- (i) the liability of any principal
- (ii) liability assumed by **You** under agreement and which would not have attached in the absence of such agreement.

3. Sonic Bangs

Damage caused by or consisting of pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

4. Northern Ireland

Damage and any consequential loss in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of

General Exclusions

continued

Damage or any consequential loss by fire or explosion) strikers, locked-out workers, persons taking part in labour disturbances or malicious persons.

5. Asbestos

(not applicable to Section 7: Employers' Liability)

Any cost expense or liability for Bodily Injury loss or **Damage** directly or indirectly arising out of or resulting from the manufacture mining processing distribution testing remediation removal storage disposal sale use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

6. Confiscation & Nationalisation

Confiscation nationalisation or requisition by order of any government public municipal local or customs authority.

7. Electronic Risk

- (a) erasure loss distortion or corruption of information on or reduction in the functionality availability or operation of any electronic equipment whether belonging to **You** or not caused by the malicious introduction or incursion of any unauthorised unintended undesired or unexpected program instruction or command or any other computer or electronic virus
- (b) the failure of any electronic equipment to recognise accept respond to or process any data or instruction. However subsequent **Damage** which is otherwise covered by **Your** policy is nevertheless insured.

8. Marine

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

9. Pollution or Contamination

(not applicable to Section 7: Employers' Liability and Section 8: Public and Products Liability)

Damage caused by **Pollution or Contamination** but this shall not exclude destruction of or **Damage** to the **Property Insured**, not otherwise excluded, caused by:

- (a) **Pollution or Contamination** which itself results from a **Defined Peril**; or
- (b) a **Defined Peril** which itself results from **Pollution or Contamination**.

Section 1: Property Damage

Definitions

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Buildings

The Building or Buildings stated in the **Schedule** for which **You** are legally responsible including residential accommodation and outbuildings used in connection with the **Business** or for domestic purposes and including:

- (a) landlords fixtures and fittings
- (b) permanent fixtures and fittings including alarms systems
- (c) foundations, extensions, annexes, gangways, conveniences and sub-stations
- (d) car parks, driveways, paths, steps, roadways and yards
- (e) walls, gates and fences
- (f) piping, ducting, cabling and control gear
- (g) fuel tanks, telephone, gas, water and electric meters, fibre optic or integrated services, digital network lines
- (h) sanitary ware, fixed glass, fanlights, skylights and partitions, solar panels and wind turbines
- (i) air conditioning and central heating systems
- (j) underground services.

Computer Equipment

Computer or other data processing equipment, including media and other items used in conjunction with such equipment.

Contents

The following property used solely in connection with **Your Business** belonging to **You** or for which **You** are legally responsible and kept at the **Premises**:

- (a) machinery and plant
- (b) **Computer Equipment**
- (c) **Personal Effects** not exceeding £750 per person
- (d) specified contents
- (e) unspecified contents
- (f) **Specified All Risks**

not including **Vehicles**, money, **Tenants Improvements** and **Shop Fronts**.

Household Contents

Personal household furniture, furnishings and domestic electrical equipment being **Your** property or that of **Your** principals,

partners or directors or for which **You** are responsible whilst kept at the **Premises**.

Overnight

Between the hours of 21.00 and 06.00.

Personal Effects

Personal possessions normally worn, carried by, on or about the person, clothing, tools and pedal cycles not otherwise insured, belonging to **Your** directors, partners, **Employees**, customers and visitors.

Rent Payable

The money paid or payable by **You** for accommodation and services provided (including service charges) at the **Premises**.

Residential

Any part of the **Premises** that **You** occupy for domestic purposes.

Shop Fronts

The front of the **Buildings** for which **You** are legally responsible as occupier and not as owner including all fixed glass, lettering or designs superimposed on glass, blinds, shutters and fitments.

Specified All Risks

Property used solely in connection with **Your Business** belonging to **You** or for which **You** are legally responsible comprising of:

- (a) audio and video equipment
- (b) cash register
- (c) **Computer Equipment**
- (d) portable computers
- (e) fax and photocopiers
- (f) machinery and plant
- (g) mobile phones and radios
- (h) radio and tele pagers
- (i) telephones and other communications
- (j) non-power driven tools
- (k) power driven hand tools
- (l) trophies

Stock

Stock and materials in trade including:

- (a) raw materials
- (b) work in progress
- (c) finished goods
- (d) goods in trust

Section 1: Property Damage

continued

- (e) trade samples
- (f) **Target Stock** owned by **You** or for which **You** are legally responsible for the purposes of the **Business**.

Target Stock

Stock in trade belonging to **You** or held in trust or on commission by **You** for which **You** are responsible comprising of:

- (a) cigars, cigarettes and tobacco
- (b) wines and spirits
- (c) radio, television, audio, video equipment, tapes, cassettes and discs
- (d) jewellery, watches, precious metals and precious stones
- (e) computers, computer equipment and games.

Tenant Improvements

Improvements, alterations and decorations which have been undertaken by **You** or a previous occupier for which **You** are legally responsible as tenant and not as owner of the **Premises**.

Working Day of the Driver

The period in any day during which a **Vehicle** is being used for purposes in connection with the **Business**.

Cover

Damage occurring at or within 50 metres of the **Premises** to the **Property Insured** described in the **Schedule** occurring during the **Period of Insurance**.

Extensions

The following Extensions apply to this Section.

Additional Costs of Construction – Energy Efficiency

We will pay for the additional costs of reinstatement following **Damage** to the **Buildings** arising solely from the necessity to comply with the application of the EC Directive on Energy Performance on Buildings 2002/91 (as enacted in applicable national law) provided that **We** will not be liable under this cover for any such costs or expenses:

- (a) in respect of **Damage** occurring prior to the inception of this Section
- (b) for work which takes more than 12 months from the date of **Damage** unless prior consent has been given by **Us**
- (c) in respect of property entirely undamaged.

Our liability will not exceed £100,000 or 10% of the Property Damage sum insured shown in the **Schedule**, whichever is the lower.

Additional Statutory Costs

We will pay reasonably and necessarily incurred additional costs involved in complying with statutory regulations or local authority requirements following **Damage** to the **Property Insured** provided that **We** will not be liable under this cover for any such costs or expenses:

- (a) incurred following **Damage** to **Stock**
- (b) in respect of **Damage** occurring prior to the inception of this Section
- (c) in respect of property entirely undamaged
- (d) where notice to comply has been served upon **You** prior to the occurrence of **Damage**
- (e) for work which takes more than 12 months from the date of **Damage** unless prior consent has been given by **Us**.

Our liability will not exceed £500,000 or 10% of the Property Damage sum insured shown in the **Schedule**, whichever is the lower.

Alternative Accommodation – residential portions

Where the **Residential** portions of the **Buildings** are rendered uninhabitable or access is prevented following **Damage** **We** will pay **You**:

- (a) the reasonable additional cost of comparable accommodation and temporary storage of **Your Household Contents**
- (b) the reasonable cost of accommodation in kennels and/or catteries for **Your** dogs and/or cats if such dogs and/or cats are not permitted in the alternative accommodation during the period necessary to restore the **Residential** portions of the **Buildings** to a habitable condition or to make it accessible provided that:
 - (i) cover for any cost will only apply to the extent they are not otherwise insured
 - (ii) the maximum period during which **We** will pay will not exceed 24 months from the date of **Damage**.

Our liability will not exceed £25,000 in any one **Period of Insurance**.

Architects' and Surveyors' Fees

Within the overall limit of the sum insured on **Property Insured** (excluding **Stock**) **We** will pay the cost of architects,' surveyors,' consulting engineers,' legal and other fees necessarily and reasonably incurred with **Our** consent in the reinstatement or repair of the property following **Damage** but excluding fees charged for the preparation of any claim.

Section 1: Property Damage

continued

Automatic Worldwide Cover

Specified All Risks and **Personal Effects** are covered whilst temporarily removed from the **Premises** and in transit thereto and therefrom anywhere in the World provided that this cover does not apply to property in so far as it is otherwise insured.

Our liability will not exceed £2,500 for a single item or £5,000 for any one occurrence, whichever is the lower.

Capital Additions

This Section includes:

- (a) newly acquired and/or newly erected **Buildings** and **Contents** anywhere within the **Territorial Limits** in so far as such property is not otherwise insured
- (b) alterations, additions and improvements to existing **Buildings** and **Contents** and at the **Premises** but excluding any appreciation in value of such property during the **Period of Insurance** provided that **You** will notify **Us** of such capital additions as soon as possible or within 6 months of the addition and pay the appropriate additional premium that may be required to provide retrospective cover from the commencement date of **Your** liability for such property. Following such notification the provisions of this clause are fully reinstated.

Our liability will not exceed £250,000 or 10% of the Property Damage sum insured shown in the **Schedule**, whichever is the lower.

Contract Price

In respect of goods sold but not delivered for which **You** are legally responsible and where the sale contract is cancelled by reason of **Damage** then **Our** liability will be based on the contract price. For the purpose of the Basis of Claim Settlement (g) the sum insured will be calculated on the same basis.

Contracting Purchaser

If **You** contract to sell the **Buildings** the purchaser will be entitled to the benefit provided by this Section, between the exchange of contracts and the completion of the sale, provided that the purchaser completes the purchase and the **Buildings** are not otherwise insured.

Debris Removal Costs

- (a) The **Property Insured** extends to include costs and expenses necessarily incurred by **You** with **Our** consent in:

- (i) removing debris
- (ii) dismantling or demolishing
- (iii) shoring up or propping

of the portion or portions of the **Property Insured** which has been subject to **Damage** but excluding any such costs or expenses incurred in respect of **Stock**

- (b) where **Stock** is insured the insurance by this Section includes costs and expenses necessarily incurred by **You** with **Our** consent in removing debris of the portion or portions of such insured property which has suffered **Damage** but **Our** liability in respect of **Damage** to **Stock** will not be increased above the respective sum insured by the operation of this Extension provided that **We** will not be liable for any such costs or expenses:

- (i) incurred in removing debris except from the site of the **Property Insured** which has suffered **Damage** and from the area immediately adjacent to such site
- (ii) arising from **Pollution or Contamination** of property not insured by this Section.

Our liability will not exceed the Property Damage sum insured shown in the **Schedule**.

Exhibitions

We will pay for **Damage** caused to **Contents** whilst within the premises of any trade show or exhibition within **Europe** at which **You** are participating as an exhibitor, including whilst in transit thereto and therefrom but excluding theft or attempted theft of the **Property Insured** from any unattended **Vehicle**.

Our liability will not exceed £25,000 in any one **Period of Insurance**.

Goods in Transit

- (a) **We** will pay for **Damage** to **Stock** whilst in the course of transit:

- (i) in or on any **Vehicle** owned or operated by **You**
- (ii) by rail
- (iii) by post or courier

within the **Territorial Limits** including whilst loading and unloading.

Our liability will not exceed the amount shown in the **Schedule** for each item.

- (b) **We** will pay the costs and expenses necessarily and reasonably incurred in:

- (i) the removal of debris following **Damage** to the **Stock** by this Section
- (ii) the transfer of the **Stock** to another **Vehicle** and its delivery to the original destination or place of collection following fire or an accident involving the **Vehicle** whilst the **Stock** is being carried in or on any **Vehicle** owned or operated by **You**.

Our liability will not exceed £2,500 in respect of expenses in any one **Period of Insurance**.

Section 1: Property Damage

continued

(c) **We** will pay for **Damage** to tarpaulins, sheets, ropes, chains, straps and packing materials owned by **You** or for which **You** are legally responsible, whilst being carried in or on any **Vehicle** owned or operated by **You**.

Our liability will not exceed £10,000 in any one **Period of Insurance**.

Index-Linking

The sum insured specified in the **Schedule** will be adjusted at monthly intervals in accordance with fluctuations in suitable indices of cost. This adjustment will continue after any **Damage** if the repairs or reinstatement are done without delay.

We will not charge any extra premium during the **Period of Insurance** but at the end of the period **We** will calculate the renewal premium based on the revised sum insured.

Household Contents

We will pay for **Damage** to **Household Contents** at the **Premises** provided that this cover does not apply to property in so far as it is otherwise insured.

Our liability will not exceed £10,000 in any one **Period of Insurance**.

Interested Parties

Any act or omission by the leaseholder, lessee, mortgagor or **You** or by any tenant occupying or using the **Buildings** which increases the possibility of **Damage** will not prejudice the insured interest of the freeholder, lessor or mortgagee provided that:

- (a) such act or omission is entirely without the authority of the freeholder, lessor or mortgagee
- (b) as soon as the freeholder, lessor or mortgagee becomes aware of any such act or omission they will give immediate written notice to **Us** and pay any additional premium required.

Landscaping Costs

We will pay **You** for the costs necessarily and reasonably incurred by **You** with **Our** consent in repairing or reinstating **Damage** to the landscaped gardens and grounds at the **Premises** caused by fire brigade equipment and personnel in the course of combating fire or any other insured event provided that **You** are legally responsible for the repair or reinstatement of such **Damage**.

Our liability will not exceed £25,000 in any one **Period of Insurance**.

Loss of Metered Utilities

We will pay charges for which **You** are responsible if water, oil, gas or electricity is accidentally discharged from a metered

system providing service to the **Premises** as a result of **Damage** insured under this Section.

We shall not be liable for any such charges incurred by **You** in respect of any **Vacant or Unoccupied Building**.

Our liability will not exceed £25,000 in any one **Period of Insurance**.

Non-Invalidation

The insurance by this Section, other than in respect of **Damage** by theft or any attempt thereat, will not be invalidated by any act or omission or by any alteration unknown to **You** and beyond **Your** control whereby the risk of **Damage** is increased provided that as soon as **You** become aware of any such act or omission or alteration **You** will give immediate written notice to **Us** and pay any additional premium required.

Protection Equipment Expenses

We will pay **You** the cost of refilling fire extinguishing equipment and smoke cloaks used solely as a consequence of **Damage**.

Our liability will not exceed the Property Damage sum insured shown in the **Schedule**.

Rent Payable

Rent Payable by **You** following **Damage** to the **Premises** which makes them uninhabitable during the period necessary to reinstate or repair the **Buildings** or portions from which **You** operate **Your Business** or to make it accessible to **You** provided that:

- (a) cover for any costs will only apply to the extent that they are not otherwise insured
- (b) the maximum indemnity period during which **We** will pay will not exceed 36 months from the date of **Damage**

Our liability will not exceed the sum insured shown in the **Schedule**.

Seasonal Stock Increase

The sums insured for **Stock** are increased by 25 % during each **Period of Insurance** either:

- (a) during November, December and the first 15 days of January and the 30 days up to and including Easter Day and 7 days thereafter
- (b) during any other period during the year where the seasonal trend of **Your Business** requires such an increase in the sum insured, provided that such trend can be supported by previous trading records and that the period of the increase does not exceed 90 days in any **Period of Insurance**.

Section 1: Property Damage

continued

Shop Front

We will pay **You** for **Damage** to the **Shop Front** and fixed glass at the **Premises** not owned by **You** or insured elsewhere in this policy including necessarily incurred additional costs involved in:

- (a) boarding up or temporary glazing pending replacement of broken glass
- (b) removing and refixing window fittings and other obstacles to replacement

provided that **You** are legally responsible for the repair of such **Damage**.

Our liability will not exceed £10,000 in any one **Period of Insurance**.

Sprinkler Upgrade Costs

Within the **Building** item sum insured **We** will pay for the additional costs of upgrading any sprinkler installation as required by **Us** following **Damage** to the **Buildings** in order to conform to Loss Prevention Rules for Automatic Sprinkler Installations applicable at the time of reinstatement following **Damage** provided that:

- (a) the installation conformed to the 28th or 29th Edition Rules or to the LPC rules current at the time of installation
- (b) **We** will not be liable for any rate tax duty development or other charge or assessment arising out of capital appreciation as a result of complying with this Extension.

Our liability will not exceed £100,000 or 10% of the Property Damage sum insured shown in the **Schedule** whichever is the lower for each **Building**.

Temporary Removal

The **Property Insured** (other than **Stock**) is covered whilst temporarily removed from the **Premises** for cleaning, renovation, repair or similar purposes and in transit thereto and there from anywhere within the **Territorial Limits** provided that this cover does not apply to property in so far as it is otherwise insured.

Our liability under this cover will not exceed 10% of the item sum insured.

Temporary Removal – Documents and Computer System Records

We will pay for **Damage** to the following whilst temporarily removed to premises not in **Your** occupation but whilst remaining within the **Territorial Limits**:

- (a) deeds and other documents, manuscripts, plans and writings of every description and books (but excluding computer system records) up to 10% of the item sum insured under documents as shown in the **Schedule**

- (b) computer system records up to the 10% of the total **Contents** sum insured.

Theft Damage to Buildings

We will pay for **Damage** to the **Buildings** at the **Premises** not owned by **You** or insured by this policy resulting from theft or any attempt thereof provided that **You** are legally responsible for the repair of such **Damage**.

Our liability will not exceed £50,000 or 10% of the Property Damage sum insured shown in the **Schedule** whichever is the lower, in any one **Period of Insurance**.

Theft of Keys

We will pay **You** costs and expenses necessarily and reasonably incurred for the replacement of locks or keys to the **Premises** or to any safe or strongroom therein resulting from loss of keys following their theft:

- (a) from the **Premises** or the home of any authorised **Employee**
- (b) involving assault or violence or threat thereof whilst such keys are in the personal custody of **You** or any authorised **Employee**.

Our liability will not exceed £1,000 in any one **Period of Insurance**.

Theft of Fixed Fabric of the Buildings

We will pay for theft of the fixed fabric of the **Buildings**, which **You** own or are legally responsible for, including fixed external CCTV equipment and security lighting.

Our liability will not exceed £25,000 in any one **Period of Insurance**.

Trace and Access

In the event of **Damage** at the **Premises** resulting from the escape of water or oil from any fixed installation, **We** will pay for costs necessarily and reasonably incurred in:

- (a) locating the source of **Damage** in order to effect repairs
- (b) making good

Our liability will not exceed £25,000 in any one **Period of Insurance**.

Unspecified Storage Sites

Stock is covered at any location not shown in the **Schedule** anywhere within the **Territorial Limits** provided that this cover does not apply to property in so far as it is otherwise insured.

Our liability will not exceed £5,000 in any one **Period of Insurance**.

Section 1: Property Damage

continued

Subrogation Waiver

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

- (a) any company standing in the relation of Parent to Subsidiary or Subsidiary to Parent to **You** as defined in the Companies Act or Companies (N.I.) Order as appropriate current at the time of the **Damage**
- (b) any company which is a Subsidiary of a Parent Company of which **You** are themselves a Subsidiary in each case within the meaning of the Companies Act or Companies (N.I.) Order as appropriate current at the time of the **Damage**.

Unoccupied Buildings

Notice is to be given to **Us** when any **Buildings** or portions thereof become empty, vacant or no longer used by any person authorised by **You** or when any such **Buildings** or portions thereof are again used by any person authorised by **You** and pay any additional premium required.

Optional Extensions of Cover

Your Schedule will show if this Extension is operative.

Subsidence

Exclusion 16 Section 1: Property Damage is deleted.

This Section is extended to include **Damage** caused by Subsidence, Landslip or Ground Heave of any part of the site on which the **Property Insured** stands.

We will not be liable under this Extension for:

- (a) **Damage** to yards, forecourts, terraces, drives, roads, pavements, walls, gates and fences unless a **Building** insured by this Section is damaged by the same cause at the same time
- (b) **Damage** caused by or consisting of bedding down of new structures or by the settlement or movement of made up ground or by coastal or river erosion
- (c) **Damage** occurring whilst the whole or part of the **Property Insured** is in the course of erection, structural alterations or repair or demolition
- (d) **Damage** caused by defective design or workmanship or defective materials
- (e) **Damage** which commenced prior to the inception of the cover under this Extension

- (f) **Damage** cause by or consisting of fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
- (g) the amount of the **Excess** stated in the **Schedule** applicable to Subsidence

Provided that:

Insofar as this insurance relates to **Damage** caused by Subsidence, Ground Heave or Landslip **You**

- (a) keep the **Property Insured** in good and substantial repair
- (b) notify **Us** immediately **You** become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site.

We shall then have the right to vary the terms or cancel the cover provided by this Extension.

Maximum Amount Payable

The most **We** will pay in respect of any one occurrence will not exceed the sum insured stated against each item or the total of all sums insured stated against all items insured by this Section as shown in the **Schedule**.

Designation

For the purpose of determining where necessary the item against which any property is insured **We** agree to accept the designation under which such property has been entered in **Your** books.

Basis of Claims Settlement

In the event of **Damage** to **Property Insured** by this Section the basis upon which the amount payable will be calculated is as follows:

- (a) **Stock** – the cost price of replacing the goods at the time of the **Damage**
- (b) deeds, documents and business books – their value as stationery only together with the cost of clerical labour expended in writing up and not for the value to **You** of the information contained therein
- (c) computer systems records – the value of the materials only together with the cost of clerical labour and computer time expended in reproducing the records provided that **We** will not pay for the value to **You** of the information contained therein or for any expense in connection with the production of information to be recorded therein
- (d) patterns models moulds plans and designs – the value of the materials only together with the cost of labour expended in reinstatement of such property

Section 1: Property Damage

continued

- (e) **Personal Effects** not otherwise insured – the cost of repair or replacement at the time of the **Damage**
- (f) all other property including **Buildings** – the cost of repairing or reinstating the property equal to its condition when new provided that:
 - (i) this is carried out without delay and in the most economical manner
 - (ii) when **Property Insured** is partially lost, destroyed or damaged **Our** liability will not exceed the estimated reinstatement cost which would have been payable had it been wholly lost or destroyed
 - (iii) until reinstatement has been completed no payment will be made for more than the amount which would be payable if an allowance had been made for wear tear or depreciation
- (g) if at the time of any **Damage** the sum insured is less than 85% of the actual reinstatement cost of the **Property Insured** including any additional costs for removal of debris and architects' and surveyors' fees where applicable, **You** will be considered as being **Your** own Insurer for the difference and will bear a proportionate share of the loss.

Conditions

The following conditions apply to this Section in addition to the General Conditions and Claims Conditions at the front of this policy.

Fire Extinguishing Appliances

It is a condition precedent to **Our** liability that **You** will maintain all fire extinguishing appliances in efficient working order and under a contract of maintenance during the **Period of Insurance**. Subject to the observance of this Condition this Section will not be invalidated by any defect in any of the said appliances due to any circumstances unknown to **You** or beyond **Your** control.

Minimum Level of Security

It is a condition precedent to **Our** liability for loss or **Damage** resulting from theft or attempted theft that **You** have in place the following minimum levels of security or such level as specified in the **Schedule** and all such devices are put into full and effective operation whenever the **Premises** are closed for **Business** or left unattended:

- (a) all external doors of the **Buildings** occupied by **You** and internal doors which give access to any part of the **Buildings** not occupied by **You** must be fitted and secured with one of the following:
 - (i) a mortice deadlock with matching boxed striking plate or rim lock conforming to BS3621

- (ii) a five lever close shackle padlock and locking bar
 - in the case of aluminium or UPVC framed doors cylinder operated mortice deadlock
 - an alternative form of locking system of similar quality and strength to BS3621 which has been agreed by **Us**

all outward opening external doors of the **Buildings** occupied by **You** must be fitted and secured with hinge bolts

- (b) aluminium or UPVC framed doors are to be fitted with integral cylinder key operated mortice deadlocks
- (c) all accessible opening windows, fanlights and skylights including those accessible from roofs, decks, balconies, fire escapes, canopies or down pipes must be fitted and secured with key operated window locks. This requirement does not apply to windows, fanlights or skylights which are protected by solid steel bars, grilles, gates, expanded metal or weld-mesh securely fixed to the brickwork surrounding the window.

Exclusions

The following exclusions apply to this Section in addition to the General Exclusions at the front of this policy.

This Section does not cover:

1. water (other than loss of metered water as described in this section), air, runways, railway lines, dams, reservoirs, storage lakes, canals, rigs, wells, tunnels, docks, piers, jetties, excavations, wharfs, mines, and off-shore property
2. animals and growing crops
3. bullion, furs, explosives or contraband
4. jewellery, precious metals, precious stones or furs except where specifically mentioned in the **Schedule**
5. overhead electrical and telecommunication transmission and distribution lines, overhead transformers or other similar overhead communication, transmission or distribution equipment and their supporting structures other than those within the **Premises** for which **You** are responsible
6. vehicles required to be licensed for road use (including accessories thereon), caravans, trailers, railway locomotives or rolling stock, watercraft, aircraft or spacecraft (including but not limited to satellites)

Section 1: Property Damage

continued

7. property or structures in the course of demolition, construction or erection and materials, equipment or supplies in connection therewith unless specifically mentioned as insured by this Section
8. moveable property in the open, fences, gates, vegetation, lawns and shrubs in respect of **Damage** caused by wind, rain, hail, sleet, snow, flood, dust or falling trees
9. property from a garden, yard, open space or any open fronted or open sided building therein by theft or any attempt thereat or malicious damage
10. **Property Insured** at any premises that are **Unoccupied** unless agreed by **Us**
11. **Damage** to property stored in any outbuildings or basement caused by storm, flood, leakage of oil or water following bursting or overflowing of oil or water tanks, apparatus or pipes or from any automatic sprinkler installation, unless such property is raised at least 100mm above the ground floor level of the outbuilding or the floor level of the basement
12. **Damage** to any electrical machine or apparatus or component thereof occasioned by its over-running, excessive pressure, short-circuiting or self-heating not resulting in fire
13. Explosion
 - (a) caused by or consisting of the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to **You** or under **Your** control but this shall not exclude subsequent **Damage** which itself results from a cause not otherwise excluded
 - (b) in respect of and originating in any vessel machinery or apparatus or its contents, belonging to **You** or under **Your** control which is required to be examined to comply with any statutory regulations unless such vessel, machinery or apparatus will be the subject of a policy or other contract providing the required inspection service
14. **Damage** arising solely from a change in the water table level (i.e. the level below which the ground is saturated with water)
15. **Damage** by falling trees caused by felling or lopping carried out by **You** or on **Your** behalf

16. **Damage** caused by subsidence, ground heave or landslip
17. **Damage** caused by or arising from or consisting of:
 - (a) collapse or cracking of **Buildings**
 - (b) marring, scratching, denting or mechanical or electrical defect, failure, breakdown or derangement
 - (c) gradually operating causes, including but not limited to atmospheric or climatic conditions, wet or dry rot, fungus, rust, corrosion, woodworm, moths, insects, vermin or pests
 - (d) any process involving heating, drying, cleaning, dyeing, staining, repairing, restoring, renovating, fitting, installation, testing, commissioning, alteration or maintenance of any property
 - (e) use of any article contrary to manufacturers' instructions
 - (f) change in temperature, colour, flavour or finish but this shall not exclude:
 - such **Damage** not otherwise excluded which itself results from a **Defined Peril**
 - subsequent **Damage** which itself results from a cause not otherwise excluded
18. **Damage** caused by or consisting of:
 - (a) inherent vice, latent defect, defective design, plan or specification or the use of faulty materials
 - (b) wear, tear or depreciation or diminution in value
 - (c) faulty or defective workmanship operational error or omission by **You** or any of **Your Employees**but this shall not exclude subsequent **Damage** which results from a cause not otherwise excluded
19. **Damage** insured by the Section 3: Equipment Breakdown
20. theft unless:
 - (a) involving forcible and violent entry to or exit from a **Building** at the **Premises**
 - (b) involving assault or violence or threat thereof to **You** or any of **Your Employees**
 - (c) as provided for under Section Extension Theft of Fixed Fabric of the Building

Section 1: Property Damage

continued

- 21. Damage** by theft or attempted theft from:
- (a)** any unattended **Vehicle** being any **Vehicle** with no person in charge or keeping the **Vehicle** under observation and able to observe or prevent any attempt by any person to interfere with the **Vehicle** unless:
 - (i)** all windows and other openings have been closed, all doors have been secured and any other protective devices put into full and effective operation
 - (ii)** any property insured by this section is secured in the locked boot, storage compartment or closed glove compartment; (the luggage space at the rear of an estate car or hatchback under the top cover and out of view is deemed to be a locked boot)
 - (iii)** any unattended **Vehicle** owned or operated by **You Overnight** or after the completion of any **Working Day of the Driver** unless all windows and other openings have been closed and the **Vehicle** is locked and garaged in a secure building or compound
 - (iv)** any unattended **Vehicle** in an unattended building (not at the **Premises**) unless all security devices are put into full and effective operation and such theft or attempted theft involves forcible and violent entry to or exit from the building

- 22.** in respect of **Stock** whilst in transit:
- (a) Damage** due to
 - (i)** leakage, spillage, contamination or deterioration
 - (ii)** breakage of china, glass or other brittle articles unless caused by fire, theft or an accident involving the **Vehicle**
 - (b) Damage** resulting from faulty packing or labelling
 - (c) Damage** to property conveyed in any soft or open topped or soft or open sided **Vehicle** caused by:
 - (i)** theft or attempted theft unless caused by or arising from theft or attempted theft of the conveying **Vehicle**
 - (ii)** storm or malicious damage
- 23. Damage** caused by theft or attempted theft occurring outside **Business Hours** to any till or cash register unless its drawer has been left in an open position
- 24.** losses not directly associated with the incident that caused **You** to claim
- 25.** the **Excess** stated in the **Schedule**.

Section 2: Business Interruption

Definitions

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Gross Profit

The amount by which the sum of the **Turnover** and the amount of the closing stock will exceed the sum of the amount of the opening stock and the amount of the **Specified Working Expenses**.

Indemnity Period

The period beginning with the date of **Damage** and lasting for the period during which **Your Business** is affected as a result of the **Damage**, but not longer than the **Maximum Indemnity Period** shown in the **Schedule**.

Maximum Indemnity Period

The period stated in the policy wording or in the **Schedule** as the maximum indemnity period.

Notifiable Human Infectious or Contagious Disease

Those diseases notifiable under the Public Health (Infectious Diseases) Regulations, 1988, namely:

Acute encephalitis, Acute poliomyelitis, Anthrax, Cholera, Diphtheria, Dysentery, Food poisoning, Leptospirosis, Legionellosis, Malaria, Measles, Meningitis, Meningococcal septicaemia (without meningitis), Mumps, Ophthalmia neonatorum, Paratyphoid fever, Plague, Rabies, Relapsing fever, Rubella, Scarlet fever, Smallpox, Tetanus, Tuberculosis, Typhoid fever, Typhus fever, Viral haemorrhagic fever, Viral hepatitis, Hepatitis A, Hepatitis B, Hepatitis C, Whooping cough, Yellow fever.

No other disease will be added to the above list without **Our** prior written consent.

Outstanding Debit Balances

The individual amounts owed to **You** by **Your** customers and shown as outstanding in **Your** records after adjustment for bad debts, abnormal trading conditions and debit/credit amounts not passed through **Your** books during the period between the last record and the date of **Damage**.

Rate of Gross Profit

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

Rent Receivable

The money paid or payable to **You** for accommodation and services provided (including service charges) at the **Premises**.

Specified Working Expenses

The following expenses of the **Business** which are considered to vary directly with the **Turnover** and are therefore not included in the insurance:

- (a) 100 % of purchases of materials (less discounts received)
- (b) 100 % of carriage, packaging and freight (other than **Your** own)
- (c) 100 % of bad debts.

Standard Rent Receivable

The **Rent Receivable** during that period in the twelve months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**.

Standard Turnover

The **Turnover** during that period in the twelve months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**.

Turnover

The money paid or payable to **You** for products supplied and services rendered in the course of the **Business**.

Cover

The amount of loss resulting from interruption of or interference with the **Business** carried on by **You** at the **Premises** in consequence of any **Damage** occurring at the **Premises** to any property used by **You** at the **Premises** for the purposes of the **Business**.

Our liability will not exceed the sum insured shown in the **Schedule**.

Extensions

The following Extensions apply to this Section.

Book Debts

Interruption of or interference with the **Business** in consequence of **Damage** to **Your** records of **Outstanding Debit Balances** contained within the **Premises**. **We** will pay for any net **Outstanding Debit Balances** which **You** are unable to recover from customers as a result of **Damage** to such records and any additional expenditure incurred after such **Damage** in tracing and establishing **Outstanding Debit Balances**.

Our liability in respect of loss of net **Outstanding Debit Balances** and their associated additional expenditure and accountants' charges will not exceed £50,000 any one occurrence.

Section 2: Business Interruption

continued

Special Condition

At the end of each month **You** will record the total amount outstanding in customers accounts and will maintain a separate record, in addition to the books of account, at alternative premises.

Compulsory Closure

Interruption of or interference with the **Business** in consequence of compulsory closure by a public body authorised to prevent or restrict access to the **Premises** arising from:

- (a) discovery of a **Notifiable Human Infectious or Contagious Disease** at the **Premises**
- (b) foreign or deleterious matter in food or drink sold, supplied or provided at the **Premises**
- (c) the occurrence at the **Premises** of murder, manslaughter, suicide or rape
- (d) defective sanitation or the presence of vermin or pests.

For the purpose of this cover the **Maximum Indemnity Period** is restated as 3 months.

Our liability will not exceed £50,000 any one occurrence.

Contract Sites

Interruption of or interference with the **Business** in consequence of **Damage** at any location not shown in the **Schedule** at which **You** are contracted to undertake work anywhere within the **Territorial Limits**.

Our liability will not exceed £50,000 any one occurrence.

Deeds & Documents

Interruption of or interference with the business in consequence of damage to plans, deeds, briefs, manuscripts, books, documents and office records whilst temporarily removed from the **Premises** to elsewhere within the **Territorial Limits**.

Our liability will not exceed £50,000 any one occurrence.

Exhibition Sites

Interruption of or interference with the **Business** in consequence of **Damage** at any trade fair or exhibition at which **You** are to occupy a stand anywhere within the **Territorial Limits**.

Our liability will not exceed £50,000 any one occurrence.

Prevention of Access or Loss of Attraction

Interruption of or interference with the **Business** in consequence of **Damage** to property within 1 kilometre of the **Premises**:

- (a) which prevents or hinders the use of or prevents access to the **Premises** but excluding damage to property of any public utility from which **You** obtain supplies or services

- (b) which results in a reduction in **Turnover** directly attributable to a fall in the number of potential customers visiting the area and using the **Premises**.

Our liability will not exceed £50,000 any one occurrence.

Property in Transit

Interruption of or interference with the **Business** in consequence of **Damage** to property whilst in transit by road, rail or inland waterway within the **Territorial Limits**.

Our liability will not exceed £50,000 any one occurrence.

Property Temporarily Removed

Interruption of or interference with the **Business** in consequence of **Damage** to property whilst temporarily removed from the **Premises** and in transit thereto and therefrom anywhere within **Europe**.

Our liability will not exceed £50,000 any one occurrence.

Public Utilities

- (a) Interruption of or interference with the **Business** in consequence of **Damage** to property at any:
 - (i) generating station or sub-station of the public electricity supplier
 - (ii) land based premises of the public gas supplier or of any natural gas producer linked directly with them
 - (iii) land based premises of the public telecommunications supplier or internet service provider
 - (iv) waterworks or pumping station of the public water supplier

within the **Territorial Limits** from which **You** obtain electricity, gas or water supplies or telecommunication services.

- (b) the accidental failure of the public supply of:
 - (i) electricity at the terminal ends of the supply undertaking's service feeders at the **Premises**
 - (ii) gas at the supply undertaking's meters at the **Premises**
 - (iii) water at the supply undertaking's main stop cock serving the **Premises**
 - (iv) telecommunications services at the incoming line terminals or receivers at the **Premises** in the **Territorial Limits**

but excluding:

- (a) any failure which does not involve a cessation of supply for at least:
 - (i) 4 hours in respect of the public supply of electricity, gas or water

Section 2: Business Interruption

continued

- (ii) 24 hours in respect of the public supply telecommunications
- (b) loss resulting from failure caused by:
 - (i) the deliberate act of any supply undertaking or by the exercise by any such undertaking of its power to withhold or restrict supply or services
 - (ii) strikes or any labour or trade dispute
 - (iii) drought
 - (iv) other atmospheric or weather conditions, but this will not exclude failure due to damage to equipment caused by such conditions
- (c) loss resulting from:
 - (i) failure of any satellite
 - (ii) interference with transmissions to and from satellites resulting from any cause
 - (iii) failure due to the transfer of your satellite facility to another party
- (d) any failure originating from outside the **Territorial Limits**

Our liability will not exceed £50,000 any one occurrence.

Unspecified Customers

Interruption of or interference with the **Business** in consequence of **Damage** at the **Premises** of **Your** direct customers anywhere within the **Territorial Limits**.

Our liability will not exceed £50,000 any one occurrence.

Unspecified Storage Sites

Interruption of or interference with the **Business** in consequence of **Damage** at any premise within the **Territorial Limits** not owned or occupied by **You** where **Your** property is stored.

Our liability will not exceed £50,000 any one occurrence.

Unspecified Suppliers

Interruption of or interference with the **Business** in consequence of **Damage** at the **Premises** of **Your** direct suppliers, manufacturers or processors of components, goods or materials anywhere within the **Territorial Limits**.

Our liability will not exceed £50,000 any one occurrence.

Maximum Amount Payable

The most **We** will pay in respect of any one occurrence will not exceed 100% of each item as shown in the **Schedule**.

Basis of Claims Settlement

If during the **Period of Insurance** the **Business** carried on by **You** at the **Premises** is interrupted or interfered with as a direct result of **Damage We** will indemnify **You** in respect of any of the undermentioned items if insured by this Section

Gross Profit – loss thereof due to:

- (a) reduction in **Turnover** being the amount produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** will fall short of the **Standard Turnover** in consequence of the **Damage**
- (b) increase in cost of working being the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Turnover** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage**, but not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction thereby avoided

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

Rent Receivable - loss thereof due to:

- (a) loss of **Rent Receivable** being the amount by which the **Rent Receivable** during the **Indemnity Period** will fall short of the **Standard Rent Receivable** in consequence of the **Damage**
- (b) increase in cost of working being the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Rent Receivable** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage**, but not exceeding the amount of reduction in **Rent Receivable** thereby avoided

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

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 **Turnover** or **Gross Profit** as applicable during the **Indemnity Period**.

Section 2: Business Interruption

continued

Professional Accountants

We will pay under this Section the reasonable charges payable by **You** to professional accountants for producing any particulars or details or any other proofs, information or evidence as may be required by **Us** and reporting that such particulars or details are in accordance with **Your** books of account or other business books or documents provided that the sum of the amount payable under this clause and the amount otherwise payable under the Section will in no case exceed the maximum amount payable.

Separate Departments

If the **Business** is conducted in departments, the independent trading results of which are ascertainable, the provisions of the Basis of Claims Settlement sub-paragraphs **(a)** and **(b)** of any item on **Gross Profit** or **Rent Receivable** as appropriate will apply separately to each department affected by the **Damage**.

Special Condition

1. If at the time of any **Damage** the sum insured on **Gross Profit** is less than the **Gross Profit** which it is estimated would have been earned during the **Maximum Indemnity Period** had such **Damage** not occurred, then the amount payable in respect of loss of **Gross Revenue** and associated additional expenditure will be proportionately reduced.
2. It is a condition precedent to any liability under this Section (other than in respect of Compulsory Closure) that there is in force an insurance covering **Your** interest in the property at the **Premises** against **Damage** and payment shall have been made or liability admitted therefor under such insurance.

Conditions

The following conditions apply to this Section in addition to the General Conditions and Claims Conditions at the front of this policy.

Value Added Tax

To the extent that **You** are accountable to the tax authorities for Value Added Tax all terms in this Section will be exclusive of such tax.

Exclusions

The following exclusions apply to this Section in addition to the General Exclusions at the front of this policy.

This Section does not cover:

1. any interruption of or interference with the **Business** not caused by **Damage** other than as described in Extension - Compulsory Closure
2. deliberate falsification of business records
3. the deliberate act of the Electricity Authority in restricting or withholding electricity supply
4. wear and tear and gradual deterioration, vermin, rust, damp or mildew
5. the connivance of any **Employee**.

Section 3: Equipment Breakdown

Definitions

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Accident(s)

Direct physical loss caused by:

- (a) electrical or mechanical **Breakdown** including rupture or bursting caused by centrifugal force
- (b) artificially generated electrical current including electric arcing that damages electrical devices appliances or wires
- (c) **Explosion** or **Collapse** of **Covered Equipment** operating under steam or other fluid pressure
- (d) loss or damage to hot water boilers other water heating equipment oil or water storage tanks or other **Covered Equipment** operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment
- (e) loss or damage caused by operator error that results in the overloading of **Covered Equipment**

All **Accidents** that are the result of the same event will be considered as one **Accident**.

Biomass or Biogas Installation

Any equipment and machinery used in connection with running a biomass or biogas heating or power-generation plant, including anaerobic digesters, storage tanks, augers, screeners, scrubbers, boilers, gas engines, generators, heat exchangers, pumps and motors.

Breakdown

- (a) The actual breaking, failure, distortion, or burning out of any part of the **Covered Equipment** whilst in ordinary use arising from defects in the **Covered Equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work
- (b) fracturing of any part of the **Covered Equipment** by frost when such fracture renders the **Covered Equipment** inoperative
- (c) the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary.

Collapse

The sudden and dangerous distortion (whether or not attended by rupture) of any part of the **Covered Equipment** caused by

crushing stress by force of steam or other fluid pressure (other than pressure of chemical action, ignited flue gases or ignition of the contents).

Computer Equipment

- (a) electronic, computer or other data processing and/or storage equipment
- (b) projectors, printers, scanners and other peripheral devices used in conjunction with (a)
- (c) software and programs licensed to the insured and installed on (a)
- (d) **Portable Computer Equipment**

Covered Equipment

Equipment at the **Premises** owned by **You** or for which **You** are responsible:

- (a) which is built to operate under vacuum or pressure, other than the weight of its contents; or
- (b) that generates, transmits, stores or converts energy; or
- (c) comprising **Computer Equipment**

Excluding:

- (i) any supporting structure, foundation, masonry, brickwork or cabinet
- (ii) any insulating or refractory material
- (iii) any vehicle, aircraft, floating vessels or any equipment mounted thereon (other than vehicle recovery crane or equipment which is under vacuum or pressure included but not the actual vehicle)
- (iv) self propelled plant and equipment (other than fork lift trucks and pallet trucks used by **You** at **Your Premises**) dragline excavation or construction equipment
- (v) equipment manufactured by **You** for sale
- (vi) safety or protective devices due to their functioning
- (vii) tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, driving belts or bands or any part requiring periodic renewal
- (viii) any electronic equipment (other than **Computer Equipment**) used for research, diagnostic, treatment, experimental or other medical or scientific purposes with a new replacement value in excess of £30,000
- (ix) any **Manufacturing Production or Process Equipment** including linked **Computer Equipment**
- (x) any electricity generating equipment other than emergency back-up power equipment or wind turbines less than 10kw or photovoltaic equipment less than 50kw

Section 3: Equipment Breakdown

continued

(xi) any kitchen and food preparation equipment, laundry and cleaning equipment, audio-visual equipment and **Computer Equipment** whilst in a private dwelling or private dwelling quarters (unless such equipment is owned by **You** or for which **You** are responsible)

(xii) any **Biomass or Biogas Installation**

(xiii) any **Hydroelectric Installation**.

Derangement

Electrical or mechanical malfunction arising from a cause internal to **Computer Equipment** unaccompanied by visible damage to or breaking of any parts of the equipment.

Explosion

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

Hazardous Substance

Any substance, other than ammonia, that has been declared to be hazardous to health by a governmental agency.

Hydroelectric Installations

Any equipment, machinery, dam and weir used in connection with running a hydroelectric-power station, including turbines, sluice gates, screens, screeners, pumps, motors, generators, gearboxes, engines, alternators and associated equipment. Hydroelectric Installations also include any substation and distribution transformer, switchgear, meter, cabling, telecommunication and monitoring device, building and converter housing (including fixtures and fittings), and security equipment.

Manufacturing Production or Process Equipment

Any machine or apparatus (other than boilers, lifts, fork lift trucks, dock levellers and lifting tables) which has a primary purpose of processing or producing a product or service intended for eventual sale by **You** and any equipment which exclusively serves such machinery or apparatus.

Media

All forms of electronic magnetic and optical tapes and discs for use in any **Computer Equipment**.

Portable Computer Equipment

- (a) laptops, palmtops and notebooks
- (b) personal digital assistants (PDAs)
- (c) projectors, printers, scanners and other peripheral devices which are designed to be carried and used in conjunction with other Portable Computer Equipment

(d) removable satellite navigation systems

(e) digital cameras.

Verified

Checked for accuracy and integrity to ensure a precise match with the source data and capable of restoration.

Cover

An **Accident** to **Covered Equipment** that is owned by **You** or for which **You** are responsible.

The cover under this Section will only apply where the Property Damage and Business Interruption Sections of the policy are shown as insured on the **Schedule** for the current **Period of Insurance**.

Extensions

The following Extensions apply to loss or damage caused by or resulting from an **Accident** to **Covered Equipment**.

Additional Access Costs

Where the Business Interruption Section is insured **We** will pay for any necessary additional costs incurred in order to gain access to repair or replace the **Covered Equipment** following an **Accident**.

Our liability will not exceed £20,000 any one **Accident**.

Business Interruption

Where the Business Interruption Section is insured **We** will pay for financial loss caused by or resulting from an **Accident** to **Covered Equipment**.

We will not be liable under this Extension for any loss resulting from Extension – Damage to Own Surrounding Property.

Our liability in the aggregate during any one **Period of Insurance** will not exceed £100,000.

Computer Equipment

We will pay **You** for damage caused by or resulting from an **Accident** to **Computer Equipment** at the **Premises**.

Our liability will not exceed £500,000 for any one **Accident**.

Our liability will not exceed £5,000 for any one **Accident** to **Portable Computer Equipment** anywhere in the world.

Damage to Own Surrounding Property

We will pay **You** for loss or damage to property at the **Premises** belonging to **You** or in **Your** custody and control and for which **You** are responsible, directly resulting from the **Explosion** or **Collapse** of any **Covered Equipment** operating under steam pressure.

Our liability will not exceed £1,000,000 any one **Accident**.

Section 3: Equipment Breakdown

continued

Debris Removal

We will pay for costs incurred in the removal of debris and protection of **Covered Equipment** following an **Accident**.

Our liability will not exceed £25,000 any one **Accident**.

Expediting Expenses

We will pay **You** for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement for damaged **Covered Equipment**.

Our liability will not exceed £20,000 any one **Accident**.

Hazardous Substances

We will pay for the additional costs to repair or replace **Covered Equipment** because of contamination by a **Hazardous Substance** including any additional expenses incurred to clean up or dispose of such property.

Our liability will not exceed £10,000 any one **Accident**.

Hire of Substitute Item

If **Covered Equipment** is damaged as a result of an **Accident**, **We** will pay **You** for the cost of hire charges actually incurred by **You** during the **Period of Insurance** for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged.

Our liability will not exceed £10,000 any one **Accident**.

Public Authorities/Law or Ordinance

If an **Accident** to **Covered Equipment** damages a **Building** that is covered under this policy and the loss is increased by enforcement of any public authority, ordinance or law in force at the time of the **Accident** that regulates the construction or repair of buildings, or establishes zoning or land use requirements, **We** will be liable for the following additional costs to comply with such ordinance or law:

- (a) **Your** actual expenditure for the cost to demolish and clear the site of undamaged parts
- (b) **Your** actual expenditure for increased costs to repair, rebuild or construct the **Building**. If the **Building** is repaired or rebuilt, it must be intended for similar use or occupancy as the current **Building**, unless otherwise required by zoning or land use ordinance or law

We will not be liable for:

- (i) any fine
- (ii) any liability to a third party

(iii) any increase in loss due to a **Hazardous Substance** other than as specifically insured under Extension – Hazardous Substances

(iv) increased construction costs until the **Building** is actually repaired or replaced.

Our liability will not exceed the Equipment Breakdown limit shown in the **Schedule**.

Repair Costs Investigation

We will pay costs relating to repair, investigations and tests by consulting engineers for loss or damage to **Covered Equipment** following an **Accident**.

We will not be liable for:

- (a) any fees incurred in preparing a claim
- (b) any amount unless prior consent has been given by **Us**

Our liability will not exceed £25,000 any one **Accident**.

Reinstatement of Data and Computer Increased Costs of Working

(a) **We** will pay for costs incurred in reinstating data lost or damaged in consequence of an **Accident** to or **Derangement** of **Computer Equipment**.

Our liability will not exceed £50,000 any one **Accident** provided that:

- (i) liability is limited solely to the cost of reinstating data onto **Media**
- (ii) **We** will not be liable for loss or damage to software.

(b) In addition **We** will pay for reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to **Your** computer operations.

Our liability will not exceed £50,000 any one **Accident** in respect of such additional costs.

Storage Tanks & Loss of Contents

We will cover **You** for damage caused by an **Accident** to oil storage or water tanks (other than sprinkler system tanks) used solely for and forming part of hot water or heating installations including connected pipework belonging to **You** or for which **You** are responsible at the **Premises**. In addition this Extension covers loss of the contents of oil storage tanks caused by:

- (a) escape of contents – leakage, discharge or overflow from the oil storage tanks caused by or resulting from an **Accident**
- (b) contamination – contamination of the contents of the oil storage tanks caused by or resulting from an **Accident** including cleaning costs incurred as a result of such loss.

Our liability will not exceed £10,000 any one **Accident**.

Section 3: Equipment Breakdown

continued

Maximum Amount Payable

Our liability will not exceed the Equipment Breakdown limit shown in the **Schedule**.

Basis of Claims Settlement

As described in the Property Damage and Business Interruption Sections of this policy.

Special Conditions

These Special Conditions are in addition to the General Conditions and Claims Conditions shown at the front of the policy.

Back Up Records

You must maintain a minimum of two generations of **Verified** back-up computer records taken at intervals no less frequently than 48 hours and take all reasonable precautions to store and maintain records in accordance with the maker's recommendations.

Precautions

You must exercise due diligence in:

- (a) complying with any statute or order
- (b) ensuring that **Your** items are properly maintained and used in accordance with manufacturer's recommendations and in taking reasonable precautions to prevent loss or damage.

Exclusions

The following exclusions apply to this Section in addition to the General Exclusions at the front of this policy.

This Section does not cover:

1. loss or damage caused by or resulting from a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
2. loss or damage to data or **Media** of any kind caused by:
 - (a) programming error or programming limitation
 - (b) computer virus
 - (c) introduction of malicious code
 - (d) loss of data (other than as specifically provided for under Extension – Reinstatement of Data)
 - (e) loss of access
 - (f) loss of use
 - (g) loss of functionality
3. loss or damage caused by
 - (a) depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions
 - (b) any condition which can be corrected by resetting, calibrating, realigning, tightening, adjusting or cleaning or by the performance of maintenance

but if loss or damage from an **Accident** results **We** will be liable for that resulting loss or damage.
4. loss or damage recoverable under any maintenance agreement or any warranty or guarantee
5. the **Excess** stated in the **Schedule**.

Section 4: Money and Assault

Definitions

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Injury

Bodily Injury by violent and visible means.

Insured Person

You or any of **Your** partners, directors or any **Employee** aged between 16 and 70 years.

Loss of Limb

Total loss of one or more limbs at or above the wrist or ankle or total and permanent loss of use of any entire limb.

Loss of Sight

Total and irrecoverable loss of sight in one or both eyes.

Medical Expenses

Any reasonable costs necessarily incurred for medical, surgical or other diagnostic or remedial treatment given or prescribed by a qualified medical practitioner and any hospital, nursing home or ambulance charges.

Money

Current currency, crossed and uncrossed bankers drafts, national giro drafts and payment orders, postal and money orders, dividend warrants and cheques other than pre-signed blank cheques, travellers chequers, national savings stamps and certificates, bus and rail travel cards and passes, telephone cards, current postage stamps and unused postal franking machine units, luncheon vouchers, gift tokens, trading stamps, national insurance stamps and stamped or impressed national insurance cards, holiday with pay stamps, premium bonds, VAT purchase invoices, credit card, cheque card and debit card sales vouchers, savings stamps, consumer redemption vouchers mobile phone cards, National Lottery 'Instants' and other scratch cards, all pertaining to the **Business** and belonging to **You** or for which **You** are legally responsible.

Non-negotiable Money

Crossed cheques, postal orders, money orders, bankers drafts, national giro drafts, payment orders, dividend warrants, national savings certificates, unused postal franking machine units, stamped or impressed national insurance cards, holiday with pay stamps, premium bonds, VAT purchase invoices, credit and debit card sales vouchers and consumer redemption vouchers, all pertaining to the **Business** and belonging to **You** or for which **You** are legally responsible.

Permanent Total Disablement

Permanent inability to engage in any gainful employment, other than such inability caused by **Loss of Limb** or **Loss of Sight**.

Temporary Total Disablement

Temporary and absolute inability to engage in usual occupation.

Cover

We will pay for physical loss of **Money** as described below occurring within the **Territorial Limits** and subject to the limits stated in the **Schedule**

- (a) loss of **Non-negotiable Money**
- (b) loss of **Money** other than **Non-negotiable Money**:
 - (i) in transit
 - (ii) in **Your** personal custody or in the custody of any authorised **Insured Person** or in bank night safe
 - (iii) on the **Premises** during **Business Hours**
 - (iv) on the **Premises** out of **Business Hours** contained in locked safe(s)
 - (v) on the **Premises** out of **Business Hours** not contained in locked safe(s)
 - (vi) in **Your** home or in the home of any authorised **Insured Person**.

Extensions

The following Extensions apply to this Section.

Credit Cards

We will pay for any amount for which **You** become liable under the terms of issue of any bank charge credit debit or cash card issued and used only in connection with the **Business** following fraudulent use by any unauthorised person within the **Territorial Limits**.

Provided that **You** report the loss to the issuing company immediately and to the police within 24 hours of discovering the loss and have complied with the terms and conditions of issue of the card.

Our liability will not exceed £2,500 in any one **Period of Insurance**.

Safes

We will pay the cost of repair or replacement as a result of **Damage** following theft or attempted theft of **Money** to any:

- (a) safe or strongroom
- (b) postal franking machine
- (c) security case, bag or waistcoat used to carry **Money**

Our liability will not exceed £2,500 in any one **Period of Insurance**.

Section 4: Money and Assault

continued

Conditions

The following conditions apply to this Section in addition to the General Conditions and Claims Conditions at the front of this policy.

Accompaniment Condition

It is a condition precedent to **Our** liability that whenever **Money** in transit exceeds £2,500 at any one time:

- (a) the **Money** must be accompanied by not less than two responsible **Insured Person**
- (b) not more than £2,500 will be carried by any one **Insured Person**
- (c) the **Money** will be transported in a secure cash carrying facility
- (d) all journeys are to utilise varied routes and times.

Records

It is a condition precedent to **Our** liability that **You** keep a complete record of all **Money** held by **You** and deposit that record in a secure place other than in a safe or strongroom containing **Money**.

Safe Keys and Combination Codes

It is a condition precedent to **Our** liability that whenever the **Premises** in which the safe containing money is situated is unattended:

- (a) the safe will be securely locked
- (b) any key and records of a code to the safe will be removed from the **Premises** or kept on **Your** person or an authorised **Insured Person** except where a portion of the **Premises** is occupied residentially by **You** or any **Insured Person**.

Exclusions

The following exclusions apply to this Section in addition to the General Exclusions at the front of this policy.

This Section does not cover

- 1. clerical or accounting errors or shortages due to error or omission
- 2. any loss due to the fraud or dishonesty of any director, partner or **Employee** unless the loss is discovered within ten working days of the date of its occurrence

- 3. loss caused by dishonoured cheques or by the use of counterfeit **Money**
- 4. loss from any unattended vehicle being any **Vehicle** with no person in charge or keeping the **Vehicle** under observation and able to observe or prevent any attempt by any person to interfere with the **Vehicle**
- 5. loss from any coin-operated vending, gaming or amusement machine or payphone unless specially agreed as insured and stated in the **Schedule**
- 6. **Damage** caused by theft or attempted theft occurring outside **Business Hours** to any till or cash register unless its drawer has been left in an open position
- 7. loss of **Money** to belonging to the Post Office
- 8. the relevant **Excess** stated in the **Schedule**.

Special Extension - Personal Assault

Cover

We will pay the **Insured Person** or their legal personal representative of the **Insured Person** suffers **Injury** consequent upon robbery or hold up or any attempt thereat in the course of the **Business** and such **Injury** directly and independently of any other cause results within twenty four months in:

- 1. death
- 2. **Loss of Limb**
- 3. **Loss of Sight**
- 4. **Permanent Total Disablement**

Our liability will not exceed £10,000.

- 5. **Temporary Total Disablement**

Our liability will not exceed £100 per week.

Extensions

The following Extensions apply to this Section.

Counselling Costs

If any **Insured Person** sustains **Injury** consequent upon robbery or hold up or any attempt thereat in the course of the **Business** **We** will pay the fees for professional counselling when recommended by a qualified medical practitioner.

Our liability will not exceed £1,000 any one occurrence.

Section 4: Money and Assault

continued

Medical Expenses

If an **Insured Person** incurs medical expenses as a result of **Injury** consequent upon robbery or hold up or any attempt thereat in the course of the **Business** **We** will pay up to £250 in respect of any one **Insured Person**.

Personal Effects

We will pay for Damage to clothing and personal effects belonging to an **Insured Person** as a direct result of robbery or hold up or any attempt thereat in the course of the **Business**.

Our liability will not exceed £500 in respect of any one **Insured Person**.

Special Conditions

The following Conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

Compensation Payment

- (a) Compensation will not be payable for more than one of the following death, **Loss of Limb, Loss of Sight, Permanent Total Disablement**, in respect of any one **Insured Person**.
- (b) Compensation will not be payable for **Temporary Total Disablement**:
 - (i) until the end of the period of disablement but **We** will on request make interim payments at intervals of not less than four weeks
 - (ii) for more than 104 weeks from the date of sustaining **Injury** in respect of any one **Injury**.
- (c) The total amount payable as compensation for **Temporary Total Disablement** will be deducted from any subsequent compensation payment for death, **Loss of Limb, Loss of Sight, Permanent Total Disablement** that follows from the same cause.

Medical Evidence

- (a) In the event of any disablement the **Insured Person** will place himself under the care of a qualified medical practitioner and as often as required submit to a medical examination on **Our** behalf at **Our** expense
- (b) In the event of death of an **Insured Person** **We** will be entitled to have a post mortem examination at **Our** expense
- (c) all certificate, information and evidence required by **Us** will be furnished at **Your** expense and in the form and nature as **We** require.

Exclusions

The following exclusions apply to this section in addition to the General Exclusions at the front of this policy.

This Section does not cover:

1. illness or disease not resulting from **Injury** or suffering from **Injury** due to any gradually operating cause
2. death or disablement arising from or attributable to intentional self-injury, provoked assault or wilful exposure to needless peril (except in an attempt to save human life)
3. death or disablement contributed to or accelerated by the influence of intoxicating liquor or drugs taken by the **Insured Person** (other than for drugs taken under medical supervision unless for the treatment of drug or alcohol addiction) or insanity (whether temporary or otherwise).

Section 5: Deterioration of Stock

Your Schedule will show if this Section is operative.

Definitions

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Refrigeration Unit

Refrigerators, freezer units and chiller cabinets, cold room or cold store.

Refrigerated Stock

Stock in any Refrigeration Unit.

Cover

We will pay for Damage to Refrigerated Stock at the Premises contained in any Refrigeration Unit, caused by deterioration or putrefaction due to:

- (a) a rise or fall in temperature in the Refrigeration Unit resulting from:
 - (i) breakdown of or accidental Damage to its refrigerating plant or associated thermostatic or other control devices
 - (ii) failure of the public electricity supply unless due to a deliberate act of the public electricity supply authority or the exercise by any such authority of its power to withhold or restrict supply
- (b) contamination by the escape of refrigerant fumes.

Our liability will not exceed the sum insured stated in the Schedule for any one occurrence.

Extensions

The following Extensions apply to this Section.

Seasonal Refrigerated Stock Increase

The sums insured for Refrigerated Stock are increased by 25 % during the Period of Insurance where the seasonal trend of Your Business requires such an increase in the sum insured, provided that:

- (a) such trend can be supported by previous trading records
- (b) the period of the increase does not exceed 90 days in any Period of Insurance

Conditions

The following Conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

Maintenance Contract

It is a condition precedent to Our liability that any Refrigeration Unit over 10 years old at the start of the Period of Insurance is maintained annually by a suitably qualified electrical engineer.

Exclusions

The following exclusions apply to this section in addition to the General Exclusions at the front of this policy.

This section does not cover:

1. a deliberate act of the Electricity Authority not performed for the sole purpose of safeguarding life or protecting any part of the Electricity Authority's system
2. due to any wilful act or neglect by You or any Employee
3. due to faulty packing or stowage, inherent defect or any form of normal trade loss
4. the Excess stated in the Schedule.



Section 6: Loss of Licence

Your Schedule will show if this Section is operative.

Definitions

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Licence

The licence granted for the retail sale of excisable liquor.

Loss of Licence

- (a) forfeiture, suspension or withdrawal of the **Licence** under the provisions of legislation governing such licences, or
- (b) refusal to renew the **Licence** after due application to the appropriate licensing authority during the **Period of Insurance**.

Cover

We will pay **You** the amount of depreciation in value of **Your** interest in:

1. the **Premises** or
2. the **Business**

following **Loss of Licence** resulting from causes beyond **Your** control.

Maximum amount payable

Our liability during any one **Period of Insurance** will not exceed the sum insured stated against each item in the **Schedule**. We will also pay any costs and expenses incurred with **Our** written consent in connection with any appeal against the **Loss of Licence**.

Conditions

The following Conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

- (a) it is a condition precedent to **Our** liability that **You** will immediately advise **Us** in writing and supply such additional information and give such assistance as **We** may reasonably require on becoming aware of any:
 - (i) change in tenancy or management of the **Premises**
 - (ii) transfer or proposed transfer of the **Licence**
 - (iii) complaint about the **Premises** or the conduct or control of the **Business**

- (iv) proceedings against or conviction of **You** or the **Licence** holder of the **Premises** for any breach of the licensing laws or other matters whereby the character or reputation of the person concerned is affected or called into question with respect to their honesty, moral standing or sobriety

- (v) alteration in the purpose for which the **Premises** are used

- (vi) objection to the application for the renewal of the **Licence** or any circumstances which may endanger the renewal of the **Licence**.

(b) In the event of the **Loss of Licence** it is a condition precedent to **Our** liability that **You** will:

- (i) give written notice to **Us** within twenty-four hours of becoming aware of such event stating the grounds upon which the **Licence** was forfeited or renewal refused
- (ii) apply if practicable and if required by **Us** for the grant of a new **Licence** for the same or alternative premises as may enable **You** to continue the **Business** in a similar or alternative form
- (iii) give all such assistance as **We** may require for the purpose of an appeal against such **Loss of Licence**.

Exclusions

The following exclusions apply to this section in addition to the General Exclusions at the front of this policy.

This Section does not cover:

1. any loss for which **You** are entitled to obtain compensation under the provision of any statute following refusal to renew the **Licence**.
2. **Loss of Licence** as a result of:
 - (a) any town or country planning, improvement, redevelopment or compulsory purchase order or the surrender, reduction or re-distribution of **Licences** in connection therewith
 - (b) alteration of the **Premises** without the consent of the appropriate authority
 - (c) failure to maintain the **Premises** in good sanitary and general repair
 - (d) failure to comply with any direction or requirement of licensing or other authority
 - (e) **Loss of Licence** is occasioned wholly or partly by or through **Your** misconduct, connivance, neglect or omission or by **Your** failure to take any steps necessary for keeping the **Licence** in force.

Section 7: Employers' Liability

Definitions

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Bodily Injury

Death, injury, illness, disease or shock.

Compensation

Damages including interest.

Costs and Expenses

- (a) Claimants' legal costs for which **You** are legally liable
- (b) all costs and expenses incurred with **Our** written consent in defending any claim
- (c) the solicitor's fees incurred with **Our** written consent for representation at proceedings in any court of summary jurisdiction in respect of any alleged act causing or relating to any occurrence which may be the subject of indemnity under this Section or at any coroner's inquest or fatal accident inquiry.

Offshore Installation

Any:

- (a) installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- (b) installation in the sea or tidal waters which is intended for the storage or recovery of gas or generation of electricity
- (c) pipe or system of pipes in the sea or tidal waters
- (d) accommodation installation for persons who work on or from the locations specified above

Cover

We will indemnify **You** against:

1. legal liability to pay **Compensation** to any **Employee** and
2. **Costs and Expenses** in respect of **Bodily Injury** caused in the course of the **Business**:
 - (a) during the **Period of Insurance**
 - (b) within the **Territorial Limits**
 - (c) elsewhere in the world in respect of any journey or temporary visit in connection with the **Business** by **You** or any of **Your** directors, partners or **Employees** normally resident within the **Territorial Limits**.

Limit of Liability

Our Liability to pay **Compensation** and **Costs and Expenses** in respect of any one claim or series of claims against **You** arising out of one original cause shall not exceed the Limit of Liability stated in the **Schedule**.

Extensions

The following Extensions apply to this Section.

Corporate Manslaughter and Corporate Homicide Act 2007

We will indemnify **You** in respect of:

- (a) legal costs and expenses incurred with **Our** prior written consent and
- (b) prosecution costs awarded against **You** in the defence of criminal proceedings including an appeal against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 as a result of any death to an **Employee** happening in connection with the **Business** during the **Period of Insurance** and which may be the subject of payment under this Section provided that:
 - (i) **Our** liability will not exceed £1,000,000 during any one **Period of Insurance**
 - (ii) all amounts payable under this Extension will form part of and not be in addition to the Limit of Liability stated in the **Schedule**
 - (iii) where **We** have already provided a payment in respect of any legal costs or expenses incurred in connection with the defence of any criminal proceedings including appeals against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 arising out of the same occurrence which give rise to such proceedings any amount paid or payable by **Us** will be deducted from the amount payable under this Section
 - (iv) **We** agreed in writing to the appointment of any solicitor or counsel who is to act on **Your** behalf prior to their appointment.

We will not be liable for:

- (a) any fines or penalties or the cost of implementing any remedial order or publicity order
- (b) an appeal against any fines penalties remedial order or publicity order
- (c) any costs incurred which result from the failure to comply with any remedial order or publicity order
- (d) costs and expenses in connection with any appeal unless advice has been obtained from solicitors or counsel approved by **Us** that there are strong prospects of success

Section 7: Employers' Liability

continued

- (e) costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by **You** or any other director partner or **Employee** of **Yours**
- (f) costs and expenses provided by any other source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance
- (g) costs and expenses in connection with the defence of any criminal proceedings brought in any country other than Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

Court Attendance Compensation

We will pay **You** the daily rates stated below if any of the following are required to attend court as a witness at **Our** request:

- (a) **You**, any director or business partner £500
- (b) any **Employee** £250

Cross Liabilities

Where there is more than one person named as the **Policyholder** in the **Schedule** this Section will apply separately to each named person as if each is insured by a separate policy, provided always that **Our** maximum liability in the aggregate for damages to all parties insured will not exceed the Limit of Liability shown in the **Schedule**.

Health and Safety at Work etc. Act 1974

We will indemnify **You** and at **Your** request, any director, partner or **Employee** against legal costs and expenses incurred with **Our** written consent in the defence of any criminal proceedings brought in respect of a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man, committed or alleged to have been committed during the **Period of Insurance**, including legal costs and expenses incurred with **Our** written consent in an appeal against conviction arising from such proceedings.

We will not be liable for:

- (a) fines or penalties of any kind
- (b) proceedings or appeals in respect of any deliberate or intentional criminal act or omission
- (c) costs and expenses insured by any other policy.

Indemnity to Other Persons

We will at **Your** request indemnify:

- (a) any of **Your** directors, partners or **Employees**

- (b) any officer, committee member or other person employed by **You** catering, social, sports, educational or welfare organisations or first-aid, medical, ambulance, fire or security services
- (c) any director, partner or official for whom with **Your** consent an **Employee** is undertaking private work
- (d) any principal or public or local authority as far as is necessary to meet the requirements of any contract or agreement entered into by **You** for the performance of work
- (e) the owner of plant hired by **You** but only to the extent of the conditions of hire
- (f) any legal representative of any of the above in the event of their death

for amounts which they are legally liable in respect of which **You** would have been entitled to payment under this policy if the claim had been made against **You** provided that:

- (i) any person is not entitled to be paid under any other insurance
- (ii) any person will observe, fulfil and be subject to the terms and conditions of the policy as far as they can apply
- (iii) **We** will retain the sole conduct and control of any claim
- (iv) the total amount **We** will pay for damages to **You** and any such persons will not exceed the Limit of Liability shown in the **Schedule**.

Unsatisfied Court Judgements

If any **Employee** or their personal representative obtains a judgment from a court within the **Territorial Limits** for damages for **Bodily Injury** against any company or individual operating from premises within the **Territorial Limits** and that judgment remains unpaid in whole or in part for more than six months after the date of the award **We** will pay at **Your** request the amount of any unpaid damages and awarded costs to the **Employee** or their personal representative.

Provided that:

- (a) the **Bodily Injury**:
 - (i) is caused during the **Period of Insurance**
 - (ii) arises out of and in the course of employment in the **Business**
- (b) there is no appeal outstanding
- (c) if a payment is made the **Employee** or their personal representative will assign the judgment to **Us**.

Section 7: Employers' Liability

continued

Conditions

The following Conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

Certificate of Employers' Liability Insurance

If this policy or this Section is cancelled then any Certificate of Employers' Liability insurance issued by **Us** is deemed to be cancelled at the same time.

Discharge of Liability

We may at any time pay to **You** in connection with any claim or series of claims:

- (a) the amount of the Limit of Liability or
- (b) any lesser amount for which such claim or claims can be settled less any sum or sums already paid as **Compensation**.

On payment **We** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of **Costs and Expenses** incurred prior to the date of such payment.

Our Right of Recovery

The insurance provided by this Section is deemed to be in accordance with any law relating to compulsory insurance or liability to **Employees** whilst employed in the **Territorial Limits** but **You** will repay to **Us** all sums paid by **Us** which **We** would not have been liable to pay but for the provisions of such law.

Exclusions

The following exclusions apply to this section in addition to the General Exclusions at the front of this policy.

We will not be liable under this Section in respect of:

1. **Bodily Injury** to any Employee arising out of the ownership possession or use by or on **Your** behalf of any mechanically propelled vehicle or trailer if liability is required by any road traffic legislation to be the subject of compulsory insurance or other security
2. **Bodily Injury** to any **Employee** working in or on any **Offshore Installation** or any support vessel for any **Offshore Installation** or whilst in transit to or from any **Offshore Installation** or support vessel.

Section 8: Public and Products Liability

Definitions

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Asbestos

Asbestos, asbestos fibres or any derivatives of asbestos.

Bodily Injury

Death, injury, illness, disease or shock.

Compensation

Damages including interest.

Costs and Expenses

- (a) Claimants' legal costs for which **You** are legally liable
- (b) all costs and expenses incurred with **Our** written consent in defending any claim
- (c) the solicitor's fees incurred with **Our** written consent for representation at proceedings in any court of summary jurisdiction in respect of any alleged act causing or relating to any occurrence which may be the subject of indemnity under this Section or at any coroner's inquest or fatal accident inquiry.

Offshore Installation

Any:

- (a) installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- (b) installation in the sea or tidal waters which is intended for the storage or recovery of gas or generation of electricity
- (c) pipe or system of pipes in the sea or tidal waters
- (d) accommodation installation for persons who work on or from the locations specified above

Products

Any goods, including containers, packaging, labelling and instructions for use, sold, supplied, processed, delivered, installed, tested, repaired, serviced, altered, treated or hired out by **You** in connection with the **Business** and no longer in **Your** possession or control.

Cover

We will indemnify **You** against

1. legal liability to pay **Compensation**
- and
2. **Costs and Expenses**

in respect of:

- (a) accidental **Bodily Injury** to any person
- (b) accidental **Damage** to material property
- (c) accidental nuisance or trespass obstruction loss of amenities or interference with any right of way light air or water
- (d) wrongful arrest detention imprisonment or eviction of any person malicious prosecution or invasion of the right of privacy occurring in connection with the **Business**:
 - (i) during the **Period of Insurance**
 - (ii) within the **Territorial Limits**
 - (iii) elsewhere in the world in respect of any journey or temporary visit in connection with the **Business** by **You** or any of **Your** directors, partners or **Employees** normally resident within the **Territorial Limits**, provided such journey or visit is not for the purpose of performing manual work
 - (iv) anywhere in the world caused by **Products**

Limit of Liability

Our liability to pay **Compensation** in respect of any one claim or series of claims against **You** arising out of one original cause shall not exceed the Limit of Liability stated in the **Schedule**, but this amount will be the maximum amount payable in any one **Period of Insurance** in respect of liability arising out of **Products**.

Where indemnity is provided for liability in respect of claims brought in the United States of America or Canada or their dependencies or trust territories the Limit of Liability stated in the **Schedule** shall be the maximum amount payable by **Us** inclusive of all **Costs and Expenses**.

Extensions

The following Extensions apply to this Section.

Consumer Protection and Food Safety Acts

We will indemnify **You** and at **Your** request any of **Your** directors, **Your** partners or **Employees** against costs and expenses incurred with **Our** written consent in connection with the defence of any proceedings or an appeal against conviction arising from such proceedings brought for a breach of:

- (a) Part 2 of the Consumer Protection Act 1987 or
- (b) Section(s) 7, 8, 14 and/or 15 of the Food Safety Act 1990 committed or alleged to have been committed in the course of the **Business** during the **Period of Insurance**.

We will not be liable for:

- (a) the payment of fines or penalties
- (b) proceedings or appeals in respect of any deliberate act or omission
- (c) costs and expenses insured by any other policy.

Section 8: Public and Products Liability

continued

Contingent Motor Liability

Section Exclusion 2(c) shall not apply to liability arising out of the use of any vehicle in the course of the **Business** anywhere within the **Territorial Limits** provided **We** will not be liable for

- (a) **Damage** to such vehicle or to goods being carried
- (b) for **Bodily Injury** to any person or loss of property arising while the vehicle is being driven by **You** or by any person who to **Your** knowledge does not hold a licence to drive such vehicle
- (c) in respect of liability more specifically insured under any other insurance.

Corporate Manslaughter and Corporate Homicide Act 2007

We will indemnify **You** in respect of:

- (a) legal costs and expenses incurred with **Our** prior written consent and prosecution costs awarded against **You** in the defence of criminal proceedings including an appeal against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 as a result of death to any person other than an **Employee** happening in connection with the **Business** during the **Period of Insurance** and which may be the subject of payment under this Section provided that:
 - (i) **Our** liability will not exceed £1,000,000 during any one **Period of Insurance**
 - (ii) all amounts payable under this Extension will form part of and not be in addition to the Limit of Liability stated in the **Schedule**
 - (iii) where **We** have already provided a payment in respect of any legal costs or expenses incurred in connection with the defence of any criminal proceedings including appeals against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 arising out of the same occurrence which give rise to such proceedings any amount paid or payable by **Us** will be deducted from the amount payable under this Section
 - (iv) **we** agreed in writing to the appointment of any solicitor or counsel who is to act on **Your** behalf prior to their appointment.

We will not be liable for:

- (a) any fines or penalties or the cost of implementing any remedial order or publicity order
- (b) an appeal against any fines penalties remedial order or publicity order
- (c) any costs incurred which result from the failure to comply with any remedial order or publicity order

- (d) costs and expenses in connection with any appeal unless advice has been obtained from solicitors or counsel approved by **Us** that there are strong prospects of success
- (e) costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by **You** or any other director partner or **Employee of Yours**
- (f) costs and expenses provided by any other source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance
- (g) costs and expenses in connection with the defence of any criminal proceedings brought in any country other than Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

Court Attendance Compensation

We will pay **You** the daily rates stated below if any of the following are required to attend court as a witness at **Our** request:

- (a) **You**, any director or business partner £500
- (b) any **Employee** £250.

Cross Liabilities

Where there is more than one person named as the **Policyholder** in the **Schedule** this Section will apply separately to each named person as if each is insured by a separate policy, provided always that **Our** maximum liability in the aggregate for damages to all parties insured will not exceed the Limit of Liability shown in the **Schedule**.

Defective Premises Act 1972

We will indemnify **You** in respect of liability incurred by **You** under the terms of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with any business premises or land which have been disposed of by **You**.

We will not be liable:

- (a) for the cost of repairing or rectifying any defect or alleged defect in such buildings
- (b) in respect of liability more specifically insured under any other insurance.

Data Protection Act 1998

We will indemnify **You** in respect of legal liability under Section 13 of the Data Protection Act 1998 in connection with personal data (as defined in the Act) held by **You** provided that **We** will not be liable for:

- (a) the payment of fines and penalties
- (b) the cost of replacing reinstating rectifying or erasing any personal data.

Section 8: Public and Products Liability

continued

For Policies effective from 25th May 2018 the Data Protection Act 1998 Extension is replaced by the following Extension

General Data Protection Regulations

We will indemnify **You** in respect of legal liability under Article 82 of Regulation (EU) 2016/679 (the "General Data Protection Regulation" or the "GDPR") and the equivalent provision under the Data Protection Act 2018 (all as amended, updated or re-enacted from time to time)

in connection with personal data (as defined in the Regulation) processed by **You** provided that **We** will not be liable for:

- (a) the payment of fines and penalties
- (b) the cost of replacing reinstating rectifying or erasing any personal data.

Our liability shall not exceed £1,000,000 or the Limit of Indemnity shown in the **Schedule**, whichever is the lower, during any one **Period of Insurance** inclusive of costs and expenses

Health and Safety at Work etc. Act 1974

We will indemnify **You** and at **Your** request, any director, partner or **Employee** against legal costs and expenses incurred with **Our** written consent in the defence of any criminal proceedings brought in respect of a breach of the Health and Safety at Work etc. Act 1974 or similar legislation in Northern Ireland, the Channel Islands or the Isle of Man, committed or alleged to have been committed during the **Period of Insurance**, including legal costs and expenses incurred with **Our** written consent in an appeal against conviction arising from such proceedings.

We will not be liable for:

- (a) fines or penalties of any kind
- (b) proceedings or appeals in respect of any deliberate or intentional criminal act or omission
- (c) costs and expenses insured by any other policy.

Indemnity to Other Persons

We will at **Your** request indemnify:

- (a) any of **Your** directors, partners or **Employees**
- (b) any officer, committee member or other person employed by **Your** catering, social, sports, educational or welfare organisations or first-aid, medical, ambulance, fire or security services
- (c) any director, partner or official for whom with **Your** consent an **Employee** is undertaking private work
- (d) any principal or public or local authority as far as is necessary to meet the requirements of any contract or agreement entered into by **You** for the performance of work

- (e) the owner of plant hired by **You** but only to the extent of the conditions of hire
- (f) any legal representative of any of the above in the event of their death

for amounts which they are legally liable in respect of which **You** would have been entitled to payment under this policy if the claim had been made against **You** provided that:

- (i) any person is not entitled to be paid under any other insurance
- (ii) any person will observe, fulfil and be subject to the terms and conditions of the policy as far as they can apply
- (iii) **We** will retain the sole conduct and control of any claim
- (iv) the total amount **We** will pay for damages to **You** and any such persons will not exceed the maximum amount payable shown in the **Schedule**.

Libel and Slander

We will indemnify **You** for any amount **You** become legally liable for claims made during the **Period of Insurance** arising from any act of libel or slander committed in good faith by **You** during the **Period of Insurance** in the course of the **Business** provided that **Our** liability will apply solely to **Your** in house publications including websites and trade publications.

Our liability will not exceed £25,000 in any one **Period of Insurance**.

Overseas Personal Liability

We will indemnify **You** or at **Your** request any director or partner or any **Employee** or spouse of such person in respect of any amount for which they will be legally liable incurred in a personal capacity whilst temporarily outside the **Territorial Limits** in connection with the **Business**.

Provided that this indemnity shall not apply:

- (a) ownership or occupation of land and Buildings
- (b) in respect of liability more specifically insured under any other insurance.

Property in Your Custody and Control

We will indemnify **You** in respect of legal liability for **Damage** to premises including fixtures and fittings leased, hired or rented to **You** or those in **Your** custody or control.

We will not be liable for legal liability under a contract unless legal liability would have attached to **You** in the absence of such contract.

Section 8: Public and Products Liability

continued

Your Schedule will show if this Extension is operative.

Optional Extension of Cover

Hair and Beauty Treatment

Definitions

Operation

Any work on the hair face scalp or body carried out in connection with the **Business**.

Qualified Operator

You or any **Employee** 18 years or over who has either:

- (a) more than 3 years continuous experience of professional hairdressing or beauty treatments or
- (b) completed 2 years technical college training in hairdressing or beauty treatment.

Professional Treatments

- (a) tinting, dyeing, bleaching, permanent waving, straightening of hair or other special treatments of the hair
- (b) washing, styling, cutting and drying of the hair
- (c) eyebrow plucking, shaping, eyebrow and eyelash tinting
- (d) manicure and pedicure (but not chiropody) including nail extensions and nail art
- (e) application of cosmetics and body and facial masks
- (f) application of proprietary hair removal preparations other than electrolysis
- (g) normal hairdressing work on wigs and hairpieces
- (h) ear piercing by the gun and stud method
- (i) application of false tanning products including airbrush tanning and spray tanning

All other agreed **Professional Treatments** will be noted on the **Schedule**.

Cover

We will indemnify **You** in respect of legal liability arising from any **Operation** of **Professional Treatments** undertaken by **You** or any **Qualified Operator** occurring in connection with the **Business** at the **Premises**.

Our liability will not exceed £500,000 in any one **Period of Insurance**.

We will not be liable for:

- (a) preparation of other goods manufactured or made up to **Your** formula in any way by **You** or any **Employee**
- (b) use of any product contrary to the manufacturers instructions
- (c) failure to make prior skin tests before use and/or subsequent procedures required or recommended by the manufacturers or other authorised supplier in respect of any lotion hair dye or other preparation
- (d) any treatment carried out by any person other than a **Qualified Operator** except:
 - (i) the washing and drying of hair hairpieces or wigs
 - (ii) whilst such person is under the direct and continuous supervision of a **Qualified Operator**
- (e) any electrical treatment, violet ray treatment, vibromassage other than of the scalp, the administration of injectable beauty and aesthetic treatments
- (f) any treatment of the eyes, eyes brows or eye lashes (other than as listed in the Definition of **Professional Treatments**)
- (g) ear piercing unless by the gun and stud method
- (h) the use of sunbeds or solariums other than where noted on the **Schedule**
- (i) any treatment not listed in the Definition of **Professional Treatments** or by Extension
- (j) the **Operation** of any **Professional Treatment** to minors unless written consent is obtained from the parents or guardians prior to the treatment.

For the purposes of this Extension any reference to Treatment being excluded in the Section Exclusions is of no effect in respect of **Professional Treatments** specified on the **Schedule**.

Special Conditions

Sterilisation

It is a condition precedent to **Our** liability that **You** ensure:

- (a) all razors, clipper blades and combs used are
 - (i) brand new or
 - (ii) thoroughly sterilised prior to starting treatment on each and every customer
- (b) when ear piercing is undertaken
 - (i) only new pre-sterilised studs and back clasps are used
 - (ii) sterilisation of the gun prior to and between each and every use.

Section 8: Public and Products Liability

continued

Conditions

The following Conditions apply to this Section, in addition to the General Conditions and Claims Conditions at the front of this policy.

Discharge of Liability

We may at any time pay to **You** in connection with any claim or series of claims:

- (a) the amount of the Limit of Liability or
- (b) any lesser amount for which such claim or claims can be settled less any sum or sums already paid as **Compensation**.

On payment **We** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of **Costs and Expenses** incurred prior to the date of such payment.

Exclusions

The following exclusions apply to this section in addition to the General Exclusions at the front of this policy.

We will not be liable under this Section in respect of:

1. **Bodily Injury** to any **Employee** arising out of and in the course of their employment in the **Business**
2. **Bodily Injury** or **Damage** arising from the ownership possession or use by **You** or on **Your** behalf of:
 - (a) any aircraft, aerospace device, hovercraft or watercraft other than hand propelled watercraft and other watercraft not exceeding 7 metres in length
 - (b) any lift, elevator, hoist, crane, steam boiler or other apparatus operating under steam pressure, for which a statutory inspection certificate is required but which is not in force
 - (c) any mechanically propelled vehicle or plant or trailer attached in circumstances in respect of which insurance or security is necessary to meet the requirements of road traffic legislation other than as insured under the Contingent Motor Liability Extension of this Section
3. **Damage** to:
 - (a) property owned by or leased, hired or rented to **You** other than as insured under Property in Your Custody or Control Extension of this Section

- (b) property belonging to **You** or held in **Your** care, custody or control other than:
 - (i) personal property of directors, partners or **Employees**
 - (ii) the property of customers or visitors temporarily on or about the **Premise**
 - (iii) as insured under Property in Your Custody or Control Extension

4. a contract unless legal liability would have attached to **You** in the absence of such contract
5. **Damage** to property, buildings or land caused by vibration or by the removal or weakening of support
6. **Damage** to **Products** or the cost of making good or recalling such **Products** or the cost of rectifying defective work
7. **Damage** to property which **You** or any of **Your Employees** are or have been working on
8. fines, penalties or liquidated, punitive or exemplary damages
9. legal liability arising from or caused by:
 - (a) the provision of advice or any plan, design, formula or specification given separately for a fee or for which a fee is normally charged
 - (b) the making up, sale or supply of any drug or medical preparation normally obtainable on prescription from a medical practitioner
 - (c) the making up sale or supply of animal feeds, seeds, fertilisers, insecticides, or pesticides
 - (d) professional neglect, errors, omissions in treatment, medication, advice, certification or other services by **You**
10. all liability in respect of **Pollution or Contamination** other than that caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during any one **Period of Insurance** provided that:
 - (a) all **Pollution or Contamination** which arises out of any one incident shall be deemed to have occurred at the time such incident takes place

Section 8: Public and Products Liability

continued

(b) **Our** liability for all **Compensation** payable in respect of all **Pollution or Contamination** which is deemed to have occurred during any one **Period of Insurance** shall not exceed in the aggregate the Limit of Liability stated in the **Schedule**

11. (a) exposure to

(b) inhalation of

(c) fears of the consequences of exposure to or inhalation of

(d) the costs incurred by anyone in repairing removing replacing recalling rectifying reinstating or managing

(including those of any persons under any statutory duty to manage) any property arising out of the presence of **Asbestos** including any products containing **Asbestos**.

12. liability arising in connection with any visits to or work on any **Offshore Installation** or any support vessel for any **Offshore Installation** or whilst in transit to or from any **Offshore Installation** or support vessel

13. **Products** which with **Your** knowledge are exported directly or indirectly to the United States of America or Canada

14. any **Products** which with **Your** knowledge are used in the aircraft, space, petro-chemical, gas, offshore, ship building and repair or nuclear industries

15. any **Products** which with **Your** knowledge are to be used in the motor industry other than those not affecting the safety, stability, steering or braking of the vehicle

16. liability caused by or arising from **Products** where the action is brought against **You** in any country not being a member of the European Union where **You** have a branch or a parent or a subsidiary company or are represented by a person or company holding **Your** Power of Attorney

17. the **Excess** stated in the **Schedule**.

Section 9: Terrorism

Your Schedule will show if this Section is operative.

Definitions

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section unless an alternative definition is stated to apply.

Act of Terrorism

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.

Computer Systems

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

Consequential Loss

Loss resulting from interruption of or interference with the **Business** carried on by **You** at the **Premises** in consequence of **Damage** to property used by **You** at the **Premises** for the purpose of the **Business**.

Damage

Loss or destruction of or damage.

Data

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

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to **Damage**, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **Computer Systems**. Denial of Service Attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **Computer Systems**.

Event

All individual losses arising in respect of a continuous period of 72 hours of which the proximate cause is the same **Act of Terrorism**.

The date and time that any such period of 72 hours shall commence shall be set by **Us**.

Hacking

Unauthorised access to any **Computer System**, whether **Your** property or not.

Nuclear Installations

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 ionizing radiations; or
- (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 of use of nuclear fuel.

Nuclear Reactor

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

Phishing

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

Territorial Limits

England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987.

This shall include the Channel Tunnel up to the frontier with the Republic of France, as set out by the Treaty of Canterbury.

Virus or Similar Mechanism

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

Section 9: Terrorism

continued

Cover

We will pay for **Damage** to property within the **Territorial Limits** or **Consequential Loss** arising from an **Act of Terrorism**.

Cover is applicable to the following Sections when shown within **Your Schedule**:

Section 1: Property Damage, Section 2: Business Interruption and Section 4: Money and Assault.

Basis of Settlement

The most **We** will pay for any one **Event** and in total in any one **Period of Insurance** will not exceed:

- (a) the total sum insured, or
- (b) for each item its individual sum insured, or
- (c) any other limit of liability

whichever is the less as stated within the applicable Sections shown in the Terrorism Section of **Your Schedule**.

Maximum Period

The **Period of Insurance** provided by this Section shall be to a maximum of 12 months from the Effective Date or Renewal Date of this policy.

Any subsequent period of cover of 12 months, or part thereof, provided by this Section shall be deemed to constitute a separate **Period of Insurance**, provided that:

- (a) no subsequent **Period of Insurance** by this Section shall extend beyond the next Renewal Date of this policy, and
- (b) the renewal premium due in respect of this Section has been paid by **You** and received by **Us**.

Conditions

It is agreed that:

- (a) in any action, suit or other proceedings where **We** allege that any **Damage** or **Consequential Loss** is not covered by this policy the burden of proving that such **Damage** or **Consequential Loss** is covered shall be upon **You**
- (b) any long term agreement in place is not applicable to **Terrorism**
- (c) this Section is:
 - (i) not subject to any of the Exclusions specified elsewhere in this policy other than those stated in the Exclusions below
 - (ii) subject to all the other terms, limits of liability, definitions, provisos and conditions of this policy (including but not limited to any **Excess** or deductible to be borne by **You**) except as expressly varied hereby.

Exclusions

This Section does not cover **Damage** or **Consequential Loss** directly or indirectly:

1. caused by or contributed to by or arising from or occasioned by or resulting from riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power
2. caused by contributed to by or arising from or occasioned by or resulting from:
 - (a) **Damage** to any **Computer System** or
 - (b) any alteration, modification, distortion, erasure or corruption of Data

in each case whether **Your** property or not, where such loss is directly or indirectly caused by or contributed to, by or arising from or occasioned by or resulting from **Virus or Similar Mechanism** or **Hacking** or **Phishing** or **Denial of Service Attack**.

This Exclusion shall not apply in respect of:

- (i) **Damage** which itself results directly (or, solely as regards to (ii) (c) below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, **Damage** to or movement of buildings or structures, plant or machinery other than any **Computer System**; and
- (ii) comprises:
 - (a) the cost of reinstatement, replacement or repair in respect of **Damage** to **Your Property**; or
 - (b) **Consequential Loss** as a direct result of **Damage** to **Your Property** or as a direct result of denial, prevention or hindrance of access to or use of the **Premises** by reason of an **Act of Terrorism** causing **Damage** to other Property within one mile of the **Premises** to which access is affected; or

Section 9: Terrorism

continued

- (c) the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of **Damage to Your Property** and any additional costs or charges reasonably and necessarily paid by **You** to avoid or diminish such loss

and

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

The meaning of Property for the purposes of this Exclusion shall exclude:

- (a) money, currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever; and
- (b) any **Data**.

Notwithstanding the exclusion of **Data We** will pay **Consequential Loss**:

- (a) directly resulting from **Damage** to Property to the extent that such **Damage** within the meaning of sub-paragraph 2. (ii) directly results from any alteration, modification, distortion, erasure or corruption of **Data**
- (b) as a result of an occurrence of one or more of the events referred to in sub-paragraph 2. (i) results directly or indirectly from any alteration, modification, distortion, erasure or corruption of **Data**.

In no other circumstances will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of **Data** be covered by this Section.

3. In respect of:

- (a) 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**

- (b) any property not being a block of flats which is insured in the name of a private individual and is occupied by that individual for residential purposes

Other than:

- (i) flats and houses insured by trustees and sole traders provided they do not occupy any part of the premises as their own private residence
- (ii) properties which comprise mixed residential and commercial use provided the commercial element exceeds 20 %
- (c) any property which is insured by or would but for the existence of this policy be insured by any form of transit or aviation or marine policy
- (d) bankers blanket bonds
- (e) any other type of property which is specifically excluded elsewhere in this policy.

Section 10: Legal Expenses

Your Schedule will show if this Section is operative.

The insurance provided under this Section is administered by MSL Legal Expenses Limited and underwritten by Financial & Legal Insurance Company Limited. For the purposes of this Section only this insurance is a contract between **You** and MSL Legal Expenses Limited.

This Section is on a claims made basis which means that for there to be a valid claim under the Section, claims must be reported to **Us** during the **Period of Insurance**.

We will, subject to the terms and conditions provide **You** with the insurance set out in this Section in respect of claims reported during the **Period of Insurance** shown in the **Schedule** and for any subsequent period for which **We** may accept a renewal premium.

If an **Insured Person** wishes to discuss a problem which may lead to a claim, please ring **Our** dedicated Legal Advice Helpline service on **0161 603 2203**. **We** will initially deal with a potential claim through the Legal Advice Helpline service and, where necessary, **We** will appoint a lawyer or other suitably qualified person to handle the claim.

Claims should immediately be reported to Financial and Legal Insurance Company:

Telephone: **0161 603 2203**
Email: nonmotorclaims@financialandlegal.co.uk
Post: No.1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire, SK8 3GW.

Once details have been received by **Us** and **We** have accepted the claim an **Appointed Representative** will be appointed by **Us** to handle the claim.

LawAssistance: Registration Info

As a benefit of this Section of the Covéa Insurance Packaged Retail and Salons policy **You** now have access to LawAssistance, a service that provides access to an extensive range of legal documents, as well as a comprehensive jargon-free guide to business and employment law.

LawAssistance has been designed to meet business needs, allowing unlimited access to interactive legal documents. **You** will also have access to an online law guide to help **You** deal with a range of legal issues.

To access this site please go to:
www.lawassistance.co.uk/msl

You will need to register **Your** account:

1. Click on Register
2. Enter **Your** voucher code and shown in your policy **Schedule** and click Validate voucher
3. Complete the registration details and keep a note of **Your** user name and password

You will only need to complete this process once. Once registered **You** will be able to access the site by entering **Your** username and password details in the boxes provided for existing users.

Definitions

The following definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Appointed Representative

means the claim negotiator, lawyer or other suitably qualified person appointed by **Us** to act on behalf of the **Insured Person**, in accordance with **Our** standard terms of appointment.

Basic Award

means the award of an Employment Tribunal for an unfair dismissal and/or breach of discrimination legislation that is to compensate an **Employee** for the loss of their statutory rights.

Buildings

means the buildings and land owned by **You** or for which **You** are legally responsible, shown in the **Schedule** and used in connection with the **Business**.

Business

means the Business shown in the **Schedule**.

Compensatory Award

means the award of an Employment Tribunal for an unfair dismissal and/or breach of discrimination legislation that is to compensate an **Employee** against financial loss that relates to their dismissal.

Costs and Expenses

means all necessary and reasonable:

- (a) Fees, costs, disbursements and expenses charged by the **Appointed Representative** and agreed by **Us**;
- (b) Opponents costs in civil cases where the **Insured Person** is ordered to pay them or where **We** agree to pay them;

in pursuing the claim including the costs of any appeal or defending an appeal, provided the **Insured Person** tells **Us** within the time limits and provided that **We** agree to the appeal.

Section 10: Legal Expenses

continued

Cross-Tax Enquiry

Means an investigation by HM Revenue & Customs into **Your** business tax affairs, which also includes an investigation into **Your** Value Added Tax return and/or Employer's Compliance.

Employee

means any person under a contract of service with **You** in connection with the **Business**. This includes any:

- (a) Trainee under **Your** control in connection with a government approved training scheme;
- (b) Ex-employee or prospective employee.

Insured Person

means **You** and any director, partner and **Employee** of **Your Business** provided that they have **Your** permission to claim under this policy Section.

Legal Proceedings

means a legal remedy for compensation, specific performance or an injunction.

Reasonable Prospects

means that in respect of each claim there is always more than a 50% chance of the **Insured Person** recovering damages, defending a claim or prosecution or obtaining a legal remedy. This will be assessed by **Us** or the **Appointed Representative**.

Tax Enquiry

means an investigation by HM Revenue & Customs into **Your** business tax affairs.

We/Us/Our

means Financial and Legal Insurance Company.

You/Your

means the **Policyholder** shown in the **Schedule**.

What is Insured

We will, subject to What is NOT Insured, the Claims Settlement Provisions and Conditions of this Section provide the insurance in relation to the Insured Incidents, set out below.

Provided that:

- (a) **Reasonable Prospects** exist for the duration of the claim.
- (b) The claim is reported to **Us**
 - (i) during the **Period of Insurance**, and
 - (ii) immediately after the **Insured Person** became aware of circumstances which may give rise to a claim.

- (c) The **Insured Person** follows the advice provided to the **Insured Person** by **Our** Legal Advice Helpline service.
- (d) The **Insured Person** seeks and continues to follow the advice from **Our** Legal Advice Helpline service.
- (e) During the course of any dispute from the date that the **Insured Person** became aware of the dispute and throughout the duration of the dispute the **Insured Person** keeps **Us** up to date with all developments and the **Insured Person** follows and continues to follow the advice from **Our** Legal Advice Helpline service.
- (f) The **Business** is situated in the United Kingdom, the Isle of Man or the Channel Islands.
- (g) The **Buildings** are situated in the United Kingdom, the Isle of Man or the Channel Islands.
- (h) The event which leads to a claim arises in connection with the **Business**.

We will not pay:

1. In respect of any one claim and in total in any one **Period of Insurance** more than the relevant Limit of Liability and the annual aggregate limit shown in the **Schedule**.
2. The amount of any **Excess** shown in the **Schedule** in respect of each claim.
3. Any claim or incident which may lead to a claim and which the **Insured Person** knew about or ought reasonably to have known about before the start of this Section.
4. Any claim relating to an **Insured Person's** previous trade, business, occupation or profession.
5. The first 10% of **Costs and Expenses** where the **Insured Person** chooses their own lawyer or other suitably qualified person in relation to a claim under this Section.

Insured Incidents

1. Employment Disputes

We will pay the **Costs and Expenses** in relation to the defence of **Legal Proceedings** arising from or relating to a breach of an **Employee's** contract of service which will be dealt with in an Employment Tribunal under employment legislation.

Provided that:

- (a) In the event of any issues arising that could give rise to a legal dispute with an **Employee**, the **Insured Person** has followed the advice provided to the **Insured Person** by **Us**.
- (b) The **Insured Person** seeks and continues to follow all advice from **Us** as to the steps to be taken in the following situations:
 - (i) Before taking any disciplinary action or commencing a disciplinary procedure.

Section 10: Legal Expenses

continued

- (ii) Before dismissing an **Employee**.
- (iii) Upon receipt of notification of any form of grievance by an **Employee** or a complaint of discrimination.
- (iv) Before starting any redundancy process or making an **Employee** redundant.
- (v) Before seeking to make a material change to an **Employee**'s contract which is likely to have a negative impact upon that **Employee**.
- (vi) Upon becoming aware of a situation that could give rise to a potential claim for constructive dismissal by an **Employee**.

We will not pay for:

1. Any claim relating to disciplinary hearings or internal grievance procedures.
2. The costs of any disputes relating to a settlement agreement.
3. Any dispute relating to a shareholding, partnership or directors contract.
4. Any claim relating to the Transfer of Undertakings (Protection of Employment) Regulations (TUPE).
5. Any claim relating to future contracts of employment.
6. Any claim in respect of personal injury or loss of or damage to property.
7. Any claim relating to unpaid wages and commission or deduction from wages or commission.
8. Any claim relating to benefits due under a contract of employment.
9. Any claim relating to payment relating to redundancy.

2. Employment Compensation Awards

We will pay a **Basic Award** and/or **Compensatory Award** which is awarded to an **Employee** by either a tribunal or through the Advisory, Conciliation and Arbitration Service (ACAS) Arbitration Scheme, or an amount agreed by **Us** in settlement of a dispute.

Provided that the **Basic Award** or **Compensatory Award** follows a claim which **We** have accepted under Insured Incident 1. Employment Disputes.

We will not pay for:

1. Any award arising out of the **Insured Person's** failure to provide any **Employee** with written reasons for their dismissal.
2. Any award made as a result of the **Insured Person's** failure to provide a contract of employment or statement of terms and conditions of employment.
3. Any award relating to any contractual rights to which the **Employee** is entitled.

4. Any claim in relation to equal pay or the minimum wage employment legislation.

3. Health and Safety Appeals

We will pay the **Costs and Expenses** in relation to an appeal against the service of an improvement or prohibition notice, a suspension notice or an order of enforcement under the Health and Safety at Work Act 1974 or the Food Safety Act 1990.

Provided that upon becoming aware of the service of a notice or enforcement order under or in relation to the Health and Safety or Food Safety Acts, the **Insured Person** acts with due diligence in the event of any approach by the Environmental Health Office or the Health and Safety Executive.

We will not pay for any claim:

1. Relating to assault or violence, malicious falsehood, the manufacture or dealing in alcohol, illegal drugs, indecent or obscene materials or illegal immigration.
2. In connection with an offence relating to the proceeds of any crime or criminal act.

4. Jury Service

For each day when an **Insured Person** is required to attend jury service in the United Kingdom **We** will pay the actual loss of the salary or wages of an **Insured Person** for the time off work for jury service.

Provided that such salary or wages are not recoverable from the relevant court, tribunal or other party.

We will not pay for any claim where the date the **Insured Person** receives first notification of jury service or deferral of jury service is before the commencement of this Section.

The requirement for **Reasonable Prospects** to exist for the duration of the claim does not apply to this Insured Incident.

5. Legal Defence

We will pay the **Costs and Expenses** for defending an **Insured Person's** rights relating to any:

- (a) Prosecution in a court of criminal jurisdiction brought or commenced against the **Insured Person** arising out of health and safety at work, occupational hygiene, food safety hygiene, food legality and the supply of safe goods.
- (b) Civil action being taken against an **Insured Person** for wrongful arrest in connection with an accusation of theft.
- (c) Civil action being taken against an **Insured Person**, but not **You**:
 - (i) under legislation for unlawful dismissal on the grounds of race, sex, sexual orientation, age, disability or religious belief arising from that person's work as an **Employee**;

Section 10: Legal Expenses

continued

- (ii) as a trustee of a pension fund set up for the benefit of Your Employees.
- (d) The defence of **Legal Proceedings** brought against **You** for compensation by reason of any contravention by **Your** data controller of any of the statutory or regulatory requirements governing the control of data.
- (e) Appealing against the refusal of the Information Commissioner to register **Your** application for registration.
- (f) An **Insured Person** being served with an enforcement, de-registration or transfer prohibition notice or information notice or special information notice.

We will not pay for:

1. Any costs arising unless **You** have registered with the Data Protection Register or Data Protection Commissioner.
2. Any claim relating to a Road Traffic Offence.

6. Contract Disputes and Debt Recovery

We will pay the **Costs and Expenses** for the pursuit or defence of **Legal Proceedings** relating to an agreement or alleged agreement that an **Insured Person** has entered for the buying, selling or hiring in of any goods or services.

Provided that:

- (a) Any claim for undisputed and unpaid monies owed is notified to **Us** within 45 days from the date the monies were first due and payable.
- (b) All **Your** normal credit control procedures have been exhausted or **You** have made reasonable efforts to recover the monies owed.
- (c) The amount in dispute exceeds the amount shown in the **Schedule**.

We will not pay for:

1. Any claim relating to any land or buildings.
2. Any claim relating to a lease or licence of any land or buildings.
3. Any claim relating to a motor vehicle owned, driven, used, hired, leased, sold or purchased by an **Insured Person**.
4. Any claim relating to the settlement payable or the cover provided under an insurance policy.
5. Any claim relating to a loan, pension, investment or any other borrowing or financial instrument.
6. A contract of employment.
7. Arbitration arising out of an arbitration clause in any contract.
8. Computer goods, systems or services.
9. A breach or alleged breach of professional duty by an **Insured Person**.

10. The monetary cost of putting right any damage caused or an alteration occasioned by or as a tenant.

7. Property Disputes

We will pay the **Costs and Expenses** for the pursuit of **Legal Proceedings** relating to:

- (a) An incident which causes or could cause physical damage to the **Buildings**.
- (b) Any unlawful interference of **Your** use or enjoyment or right of the **Buildings**.
- (c) The landlord's failure to maintain the **Buildings**.

Provided that:

- (a) The amount in dispute exceeds the amount shown in the **Schedule**.
- (b) The **Buildings** are situated in the United Kingdom, the Isle of Man or the Channel Islands.

We will not pay for:

1. Any claim relating to an **Insured Person's** previous trade, business, occupation or profession.
2. Any claim relating to the rent, service and maintenance charges or renewal of a tenancy agreement.
3. Any claim relating to planning.
4. Any claim where the **Insured Person** is the landlord of the **Buildings** or is leasing, sub-letting or renting out part of the **Buildings**.
5. Any claim relating to work done by any government or local authority unless the claim is for accidental physical damage to the buildings.
6. Any claim relating to subsidence, heave, landslip, mining or quarrying.

8. Court Attendance

For each day that an **Insured Person** is required to attend any court or tribunal at the request of an **Appointed Representative**, **We** will pay the actual loss of the salary or wages of an **Insured Person** for the time off work.

Provided that such salary or wages are not recoverable from the relevant court, tribunal or other party.

We will not pay for any loss incurred before an **Insured Person** makes a claim.

We will not pay for any claim where **You** are unable to support **Your** loss.

9. Tax Protection

We will pay the **Costs and Expenses** for the defence of **Legal Proceedings** relating to:

Section 10: Legal Expenses

continued

- (a) A **Tax Enquiry** or **Cross-Tax Enquiry**.
- (b) An investigation by HM Revenue and Customs of **Your** compliance with Pay As You Earn regulations.
- (c) An appeal to a VAT tribunal following an assessment by HM Revenue and Customs.

Provided that:

- (a) **You** have taken reasonable care to ensure that **Your** accounts and tax affairs and records have been properly maintained.
- (b) All returns to HM Revenue and Customs have been completed, are correct and submitted on time.

We will not pay for any claim:

- 1. Relating to **Your** failure to register for VAT.
- 2. Arising from a tax avoidance scheme.
- 3. Arising from any investigation undertaken by HM Revenue and Custom's Special Investigations unit.

10. Licence Protection

We will pay the **Costs and Expenses** in relation to an appeal against a statutory licensing authority following an act or omission, which leads to the suspending, revoking, altering the terms of or refusal to renew a statutory licence.

11. Personal Injury

We will pay the **Costs and Expenses** in relation to the pursuit of **Legal Proceedings** in respect of any incident causing bodily injury or death to an **Insured Person**.

Provided that the claim is the result of a sudden and specific incident.

We will not pay for any claim:

- 1. Which develops gradually unless it is the result of a sudden and specific event.
- 2. Arising from actual or alleged clinical, medical or dental negligence.

What is NOT Insured

The following are not insured by this Section.

1. Prior Claims

Any claim or incident which may lead to a claim and which the **Insured Person** knew about or ought reasonably to have known about before the start of this Section.

2. Prior Costs and Expenses

Any costs incurred before a claim is made and any **Costs and Expenses** which **We** do not authorise.

3. Motor Vehicles

Any claim relating to a motor vehicle owned, driven, used, hired, leased, sold or purchased by an **Insured Person**.

4. Dishonesty, Deliberate Acts, Violence and Fraud

Any claim:

- (a) Involving actual or alleged dishonesty or violence by the **Insured Person**;
- (b) Or statement which is overstated, false or fraudulent.

We will have the right to refuse to pay a claim or to void this insurance from the date of the act.

5. Non-Business Related Claims

Any claim not in connection with the **Business**, including but not limited to where a contract has been entered into as a private individual or defence is required for a private matter.

6. Judicial Review, Mediation and Arbitration, Marital and Family Disputes, Intellectual Property, Libel and Slander, Share Options, Pensions, Date Change and Mortgage Lender

Any claim directly or indirectly relating to or resulting from:

- (a) A judicial review.
- (b) Mediation and arbitration.
- (c) Divorce, matrimonial matters, cohabitation, maintenance, custody or access.
- (d) Copyrights(s), trademark(s), merchandise mark(s), registered design(s) or other intellectual property rights or secrecy and confidentiality agreements.
- (e) Libel or slander.
- (f) Any share option or pension scheme or policy.
- (g) Any device failing to recognise, interpret or process any date as its true calendar date.
- (h) Any dispute arising between the **Insured Person** and any agent or mortgage lender.

Section 10: Legal Expenses

continued

7. Bankruptcy, Liquidation or Receivership

Any claim where the **Insured Person** is bankrupt, in liquidation, has made an arrangement with his or her creditors, has entered into a Deed of Arrangement or part or all of the **Insured Person's** affairs or property are in the care or control of a receiver or an administrator.

8. Other Insurance

Any **Costs and Expenses**, which can be recovered by an **Insured Person** under any other insurance or which would have been covered if this insurance did not exist, except for any amount in excess of that which would have been payable under such insurance(s).

9. Fines and Penalties

Fines, damages other penalties or punitive damages, which the **Insured Person** is ordered to pay by a court or other authority, except as provided for under Insured Incident 2. Employment Compensation Awards.

10. Disputes with Us, Coveá Insurance

- (a) Any claim against **Us**, Financial & Legal Insurance Company Limited or any company or subsidiary of the MSL group of companies.
- (b) Any claim against Coveá Insurance.
- (c) Any dispute between an **Insured Person** and any domestic partner or family members permanently living with an **Insured Person**.

11. War Risks

Any claim arising from any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, confiscation, requisition, terrorism or alleged acts of terrorism as set out in the Terrorism Act 2000, or damage to property by or under the authority of any government, public or local authority.

12. Radioactive Contamination and Pressure Waves

Any claim which arises from or is directly or indirectly caused by, contributed to, by or arising from any of the following, or from any similar reaction or event:

- (a) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;

- (b) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly;
- (c) Pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.

13. Territorial Limits

Any claim:

- (a) Where the dispute is pursued outside the jurisdiction of a court or other body within the United Kingdom, the Channel Islands or the Isle of Man;
- (b) Which occurs outside the United Kingdom, the Channel Islands or the Isle of Man;
- (c) Where the **Insured Person** permanently lives outside the United Kingdom, the Channel Islands or the Isle of Man.

Claims Settlement Provisions

1. Reasonable Precautions

The **Insured Person** must take all reasonable precautions to reduce or remove the risk of a claim and not take any deliberate acts, which will result in a claim.

2. When You Must Report a Claim to Us

The **Insured Person** must tell **Us** immediately of any circumstances which may give rise to a claim.

3. Acceptance of a Claim

On receipt of the claim it will be assessed and dealt with by **Our** in house claims negotiators and, if appropriate and if **Reasonable Prospects** exist and the claim is reported to **Us** immediately after the **Insured Person** becomes aware of circumstances which may give rise to a claim, **We** will then instruct an **Appointed Representative** to handle the claim on behalf of the **Insured Person**. If there is a dispute as to whether **Reasonable Prospects** exist, **We** may require the **Insured Person**, at the **Insured Person's** own expense, to obtain Counsel's opinion as to the merits of the case. The costs will be refunded to the **Insured Person** if Counsel's opinion clearly shows that there are merits in proceeding.

Section 10: Legal Expenses

continued

4. Conduct of the Claim

(a) **We** will be entitled:

- (i) To have direct contact with the **Appointed Representative**;
- (ii) To take over and conduct in the **Insured Person's** name any claim or **Legal Proceedings** at any time and negotiate any claim on behalf of the **Insured Person**;
- (iii) To refuse to accept a claim or continue with a claim where the **Insured Person** does not take reasonable care not to make a misrepresentation or has failed to supply relevant information and supporting evidence to **Us** or the **Appointed Representative**.

(b) What the **Insured Person** must do:

- (i) Provide, at the **Insured Person's** own expense, the **Appointed Representative** and **Us** with any proof, evidence, certificates and assistance as **We** may reasonably ask for in connection with the claim, including proof as to whether **Reasonable Prospects** exist;
- (ii) Cooperate fully with the **Appointed Representative** and **Us** and provide, within a reasonable time avoiding any unnecessary delays, any relevant requested information and documentation in relation to the claim;
- (iii) Take all reasonable steps to recover **Costs and Expenses** and to minimise the amount payable under this Section;
- (iv) Take all reasonable steps to resolve disputes that otherwise may give rise to a claim;
- (v) Notify **Us** and the **Appointed Representative** immediately of any offer to settle a claim and of any payments into court;
- (vi) Tell the **Appointed Representative** to have **Costs and Expenses** taxed, assessed and audited if **We** request.

(c) What the **Insured Person** must not do:

- (i) Withdraw from any claim or **Legal Proceedings** or withdraw instructions from **Us** without **Our** consent or the consent of the **Appointed Representative**;
- (ii) Pursue a claim in any way against the advice or Instructions from **Us** or the **Appointed Representative**;
- (iii) Incur any **Costs and Expenses** without **Our** consent or the consent of the **Appointed Representative**;

- (iv) Agree to settle any claim on any basis or reject any offer to settle a claim, without **Our** consent or the consent of the **Appointed Representative**.

Please Note

We will be entitled to be reimbursed by the **Insured Person** for any **Costs and Expenses** previously agreed or paid to or on behalf of the **Insured Person** if the **Insured Person** breaches any of the conditions in (b) and (c) above.

5. Payment Instead of Pursuing or Defending a Claim

At any time **We** will be entitled to pay the reasonable amount of damages claimed if in **Our** opinion this would be a more economic solution.

6. Legal Proceedings

Any **Legal Proceedings** must be dealt with in the jurisdiction of a Court or tribunal in the United Kingdom, the Channel Islands or the Isle of Man.

7. Choice of Appointed Representative

If there is a conflict of interest, or if the claim is not settled by negotiation and it then becomes necessary to start court proceedings, only then will the **Insured Person** be entitled to choose their own lawyer for **Us** to instruct as the **Appointed Representative** to handle the claim. If there is any dispute about the choice of lawyer **We** will ask the president of the relevant national Law Society to choose a suitably qualified lawyer.

Where the **Insured Person** chooses their own lawyer or other suitably qualified person, **We** will not pay the first 10% of any **Costs and Expenses** charged by the **Insured Person's** own lawyer or other suitably qualified person.

Conditions

1. Observance of Terms

Anyone making a claim under this Section must have **Your** permission and observe the terms under this Section.

2. Cancellation

You may cancel this Section within 14 days of its inception without any premium charge provided that there have been no claims. If a claim has been reported, no refund of premium will be granted. Thereafter **You** may cancel this Section at any time and **You** will be entitled to a return premium for the exact number of days left on the policy provided that there have been no claims reported. If a claim has been reported no return premium will be granted. If **You** cancel the Legal Expenses Insurance Section **You** must contact **Your** broker.

Section 10: Legal Expenses

continued

We may cancel this Section at any time provided that **We** give **You** 7 days notice of cancellation and there is a valid reason for doing so. Valid reasons for cancellation include, but are not limited to fraud, dishonesty and any outstanding amount due from **You** in relation to any claim under the Legal Expenses Insurance Section.

Where **We** cancel this Section **We** will provide a return premium for the exact number of days left on the policy provided that there have been no claims reported. If **We** cancel this Section **We** will write to **You** at **Your** address shown in **Our** records.

3. Arbitration

Any dispute or difference of any kind between **Us** and an **Insured Person** will be referred to arbitration by a single arbitrator who will be either a barrister or solicitor. If the parties are unable to agree on the appointment of an arbitrator, all parties agree to accept an arbitrator nominated by the President of the relevant national Law Society. The arbitrator's decision will be final and binding on all parties and the unsuccessful party shall be responsible for any costs incurred by the successful party in the arbitration proceedings as well as their own costs.

4. New Rules

If during the **Period of Insurance**, any changes should be made (whether issued or implemented by any relevant authority or otherwise) to applicable rules, laws, legislation, judgements, regulations, directives, guidance, codes of conduct, recommendations or requirements or any other rules, instruments and provisions in force from time to time which alter or affect (or may alter or affect) in any way the legal costs regime to **Our** or **Your** material detriment, **We** reserve the right to amend this Section to deal appropriately (fairly to both **You** and **Us**) with such changes. In those circumstances **We** will issue an endorsement to this Section notifying **You** within 21 days of the proposed changes by sending to **You** details of those changes to **Your** last known address. **You** will, however, be free to accept or reject those changes in line with the procedure set out in the endorsement.

5. Third Party Rights

Unless expressly stated in this Section, nothing in this Section will create any rights in favour of any person pursuant to the Contracts (Right of Third Parties) Act 1999.

6. Waiver

If **We** or any **Insured Person** fail to exercise or enforce any rights conferred on them by this Section, the failure to do so will not be deemed to be a waiver, nor will it bar the exercise or enforcement of, such rights at any subsequent time.

7. Recoveries

We reserve the right, at **Our** own expenses, to take proceedings in the name of the **Insured Person** to recover any payment made under this Section. If an **Insured Person** recovers **Costs and Expenses** previously paid under this Section such **Costs and Expenses** must be immediately repaid to **Us**.

8. Assignment

This Section is between and binding upon **Us** and **You** and their respective successors in title, but this Section may not otherwise be assigned by **You** without **Our** prior written consent.

9. Governing Law

This Section is subject to the law applicable to **Your Business** being registered in the United Kingdom, the Isle of Man or the Channel Islands.

How to Make a Claim and Advice Service 0161 603 2203

If **You** need to contact **Us** or need to make a claim **You** can call **Us** on the above number, email **Us** at nonmotorclaims@financialandlegal.co.uk or write to Financial and Legal Insurance Company, No.1 Lakeside, Cheadle Royal Business Park, Cheadle, Cheshire, SK8 3GW.

If there is a claim, which is covered by this Section **We** will then send the **Insured Person** a claim form to be completed and returned to **Us**.

If the claim is reported to **Us** during the **Period of Insurance** and is accepted and **Reasonable Prospects** exist, the claim will be handled by **Our** specialist claims unit or **We** will instruct an **Appointed Representative** or other suitably qualified representatives to act on behalf of the **Insured Person**.

Please note that:

- (a) Any costs incurred before a claim is made and any costs which **We** do not authorise are not insured by this Section.
- (b) Under this Section there must be **Reasonable Prospects** for any claim to proceed. This does not apply to Insured Incident 4. Jury Service and 8. Court Attendance.
- (c) If there is any conflict of interest or if court proceedings are to be issued only then will the **Insured Person** be entitled to choose their own lawyer.

Section 10: Legal Expenses

continued

Data Protection

We take **Your** privacy seriously. How **We** use and look after the personal information **You** give **Us** is set out below.

Information may be used by **Us**, **Our** employees, Covea Insurance PLC, agents and service providers for the purposes of insurance administration, underwriting, claims handling, or for statistical purposes.

We have determined that **We** have a lawful basis for processing Your personal data. The basis is that it is necessary for **Us** to enable the performance of the insurance contract to process **Your** personal information to administer **Your** policy of insurance and/or handle any insurance claim **You** may submit to **Us** under this policy. The processing of **Your** personal data may also be necessary to comply with any legal obligation **We** may have and to protect **Your** interest during the course of any claim.

We will not pass **Your** information to any third parties except to enable **Us** to process your claim, prevent fraud and comply with legal and regulatory requirements. In which case **We** may need to share **Your** information with the following third parties within the EU:

- Solicitors or other **Appointed Representatives**
- Underwriters, Reinsurers, Regulators and Authorised/Statutory Bodies
- Fraud and crime prevention agencies, including the police
- Other suppliers carrying out a service on **Our**, or **Your** behalf
- Covea Insurance PLC, together with any associated company, their business partners and agents.

You can request to see what data **We** hold on **You**, there is no charge for this service.

We will not use **Your** information for marketing further products or services to **You** or pass **Your** information on to any other organisation or person for sales and marketing purposes without **Your** consent.

Under this section **We/Us/Our** includes the underwriter Financial & Legal Insurance Company Limited.

If **You** have any questions about **Our** privacy policy or the information **We** hold about **You** please contact **Us**.

Please read this Section of your policy document carefully and keep it in a safe place.



Your Business Insurance Packaged Retail and Salons Product



0330 221 0444

All calls may be recorded for training
and evidential purposes



Covéa Insurance
Norman Place
Reading
RG1 8DA



www.coveainsurance.co.uk

Covea Insurance plc
Registered Office: Norman Place, Reading, Berkshire, RG1 8DA
Registered in England and Wales No. 613259
Authorised by the Prudential Regulation Authority and regulated by the
Financial Conduct Authority and the Prudential Regulation Authority No. 202277

