



## Shopkeepers Policy

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## Shopkeepers Policy

This Policy and Schedule shall be read together as one contract.

The **Insured** has applied to the **Company** for this insurance by a proposal and declaration or statement of fact, which shall be the basis of and incorporated in this contract, and in consideration of which a premium has been or will be paid.

As part of this contract the **Company** will provide insurance by any Section or Extension of this Policy made operative as shown on the Schedule for each period of insurance for which payment of premium has been accepted, subject to the terms, conditions and exclusions shown within the Policy and Schedule.

The Policy has been signed for and on behalf of Fortis Insurance Ltd (the **Company**).

B D SMITH  
Chief Executive

This Policy forms part of the contract with the **Company** and must be kept safe with all the Schedules and Endorsements.

Please read the Policy and Schedule carefully to ensure it meets your requirements; if it does not, please contact your broker or agent immediately.



## Definitions

The following words or expressions shall carry the meaning shown below whenever they appear in a customised endorsement on the schedule or whenever they appear in **bold** in the Policy, Schedule, Endorsements and the proposal form or statement of fact. Wherever the defined words are shown in the plural they take the same meaning as shown below, but in the plural.

## Buildings

The **Buildings** (excluding Glass, Blinds and Signs) at the risk address shown in the Schedule including

- outbuildings attached to the main building
- detached outbuildings if specified as included on the Schedule
- residential accommodation (where shown as included on the Schedule)
- walls gates and fences around the **Buildings** and belonging to them
- landlords fixtures and fittings excluding carpets

all belonging to the **Insured** or for which the **Insured** is legally responsible.

## Business

The **Business** shown in the Schedule including

- the repair and maintenance of the **Premises**
- the provision of fire, security and ambulance services at the **Premises**
- the provision of first aid but excluding any first aid provided by any qualified medical practitioner or nurse
- private work undertaken by the **Insured's Employees** (with the consent of the **Insured**) for any director, partner or senior executive of the **Insured**
- the provision and management of canteen, sports, social and welfare organisations by the **Insured** for the benefit of the **Insured's Employees**.

## Business Hours

The period during which the **Premises** are actually occupied for **Business** purposes and during which the **Insured** or **Employees** are in the **Premises**.

## Business Money

**Money** held in connection with the **Business** belonging to the **Insured** or for which the **Insured** is legally liable.

## Company

Fortis Insurance Ltd.

## Computer

All equipment, including interconnected wiring, fixed disks and telecommunications equipment, used at the **Premises**, for the storage and communication of electronically processed data, (but excluding any such equipment controlling any manufacturing process) the **Property** of the **Insured** or leased hired or rented to the **Insured** and for which the **Insured** is legally responsible.

## Computer Records

All current and backup **Computer Records** (excluding fixed disks and paper records of any description) incorporating stored programs and information stored on them, the **Property** of the **Insured** or leased, hired or rented to the **Insured** and for which the **Insured** is legally responsible.

## Damage

Accidental loss, destruction or damage.

## Denial of Service Attack

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

## Employee

Any:

- person under a contract of service or apprenticeship with the **Insured**,
- labour master (or labour only sub-contractor) or person supplied by the **Insured** or any self employed person for labour only
- person hired or borrowed by the **Insured** from another employer subject to any agreement under which the person is considered to be employed by the **Insured**
- student or persons undertaking work for the **Insured** under a work experience or similar scheme whilst engaged by the **Insured** in the course of the **Business**.

## Excess

The first part of any agreed claim after the application of Policy limits and Average if appropriate other than any voluntary excess.

## Excluded Property

Antiques, furs, suede or leather clothing (other than footwear) jewellery, gold or silver articles, firearms or ammunition, explosives and fireworks.

## Family

The **Insured**, his/her domestic partner and any relative who permanently resides with him/her.

## Hacking

Unauthorised access to any **Computer** or other equipment or component or system or item which processes, stores or retrieves data, whether the property of the **Insured** or not.

## Household Contents

Household goods and personal property in the **Buildings** belonging to the **Insured** or **Family**.

## Increase in Cost of Working

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the **Loss of Net Takings** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage**.

## Indemnity Period

The period beginning with the occurrence of the **Damage** and ending not later than the Maximum Indemnity Period specified in the Schedule thereafter during which the results of the **Business** shall be affected in consequence of the **Damage**.

## Injury

Bodily injury, death, illness or disease.

## Insured

The person, persons or company named in the Schedule as 'The **Insured**' and includes subsidiary companies notified to and agreed as accepted by the **Company**.

## Intruder Alarm Systems

The component parts of intruder alarm systems including the means of communication used to transmit signals.

## In Transit

- Being loaded on or in a **Vehicle**
- Carried by a **Vehicle**
- Temporarily contained on or in, a **Vehicle** whilst parked or stationary or a secure storage location, for a continuous period of no more than 48 hours
- Being unloaded off or from a **Vehicle** but not including positioning, installation, commissioning or erection once it has been unloaded.

## Legal Costs

All costs and expenses incurred with the written consent of the **Company** in addition to claimants costs and expenses for which the **Insured** is legally liable.



#### Loss of Information

Accidental loss, distortion, corruption or erasure of programs or information.

#### Loss of Limbs or Eyes

**Physical Injury**, which solely and directly results in:

- a) loss by physical severance of hand or foot at or above the wrist or ankle or the total and permanent loss of use of an entire hand or arm or an entire foot or leg
- or
- b) total and irrecoverable loss of all sight in one or both eyes.

#### Money

Cash, bank currency notes, cheques, postal orders, money orders, unused postage stamps, National Insurance stamps, trading stamps, luncheon vouchers, credit company sales vouchers, Value Added Tax purchase invoices, lottery and other prize scratch cards, utility vouchers, top up cards and mobile phone vouchers and top up cards.

#### Net Takings

The monies paid or payable to the **Insured** for goods sold and delivered and for services rendered during the course of the **Business** at the **Premises** less the cost of the purchases relative to them.

#### Outstanding Debit Balances

The total amount of the **Outstanding Debit Balances** in customers credit accounts including hire purchase and credit sales accounts at the date of the **Damage** adjusted for bad debts.

#### Permanent Total Disablement

**Physical Injury** not resulting in death or **Loss of Limbs or Eyes**, which solely and directly results in permanent and absolute inability of the **Insured** or **Employee** to attend to any part whatsoever of his occupation or any other occupation for which he is fitted by knowledge or training.

#### Personal Effects

Those articles which are normally worn or carried by the user when in use.

#### Personal Possessions

Personal **Property** belonging to the **Insured** or **Family**.

#### Physical Injury

Bodily injury by accidental, external, violent and visible means sustained by the **Insured** or **Employee** of the **Insured** in the course of the **Business** where such injury arises directly from assault with the intent of theft of insured **Property** or **Business Money**.

#### Premises

The **Buildings** and the land inside the boundaries at the risk address shown in the Schedule.

#### Principal

Any person, firm, company, ministry, authority, for whom the **Insured** is undertaking work.

#### Products Supplied

Any goods (including containers) sold, supplied, erected, repaired, serviced, altered, treated, installed, processed, manufactured or tested by the **Insured** in the course of the **Business** other than food or drink consumed on the **Premises**.

#### Property

Material property.

#### Rent Receivable

The money paid or payable to the **Insured** for accommodation and services provided (including service charges unless excluded by Endorsement) at the **Premises** shown on the Schedule.

#### Solicitors Fees

**Solicitors Fees** for representation of the **Insured** at any Coroner's Inquest or Fatal Accident Inquiry or at proceedings in any Court of Summary Jurisdiction in respect of any occurrence which may be the subject of indemnity under Section 3.

#### Sports Equipment

Those articles which are usually worn, carried or held in the course of participating in a recognised sport.

#### Stock

**Stock** in trade including raw materials, work in progress and finished goods or goods in trust, the **Property** of the **Insured** or for which they are legally responsible excluding **Target Stock**.

#### Target Stock

**Stock** in trade or goods in trust comprising cigarettes, cigars, tobaccos, lighters, wines and spirits, clothing, televisions, video and audio recorders, compact discs, **Computers** including software, tapes or cassettes, photographic equipment, mobile phones or non ferrous metals.

#### Temporary Total Disablement

**Physical Injury** which solely and directly results in total and absolute inability of the **Insured** or **Employee** to engage in or give attention to a profession, **Business** or gainful occupation of any kind.

#### Territorial Limits

- a) Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- b) A country which is a member of the European Union but only in respect of temporary **Business** carried out by the **Insured** and any **Employee** normally resident in the territories set out in (a) above
- c) Elsewhere in the World in respect of temporary **Business** journeys which do not involve manual labour or the supervision of manual labour by any person normally resident in the territories set out in (a) above.

#### Terrorism

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

#### Trade Contents

The contents of the **Buildings** (other than the residential accommodation) used in connection with the **Business** shown in the Schedule, the **Property** of the **Insured** or for which the **Insured** is legally responsible, including:

- a) patterns models moulds plans and designs, documents manuscripts and **Business** books for their value as stationery and materials and the cost of labour expended in writing up and/or reinstatement thereof or restoration if more economical
- b) wines spirits cigarettes and tobacco kept for entertainment purposes up to a limit of £500
- c) directors partners or **Employees** personal effects clothing pedal cycles and tools unless otherwise insured subject to a limit of £500 per person

but excluding Landlords' fixtures and fittings, Tenants Improvements, Glass Blinds and Signs, **Money**, **Computers** and **Computer Records**, **Stock** and any other **Property** more specifically insured.



### Unoccupied

Empty or not in use for 21 or more consecutive days.

### Unlawful Association

Any organisation which is engaged in **Terrorism** and includes any organisation which at any relevant time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973.

### Valuables

Curios, pictures or other works of art, stamp collections, articles of gold, silver or other precious metals, coin collections and jewellery.

### Vehicle

A mechanically driven conveyance with or without attached trailers suitable for conveying the **Property** being carried.

### Virus or Similar Mechanism

Program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect **Computer** programs, data files or operations, whether involving self-replication or not. The definition of **Virus or Similar Mechanism** includes but is not limited to "Trojan horses" "worms" or "logic bombs".

### Work Away

Manual work undertaken in connection with the **Business** other than at the **Premises**.

### COVER CAUSES

Wherever they are referred to in the Policy wording or Schedule the relevant Cover Causes applicable are as follows:

#### Cover Cause 1 – Fire

Fire, lightning and explosion but not **Damage** caused by:

- a) the explosion of any equipment that has to be inspected as part of any Statutory Regulations unless the inspection and maintenance is completed as required by the regulation
- b) the explosion of any non domestic steam pressure equipment under the **Insured's** control
- c) earthquake
- d) subterranean fire, Riot, civil commotion, strikers, locked out workers or malicious people
- e) spontaneous heating or fermentation or from undergoing any process involving the application of heat.

#### Cover Cause 2 – Perils

- A. Riot, civil commotion, strikers, locked-out workers or malicious people but not **Damage**:
  - (a) caused by theft or attempted theft
  - (b) through requisition, confiscation or destruction by order of the Government or other statutory authority
  - (c) resulting from the stopping of work
  - (d) arising when the **Premises** are **Unoccupied**
  - (e) arising from tamper, deliberate erasure, distortion or corruption of information or **Virus or Similar Mechanism, Hacking, or Denial of Service Attack** in respect of **Computers** or other equipment or component or system or item which processes, stores, transmits or receives data or any part of such equipment whether tangible or intangible and **Computer Records**
  - (f) to coin operated machines, including coin operated telephones, or their contents unless they are specified as an item on the Schedule.
- B. Earthquake:

- C. Explosion of boilers and economisers but not **Damage** from the explosion of any equipment that has to be inspected as part of any Statutory Regulations unless the inspection and maintenance is completed as required by the regulation and adequate insurance is in place for such equipment.  
Peril C Explosion of boilers and economisers is only effective for Section 2 Business Interruption of this policy.
- D. Subterranean fire:
- E. Impact by:
  - (a) aircraft and aerial devices or articles dropped from them
  - (b) road vehicles
  - (c) animals
  - (d) breakage or collapse of radio and television aerials, satellite dishes and other aerial fittings or masts excluding **Damage** arising from erection or maintenance
  - (e) falling trees and branches excluding **Damage** from tree felling, lopping or moving.
- F. Escape of oil from any fixed oil fired heating installation but not **Damage** whilst the **Premises** are **Unoccupied**.
- G. Storm but not **Damage**:
  - (a) due to changes in the water table level
  - (b) by lightning, frost, subsidence, ground heave or landslip
  - (c) to fences, gates and moveable **Property** in the open or open sided **Buildings**
  - (d) to any **Property** in an outbuilding not attached to the main **Buildings** unless specified in the policy Schedule
  - (e) caused by Flood.
- H. Flood caused by the inundation of water from the sea or escape of water from the normal confines of any natural or artificial watercourse, lake, reservoir, canal or dam, but not **Damage**:
  - (a) due to changes in the water table level
  - (b) by lightning, frost, subsidence, ground heave or landslip
  - (c) to fences, gates and moveable **Property** in the open or open sided **Buildings**
  - (d) to any **Property** in an outbuilding not attached to the main **Buildings** unless specified in the policy Schedule
  - (e) escape of water from any water tank, apparatus or pipes.
- I. Escape of water from any tank, apparatus or pipes but not **Damage**:
  - (a) from water leaking or discharged from any automatic sprinkler installation
  - (b) to the actual tank, apparatus or pipes from which water escaped unless caused by freezing
  - (c) arising while the **Premises** are **Unoccupied**.
- J. Sprinkler installation leakage but not **Damage**:
  - (a) caused by heat from fire, explosion, earthquake, or subterranean fire
  - (b) through repairs, alterations or extensions to the sprinkler installation or the **Buildings**
  - (c) to the actual sprinkler installation from which water escaped unless caused by freezing
  - (d) arising while the **Premises** are **Unoccupied**.



### Cover Cause 3 – Accidental Damage

Accidental damage but not **Damage**:

- a) by Causes 1, 2, 4 or 5 or any of their detailed exclusions
- b) to a building or structure caused by its own collapse or cracking
- c) resulting from any process of production, packing, treatment, testing, commissioning, maintenance, servicing or repair
- d) to **Property** or structures in course of construction or erection and materials or supplies connected with them caused by
  - i. inherent vice, latent defect, gradual deterioration, wear and tear, frost, faulty or defective, design workmanship or materials, operational error or omission, but not excluding the subsequent **Damage** which itself results from a Cover Cause that is otherwise operative
  - ii. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, condensation, atmospheric or climatic conditions, dampness, dryness, marring or scratching, vermin or insects
  - iii. change in temperature, colour, flavour, texture or finish
  - iv. joint leakage, the failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super heaters, pressure vessels or any range of steam and feed piping connected to them
  - v. mechanical or electrical breakdown or derangement in respect of the particular machinery or equipment in which such breakdown or derangement occurs but not excluding the subsequent **Damage** which itself results from a Cover Cause that is otherwise operative
  - vi. acts of fraud or dishonesty including any collusion
  - vii. disappearance, unexplained or inventory shortage, misfiling or misplacing of information
  - viii. freezing when **Unoccupied**
  - ix. any process of treatment, dyeing, cleaning, alteration, repair, restoration, testing, commissioning, servicing, packing, production or consisting of distortion, erasure or corruption of **Computer Records**
  - x. pollution or contamination.

### Cover Cause 4 – Theft or attempted theft

Theft or attempted theft but not **Damage**:

- a) that does not involve entry to or exit from the **Buildings** by forcible and violent means or that does not involve actual or threatened assault or violence or use of force at the **Premises** against the **Insured** or any person legally on the **Premises**
- b) to any **Property** from any garden, yard, open space or outbuilding not attached to the **Buildings** unless specified as an insured item on the Policy Schedule
- c) arising while the **Premises** are **Unoccupied**
- d) to coin operated machines, including coin operated telephones or their contents unless they are specified as an item on the Schedule
- e) by any **Employee** of the **Insured** or person lawfully on the **Premises**.

### Cover Cause 5 – Subsidence, ground heave or landslip

Subsidence, ground heave or landslip but not **Damage**:

- a) to outbuildings, yards, pipes, cables, wires, ducting, car parks, roads, pavements, walls, gates and fences unless the structure of the main **Building** is also affected
- b) caused by or consisting of
  - (i) the normal settlement or bedding down of new structures
  - (ii) the settlement or movement of made-up ground
  - (iii) coastal or river erosion
  - (iv) defective design or workmanship or the use of defective materials
- c) which originated before this Cover Cause was effective on the Schedule
- d) resulting from
  - (i) demolition, construction, structural alteration or repair of any **Property**
  - (ii) groundwork or excavation at the same **Premises**.

### Conditions to Cause 5

- i. The **Insured** shall notify the **Company** immediately they become aware of any demolition, ground works, excavation or construction being carried out on any adjoining site
- ii. The **Company** shall then have the right to vary the terms or cancel this cover.

## SECTION 1 – MATERIAL DAMAGE

### Cover

#### Sub-Section A – Buildings

(This Sub-Section and the Covers described below are only operative if specified on the schedule)

#### Buildings

The **Company** will indemnify the **Insured** in respect of **Damage** to the **Buildings** including professional fees necessarily incurred in the reinstatement of the **Buildings** as a consequence of the **Damage** from the Cover Causes shown against the item on the Schedule, but not for preparing any claim. The amount payable for professional fees shall not exceed those authorised under the current scale of the appropriate professional body.

#### Rent

The **Company** will indemnify the **Insured** in respect of loss of **Rent** as a consequence of **Damage** from the Cover Causes shown against the item on the Schedule, rendering the **Buildings** uninhabitable but only in respect of the period necessary for the reinstatement of the **Buildings** and not for an amount exceeding the sum insured shown on the Schedule.

#### Sub-Section B – Contents

(This Sub-Section and the Covers described below are only operative if specified on the schedule)

#### Stock and Target Stock

The **Company** will indemnify the **Insured** in respect of **Damage** to the **Stock** or **Target Stock** at the **Premises**, from the Cover Causes shown against the item on the Schedule, but not for preparing any claim.

**Trade Contents** and/or **Computers** and/or all other **Property**, excluding **Stock** and **Target Stock**, as specified on the Schedule. The **Company** will indemnify the **Insured** in respect of **Damage** to the insured **Property** at the **Premises** including professional fees necessarily incurred in the reinstatement of the **Property** as a consequence of **Damage**, from the Cover Causes, shown against the item on the Schedule, but not for preparing any claim. The amount payable for professional fees shall not exceed those authorised under the current scale of the appropriate professional body.



### Sub-Section C – Glass, Blinds and Signs

(This Sub-Section is only operative if specified on the schedule)

The **Company** will indemnify the **Insured** at the **Premises** insured in respect of **Damage** from Cover Causes 1,2,3 and 4, to

1. any external glass (including polycarbonate shop fronts) except glass described in the Exclusions to this Sub-Section
2. the **Property**, of any display windows insured under Section 1, caused by breakage of any glass
3. fixed plate glass (including interior showcases and mirrors) inside the **Premises** up to a value not exceeding £2,500
4. external electric signs up to a total value not exceeding £1,500
5. sanitary ware, if the cost of replacement has to be borne by the **Insured**, up to a value of £2,500
6. external blinds up to a value of £2,500.

The **Company** will also indemnify the **Insured** at the **Premises** insured for

1. the reasonable cost of necessary boarding up prior to the replacement of any glass insured by this Sub-Section
2. the reasonable cost of reinstating **Intruder Alarm Systems** damaged as a result of glass breakage covered under this Sub-Section.

### Sub-Section D – Money

(This Sub-Section is only operative if specified on the schedule)

#### Business Money

The **Company** will indemnify the **Insured** in respect of **Damage** to **Business Money** from Cover Causes 1,2,3 and 4 as detailed below

Safes Strongrooms Tills and Stamp Franking Machines

The **Company** will indemnify the **Insured** in respect of **Damage** to any safe or strongroom or till or any stamp franking machine, the **Property** of the **Insured** or for which the **Insured** is legally responsible, from Cover Cause 4 as detailed below.

Cover description and Locations	Limit of Liability any one loss
1 <b>Business Money</b> – other than crossed cheques, money orders, crossed postal orders, credit company sales vouchers and Value Added Tax purchase invoices	
(A) in the <b>Buildings</b> during <b>Business Hours</b> or whilst in a bank night safe	£3,000
(B) in transit to and from the <b>Premises</b> whilst in the custody of the <b>Insured</b> or an authorised <b>Employee</b> , but this does not cover <b>Business Money</b> whilst in the possession of <b>Employees</b> delivering or collecting <b>Business Money</b> other than to or from the <b>Premises</b> and the <b>Insured's</b> bank unless specified by Endorsement on the Schedule	£3,000
(C) whilst at the private residence of the <b>Insured</b> or any authorised <b>Employee</b>	£500
(D) in the <b>Buildings</b> whilst left unattended or outside <b>Business Hours</b> and not secured in a locked safe	£500
(E) in the <b>Buildings</b> whilst left unattended or outside <b>Business Hours</b> and secured in a locked unspecified safe	£1,000
(F) in the <b>Buildings</b> whilst left unattended or outside <b>Business Hours</b> and secured in a specified safe, if noted on the Schedule	See Schedule
(G) in coin operated machines at the <b>Premises</b> , if noted on the Schedule	See Schedule
2 Crossed cheques, crossed money orders, crossed postal orders, credit company vouchers and Value Added Tax purchase invoices	£250,000
3 Safes, Strongrooms, tills and stamp franking machines	Cost of repair or replacement

### Sub-Section E – Malicious Attack

(This Sub-Section is only operative if specified on the schedule)

The **Company** will indemnify the **Insured** or any **Employee** for compensation in accordance with the Schedule of Benefits in respect of **Physical Injury**.

Schedule of Benefits	Compensation
1 Death occurring within 12 calendar months of the happening of the <b>Physical Injury</b>	£10,000
2 <b>Loss of Limbs or Eyes</b> occurring within 12 calendar months of the happening of the <b>Physical Injury</b>	£10,000
3 <b>Permanent Total Disablement</b> occurring within 12 calendar months of the happening of the <b>Physical Injury</b>	£10,000
<b>Temporary Total Disablement</b> (payable up to a maximum of 104 weeks)	£100 per week
<b>Damage</b> to clothing or personal effects	£500 per person

### Sub-Section F – All Risks

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** in respect of **Damage** to the items of **Property** specified on the Schedule, owned by the **Insured** or for which the **Insured** is legally responsible, whilst within the territorial limits, specified for each item on the Schedule from Cover Causes 1,2,3 and 4.

### Sub-Section G – Computer Breakdown

(This Sub-Section and the Covers described below are only operative if specified on the Schedule)



### Computers

The **Company** will indemnify the **Insured** in respect of the amount of the **Damage** to **Computers** at the **Premises** from Cover Causes 1,2,3 and 4, but not for preparing the claim.

#### Loss of Information stored on **Computers**

The **Company** will indemnify the **Insured** in respect of the costs necessarily and reasonably incurred in reinstating information on to the **Computers** at the **Premises** as a result of **Damage** from Cover Causes 1,2,3 and 4.

### Computer Records

The **Company** will indemnify the **Insured** in respect of the amount of the **Damage** to **Computer Records** at the **Premises** from Cover Causes 1,2,3 and 4, but not for preparing the claim.

#### Loss of Information stored on **Computer Records**

The **Company** will indemnify the **Insured** in respect of the costs necessarily and reasonably incurred in reinstating information on to the **Computer Records** at the **Premises** as a result of **Damage** from Cover Causes 1,2,3 and 4.

The liability of the **Company** under these items shall not exceed in the aggregate the sum insured shown for **Computer Records** in the Schedule.

For the purposes of this Sub-Section only, cover is extended to include mechanical and electrical breakdown or derangement in respect of the **Computers**.

### Sub-Section H – Deterioration of Stock

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** against **Damage** to **Stock** whilst contained in freezer cabinets or refrigerated cabinets by deterioration or putrefaction resulting from:

1. breakdown or failure of the plant due to its own inherent defect, or **Damage** including the non-operation of any thermostatic or automatic device controlling it
2. accidental failure of public authorities supply
3. escaping refrigerant or refrigerant fumes due to any accidental cause

The liability of the **Company** shall not exceed the limit(s) stated in the Schedule or by additional Endorsement.

### Sub-Section I – Household Contents

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** in respect of **Damage** to the **Household Contents** at the **Premises** from Cover Causes 1,2,3 and 4, but not for preparing the claim.

### Sub-Section J – Personal Possessions

(This Sub-Section is only operative if specified on the Schedule)

#### Personal Possessions

The **Company** will indemnify the **Insured** against **Damage** to **Personal Possessions** from Cover Causes 1,2,3 and 4 whilst anywhere in Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, and in the course of temporary, **Business** or personal, travel anywhere else in the World but not exceeding 60 days in the aggregate in any one period of insurance. For the purposes of this Extension **Personal Possessions** consist of:

1. Unspecified **Valuables, Sports Equipment**, musical instruments, photographic equipment and pedal cycles up to a limit of £500 any one pedal cycle, subject to the overall sum insured shown on the Schedule.
2. Specified **Personal Possessions** as shown on the Schedule or by Endorsement.

### Extensions

#### Extensions to Sub-Section A

Subject to the Exclusions and Conditions of the operative Sub-Section and the Section

#### 1 Contracting Purchaser

Where the **Insured** contracts to sell his interest in a **Building** insured by this Section, the contracting purchaser, who has not, but will complete the purchase, has the benefit of the insurance by this Section up to the date of completion, to the extent that the **Buildings** are not otherwise insured.

#### 2 Public Authorities

The **Company** will indemnify the **Insured** for the additional cost of:

- (a) reinstating the damaged parts of the **Buildings**
- (b) upgrading any undamaged parts of the **Buildings** for an amount not exceeding 15% of the amount that would have been payable if the **Buildings** had been totally destroyed incurred solely by reason of the necessity to comply with any statutory requirements or regulations or public authority bye-law, excluding
  - (i) any such cost resulting from a notice served on the **Insured** prior to the date of the **Damage**
  - (ii) the amount of any rate, tax, duty, development or other charge arising out of capital appreciation which may be payable in respect of the **Buildings**.

The work of reinstatement must be completed within 12 months of the date of the **Damage** or such further period as the **Company** may in writing allow. The liability of the **Company** for **Damage** to such **Property** including such costs and expenses shall not exceed the sum insured shown in the Schedule.

#### 3 Mortgagees

The interest of any mortgagee shall not be prejudiced by any act or neglect of the mortgagor or occupier of any **Buildings** insured by this Policy provided the mortgagee immediately upon becoming aware of such act shall give notice to the **Company** and pay any additional premium required.

#### 4 Underground Services

The **Company** will indemnify the **Insured** for **Damage** to underground water pipes, gas pipes, electricity and telephone cables extending from the public mains to the **Premises** from Cover Causes 1,2,3 and 4.

### Extensions to Sub-Sections A B G and I

Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section

#### Index Linking

The sums insured under Sub-Section A in respect of **Buildings**, Sub-Section B in respect of **Trade Contents** and **Computers**, and all other **Property** other than **Stock** or **Target Stock**, and Sub-Section G in respect of **Computers**, Sub-Section I in respect of **Household Contents** will be adjusted at monthly intervals in accordance with the index drawn up or used by the **Company**, if the **Insured** does not declare revised sums insured at the renewal of each period of insurance.

At each renewal of the Policy, the premium will be adjusted and the **Company** waives all right to additional premium arising out of such adjustments prior to renewal.

### Extensions to Sub-Section B

Subject to the Exclusions and Conditions of the operative Sub-Section and the Section

#### 1 Theft of Keys

The **Company** will indemnify the **Insured** for the cost of replacing locks and keys to the **Buildings, Intruder Alarm Systems**, safes, Strongrooms or tills up to £750 any one period of insurance provided that

- a) the original keys were stolen from the **Buildings** or the private residence of the **Insured** or any authorised **Employee**
- b) keys are not left in the **Buildings** when closed for **Business** nor in an unattended room during **Business Hours**.



## 2 Theft Damage to Buildings

The **Company** will also indemnify the **Insured** against resultant **Damage** to the **Buildings** for which the Insured is legally responsible arising out of theft or attempted theft involving entry to or exit from the **Buildings** by forcible and violent means.

## 3 Contract Price

In respect of **Stock** sold but not delivered, for which the **Insured** is responsible, subject to a sale contract, which following insured **Damage** is cancelled due to the contract conditions wholly or to the extent of the **Damage**, the **Company's** liability will be based on the contract price.

## 4 Temporary Removal

The **Company** will indemnify the **Insured** for **Damage** to **Trade Contents** whilst temporarily removed for cleaning, renovation, repair or similar purposes and documents whilst temporarily removed, elsewhere on the same or other premises and in transit by road, rail or inland waterway in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, from Cover Causes 1, 2, 3 or 4 up to an amount not exceeding 10% of the sum insured shown for **Trade Contents** on the Schedule, or £100,000 whichever is the lesser.

This Extension shall not apply to:

- a) motor vehicles and motor chassis licensed for normal road use
- b) **Property** held by the **Insured** in trust other than **Trade Contents**.

## 5 Exhibitions

The **Company** will indemnify the **Insured** for **Damage** to **Trade Contents** and **Stock** from the Cover Causes 1, 2, 3 and 4, whilst in any buildings being used for an exhibition anywhere within the Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, and whilst in transit to and from the exhibition premises but excluding Theft from any unattended vehicles, subject to a maximum limit of £2,500 any one loss. For any greater amount Exhibitions must be specified on the Schedule.

## 6 Automatic Seasonal Increase

The sums insured on all items of **Stock** and **Target Stock** are automatically increased by 25% during the months of November and December and the 30 days preceding Easter Sunday unless the percentage or months applicable are shown more specifically on the Schedule.

## Extensions to Sub-Sections D, F, I and J

Subject to the Exclusions and Conditions of the operative Sub-Sections and the Section

For the purposes of Sub-Sections D, F, I and J, Exclusion (a) of Cover Cause 4 is deleted and is of no effect unless specified by Endorsement on the Schedule.

## Extensions to Sub-Section F

Subject to the Exclusions and Conditions of the operative Sub-Section and the Section

For the purposes of Sub Section F, Exclusion (b) of Cover Cause 4 is deleted and is of no effect unless specified by Endorsement on the Schedule.

## Extensions to Sub-Section G

The **Company** will indemnify the **Insured** in respect of:

- a) costs necessarily and reasonably incurred with the consent of the **Company** in the removal of the **Computers** in consequence of **Damage** insured by this Extension, subject to a maximum amount of £2,500 in any one period of insurance
- b) costs necessarily and reasonably incurred in the making of temporary repairs on, or the expediting of the reinstatement or replacement of, the **Computers** in consequence of **Damage** insured by this Extension, subject to a maximum amount of £2,500 in any one period of insurance
- c) costs of modification of the **Computers** or costs of replacement of **Computer Records** together with reinstatement of programs or information on them, whichever is less, to achieve compatibility in consequence of **Damage** to **Computers** insured by this Extension having resulted in undamaged **Computer Records** being incompatible with the replacement **Computers**, subject to a maximum amount of £5,000 in any one period of insurance
- d) additional rental arising out of the replacement of a lease/hire agreement in respect of **Computers** by a new contract for a similar **Computer** in consequence of **Damage** insured by this Extension, subject to a maximum amount of £5,000 in anyone period of insurance
- e) costs (including consulting engineers' fees) incurred with the consent of the **Company** in conducting investigations or tests into possible repair (whether or not successful) replacement or reinstatement following **Damage** insured by this Extension
- f) costs incurred by the **Insured** in taking reasonable but exceptional measures to avoid or mitigate impending **Damage** insured by this Extension provided that
  - (i) the impending **Damage** does not stem from any reasonably foreseeable cause and that **Damage** would be the natural outcome to be expected in the absence of such measures
  - (ii) the **Company** is satisfied that **Damage** has been avoided or reduced in consequence of the measures taken
  - (iii) the terms Exclusions and Conditions of this Extension and the Policy shall apply as if the **Damage** had occurred
  - (iv) the total liability of the **Company** by this Extension and for any **Damage** to **Computers** shall not exceed the sum insured shown for **Computers** on the Schedule for any one loss
- g) **Computers** whilst situate
  - (i) in the **Buildings**
  - (ii) in the private residence of the **Insured** or any authorised **Employee** of the **Insured**
  - (iii) in the offices or private residence of the **Insured's** professional accountant or auditor
  - (iv) at any supplier's premises
  - (v) in direct transit between premises described in (i) (ii) (iii) and (iv) above other than whilst left in an unattended motor vehicle

excluding any cover outside Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.



### Extensions to Sub-Section I

Subject to the Exclusions and Conditions of the operative Sub-Section and the Section

#### 1 Domestic Staff

The **Company** will also indemnify the **Insured** for **Damage** to personal **Property** belonging to the **Insured's** resident domestic **Employees**, from Cover Causes 1, 2, 3 and 4 whilst in the **Premises** or whilst temporarily removed with the **Employee** whilst accompanying the **Insured** or a member of the **Family**, subject to a maximum limit of £1,000 any one loss.

#### 2 Fatal Injury

The **Company** will also indemnify for the death of the **Insured** or domestic partner as a direct result of **Injury** in the home caused by Cover Causes 1, 2 or 4, where the death occurs within 3 months of the occurrence of the Cover Cause. This extension is subject to a limit of £5,000 in total.

This Extension will not operate as a result of Cover Cause 4 in addition to any claim being made for Death under Sub-Section E of Section 1.

#### 3 Household Removal

The **Company** will also indemnify the **Insured** for **Damage** to **Household Contents** whilst in transit (or overnight storage whilst in transit) by a professional removal contractor by road or rail including loading and unloading during the **Insured's** change of permanent domestic address within Great Britain, the Channel Islands or Isle of Man, from cover causes 1, 2, 3 or 4.

#### 4 Christmas and Weddings

This Sub-Section extends to include an increase in the value of **Household Contents** of 10% during the month of December and for 30 days before and 30 days after the wedding day of the **Insured** or a member of the **Family**.

#### 5 Property in the Garden

The **Company** will also indemnify the **Insured** for **Damage** by Cover Causes 1, 2, 3 and 4 to **Personal Effects** in the garden at the **Premises** up to £250 in respect of any one occurrence excluding

- Money and Valuables**
- electrical equipment other than portable radios and gardening implements
- Damage** by malicious persons or vandals

For the purposes of this extension only, Exclusion (c) of Cover Cause 2 G and H and Exclusion (b) of Cover Cause 4 are of no effect.

### Extensions to Section 1

Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section

#### 1 Non Invalidation

The insurance under Section 1 shall not be invalidated by any act or omission or alteration unknown to or beyond the **Insured's** control whereby the risk of **Damage** to insured **Property** is increased as long as immediately the **Insured** becomes aware of the increase in risk they inform the **Company** in writing and pay any appropriate additional premium if required.

#### 2 Removal of Debris

The cost of removal of debris of insured **Property** resulting from insured **Damage**, excluding

- costs incurred in removing debris except from the site of such **Damage** and the area immediately adjacent to such site
- costs arising from pollution or contamination of **Property** not insured by this Section.

#### 3 Subrogation Waiver

In the event of a claim arising under this Section the **Company** agrees to waive any rights, remedies or relief to which they become entitled by subrogation against

- any company standing in the relation of parent or subsidiary to the **Insured** or any company which is a subsidiary of or a parent company of which the **Insured** themselves are subsidiary in each case as defined in current legislation
- a tenant or lessee in respect of **Damage** to the part of the **Buildings** or to common parts of the **Buildings** unless the **Damage** arises out of a criminal, fraudulent or malicious act of the tenant or lessee.

#### 4 Landscaped Gardens

This insurance extends to include costs and expenses incurred by the **Insured** with the consent of the **Company** in repairing, reinstating or making good **Damage** to landscaped gardens and grounds caused by Fire Brigade equipment and personnel in the course of combating or reducing **Damage** from Cover Causes 1 or 2 at the **Premises** subject to a maximum amount of £5,000 in any one period of insurance.

#### 5 Capital Additions

The insurance under Section 1 shall, subject to the terms and conditions of the Policy be extended to include

- any alterations additions and improvements to **Buildings** and **Trade Contents** excepting any appreciation of the value of the **Property**
- any newly erected or acquired **Buildings** and **Trade Contents** at the **Premises** or elsewhere within the **Territorial Limits**, from when the **Insured** becomes responsible, subject to:-
  - the **Insured** advising the **Company** of the amendments as soon as practicable on becoming aware of the increase in extent of cover required
  - the sum insured for **Buildings** and **Trade Contents** at each location only being increased by the value of the additional **Property** up to no more than 10% of the existing sums insured or £250,000, whichever is the lesser, at any one location
  - the **Insured** paying the appropriate additional premium
  - other specific insurance having not been already arranged.

#### 6 Loss of Metered Water

The **Company** will indemnify the **Insured** for the unit cost of metered water at the current rate per cubic metre consumed as a direct result of **Damage**, to the water apparatus at the point of the service feed to the **Premises** from Cover Causes 1, 2 or 3 subject to a maximum limit of £2,500 any one loss but excluding any loss occurring when the **Premises** are **Unoccupied** or where **Damage** is undiscovered for a period of 120 days or more.

#### 7 Trace and Access

The **Company** will indemnify the **Insured** for the reasonable costs incurred with the **Company's** consent in locating the source of an escape of water from any fixed pipe or water apparatus on the **Insured's Premises** including the cost of any walls floors or ceilings removed for access subject to a maximum limit of £5,000 any one loss and excluding any cost of repairs to the actual pipes or water apparatus.

#### 8 Clearing of Drains

The **Company** will indemnify the **Insured** for the costs and expenses necessarily and reasonably incurred in cleaning clearing or repairing drains gutters or sewers at the **Premises**, for which the **Insured** are responsible, as a consequence of **Damage** caused from Cover Causes 1 or 2 subject to a maximum limit of £5,000 any one loss.



#### 9 Workmen

Workmen are allowed on the **Premises** for the purpose of effecting repairs and minor structural and other non-structural alterations and also for general maintenance purposes and the like without prejudice to this insurance, but if any more major works are to be undertaken details must be advised to the **Company** for agreement, prior to commencement of work.

#### Exclusions

##### Exclusion to Sub-Section B

The **Company** shall not be liable for **Damage** to glass, china, earthenware, marble or other fragile or brittle objects as a result of Cover Cause 3.

##### Exclusions to Sub-Section C

The **Company** shall not be liable for:

- a) breakage or **Damage** arising
  - (i) from repairs or alterations to the **Premises**
  - (ii) in **Unoccupied Premises**
- b) glass which was in any way defective at the time cover was effected
- c) breakage or **Damage** to any glass or sanitary ware comprising samples or display materials held in connection with the **Business**
- d) wear, tear, depreciation, loss of use, scratching, rust or other gradually operating cause, mechanical or electrical breakdown and additionally in respect of electrical signs
  - (i) **Damage** to tubes unless the surrounding glass or Perspex is fractured at the same time
  - (ii) **Damage** arising from repair removal or erection
- e) chipping or cracking of sanitary ware unless there is breakage or complete fracture of such a nature as to render such article totally unserviceable.

##### Exclusions to Sub-Section D

The **Company** shall not be liable for:

- a) any loss arising from fraud or dishonesty of the **Insured's Employees**
  - (i) not discovered within seven days of the loss
  - (ii) covered by a policy of fidelity guarantee insurance
- b) shortage due to error or omission
- c) loss from an unattended vehicle
- d) loss from any coin operated machines including coin operated telephones, unless specified as an item on the Schedule
- e) loss arising under 1(B) outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

##### Exclusions to Sub-Section E

The **Company** shall not be liable:

- a) under more than one of the Benefits 1, 2 or 3 in respect of any one person arising out of the same **Physical Injury**
- b) to any person under 16 or over 65 years of age
- c) for death or disablement consequent upon any pre-existing physical or mental defect or infirmity or pregnancy or childbirth
- d) under Benefit 4 until the termination of disablement except by special agreement by the **Company**.

##### Exclusions to Sub-Section F

The **Company** shall not be liable for **Damage** to insured **Property** left unattended from Cover Cause 4 unless contained in

- a) a securely locked building or
- b) a motor vehicle which is closed and locked at all points of access, with all keys removed from the vehicle and any security alarms and immobiliser fitted to the vehicle set, and subject to the vehicle being contained in a securely locked building or guarded security park between 21.00hrs and 06.00hrs.

##### Exclusions to Sub-Section G

The **Company** shall not be liable for

- a) **Damage** to any item of **Computers** or **Loss of Information** due to the breakdown or derangement of such item unless, at the time of the **Damage** or **Loss of Information**, it is the subject of a maintenance, rental, hire or lease agreement which must provide a minimum service of on-call remedial or corrective maintenance at inclusive cost
- b) **Damage** recoverable under any guarantee or maintenance rental hire or lease agreement
- c) **Damage** caused by or consisting of wear and tear, deterioration due to atmospheric or climatic conditions, rust or corrosion but this Exclusion shall not apply to subsequent **Damage** which itself results from a Cover Cause not otherwise excluded
- d) the deliberate act of any public supply authority or the exercise by any such authority of its power to withhold or restrict supply other than for the sole purpose of safeguarding life or the authority's **Property** causing failure or fluctuation of the public supply or electricity or telecommunications system
- e) the inability of any public supply authority or any telecommunications authority to maintain the system due to industrial action by any of its employees
- f) the use by the **Insured** of machinery or equipment, which is not acceptable to the telecommunications authority as properly installed and compatible with the telecommunications system
- g) costs of reinstatement of programs or information on to the **Computers** or **Computer Records**, insured under Section 2.

##### Exclusion to Sub-Section H

The **Company** shall not be liable for **Damage** as a result of shedding or suspension of public authorities supply.

##### Exclusions to Sub-Section J

The **Company** shall not be liable for **Damage** to:

- a) **Sports Equipment** in the course of play or use
- b) toys or **Sports Equipment** for mountaineering, potholing, underwater sports, skiing, windsurfing and snow or skate boarding
- c) microphones, amplifiers, speakers or similar ancillary items of electrical equipment
- d) mobile telephones
- e) **Property** from an unattended motor vehicle unless the **Property** is in a locked glove or luggage compartment
- f) pedal cycle tyres, lamps or other accessories unless the pedal cycle is stolen at the same time
- g) pedal cycles whilst being used for racing, pace making or trials riding



#### Exclusion to Section 1

The **Company** shall not be liable for

- a) the amount of the **Excess** or **Excesses** in the Schedule
- b) **Damage** to
  - (i) vehicles licensed for road use (including their accessories), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
  - (ii) **Property** or structures in course of construction or erection and materials or supplies in connection with all such **Property** in course of construction or erection
  - (iii) land, roads, pavements, piers, jetties, bridges, culverts or excavations
  - (iv) animals, growing crops or trees unless specifically mentioned as insured by this Section or on the Schedule
- c) **Damage** to **Property** which at the time of the happening of **Damage** is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any **Excess** beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
- d) **Damage** to any **Property** more specifically insured
- e) **Damage** caused by an explosion of any vessel, machinery or apparatus, or its contents belonging to or under the control of the **Insured**, which requires to be examined to comply with any Statutory Regulations unless such vessel, machinery or apparatus is the subject of a policy or other contract providing the required inspection service
- f) reduction in value, or consequential loss of any kind except **Rent** if Insured by this Section
- g) wear and tear.

#### Conditions Precedent to Liability

##### Conditions to Sub-Section B

All **Stock** or Customers' Goods contained in any cellar, basement or sub-basement must be kept on racks or shelves at least 30 centimetres above floor level.

##### Conditions to Sub-Section B and D

All till drawers must be left open outside **Business Hours**.

##### Conditions to Sub-Section D

When the **Buildings** or any room in which **Business Money** is kept is left unattended all keys and duplicate keys of safes, Strongrooms, tills and intruder alarms must be held in the personal custody of an authorised person and removed from the unattended **Buildings** or such room.

##### Conditions to Sub-Section G

1 The **Insured** shall

- a) Maintain the **Computer** in an efficient condition
- b) take all reasonable precautions
  - i. to prevent **Damage** or **Loss of Information**
  - ii. in storing **Computer Records** and maintaining backup programs and information, which must be done at least once a day and copies of the backup information must be stored in a secure area off site.

2 The **Company** shall waive any rights of subrogation against any user of the **Computer** provided that

- a) such user has the authority of the **Insured** to use the **Computer** and
- b) such user shall, as if they were the **Insured**, observe, fulfil and be subject to the terms, Exclusions and Conditions of this Extension

#### Conditions to Sub-Section H

- 1) The plant must not be more than eight years old at the date of any loss for cover to apply
- 2) The **Insured** shall take all reasonable precautions to minimise any loss and shall provide all such proofs and information with respect to the claim as may be reasonably required
- 3) The basis of settlement for any claim falling under this Extension shall be the cost price of the goods.

#### Conditions to Section 1 Minimum Requirements

The following minimum requirements must be complied with

- a) All external doors to the **Buildings** must be secured by either a 5 lever mortice deadlock conforming to BS3621 or locking bars with 5 lever close shackle padlock or other security devices if agreed by the **Company** in writing
- b) All windows and skylights accessible from the ground, adjoining roofs, porches or down pipes must be fitted with key operated locks
- c) The glass in any louvre windows must be fixed to its metal runners with contact adhesive
- d) A 2 or 3kg CO2 or dry powder fire extinguisher, which is the subject of an annual maintenance contract, must be installed at the **Premises**.

#### Conditions to Sub-Section E

- 1) All sums paid under Benefit 4 shall be deducted from any sum which may subsequently be paid under Benefits 1, 2 or 3 in respect of the same **Physical Injury**.
- 2) Upon payment of any claim under Benefits 1, 2 or 3 all further liability of the **Company** shall cease in respect of that person.
- 3) All certificates, information and evidence required by the **Company** shall be provided free of expense to and in the form prescribed by the **Company**. The injured person shall as often as required submit to medical examination on behalf of and at the expense of the **Company** in connection with any claim.

#### Conditions to Section 1

Average

If the **Property** covered by this Section shall at the time of the **Damage** be collectively of greater value than the sums insured then the **Insured** shall be considered as being his own insurer for the difference and shall bear a rateable share of the **Damage** accordingly.

This Condition does not apply to Sub-Section D and E.



## Memoranda Applicable to Section 1

### 1 Reinstatement

The basis of settlement of any claim under Sub-Section A, B, C, F, J and I, except in respect of **Stock**, **Target Stock**, customers goods, household linen and clothing, and specified items on an agreed value basis of settlement, shall be the full cost of replacement as new which requires the carrying out of the following work:

- a) where **Property** is destroyed, damaged or lost, its replacement by similar **Property** in a condition equal to but not better or more extensive than its condition when new
- b) where **Property** is damaged, the repair of the **Damage** and the restoration of the damaged portion of the **Property** to a condition substantially the same but not better or more extensive than its condition when new.

The basis of settlement of any claim under Sub-Section B and G, in respect of **Computers**, shall be the full cost of replacement as new which requires the carrying out of the following work:

- a) where **Computers** are destroyed, damaged or lost, their replacement by similar **Computers** of equal performance and capacity or if that is impossible, replacement by new **Computers** having the nearest higher performance and capacity to the item destroyed, damaged or lost
- b) where **Computers** are damaged, the repair of the **Damage** and the restoration of the damaged portion of the **Computers** to a working condition, substantially the same but not better or more extensive than its condition when new.

### Special Provisions

- i. the replacement must be carried out without undue delay and in any case must be completed within twelve months of the **Damage** occurring or such further time as the **Company** may (during the twelve months) in writing allow otherwise the basis of settlement will revert to Indemnity
- ii. when any **Property** insured under this Memorandum is damaged in part only the liability of the **Company** shall not exceed the sum representing the cost which the **Company** could have been called upon to pay for the replacement if such **Property** had been wholly destroyed
- iii. no payment beyond Indemnity shall be made until the cost of replacement shall have been actually incurred for the purpose of all **Property** insured on this basis of settlement Condition to Section 1 Average is cancelled and replaced by the following:  
If at the time of replacement of any item the sum representing 85% of the cost which would have been incurred in replacement if the whole of the **Property** covered by such item had been destroyed exceeds the sum insured on that item at the time of the **Damage** the **Insured** shall be considered as being his own insurer for the difference between the sum insured and the sum representing the cost of reinstatement (or replacement) of the whole of the **Property** and shall bear a rateable proportion of the **Damage** accordingly.
- iv.

### 2 Indemnity

The cost of repair or replacement (less a reduction for wear, tear and depreciation) up to the value of the item in a condition substantially the same as, but not better or more extensive than its condition immediately prior to the **Damage**.

### 3 Designation

For the purpose of determining where necessary the item under which any **Property** is insured the **Company** agrees to accept the designation under which such **Property** has been entered in the **Insured's** books.

### 4 Business Books

The basis of settlement of any claim for business books shall be their value as stationery together with the cost of clerical labour expended in their reproduction.

## SECTION 2 – BUSINESS INTERRUPTION

### Cover

#### Sub-Section A – Income/Costs

(This Sub-Section and the Covers described below are only operative if specified on the schedule)

#### 1 Net Takings

The **Company** will indemnify the **Insured** for loss of **Net Takings** as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of **Damage** to **Property** insured by Section 1 for which the **Company** has admitted liability.

The **Company** will calculate the loss of **Net Takings** as follows:

- a) the amount by which the **Net Takings** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the Standard Net Takings
- and
- b) **Increase in Cost of Working** but not exceeding the amount of reduction in **Net Takings** avoided less any sum saved during the **Indemnity Period** in respect of the charges and expenses of the **Business** payable out of **Net Takings** as may cease or be reduced in consequence of the **Damage**.

#### Standard Net Takings

The Standard **Net Takings** during the 12 month period immediately before the date of the **Damage** which corresponds with the **Indemnity Period** and adjusted to provide for trends, variations or special circumstances affecting the **Business** either before or after the occurrence of **Damage** or which would have affected the **Business** had the **Damage** not occurred, so that these figures represent as near as practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

#### 2 Rent Receivable

The **Company** will indemnify the **Insured** for loss of **Rent Receivable** in consequence of **Damage** to **Buildings** insured by Section 1 for which the **Company** has admitted liability.

The **Company** will calculate the loss of **Rent Receivable** as follows:

- a) the amount by which **Rent Receivable** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the amount that should have been received
- and
- b) **Increase in Cost of Working** but not exceeding the reduction of **Rent Receivable** avoided less any sum saved during the **Indemnity Period** in respect of the charges and expenses of the **Business** payable out of **Rent Receivable** as may cease or be reduced in consequence of the **Damage**.

#### Sub-Section B – Computers

(This Sub-Section is only operative if specified on the schedule)

#### Computers – Increase in Cost of Working

The **Company** will indemnify the **Insured** for **Increase in Cost of Working** as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of **Damage** to **Computers** or **Loss of Information** from **Computers** insured by Section 1 for which the **Company** has admitted liability.



### Sub-Section C – Loss of Licence

(This Sub-Section is only operative if specified on the schedule)

The **Company** will indemnify the **Insured** for

- a) loss of **Net Takings** as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of the licence granted in respect of the retail of excisable liquors at the **Premises** being
  - (i) forfeited under the provisions of the legislation governing such licences
  - (ii) refused renewal by the appropriate licensing authority at the time of renewal from causes beyond the control of the **Insured** then the **Company** will pay loss of **Net Takings** as calculated under Sub-Section A
- b) or make good to the **Insured** all loss for depreciation in value of the interest of the **Insured** in the **Premises** subject to the maximum amount payable under this Sub-Section not exceeding the sum insured shown in the Schedule.

### Extensions

#### Extensions to Sub-Sections A and B

The following Extensions only apply if shown as operative on the Schedule and are subject to Limits shown in the Schedule, the Exclusions and Conditions of the operative Sub-Section(s) and the Section

#### 1 Denial of Access

The **Company** will indemnify the **Insured** in respect of loss resulting from interruption of or interference with the **Business** in consequence of **Damage** from Cover Causes 1,2,3 and 4 to **Property** in the vicinity of the **Premises** which shall prevent or hinder the use of or access to the **Insured's Premises**, whether or not there has been **Damage** to the **Premises** or **Property** of the **Insured**.

#### 2 Public Utilities

The **Company** will indemnify the **Insured** in respect of loss resulting from the interruption of or interference with the **Business** in consequence of accidental failure at the terminal ends of the public supply undertaking's feed to the **Premises** of water, electric, gas or telecommunication services as a direct result of **Damage** by Cover Causes 1 and 2 excluding atmospheric, solar, or lunar conditions causing temporary interference with transmission to or from any satellite.

#### 3 Loss of Book Debts

The **Company** will indemnify the **Insured** in respect of loss in consequence of the **Insured** being unable to trace or establish the **Outstanding Debit Balances** as a result of **Damage**, as insured by Section 1 and for which the **Company** has admitted liability, to the **Insured's** books of account or other business books or records at the **Premises** or whilst temporarily removed elsewhere within Great Britain or Northern Ireland, the Channel Islands or the Isle of Man.

The **Company** will pay to the **Insured** the amount of loss resulting from such **Damage** but not exceeding:

- a) the difference between the **Outstanding Debit Balances** and the total of the amounts received or traced and
- b) the additional expenditure incurred with the previous consent of the **Company** in tracing and establishing the **Outstanding Debit Balances** after the **Damage** subject to the limit shown in the Schedule.

Excluding loss resulting from:

- a) books or records being mislaid or misfiled
- b) erasure or distortion of information on **Computer Records** or other records
  - (i) due to the presence of magnetic flux unless such flux results from lightning
  - (ii) whilst mounted in or on any machine or data processing apparatus unless caused by **Damage** to the machine or apparatus
  - (iii) due to defects in such records
- c) deliberate falsification of business records.

#### 4 Customers

The **Company** will indemnify the **Insured** in respect of loss resulting from the interruption of or interference with the **Business** in consequence of **Damage** at the premises of any of the **Insured's** customers within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man from Cover Causes 1, 2 and 4, subject to the limit stated in the Schedule.

#### 5 Suppliers

The **Company** will indemnify the **Insured** in respect of loss resulting from the interruption of or interference with the **Business** in consequence of **Damage** at the premises of any of the **Insured's** suppliers, manufacturers or processors within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man from Cover Causes 1,2 and 4, subject to the limit stated in the Schedule.

#### 6 Transit

The **Company** will indemnify the **Insured** in respect of loss resulting from the interruption of or interference with the **Business** in consequence of **Damage to Property** as insured by Section 1 of this policy and for which the **Company** has admitted liability whilst in transit subject to the limit stated in the Schedule.

#### Extensions to Sub-Section C

The **Company** will indemnify the **Insured** for costs and expenses incurred, as agreed with the **Company**, in connection with any proceedings in which an order for a forfeiture or refusal of the excise licence is made, arising out of a cause beyond the control of the **Insured**, including any appeal against such order.

#### Extensions to Section 2

Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section

#### 1 Accountants and Auditors Charges

The **Company** will pay to the **Insured** the reasonable charges payable by the **Insured** to their professional accountants and auditors for producing any particulars or details or any other proofs, information or evidence as may be required by the **Company** under the terms of this Section and reporting that such particulars or details are in accordance with the **Insured's** books or documents.

#### 2 Documents

The **Company** shall indemnify the **Insured** in respect of loss resulting from interruption of or interference with the **Business** in consequence of **Damage** to documents belonging to or held in trust by the **Insured** whilst temporarily at premises not in the occupation of the **Insured** or whilst in transit by road, rail or inland waterway in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.



## Exclusions

### Exclusions to Sub-Section B

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

Increase in Cost of Working due to

- a) failure of any satellite prior to its obtaining its full operating function or while in or beyond the final year of its design life.
- b) atmospheric, solar or lunar conditions causing temporary interference with transmission to or from any satellite.

### Exclusions to Sub-Section C

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

- a) the forfeiture or refusal to renew the licence directly or indirectly arising from any town or country planning improvement or redevelopment or compulsory purchase or the surrender reduction or redistribution of licences in connection there with
- b) any alteration in the law affecting the grant surrender forfeiture or refusal to renew any licence.
- c) any loss if the **Insured** is entitled to obtain compensation under the provisions of any Act of Parliament in respect of any refusal to renew the licence.

## Conditions Precedent to Liability

### Conditions to Sub-Section C

- 1) Immediate notice must be given in writing to the **Company** by the **Insured** in the event of any
  - (a) change in tenancy or management of the **Premises**
  - (b) transfer or proposed transfer of the licence
  - (c) complaint against the **Premises** or the control of the **Premises**
  - (d) proceedings against or conviction of the **Insured**, manager, tenant or occupier of the **Premises** for any breach of licensing laws or any other matter whereby the character or reputation of the person concerned is affected with respect to his honesty moral standing or sobriety
  - (e) objection to renewal or other circumstances, which might endanger the renewal of the licence
- 2) In the event of a forfeiture or refusal of renewal of the licence the **Insured** must notify the **Company** in writing within 24 hours after the order by the authorities or the event which has resulted in forfeiture or refusal of renewal of the licence and also state as far as he is able the grounds upon which such order has been made or particulars of such event.

## Condition to Section 2

Average

**Net Takings** – if the sum insured is less than the **Net Takings** for the 12 months immediately prior to the occurrence of the **Damage** after due provision has been made to provide for the trend or variation in or other circumstances affecting or which would have affected the **Business** either before or after the **Damage** the amount payable shall be proportionately reduced.

**Rent Receivable** – if the sum insured is less than the **Rent Receivable** (excluding the allowance for review) for the 12 months immediately prior to the occurrence of the **Damage** the amount payable shall be proportionately reduced, after due provision has been made to provide for the trend or variation in or other circumstances affecting or which would have affected the **Business** either before or after the **Damage**.

## Memoranda Applicable to Section 2

### 1 Limit

The **Company's** liability under Section 2 shall not exceed in any one period of insurance the sums insured and limits shown in the Schedule.

### 2 VAT

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

### 3 Current Cost Accounting

For the purpose of this Section any adjustment implemented in current cost accounting shall be disregarded in calculations.

### 4 Alternative Trading

If during the **Indemnity Period** work is done or services rendered elsewhere than at the **Premises** for the benefit of the **Business** either by the **Insured** or by others on behalf of the **Insured** the **Money** paid or payable in respect of such work or services will be accounted for in arriving at the **Net Takings** during the **Indemnity Period**.

### 5 Miscellaneous Extensions

For other miscellaneous extensions included on the Schedule the wording will appear on the Schedule as an endorsement.

### 6 New Business

For the purpose of a new business that has not yet been trading 12 months the Standard **Net Takings** is restated as follows: Standard **Net Takings** is the proportional equivalent for a period equal to the **Indemnity Period** of the **Income** realised during the period between the commencement of the **Business** and the date of the **Damage**.

## SECTION 3 – LIABILITY

### Cover

#### Sub-Section A – Employers Liability

In the event of accidental **Injury** sustained by any **Employee** of the **Insured** caused during the period of insurance and arising out of and in the course of their employment by the **Insured** for the purposes of the **Business**, within the **Territorial Limits**, the **Company** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimants costs and expenses, in respect of such **Injury**. The **Company** will also pay **Legal Costs** and **Solicitors Fees**. The indemnity granted by this Sub-Section shall be interpreted as being in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man but the **Insured** shall repay to the **Company** all sums paid by the **Company** which the **Company** would not have been liable to pay but for the provisions of such law.

#### Limit of Indemnity

The liability of the **Company** under this Sub-Section for compensation and claimants costs and expenses in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause (inclusive of **Legal Costs** and **Solicitors Fees**) shall not exceed the Limit of Indemnity stated in the Schedule.



### Sub-Section B – Public Liability

In the event of accidental

- a) **Injury**
- b) **Damage to Property**
- c) obstruction, trespass, nuisance, or interference with any right of way, light, air, water occurring during the period of insurance and arising out of ownership of the **Premises** or in the course of the **Business**, within the **Territorial Limits**, the **Company** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimants costs and expenses, in respect of such **Injury**, **Damage to Property** or obstruction, trespass, nuisance, or interference with any right of way, light, air, water. The **Company** will also pay **Legal Costs** and **Solicitors Fees**.

### Limit of Indemnity

The liability of the **Company** under this Sub-Section for compensation in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity stated in the Schedule.

### Sub-Section C – Products Liability

In the event of accidental

- a) **Injury**
- b) **Damage to Property**  
occurring during the period of insurance and arising out of **Products Supplied** in or from Great Britain, Northern Ireland, the Channel Islands or the Isle of Man in the course of the **Business** the **Company** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimants costs and expenses, in respect of such **Injury** or **Damage to Property**.

The **Company** will also pay **Legal Costs** and **Solicitors Fees**.

### Limit of Indemnity

The liability of the **Company** under this Sub-Section for compensation during any one period of insurance shall not exceed the Limit of Indemnity shown in the Schedule.

### Sub-Section D – Work Away

Sub-Section A Employers Liability is extended to include cover for Employers Liability **Work Away** as follows: In the event of accidental **Injury** sustained by any **Employee** of the **Insured** caused during the period of insurance and arising out of and in the course of doing **Work Away**, within the **Territorial Limits**, as part of their employment by the **Insured** for the **Business**, the **Company** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimants costs and expenses in respect of such **Injury**. The **Company** will also pay **Legal Costs** and **Solicitors Fees**. The indemnity granted by this Sub-Section shall be interpreted as being in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man but the **Insured** shall repay to the **Company** all sums paid by the **Company** which the **Company** would not have been liable to pay but for the provisions of such law.

### Limit of Indemnity

The liability of the **Company** under this Sub-Section for Employers Liability **Work Away** for compensation and claimants costs and expenses in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause (inclusive of **Legal Costs** and **Solicitors Fees**) shall not exceed the Limit of Indemnity under Sub-Section A in the Schedule.

Sub-Section B Public Liability is extended to include Public Liability **Work Away** as follows:

In the event of accidental

- a) **Injury**
- b) **Damage to Property**
- c) obstruction, trespass, nuisance, or interference with any right of way, light, air, water

occurring during the period of insurance and arising out of **Work Away**, within the **Territorial Limits**, in the course of the **Business**, the **Company** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimants costs and expenses, in respect of such **Injury**, **Damage to Property** or obstruction, trespass, nuisance, or interference with any right of way, light, air, water. The **Company** will also pay **Legal Costs** and **Solicitors Fees**.

### Limit of Indemnity

The liability of the **Company** under this Sub-Section for Public Liability **Work Away** for compensation in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity under Sub-Section B in the Schedule.

### Sub-Section E – Treatment Extensions

Hairdresser's Treatment Risk

Where Hairdresser's Treatment is shown on the Schedule Sub-Section B and Sub-Section C if operative, are extended to indemnify the **Insured** as follows:

In the event of accidental:

- (a) **Injury**
- (b) **Damage to Property**

occurring by or arising from a hairdressing treatment rendered by the **Insured** in the course of the **Business** during the period of insurance the **Company** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimant's costs and expenses, in respect of such **Injury** or **Damage to Property**, subject to the Conditions Precedent to Liability.

### Limit of Indemnity

The liability of the **Company** under this Extension shall not exceed the Limit of Indemnity shown under Sub-Section B in respect of any one claim or number of claims arising out of one cause, or if appropriate Sub-Section C in respect of any one period of insurance.

For the purposes of this Cover Hairdresser's Treatment is:

The activities associated with colouring, tinting, dyeing, perming or specialist treatments to the hair or scalp, manicures and pedicures, and ear or nose piercing by stud gun method but does not include any other body or facial piercing by any method.

Beauty Treatment Risk

Where Beauty Treatment is shown on the Schedule Sub-Section B and Sub-Section C if operative, are extended to indemnify the **Insured** as follows:

In the event of accidental:

- (a) **Injury**
- (b) **Damage to Property**

occurring by or arising from a beauty treatment rendered by the **Insured** in the course of the **Business** during the period of insurance the **Company** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimant's costs and expenses, in respect of such **Injury** or **Damage to Property**, subject to the conditions precedent to liability.



#### Limit of Indemnity

The liability of the **Company** under this Extension shall not exceed the Limit of Indemnity shown under Sub-Section B in respect of any one claim or number of claims arising out of one cause, or if appropriate Sub-Section C in respect of any one period of insurance.

For the purposes of this Cover Beauty Treatment is:

- (i) the application of cosmetics;
- (ii) pedicures and manicures;
- (iii) facial masks including ionisation and steaming treatments;
- (iv) proprietary hair removal preparation other than electrolysis;
- (v) massage excluding the use of aromatherapy oils or creams;
- (vi) application of tanning creams and oils but excluding the use of sunbeds, solarium or other ultraviolet equipment;
- (vii) ear or nose piercing using a stud gun.

#### Other Treatment Risks

For any other Treatment Risks noted on the Schedule as operative please refer to the Endorsements on the Schedule for the extension wording.

#### Amendment to Section Exclusions

For the purposes of this Sub-Section any reference to treatment being excluded in Exclusions to Section 3 and the Sub-Sections of Section 3 is of no effect, but only in respect of those Treatments specified on the Schedule and subject to the terms, conditions and exclusions of the Sub-Section and Section

#### Extensions

##### Extension to Cover for Sub-Sections A B and D

Subject to the Limits of Indemnity, Exclusions and Conditions of the operative Sub-Section(s) and the Section

##### Indemnity to Principal

As far as is necessary to meet the requirements of any contract or agreement entered into by the **Insured** for the performance of work for any **Principal** or Public Authority the **Company** will at the request of the **Insured** treat the **Principal** or Public Authority as though they were also the **Insured** in respect of **Injury** or **Damage** arising out of the performance of such work by the **Insured** provided that the **Principal** shall observe, fulfil and be subject to the terms, Conditions and Exclusions of this Policy in so far as they can apply.

##### Extensions to Cover for Sub-Sections B and D Public Liability Work Away

Subject to the Limits of Indemnity, Exclusions and Conditions of the operative Sub-Section(s) and the Section

##### Cross Liabilities

This Section shall, if applicable, apply separately to each of the **Insured** named in the Schedule of the Policy in the same manner as if a separate section had been issued to each **Insured** provided that the aggregate of the liabilities arising from any separate application of this Section shall not exceed in total the Limit of Indemnity shown in the Schedule.

##### Extensions to Cover for Section 3

###### 1 Leased Hired or Rented Premises

The **Company** will indemnify the **Insured** in respect of the **Insured's** legal liability as tenant of a **Premises** leased, rented or hired in the course of the **Business** for

- i. **Damage** to the **Premises** including any landlords fixtures and fittings caused by any of Cover Causes 1,2 or 4
- ii. reinstatement or repair of **Damage** to the underground water pipes, gas pipes, electricity and telephone cables extending from the public mains to the **Premises** but excluding consequential loss of any kind or description.

Provided that the **Company** shall not be liable for:

- i. the first £250 of **Damage**
- ii. liability attaching to the **Insured** solely by the terms of the tenancy or any other agreement.

###### 2 Defective Premises Act 1972

The **Company** will indemnify the **Insured** in respect of any legal liability incurred by the **Insured** during the period of insurance under the terms of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with **Premises**, which have been disposed of by the **Insured**.

Provided that the **Company** shall not be liable for

- i. the cost of remedying any defect or alleged defect in the **Premises** disposed of
- ii. liability if the **Insured** is entitled to indemnity from any other source.

###### 3 Health and Safety at Work Act 1974 – Legal Defence Costs

The **Company** will at the request of the **Insured** indemnify any director, partner or **Employee** of the **Insured** in respect of **Legal Costs** and **Solicitors Fees** incurred in the defence of a prosecution including an appeal against any conviction resulting from a prosecution brought for a breach of

- i. the Health and Safety at Work Act 1974
- ii. the Health and Safety at Work (Northern Ireland) Order 1978 committed in the course of the **Business** during the period of insurance.

Provided that the **Company** shall not be liable for:

- i. the payment of fines or penalties
- ii. liability unless each director, partner or **Employee** shall be subject to the terms, Exclusions and Conditions of this Policy in so far as they can apply
- iii. a breach that was as a result of an intentional or deliberate act
- iv. any liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.



#### 4 Food Safety Act – Legal Defence Costs

The **Company** will indemnify the **Insured** for all **Legal Costs** and expenses incurred with the written consent of the **Company** in respect of the defence of a prosecution or in connection with an appeal against criminal prosecution and conviction in respect of a breach of Part II of the Food Safety Act 1990 that has occurred during the Period of Insurance in connection with the **Business**. Provided that the **Company** shall not be liable for:

- i. the payment of fines or penalties
- ii. a breach that was as a result of an intentional or deliberate act.

#### 5 Consumer Protection Act 1987 – Legal Defence Costs

The **Company** will indemnify the **Insured** for all **Legal Costs** and expenses incurred with the written consent of the **Company** in respect of the defence of a prosecution or in connection with an appeal against conviction under the provisions of Part II of the Consumer Protection Act 1987 provided the alleged offence has occurred during the Period of Insurance in connection with the **Business**.

Provided that the **Company** shall not be liable for:

- (i) any fines or penalties; holding or obtaining such a licence;
- (ii) liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

#### 6 Data Protection Act 1998

The **Company** will indemnify the **Insured** against legal liability to pay compensation for damage or distress under the provisions of Section 13, and defence costs in respect of a prosecution under Section 60, of the Data Protection Act 1998 subject to the act or omission from which the legal liability arises occurring during the Period of Insurance and that the **Insured** being registered in accordance with the requirements of the Data Protection Act 1984.

Provided that the **Company** shall not be liable for:

- i. any fines or penalties
- ii. any amount in excess of the Limit of Indemnity stated on the schedule for Sub-Section B
- iii. liability arising from recording, processing or provision of data for reward or determining the financial status of a person or any deliberate act or omission by the **Insured** from which liability could have reasonably expected to attach by the **Insured** or from an agreement which would not have attached in absence of such agreement
- iv. the cost of rectifying, replacing, reinstating or removing any data
- v. liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

#### 7 Motor Contingent Liability

The **Company** will indemnify the **Insured** against legal liability for **Injury or Damage to Property** arising out of the use of any motor vehicle in connection with the **Business**.

Provided that the **Company** shall not be liable for:

- i. any vehicle owned or provided by the **Insured** or any **Principal** for whom the **Insured** is working or any sub-contractor acting for or on behalf of the **Insured**
- ii. **Damage** to such vehicle or to goods conveyed in or on it
- iii. any vehicle being driven by the **Insured** or by any person who to the knowledge of the **Insured** or of the **Insured's** representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- iv. liability if the **Insured** is entitled to indemnity under any other insurance
- v. liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

#### 8 Wrongful Arrest

The **Company** will indemnify the **Insured** in respect of all sums which the **Insured** shall become legally liable to pay in respect of damages and costs and expenses awarded against the **Insured** as the result of charges of wrongful arrest or malicious prosecution being made against the **Insured** arising out of any allegation of shoplifting or other improper conduct at the **Premises** by any customer or customers or any other person or persons (other than an **Employee** of the **Insured**) during the period of insurance. Provided that the liability of the **Company** shall not exceed £2,500 in respect of any one occurrence or £25,000 in respect of any one period of insurance.

#### 9 Court Attendance

The **Company** will indemnify the **Insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the **Company's** agreement up to a maximum of £250 per day per person.

#### Exclusions

##### Exclusions to Sub-Sections A and B

Sub-Sections A and B do not cover liability arising from **Work Away** other than

- a) delivery or collection of goods messages or **Money** to or from the **Premises**
- b) private work undertaken by the **Insured's Employees** (with the consent of the **Insured**) for any director, partner or senior executive of the **Insured**.

##### Exclusions to Sub-Sections A B D and E

Sub-Sections A B D and E do not cover liability arising

- a) from or in connection with any work in or on
  - i. towers, steeples, chimney shafts, blast furnaces, dams, canals, viaducts, bridges, tunnels, or public highways
  - ii. aircraft, airports, railways, ships, docks, piers, wharves, breakwaters, or sea walls
  - iii. collieries, mines, chemical works, gas works, oil refineries, power stations, nuclear installations or establishments
  - iv. computer suites or rooms used exclusively for computer operations.
- b) on any offshore installation or any support vessel for any offshore installation or whilst in transit to and from any offshore installation or support vessel.

##### Exclusion to Sub-Sections A and D

Sub-Section A and Sub-section D Employers Liability **Work Away** do not cover:

Liability arising out of the ownership, possession or use of any self propelled vehicle (or machinery or plant) in respect of the use of which the Road Traffic Act 1988 (as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992) requires that there shall be in force a policy of insurance or other security.

##### Exclusion to Sub-Sections B and D

Sub-Section B and Sub-Section D Public Liability **Work Away** do not cover liability caused through any **Products Supplied** after they have ceased to be in the custody or control of the **Insured**.



#### Exclusions to Sub-Sections B C D and E

Sub-Sections B C and Sub-Section D Public Liability **Work Away** and Sub-Section E do not cover:

- a) liability for **Injury** sustained by any **Employee** of the **Insured**
- b) liability arising directly or indirectly by, through or in connection with the ownership, possession or use by or on behalf of the **Insured**, of any
  - i. mechanically propelled vehicle or mobile plant for which insurance is required under any legislation governing the use of such vehicle or which is licensed for road use, provided that if no indemnity is afforded by any other policy this Exclusion shall not apply to the bringing to or taking away of the load from any vehicle in connection with the loading or unloading of such vehicle
  - ii. aircraft, hovercraft, drilling platform or rig and other offshore platforms or watercraft (other than hand-propelled watercraft), railways, railway locomotives or carriages
  - iii. pressure vessel, lifting apparatus or other item of plant owned by the **Insured** or the maintenance for which the **Insured** is responsible
  - iv. firearms
- c) liability which attaches because of an agreement but which would not have attached in the absence of such agreement.
- d) liability arising out of pollution or contamination unless caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the period of insurance, provided that:
  - i. all pollution or contamination arising out of one incident shall be deemed to have occurred at the time such incident takes place
  - ii. the liability of the **Company** for all damages payable arising out of all pollution or contamination which is deemed to have occurred during any one period of insurance shall not exceed £1,000,000 in aggregate

For the purpose of this exclusion pollution or contamination shall be deemed to mean

- a) all pollution or contamination of buildings or other structures or of water or land or the atmosphere, and
- b) all **Damage** or **Injury** directly or indirectly caused by such pollution or contamination
- e) the cost of making good, replacement or reinstatement of defective work carried out by or on behalf of the **Insured**.
- f) liability arising:
  - (i) through the defective design, plan, formula or specification of **Products Supplied** given for a fee or for which a fee would normally be charged
  - (ii) out of technical professional or remedial instruction and advice given for a fee or for which a fee would normally be charged
  - (iii) out of treatment given or administered, except for any treatments that have been specifically noted as **Insured** on the Schedule, by the **Insured** or **Employees**, or any failure to give advice or treatment or any lack of professional skill
  - (iv) arising from errors in connection with the sale supply making up or prescribing or dispensing of any drug medicine medical cosmetic or toilet preparation
- g) **Damage** to:
  - (i) **Property** belonging to the **Insured**
  - (ii) **Property** held in trust or in the custody or control of the **Insured** or of an **Employee** but this Exclusion shall not apply to any personal **Property** (including motor vehicles) of directors, **Employees** or visitors of the **Insured**

- h) claims made in any country outside the European Union
- i) **Property** belonging to or in the custody or control of the **Insured**
- j) liability arising in respect of **Products Supplied** knowingly supplied directly or indirectly to the United States of America or Canada
- k) liability for **Property** being worked upon where the **Damage** is as a direct result of the work undertaken
- l) liquidated damages, fines, penalties, exemplary, punitive or multiplied damages
- m) the amount of the **Excess** shown in the schedule

#### Exclusions to Sub-Sections C and E

Sub-Sections C and E do not cover

- (i) liability for **Damage** to **Products Supplied** or the cost of repairing or replacing such products
- (ii) the cost incurred by anyone in recalling, removing, repairing, rectifying, replacing, reapplying or guaranteeing any **Products Supplied**
- (iii) liability caused through any **Products Supplied** which are used to the knowledge of the **Insured** in connection with aircraft, hovercraft, aerial devices, watercraft, drilling platforms or rigs, motor vehicles, railways, railway locomotives or carriages, operational areas of gas, chemical, nuclear, petrochemical or power generation plants, or mines.

#### Exclusions to Sub-Section E

Sub-Section E does not cover liability for the cost of repairing or replacing any goods sold or supplied or for any injury illness or **Damage** caused by or arising from

- a) any treatment of the eyes, or anything in the nature of a surgical operation
- b) any preparation manufactured by or on behalf of the **Insured**
- c) sunbeds or solaria
- d) any other treatments not specifically included.

Conditions

Conditions Precedent to Liability

Sub-Section E Hairdresser's Treatment Risk Conditions

The **Company** will indemnify the **Insured** under the Cover provided that:

- (a) Hairdresser's Treatment shall not be carried out by any person with less than two years' continuous service as a hairdresser or apprentice hairdresser except under the constant and direct supervision of a fully qualified person
- (b) the **Insured** shall not use any hair dye or preparation where the makers or vendors of the dye or preparation have issued a warning that it might be harmful without first notifying the customer of this fact and (except as provided in paragraph (c) below) applying such tests as may be necessary or as may be required or recommended by the makers or vendors before undertaking the treatment. In the event of any test on a customer proving unsatisfactory the **Company** shall be under no liability in respect of any claims attributable to the use of such hair dye or preparation on the customer other than as a result of such test
- (c) where a particular dye or preparation has been applied by the **Insured** within the previous three months to an individual customer without ill effect the **Insured** may at the request of the customer dispense with the test recommended or required by the makers or vendors provided that the **Insured** shall obtain from the customer a signed disclaimer relieving the **Insured** from all liability for any injury or ill effects which might follow upon the use of the dye or preparation
- (d) at the time of sale of preparations the **Insured** shall supply to their customers a printed copy of the "Instructions for Use" as supplied by the makers or vendors.



#### Sub-Section E Beauty Treatment Risk Conditions

The **Company** will indemnify the **Insured** under the Cover provided that:

- (a) Beauty Treatment shall not be carried out by any person with less than 6 months continuous service as a beauty therapist or an apprentice beauty therapist except under the constant and direct supervision of a fully qualified person
- (b) the **Insured** shall not use any preparation where the makers or vendors of the preparation have issued a warning that it might be harmful without first notifying the customer of this fact and (except as provided in paragraph (c) below) applying such tests as may be necessary or as may be required or recommended by the makers or vendors before undertaking the treatment. In the event of any test on a customer proving unsatisfactory the **Company** shall be under no liability in respect of any claims attributable to the use of such hair dye or preparation on the customer other than as a result of such test
- (c) where a particular preparation has been applied by the **Insured** within the previous three months to an individual customer without ill effect the **Insured** may at the request of the customer dispense with the test recommended or required by the makers or vendors provided that the **Insured** shall obtain from the customer a signed disclaimer relieving the **Insured** from all liability for any injury or ill effects which might follow upon the use of the preparation
- (d) at the time of sale of preparations the **Insured** shall supply to their customers a printed copy of the 'Instructions for Use' as supplied by the makers or vendors

#### Conditions

Conditions to Section 3

1 The **Company** may at any time, pay to the **Insured**, in connection with any claim or series of claims

- a) the amount of the Limit of Indemnity  
or
- b) any lesser amount for which such claim or claims can be settled less any sum or sums already paid as compensation, claimant's costs and expenses, **Legal Costs** and **Solicitors Fees** recoverable prior to the date of such payment.

On payment, the **Company** 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. Where the **Company** has not exercised its rights under this Condition, and compensation exceeding the Limit of Indemnity has to be paid, the liability of the **Company** to pay costs and expenses shall be limited to such proportion of the costs and expenses as the Limit of Indemnity bears to the amount paid to dispose of the claim or series of claims.

2 If any claim under this Section is also covered in whole or in part by any other existing insurance or by an indemnity for many other source the liability of the **Company** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected.

3 In the event of any occurrence which may give rise to a claim for indemnity:

- a) every letter, writ, summons or other document must be forwarded to the **Company** immediately on receipt and notice in writing given to the **Company** of any impending prosecution, Coroner's Inquest or Fatal Accident Inquiry.
- b) no admission of liability or promise of payment may be made without the written consent of the **Company**.

#### SECTION 4 – GOODS IN TRANSIT

##### Cover

##### Sub-Section A – Own Vehicles

(This Sub-Section and Covers are only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** in respect of **Damage**, from Cover Causes 1, 2, 3 and 4, to **Trade Contents, Stock** and **Target Stock** whilst **In Transit**, in respect of each **Vehicle** noted in this Sub-Section as shown on the Schedule with the corresponding Cover noted below:

##### Cover 1

By a specified **Vehicle** belonging to the **Insured** or for which the **Insured** is legally responsible as shown on the Schedule whilst in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man and travelling directly and immediately between those territories

##### Cover 2

By a specified **Vehicle** belonging to the **Insured** or for which the **Insured** is legally responsible as shown on the Schedule whilst anywhere in the European Union and travelling directly and immediately between the territories in the European Union, except as excluded by Endorsement on the Schedule

##### Cover 3

By an unspecified **Vehicle** belonging to the **Insured** or for which the **Insured** is legally responsible whilst in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man and travelling directly and immediately between those territories

##### Cover 4

By an unspecified **Vehicle** belonging to the **Insured** or for which the **Insured** is legally responsible whilst anywhere in the European Union and travelling directly and immediately between the territories in the European Union, except as excluded by Endorsement on the Schedule

##### Sub-Section B – Road Hauliers

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** in respect of **Damage**, from Cover Causes 1, 2, 3 and 4, to **Trade Contents, Stock** and **Target Stock** whilst **In Transit** by a third party road haulier within the territorial limits shown on the Schedule and travelling directly and immediately between the specified territories.

##### Sub-Section C – Rail and Post

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** in respect of **Damage**, from Cover Causes 1, 2, 3, and 4, to **Trade Contents, Stock** and **Target Stock** whilst **In Transit** by rail or post within the territorial limits shown on the Schedule and travelling directly and immediately between the specified territories.

##### Extensions to Sub-Section A

###### 1 Conveyance Transfer

The **Company** will indemnify the **Insured** for the additional expenses incurred in transferring to another conveyance including unloading and reloading and removal of any debris, required as a result of **Damage** from Cover Cause 1 or from collision or overturning of the **Vehicle** subject to a maximum amount of £1000, any one loss.

###### 2 Tarpaulins Sheet Ropes and Chains

The **Company** will indemnify the **Insured** for **Damage** to tarpaulins, sheets, ropes and chains from Cover Causes 1, 2 or 4 or from collision or overturning of the **Vehicle**, subject to a maximum amount of £1,000 any one loss.



### 3 Personal Effects

The **Company** will indemnify the **Insured** for **Damage** to **Employee's** personal effects but excluding any jewellery, **Money** or credit cards from Cover Causes 1, 2 or 4 and from collision or overturning of the **Vehicle**, subject to a maximum amount of £500 per person and £1000, in total any one loss.

### 4 Contract Price

In respect of **Stock** sold but not delivered, for which the **Insured** is responsible, subject to a sale contract, which following insured **Damage** is cancelled due to the contract conditions wholly or to the extent of the **Damage**, the **Company's** liability will be based on the contract price.

## Exclusions

### Exclusions to Sub-Section A

- a) The **Company** shall not be liable for **Damage** as a result of Theft or attempted Theft that does not involve entry to or exit from the **Vehicle** by forcible and violent means or that does not involve actual or threatened assault or violence or use of force against the driver or passenger of the **Vehicle**
- b) The **Company** shall not be liable in respect of trailers or demountable vans or containers or cover for the **Property** therein when they are detached from the **Vehicle**.

### Exclusions to Section 4

- a) The **Company** shall not be liable in respect of **Damage**:
  - (i) resulting from the dishonesty of any person to whom goods have been entrusted
  - (ii) or waste due to leakage, shortage in weight or spilling unless arising from fire, theft or accident to the conveying vehicles.
  - (iii) to or from explosives, radioactive substances and other substances with a similar hazard, and other dangerous goods to **Property In Transit** on Free On Board terms unless notified to and agreed with the **Company** and noted by endorsement on the Schedule
  - (v) to vehicles licensed for road use (including their accessories), caravans, trailers, railway locomotives, rolling stock, watercraft, aircraft or fork lift trucks to **Property** which at the time of the happening of **Damage** is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any **Excess** beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected to **Property** more specifically insured from Cover Cause 4 in respect of an open topped or an open sided **Vehicle**.
  - (vii)
  - (viii)

b) The **Company** shall not be liable in respect of:

- (i) delay, loss of market, strikes or other reduction in value or consequential loss of any kind
- (ii) confiscation, destruction, requisition or detention by order of any Government or public authority claims arising out of any transits undertaken by the **Insured** for hire and reward
- (iii) claims arising from incorrect addressing or packaging of any **Property**
- (v) animals, **Excluded Property**, **Money**, promissory notes, securities, bonds, deeds, bills of exchange and precious stones
- (vi) reduction in value or consequential loss of any kind
- (vii) the amount of any **Excess** shown in the schedule.

## Conditions Precedent to Liability

### Condition to Sub-Section A

#### 1 Minimum Requirements

- (i) whenever the **Vehicle** being used **In Transit** is left unattended all means of access including windows and sunroof must be securely shut and locked and any immobiliser and alarm must be set to be fully operational.
- (ii) where a Security Code is noted against the specified or unspecified **Vehicle** on the Schedule the Security indicated by that code as noted under Security Code below must always be fully operational and set when the **Vehicle** is left unattended
- (iii) all keys or electronic devices to lock or unlock the **Vehicle** must be removed from the **Vehicle** and all **Trade Contents**, **Stock**, or **Target Stock** must be in a part of the **Vehicle** where it is not visible.
- (iv) in addition whenever the **Vehicle** being used **In Transit** is left unattended and loaded with any **Trade Contents**, **Stock** and **Target Stock** after the last trip of the day it must be stored in a locked and secure substantial building or locked and guarded security park or compound until collected for use by the authorised driver for the next trip.

#### Security Code

- 1) Deadlocks and standard **Vehicle** security
- 2) Approved Security Alarm
- 3) Approved Security Alarm and Immobiliser
- 4) Deadlocks and Approved Alarm and Immobiliser
- 5) Approved Tracker device
- 6) Deadlocks, Approved Alarm, Immobiliser and Tracker device

For the purposes of this Condition 'Approved' means devices that are agreed as acceptable to the **Company**.

#### 2 Vehicle Condition

The **Vehicle** being used **In Transit** must be roadworthy and in a good state of repair.

#### 3 Travelling Between Territories

All travel between territories noted must be by land or sea. Travel by sea must be only by "roll-on roll-off" vehicle ferry and the insured **Property** must be left on the **Vehicle** on which the **Property** is being carried for the duration of travel by sea.



## Conditions

### Condition to Sub-Section A

#### Average

If the **Property** in the **Vehicle** at the time of the **Damage** is of greater value than the limit per **Vehicle** then the **Insured** shall be considered as being his own insurer for the difference and shall bear a rateable share of the **Damage** accordingly.

### Condition to Sub-Sections B and C

#### Average

If the **Property** in the package, container, parcel or sending at the time of the **Damage** is of greater value than the limit shown in the Schedule then the **Insured** shall be considered as being his own insurer for the difference and shall bear a rateable share of the **Damage** accordingly.

## Memoranda to Section 4

### 1 Reinstatement

The basis of settlement of any claim in respect of **Trade Contents**, except in respect of customers goods and specified items on an agreed value basis of settlement, shall be the full cost of replacement as new which requires the carrying out of the following work:

- a) where **Property** is destroyed, damaged or lost its replacement by similar **Property** in a condition equal to but not better or more extensive than its condition when new
- b) where **Property** is damaged, the repair of the **Damage** and the restoration of the damaged portion of the **Property** to a condition substantially the same but not better or more extensive than its condition when new.

The basis of settlement of any claim for business books shall be their value as stationery together with the cost of clerical labour expended in their reproduction

### Special Provisions

- (i) the replacement must be carried out without undue delay otherwise the basis of settlement will revert to Indemnity
- (ii) when any **Property** insured under this Memorandum is damaged in part only the liability of the **Company** shall not exceed the sum representing the cost, which the **Company** could have been called upon to pay for the replacement if such **Property** had been wholly destroyed
- (iii) no payment beyond Indemnity shall be made until the cost of replacement shall have been actually incurred.

### 2 Indemnity

The basis of settlement of any claim in respect of **Stock, Target Stock** or customers goods is the cost of repair or replacement (less a reduction for wear, tear and depreciation) up to the value of the item in a condition substantially the same as, but not better or more extensive than its condition immediately prior to the **Damage**.

## SECTION 5 – LEGAL EXPENSES

Fortis Insurance Limited have arranged Commercial Legal Protection through DAS and where stated in the Schedule of your policy as operative the following cover applies for Legal Expenses.

### Definitions

For the purposes of Section 5 the following words or expressions shall carry the meaning below whenever they appear in a customised endorsement on the schedule or whenever they appear in **bold** in the Policy, Schedule, Endorsements, and the proposal form or statement of fact. Wherever the defined words are shown in the plural they take on the same meaning as shown below, but in the plural.

### We, Us, Our

DAS Legal Expenses Insurance Company Limited. Head and Registered Office: DAS House, Quay Side, Temple Back, Bristol BS1 6NH England. Registered in England and Wales, number 103274.

### Policyholder

Shown as **Insured** in the policy schedule.

### Insured Person

The **Policyholder** and the directors, partners, resident Manager or Manageress and employees of the **Policyholder**.

### Appointed Representative

The lawyer, accountant or other suitably qualified Person, who has been appointed to act for an **Insured Person** in accordance with the terms of this policy.

### Period of Insurance

The **Period** for which **We** have agreed to cover the **Insured Person** and for which the premium has been paid.

### Limit of Indemnity

The sum shown in the schedule which is the most that **We** will pay for all claims resulting from one or more events arising at the same time or from the same cause.

### Full Enquiry

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

### Aspect Enquiry

An examination by HM Revenue & Customs which considers one or more specific aspects of the **Policyholder's** self assessment and/or corporation tax return.

### Date of Occurrence

1. For civil cases (other than under Cover 4 of Sub-Section A – Tax Protection), the **Date of Occurrence** is when the cause of action first accrued.
2. For criminal cases, the **Date of Occurrence** is when the **Insured Person** commenced or is alleged to have commenced to violate the criminal law in question.
3. For licence or registration appeals, the **Date of Occurrence** is when the **Policyholder** first became aware of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel the **Policyholder's** licence or British Standard Certificate of Registration.
4. For **Full Enquiries** or **Aspect Enquiries**, the **Date of Occurrence** is when HM Revenue & Customs first notifies in writing the intention to make enquiries. For Employers' Compliance and Value Added Tax disputes, the **Date of Occurrence** is when the relevant authority sends an assessment or written decision to the **Policyholder**.



## Costs and Expenses

Legal costs

All reasonable and necessary costs chargeable by the **Appointed Representative** on a standard basis. Also the costs incurred by opponents in civil cases if an **Insured Person** has been ordered to pay them, or pays them with **Our** agreement.

## Accountant's costs

A reasonable amount in respect of all costs reasonably incurred by the **Appointed Representative**.

## Attendance expenses

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

The amount **We** will pay is based on the following:

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

## Territorial limit

For Cover 2 of Sub-Section A - Legal Defence (excluding 2(4)), and Cover 3(b) of Sub-Section A - Bodily Injury

The European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Bulgaria, Croatia, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, Romania, San Marino, Serbia, Switzerland and Turkey (west of the Bosphorus).

For all other Insured incidents

The United Kingdom or Great Britain and Northern Ireland, the Isle of Man and the Channel Islands.

## Cover

**We** agree to provide the insurance in this section in accordance with the operative covers shown in the policy schedule as long as:

- a) the **Date of Occurrence** of the insured incident happens during the **Period of Insurance** and within the **Territorial Limit**; and
- b) any legal proceedings will be dealt with by a court, or other body which **We** agree to, in the **Territorial Limit**; and
- c) in civil claims it is always more likely than not that an **Insured Person** will recover damages (or obtain any other legal remedy which **We** have agreed to) or make a successful defence.

For all insured incidents **We** will help in appealing or defending an appeal as long as the **Insured Person** tells **Us** within the time limits allowed that they want us to appeal. Before **We** pay any **Costs and Expenses** for appeals, **We** must agree that it is always more likely than not that the appeal will be successful.

If an **Appointed Representative** is used, **We** will pay the **Costs and Expenses** incurred for this. **We** will pay **Compensation Awards** that **We** have agreed to.

The most **We** will pay for all claims resulting from one or more events arising from the same time or from the same originating cause is shown as the **Limit of Indemnity** in the Policy schedule.

## Sub-Section A – Legal Expenses

(This Sub-Section is only operative if specified on the Schedule)

### 1 Employment disputes and compensation awards

#### (a) Employment Disputes

**We** will defend the **Policyholder's** legal rights:

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

What is not covered

1. Any employment dispute where the cause of action arises within the first 90 days of the indemnity provided by the policy.
2. Any dispute with an employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of the indemnity provided by the policy if the **Date of Occurrence** was within the first 180 days of the indemnity provided by the policy.
3. Any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the indemnity provided by the policy.
4. Any claim in respect of damages for personal injury or loss of or damage to property.
5. Any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 1981 as amended by the Collective Redundancies and Transfer of Undertaking Regulations (Protection of Employment) (Amendment) Regulations 1999, or the Acquired Rights Directive 2001 and any amending legislation.

#### (b) Compensation Awards

**We** will pay:

1. any basic and compensatory award in respect of a claim **We** have accepted under Cover 1(a) above; and/or
2. an order for compensation following a breach of the **Policyholder's** statutory duties under employment legislation in respect of a claim **We** have accepted under Cover 1(a) above.



Provided that:

1. In cases relating to performance and/or conduct, the **Policyholder** has throughout the employment dispute either:
  - (a) followed the ACAS Code of Disciplinary Practice and Procedures in Employment as prepared by the Advisory Conciliation and Arbitration Service; or
  - (b) followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
  - (c) sought and followed advice from **Our** legal advice service.
2. For an order of compensation following the **Policyholder's** breach of statutory duty under employment legislation the **Policyholder** has at all times sought and followed advice from **Our** legal advice service since the date when the **Policyholder** should have known about the employment dispute
3. For any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, the **Policyholder** has sought and followed advice from **Our** Claims Department prior to serving notice of redundancy.
4. The compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by **Us**.
5. The total of the compensation awards payable by **Us** shall not exceed £1,000,000 in any one **Period of Insurance**.

What is not covered

1. Any compensation award relating to the following:
  - trade union activities, trade union membership or non-membership;
  - pregnancy or maternity rights;
  - health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
  - statutory rights in relation to trustees of occupational pension schemes;
  - statutory rights in relation to Sunday shop and betting work.
2. Non-payment of money due under the relevant contract of employment or statutory provision relating thereto.
3. Any award ordered as a result of a breach of statutory rights in relation to the provision of relevant records to employees under the National Minimum Wage Act 1998.
4. Any compensation award or increase in compensation award ordered by the tribunal for failure to comply with a recommendation it has made, including non-compliance with a reinstatement or reengagement order.

(c) Service Occupancy

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

What is not covered

Any claim relating to defending the **Policyholder's** legal rights other than defending a counter-claim.

## 2 Legal Defence

At the **Policyholder's** request:

1. **We** will defend the **Insured Person's** legal rights:
  - (a) prior to the issue of legal proceedings when dealing with the Police Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer where it is alleged that the **Insured Person** has or may have committed a criminal offence; or
  - (b) following an event which leads to the **Insured Person** being prosecuted in a court of criminal jurisdiction; or
  - (c) if civil action is taken against the **Insured Person** for compensation under section 13 of the Data Protection Act 1998. **We** will also pay any compensation award made against the **Insured Person** under section 13 of the Data Protection Act 1998.
2. **We** will defend the **Policyholder's** legal rights following civil action taken against the **Policyholder** for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the **Period of Insurance**.
3. **We** will defend the **Insured Person's** (other than the **Policyholder**) legal rights if:
  - (a) an event arising from their work as an employee leads to civil action being taken against them under legislation for unlawful discrimination on the grounds of sex, sexual orientation, race, disability, age, religious belief or political opinion; or
  - (b) civil action is taken against them as a trustee of a pension fund set up for the benefit of the **Policyholder's** employees.
4. **We** will represent the **Insured Person** in appealing against the imposition or terms of any Statutory Notice issued under legislation affecting the **Policyholder's** business.
5. **We** will represent the **Policyholder** in appealing against the refusal of the Information Commissioner to register the **Policyholder's** application for registration.
6. **We** will pay the attendance expenses of an **Insured Person** for jury service.

Provided that

1. in so far as proceedings under the Health and Safety at Work etc Act 1974 are concerned, the **Territorial limit** shall be any place where the Act applies
2. At the time of the insured incident, the **Policyholder** has registered with the Information Commissioner in respect of Cover 2,1(c) above

What is not covered

Any claim which leads to the **Insured Person** being prosecuted for infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

## 3 Property Protection and Bodily Injury

(a) Property Protection

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

1. any event which causes or could cause physical damage to such material property; or
2. any nuisance or trespass.



#### What is not covered

Any claim relating to the following:

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

#### (b) Bodily Injury

At the **Policyholder's** request, **We** will negotiate for an **Insured Person's** and their family members' legal rights following an event which causes the death of, or bodily injury to them.

#### What is not covered

Any claim relating to the following:

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

## 4 Tax Protection

#### (a) Full or Aspect Enquiries

**We** will negotiate on behalf of the **Policyholder** and represent them in any appeal proceedings in respect of a **Full Enquiry** and/or **Aspect Enquiry**

#### (b) Employers' Compliance

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

#### (c) VAT Disputes

**We** will negotiate on behalf of the **Policyholder** and represent them in any appeal proceedings following an assessment issued by HM Revenue & Customs in respect of Value Added Tax due.

#### Provided that

1. For all insured incidents, the **Policyholder** has taken reasonable care to ensure that all returns are complete and correct and that such returns are submitted within the statutory time limits allowed.
2. **We** will not pay more than £2000 for **Aspect Enquiries**.

#### What is not covered

1. In respect of **Aspect Enquiries** the first £200 of **Costs and Expenses** in each and every claim.
2. Any insured incident arising from a tax avoidance scheme.
3. Any insured incident caused by the failure of the **Policyholder** to register for Value Added Tax.
4. Any insured incident arising from any investigation or enquiries undertaken by HM Revenue & Customs Special Investigation Section or Special Compliance Office.
5. Any insured incident arising from any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

## Sub-Section B- Statutory Licence Protection

(This Sub-Section is only operative if specified on the Schedule)

**We** will represent the **Policyholder** in appealing to the relevant statutory or regulatory authority, court, or tribunal following an event which results in a licensing or regulatory authority suspending, or altering the terms of, or refusing to renew, or cancelling the **Policyholder's** licence or British Standard Certificate of Registration.

#### What is not covered

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

## Sub-Section C – Contract Disputes

(This Sub-Section is only operative if specified on the Schedule)

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

#### Provided that

1. The amount in dispute exceeds £250. If the amount in dispute exceeds £5000, the **Policyholder** will be responsible for the first £500 of legal costs in each and every claim.
2. If the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £250.
3. If the dispute relates to money owed to the **Policyholder**, a claim under the policy is made within 90 days of the money becoming due and payable.

#### What is not covered

1. Any dispute arising from an agreement entered into prior to the inception date of the indemnity provided by the policy if the **Date of Occurrence** is within the first 90 days of the indemnity provided by the policy.
2. Any claim relating to the following:
  - the settlement payable under an insurance policy
  - a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or tenancy agreement;
  - a loan, mortgage, pension or any other financial product and choses in action;.
  - a motor vehicle owned by, or hired or leased to, the **Policyholder** other than agreements relating to the sale of motor vehicles where the **Policyholder** is engaged in the business of selling motor vehicles.
3. A dispute with an employee or ex- employee, which arises out of, or relates to, a contract of employment with the **Policyholder**.
4. A dispute which arises out of the:
  - sale or provision of computer hardware, software, systems or services; or
  - the purchase or hire of computer hardware, software, systems or services; tailored by a supplier to the **Policyholder's** own specification.
5. A dispute arising from a breach or alleged breach of professional duty by an **Insured Person**.
6. The recovery of money and interest due from another party other than disputes where the other party intimates that a defence exists.



## Exclusions

### Exclusions to Section 5

- 1 Any claim reported to **Us** more than 180 days after the date the **Insured Person** should have known about the insured incident.
- 2 **Costs and Expenses** incurred before the written acceptance of a claim by **Us**.
- 3 Fines, penalties, compensation or damages which the **Insured Person** is ordered to pay by a court or other authority other than compensation awards as covered under Sub-Section A, Cover 1(b) - Compensation Awards and Cover 2 Legal Defence.
- 4 Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- 5 Any claim relating to franchise rights, or agency rights where the **Policyholder** has the legal capacity to alter the legal relations of another.
- 6 Any insured incident deliberately or intentionally caused by an **Insured Person**.
- 7 A dispute with **Us** not otherwise dealt with under Condition 7.
- 8 Any claim relating to a shareholding or partnership share in the **Policyholder** unless such shareholding was acquired under a scheme open to all employees of the **Policyholder** or a substantial number of them of a certain minimum grade other than the directors or partners of the **Policyholder**.
- 9 An application for judicial review.
- 10 Legal action an **Insured Person** takes which **We** or the **Appointed Representative** have not agreed to or where the **Insured Person** does anything that hinders **Us** or the **Appointed Representative**.
- 11 When either at the commencement of or during the course of a claim, the **Policyholder** is bankrupt or has filed a bankruptcy petition or winding-up petition, or has made an arrangement with its creditors, or has entered into a deed or arrangement or is in liquidation or part or all of its affairs or property are in the care or control of a receiver or administrator.

## Conditions

### Conditions to Section 5

- 1 An **Insured Person** must:
  - (a) keep to the terms and conditions of this policy;
  - (b) notify **Us** immediately of any alteration which may materially affect **Our** assessment of the risk;
  - (c) take reasonable steps to keep any amount **We** have to pay as low as possible;
  - (d) try to prevent anything happening that may cause a claim;
  - (e) send everything **We** ask for, in writing;
  - (f) give **Us** full details of any claim as soon as possible and give **Us** any information **We** need.
- 2
  - (a) **We** can take over and conduct in the name of the **Insured Person**, any claim or legal proceedings at any time. **We** can negotiate any claim on behalf of an **Insured Person**.
  - (b) If **We** agree to start legal proceedings and it becomes mandatory for an **Insured Person** to be represented by a lawyer, or if there is a conflict of interest, an **Insured Person** can choose an **Appointed Representative** by sending **Us** the suitably qualified person's name and address. **We** may choose not to accept the choice of representative, but only in exceptional circumstances. If there is a disagreement over the choice of **Appointed Representative**, another suitably qualified person can be appointed to decide the matter.
  - (c) Before an **Insured Person** chooses a lawyer or an accountant, **We** can appoint an **Appointed Representative**.

- (d) An **Appointed Representative** will be appointed by **Us** and represent an **Insured Person** according to **Our** standard terms of appointment. The **Appointed Representative** must co-operate fully with **Us** at all times.
- (e) **We** will have direct contact with the **Appointed Representative**.
- (f) An **Insured Person** must co-operate fully with **Us** and with the **Appointed Representative** and must keep **Us** up-to-date with the progress of the claim.
- (g) An **Insured Person** must give the **Appointed Representative** any instructions that **We** require.
- 3
  - (a) An **Insured Person** must tell **Us** if anyone offers to settle a claim and must not agree to any settlement without **Our** written consent.
  - (b) If an **Insured Person** does not accept a reasonable offer to settle a claim, **We** may refuse to pay further **Costs and Expenses**.
  - (c) **We** may decide to pay the **Insured Person** the amount of damages that the **Insured Person** is claiming or is being claimed against them instead of starting or continuing legal proceedings.
- 4
  - (a) If **We** ask, an **Insured Person** must tell the **Appointed Representative** to have **Costs and Expenses** taxed, assessed or audited.
  - (b) An **Insured Person** must take every step to recover **Costs and Expenses** that **We** have to pay and must pay **Us** any **Costs and Expenses** that are recovered.
- 5 If an **Appointed Representative** refuses to continue acting for an **Insured Person** or if an **Insured Person** dismisses an **Appointed Representative**, the cover **We** provide will end at once, unless **We** agree to appoint another **Appointed Representative**.
- 6 If an **Insured Person** settles a claim or withdraws their claim without **Our** agreement, or does not give suitable instructions to an **Appointed Representative**, the cover **We** provide will end at once and **We** will be entitled to reclaim any **Costs and Expenses** paid by **Us**.
- 7 If **We** and an **Insured Person** disagree about the choice of **Appointed Representative**, or about the handling of a claim, **We** and the **Insured Person** can choose another suitably qualified person to decide the matter. **We** must both agree to this in writing. If **We** cannot agree with the **Insured Person** about the choice of the second suitably qualified person, **We** will ask the president of a relevant national law society to choose a suitably qualified person. Whoever loses the disagreement will have to pay the costs of settling it.
- 8 **We** may at **Our** discretion require the **Policyholder** to obtain an opinion from counsel at the **Policyholder's** expense as to the merits of a claim or proceedings. If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings, the cost of obtaining the opinion will be paid by **Us**.
- 9 **We** can cancel this section at any time as long as **We** tell the **Policyholder** at least 21 days beforehand. The **Policyholder** can cancel this policy at any time as long as **We** are told at least 21 days beforehand.
- 10 **We** will not pay any claim covered under any other policy, or any claim that would have been covered by any other policy if this policy did not exist.
- 11 All Acts of parliament within the policy wording shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man or the Channel Islands as the case may be.



## Memorandum to Section 5

### The Employment Manual

The DAS Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit our website at [www.das.co.uk](http://www.das.co.uk). From the Home Page click on the Employment Manual icon. All the sections of this web-based document can be printed off for your own use. Contact **Us** at [marketing@das.co.uk](mailto:marketing@das.co.uk) with your e mail address, quoting your policy number and We will contact you by e mail to inform you of future updates to the information.

## GENERAL CONDITIONS AND EXCLUSIONS

(Applicable to the whole Policy except where stated)

### 1 General Exclusions

This Policy does not cover

- a) **Damage** to any **Property** whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused or contributed to by or arising from:-
  - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - (ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
  - (iii) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
  - (iv) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- b) **Damage** to any **Property** in Northern Ireland resulting from caused by or happening through or in consequence of:
  - (i) civil commotion
  - (ii) any unlawful wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any **Unlawful Association**
- c) **Damage** to any **Property** whatsoever or any loss or expense whatsoever resulting or arising from, or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused or contributed to by or arising from **Terrorism** except for
  - (i) **Damage to Property** in the United Kingdom (other than in Northern Ireland) occasioned by or happening through or in consequence directly or indirectly of **Terrorism** up to a maximum of

£100,000 per occurrence in respect of **Buildings**

£100,000 per occurrence in respect of **Trade Contents, Computers, Stock and Target Stock**

£100,000 per occurrence in respect of business interruption for Commercial **Premises**

or

any limit of liability or sum insured stated on the Schedule or Endorsement as applying to that **Premises** whichever is the lower

- (ii) **Accidental Injury** sustained by any **Employee** of the **Insured** during the period of insurance and arising out of and in the course of his employment by the **Insured** in the **Business** described in the Schedule and occasioned by or happening through or in consequence directly or indirectly of **Terrorism** up to a maximum of £5,000,000 for compensation and claimants costs and expenses in respect of one occurrence or all occurrences of a series consequent on or attributable to a source or original cause (inclusive of **Legal Costs and Solicitors Fees**) for which the **Insured** is legally liable

In any action, suit or other proceedings, where the **Company** alleges that by reason of the provisions of this Condition any loss **Damage** or legal liability is not covered by this Policy, the burden of proving that such loss **Damage** or legal liability is covered shall be upon the **Insured**

- d) **Damage** or **Injury** occurring outside the **Territorial Limits** (unless specifically insured)
- e) **Damage** caused by pollution or contamination except (unless otherwise excluded) loss or **Damage** to the **Property** insured caused by:
  - (i) pollution or contamination which itself results from any one of Cover Causes 1 or 2
  - (ii) any one of Cover Causes 1 or 2 which itself results from pollution or contamination any cover given under Section 3 of the Policy where the **Damage** is shown to come within the exception to Exclusion (d) of Exclusions to Sub-Section B C & D of Section 3
  - (iii) any cover given under Section 3 of the Policy where the **Damage** is shown to come within the exception to Exclusion (d) of Exclusions to Sub-Section B C & D of Section 3
- f) **Damage** or consequential loss of whatsoever nature and/or liability for damages attaching to the **Insured** or any associated costs relating thereto arising directly or indirectly from or consisting of the failure or inability of any
  - (i) computer, data processing equipment, electronic circuit, embedded system firmware, hardware, integrated circuit, interface, microchip, microprocessor, program, software, telecommunication equipment or systems and any similar device
  - (ii) media or systems used in connection with any of the above whether the **Property** of the **Insured** or not
    - (a) to correctly recognise, use or adopt any date, day of the week or period of time as the true or correct date, day of the week or period of time
    - (b) to capture, save, retain, restore and/or correctly manipulate, interpret, calculate, return, transmit or process any data or information, command logic or instruction as a result of treating any date, day of the week or period of time otherwise than as, or other than, its true or correct date, day of the week or period of time



but

- (i) this shall not exclude a first party claim by the **Insured** in respect of such loss destruction or **Damage** not otherwise excluded which itself results from one of Cover Causes 1, 2 or 4
- (ii) this exclusion shall not apply in respect of Section 3, Sub-Section A – Employers Liability nor Employers Liability **Work Away** of Sub-Section D.

## 2 Notice of Unoccupancy/Occupancy

The **Insured** must advise the **Company** as soon as the **Insured** is aware that:

- (d) the **Premises** or a **Building** or portion of a **Building** has become **Unoccupied**
- (e) an **Unoccupied Premises** or **Building** or portion of a **Building** is again tenanted

If this Condition is not complied with the Policy will not cover the **Premises** or **Building** concerned unless the **Company** has agreed in writing that cover will remain operative for **Unoccupied Premises, Buildings** or portions of **Buildings** without the requirement for referral to the **Company** beforehand.

## 3 Precedents to Liability

Liability under this Policy is conditional:

- a) on the truth and accuracy of the declarations contained in the proposal form or statement of fact if accepted instead of a proposal form
- b) on the observance and fulfilment of the terms and conditions of this Policy
- c) on all reasonable precautions being taken
  - (i) for the safety of the **Property** insured
  - (ii) to prevent accidents or disease
  - (iii) to comply with all statutory obligations and regulations imposed by any authority
  - (iv) to prevent the sale or supply of goods which are defective in any way.

## 4 Precedents to Liability (Applicable to Sections 1 & 2 only)

Liability under this Policy is conditional

- a) on the **Insured**
  - (i) complying with the Minimum Requirements as stated in Section 1
  - (ii) keeping in working order and bringing into full operation all locks bolts **Intruder Alarm Systems** and other protective devices under the **Insured's** control outside **Business Hours**
  - (iii) removing all keys to safes doors windows and **Intruder Alarm Systems** from the **Premises** outside **Business Hours**
  - (iv) not keeping **Excluded Property** or **Target Stock** unless described in the Schedule or elsewhere by Endorsement
- b) on the **Premises** being protected by an **Intruder Alarm Systems** approved by the **Company** if indicated on the Schedule.

## 5 Claims Procedure

The **Insured's** duties

- a) on discovery of any **Damage** by theft or attempted theft or by malicious persons or loss of **Money** immediate notice must be given to the Police and all practical steps taken to discover the guilty persons and recover **Property** lost
- b) any incident that may result in any **Damage** or **Injury** must be reported to the **Company** and full written particulars of such **Damage** or **Injury** supplied as soon as possible after the event at the expense of the **Insured**
- c) in the event of any occurrence which may give rise to a claim for indemnity:
  - (i) every letter, writ, summons or other document must be forwarded to the **Company** immediately on receipt and notice in writing given to the **Company** of any impending prosecution, Coroner's Inquest or Fatal Accident Inquiry
  - (ii) no admission of liability or promise of payment may be made without the written consent of the **Company**.
- d) immediate action must be taken to minimise loss and avoid interruption or interference with the **Business** and to prevent further **Damage** or **Injury**
- e) all information and assistance as the **Company** may require must be supplied by the **Insured** at the **Insured's** own expense.

## 6 Claims Procedure

(except as otherwise provided for by Memorandum 2 of Section 1)

The **Company's** rights

The **Company** shall:

- a) at its option indemnify the **Insured** by payment, reinstatement, replacement or repair of any **Property** but it shall not be bound to reinstate exactly or completely but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one item more than the sum insured on that item
- b) be allowed by the **Insured** to enter the **Insured's Premises** where **Damage** has occurred and take and keep possession of any of the **Property** insured and deal with such **Property** in any reasonable manner. No **Property** may be abandoned to the **Company**
- c) at its expense be entitled to conduct in the **Insured's** name any settlement or defence of any claim or to prosecute for its own benefit any claim for indemnity or compensation or otherwise and have full discretion in the conduct of any proceedings and in settlement of any claim.

## 7 Contribution (not applicable to Section 3)

If at the time of any **Damage** or liability resulting in a claim under this Policy there is any other insurance effected by or on behalf of the **Insured** covering such loss, **Damage** or liability or any part of it the liability of the **Company** shall be limited to its rateable proportion of such loss, **Damage** or liability.

## 8 Arbitration (not applicable to Section 3)

If any difference shall arise as to the amount to be paid under any Section of this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions in force. Where any difference is by this Condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the **Company**.



#### 9 Alteration

The Policy shall be void if at any time:

- the **Business** be wound up or carried on by a Liquidator or Receiver or permanently discontinued
- the **Insured's** interest ceases except by will or operation of law
- the risk of loss, **Damage** or **Injury** is increased unless the **Company** agrees in writing to continue the insurance.

#### 10 Misrepresentation

This Policy shall be void in the event of misrepresentation, misdescription or non-disclosure of any material fact.

#### 11 Fraud

If any claim under this Policy shall be in any respect fraudulent or if any fraudulent means or devices are used by the **Insured** or anyone acting on behalf of the **Insured** to obtain any benefit under this Policy all benefit shall be forfeited.

#### 12 Adjustment of Premium

If the premium or any part is calculated on estimates furnished by the **Insured**, the **Insured** shall supply within 30 days to the **Company** at the end of each period of insurance such information necessary for the adjustment of the premium and should such information differ from the estimates on which the premium has been paid the difference in premium shall be met by a further payment or refund, subject to any Section minimum and deposit premiums or Policy minimum premium.

#### 13 Automatic Re-Instatement of Sums Insured

(Applicable only to Sub-Sections A B C F G H I & J of Section 1, and Section 2)

In the absence of written notice by the **Insured** or the **Company** to the contrary upon notification of a claim to the **Company** the sums insured shall be deemed to be reinstated to their full amount provided that

- where the extent of the insured loss exceeds £500 the **Insured** shall pay the appropriate additional premium from the date of the loss to the expiry of the period of insurance, once the full extent of the loss is known
- the aggregate of the amounts reinstated shall not exceed the amount of the sums insured stated in the Schedule.

#### 14 Subject to Survey

If any insurance by this Policy has been granted subject to survey, then continuance of cover after the survey by the **Company** Risk Surveyor shall be subject to the **Insured** complying with the **Company's** acceptance criteria and the completion of any risk improvements required within the timeframe agreed with the **Company**, otherwise the **Company** may, at its option, invoke the Cancellation Condition.

#### 15 Warranties

This Policy shall be void in the event of non-compliance during the period of insurance with any Warranty set out in the Schedule.

#### 16 Premium Payment by Instalments

If the premium for this Policy is payable by instalments it is then a condition precedent to the **Company's** liability that each instalment shall be paid when due. If a payment is not made the Policy shall be cancelled from the date when such instalment was due.

#### 17 Cancellation

The **Company** shall not be bound to renew this Policy or to send any notice of renewal and may terminate the Policy at any other time upon giving seven days notice to the **Insured** by registered letter or recorded delivery at his address as last known to the **Company** or as provided for under 16 Premium Payment by Instalments. In the event of such cancellation the **Insured** shall be entitled to the return of a proportionate part of the last premium paid in respect of the un-expired part of the insurance.

#### 18 Law Applicable to the Contract

Both parties to this Contract of insurance have a choice as to which law should be applied, but in the absence of agreement to the contrary, English law will apply.

#### 19 Legal Representatives

In the event of the death of the **Insured** the **Company** will indemnify the **Insured's** legal personal representatives in respect of liability at law previously incurred by the **Insured** provided they observe fulfil and be subject to the terms Conditions and limitations of the Policy to the extent that they can apply.

#### 20 Fortis Logo

The Fortis logo must not be reproduced in any form on your own business documentation without the express permission of Fortis Insurance Ltd.

#### What to do if you have a complaint

If you have experienced a problem with any part of our service, we will sort this out as quickly and fairly as possible.

#### What you should do first

- If your complaint is about the way your policy was sold to you, contact your insurance adviser to report your complaint.
- If you have a complaint about a claim, call your claims handler first. You will find the claims handler's name and phone number on any letters they have sent you.

If your problem has still not been sorted out

#### Step 1

Contact our Customer Service Adviser who will make sure that your complaint is dealt with at a senior level. You can write to us at the address below or e-mail us through our website at [www.fortisinsurance.co.uk/complaints](http://www.fortisinsurance.co.uk/complaints) (please include your policy number and claim number if appropriate).

Customer Services Adviser

Fortis Insurance Limited

Fortis House

Tollgate

Eastleigh

Hampshire

SO53 3YA

#### Step 2

If this matter has still not been sorted out, you can write to Barry Smith, Chief Executive at the same address.

#### Step 3

If you have a Turnover less than £1,000,000 and/or you have household insurance as part of this policy, and you are not satisfied with our final decision, you can write to:

Financial Ombudsman Service

South Quay Plaza 2

183 Marsh Wall

London

E14 9SR.

#### Service standards

We will reply to any letter you send us within two working days of receiving it. In our letter we will tell you who will be dealing with your complaint and when you should expect a reply.

#### Making a claim

If anything happens which may result in a claim being made:



#### **Make Safe and Secure**

Prevent further **Damage** and arrange for emergency repairs. For example, if you have frozen pipes, you should turn off the water supply and if necessary call out a 24 hour plumber. Remember, if you do not have your own contractor, Business Assistance can arrange for an approved contractor to effect repairs, anytime of the day or night. Please refer to your schedule for details of the telephone number and reference number (which you will need to quote).

#### **Tell the Police**

Advise them immediately of any **Damage** caused by theft, attempted theft, malicious persons, or any loss of **Property**. Take all practical steps to discover the guilty persons and recover the **Property** lost or stolen.

#### **Tell Us**

Contact us, or your intermediary as soon as possible, quoting your policy number in full (including any letters before and after the numbers). Refer to your Schedule for details of the 24-hour telephone number for claims reporting.

For loss or **Damage**: obtain 2 estimates for repairs or replacement (as appropriate).

Do not delay sending in the claim form until you get the estimates—simply tell us on the form that they are being obtained, and send them to us when you have them.

For incidents involving **Damage** to other peoples' **Property** or **Injury** to others; do not admit liability or offer any payments. Send us written details of the incident along with the names and addresses of any witnesses immediately. Send us every letter or other documents alleging liability or negligence, unanswered. It is very important that these are dealt with, by us, immediately.

#### **Keep Evidence**

Keep all damaged Property and other evidence for inspection until you are advised by the police and us that you may dispose of it.