



Morton Michel

The Childcare Insurance Specialist



**Nursery
Care**

Policy Wording

Arranged by **Morton Michel** and insured by **Covéa Insurance**
under the **Childcare & Business Combined** policy

Childcare & Business Combined Policy

Thank you for choosing Morton Michel to arrange **your** policy which is insured by Covéa Insurance.

This is **your** policy. It sets out the details of **your** insurance contract with Covéa Insurance.

Your premium and the other terms of **your** policy have been calculated upon the information shown in the policy **schedule** and recorded in:

- any application for the insurance completed by **you** or on **your** behalf (Proposal Form, Statement of Fact or electronic application)
- any written information supplied by **you** supplementary to the application for the insurance
- any declaration in connection with the above.

Please read the policy and **schedule** carefully to ensure that the cover meets **your** requirements.

Please contact **your** insurance broker if **you** have any questions or if **you** wish to make any adjustments.

Contents

	Page No.
Introduction - About Your Policy	3
Customer Information	
How to make a Claim	4
Helplines	4
Customer Services	5
Important Information	5
Choice of Law	5
How to make a Complaint	6
Financial Ombudsman Service	7
Financial Services Compensation Scheme	7
How We Use Your Information	7
Employers' Liability Tracing Office	9
Registration and Regulatory Information	9
General Definitions	10
General Conditions	16
Claims Conditions	21
General Exclusions	23
Sections (Please refer to your current Schedule to confirm which Sections are operative)	27
Property Damage	27
Employers' Liability	39
Public and Products Liability	43
Treatment Liability for Registered Providers	56
Treatment Liability for Unregistered Providers	58
Professional Indemnity	61
Directors', Trustees' and Officers' Liability	66
Legal Expenses	74
Portable Equipment	84
Equipment Breakdown	86
Business Interruption	94
Loss of Registration Certificate	101
Personal Accident	104
Money	106
Employee Dishonesty	110
Terrorism	115
Cyber	119
Trustees' and Officers' Financial Liability	130
Loss of Licence	131

Introduction

About Your Policy

Each Section of this policy, the **schedule** and any endorsements, together with this Introduction and the General Definitions, General Conditions, Claims Conditions and General Exclusions will be read as one document.

Any word or expression given a specific meaning in:

1. the **schedule**, and policy endorsements, or this Introduction and the General Definitions, General Conditions, Claims Conditions and General Exclusions will have the same meaning throughout the policy unless **we** state otherwise
2. an individual Section or any Section endorsement will only have the same meaning throughout such Section or endorsement unless **we** state otherwise.

Any such word or expression given a specific meaning will be highlighted with bold text within the policy wording.

In return for **you** having paid or agreed to pay the premium for the **period of insurance**, **we** will indemnify **you**, subject to the terms contained in or endorsed on the policy, in respect of **damage, bodily injury** or liability or pay other benefits which fall within the **operative sections** of this policy, provided that the **damage or bodily injury**, liability or other matter which gives rise to the claim occurs (or in the case of the Employers' Liability Section is caused or in the case of the Professional Indemnity and Directors', Trustees' and Officers' Liability Sections is first notified) during the **period of insurance** and in connection with the **business**.

The **schedule** shows the Sections of the policy that are operative.

IMPORTANT

This policy is a legal contract.

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

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

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

You should keep a written record (including copies of letters) of any information **you** give **us** or **your** insurance broker.

Customer Information

How to make a Claim

If **you** have a claim (other than under the Legal Expenses Section), or are aware of an incident that could result in a claim, please contact Morton Michel on **0330 058 9861** or Covéa Insurance Commercial Claims on **0330 024 2266**.

To ensure **we** maintain a high quality service, **we** may monitor or record telephone calls.

From the moment **you** or **your** insurance broker call, **we** will take full responsibility for dealing with **your** claim. When **you** telephone please ensure **you** have **your** policy number and details of the claim to hand.

We will:

- confirm whether the event is insured
- if necessary, arrange for a loss adjuster to contact **you**
- give **you** advice on how **your** claim will be dealt with and any **excess you** may have to pay.

You may need to complete a claim form.

If **we** cannot settle immediately, **your** claim will be under the personal control of a nominated claims handler who will manage the whole claim and will act as **your** point of contact. **We** will give **you** regular progress reports and settle **your** claim as fairly and promptly as possible.

If **you** need to make a claim under the Legal Expenses Section **you** must notify ARAG plc as soon as possible.

1. Under no circumstances should **you** instruct **your** own lawyer or accountant as ARAG plc will not pay any costs incurred without agreement.
2. **You** can request a claim form between 9am and 5pm Monday to Friday (except bank holidays) by telephoning **0330 303 1955** or by downloading one at **www.arag.co.uk/newclaims**
3. ARAG plc will issue **you** with a written acknowledgement within one working day of receiving **your** claim form.
4. Within five working days of receiving all the information needed to assess the availability of cover under the Legal Expenses Section, ARAG plc will write to **you** either:
 - (a) confirming the appointment of a qualified representative who will promptly progress the claim for **you**; or
 - (b) if the claim is not covered, explaining in full why and whether ARAG plc can assist in another way.
5. When a representative is appointed they will try to resolve **your** dispute without delay, arranging mediation whenever appropriate. Matters cannot always be resolved quickly particularly if the other side is slow to cooperate or a legal timetable is decided by the courts.

Helplines

These Helpline services are provided by ARAG plc. Helplines are subject to fair and reasonable use and will only incur the cost of the call (unless otherwise stated).

To help ARAG check and improve service standards, all inbound and outbound calls will be recorded, except those to the counselling helpline.

Legal and Tax Advice

If **you** have a legal or tax problem relating to **your business**, **we** recommend **you** call ARAG's confidential legal and tax advice helpline. Legal advice is available 24/7, and tax advice is available between 9am and 5pm on weekdays (except bank holidays).

The advice covers professional and business-related legal matters within EU law and tax matters within the UK. **Your** query will be dealt with by a qualified specialist experienced in handling legal and tax-related matters. Use of this service does not constitute reporting of a claim.

To contact the above services, phone 0330 303 1466 quoting Morton Michel policy and your policy number.

Customer Information

Continued

Redundancy Assistance

If **you** are planning redundancies and need extra legal support, ARAG can arrange specialist consultancy assistance for **you**. Redundancy assistance will help **you** to implement a fair selection process and ensure that the redundancy notices are correctly served. The service offers document review and telephone or written advice and is subject to a charge. This service is available between 9am and 5pm on weekdays (except bank holidays).

To contact the above service, phone 0330 303 1955 quoting Morton Michel policy and your policy number.

Crisis Communication

Following an event that has attracted negative publicity which could affect **your business**, **you** can access professional public relations support from ARAG's Crisis communication experts at any time. In advance of any actual adverse publicity, where possible, initial advice for **you** to act upon will be provided over the phone. If **your** circumstances require professional work to be carried out at that time, ARAG can help on a consultancy basis and subject to **you** paying a fee. Where an event has led to actual publicity online, in print or broadcast, that could damage **your** business, **you** are insured against the costs of crisis communication services under Insured event 3 (Crisis communication) when **you** use this helpline.

To contact the above service, phone 0344 571 7964 quoting Morton Michel policy and your policy number.

Counselling Assistance

For **you** and **your employees** (including family members permanently living with them) needing confidential help and advice, ARAG's qualified counsellors are available to provide telephone support on any matter that is causing upset or anxiety - from personal problems to bereavement.

To contact the service, phone 0333 000 2082.

The counselling service helpline is open 24 hours a day, seven days a week.

Identity Theft Resolution Service

This service is available to the principal, executive officers, directors and partners of **your business** and to self employed professionals, between 9am and 5pm on weekdays (except bank holidays). ARAG will provide advice to help keep executives'/professionals' personal identity secure. Where identity theft is suspected, specialist caseworkers can help the victim to correspond with their card issuer, bank or other parties to restore their credit rating. Callers can claim for expenses incurred to put things right when using this helpline.

To contact the service, phone 0333 000 2083 quoting Morton Michel policy and your policy number.

Customer Services

Business Legal Service

Register today at www.araglegal.co.uk and enter the voucher code **ARAG753BIZ** to access the law guide and download legal documents to help with commercial or professional legal matters.

Important Information

Choice of Law

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

Customer Information

Continued

How to Make a Complaint to Morton Michel

If **you** have a complaint regarding the suitability of this policy for **your** needs, the information and advice **you** received whilst it was originally being discussed, the operation or administration of the policy **you** should contact Morton Michel using the following details.

Morton Michel Limited
6th Floor Knollys House
17 Addiscombe Road
Croydon
CR0 6SR

Telephone: **0330 058 9861**.

Email: **compliance@mortonmichel.com**

How to Make a Complaint to Covéa Insurance

If **your** complaint relates to the cover under this policy or the way a claim is/has been handled (other than for Legal Expenses cover) **you** should contact **us** using the following details.

Customer Relations
Covéa Insurance
Norman Place
Reading
Berkshire RG1 8DA

Telephone: **0330 221 0444**

Calls may be recorded for training and evidential purposes.

Website: **www.coveainsurance.co.uk**

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

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

How to Make a Complaint to ARAG plc

If **your** complaint relates to the Legal Expenses cover, please contact ARAG using the following details.

The Customer Relations Department
ARAG plc
9 Whiteladies Road
Clifton
Bristol
BS8 1NN

Telephone: **0117 917 1561**

Calls may be recorded for training and evidential purposes. (Hours of operation are 9am-5pm, Mondays to Fridays excluding bank holidays).

Email: **customerrelations@arag.co.uk**

Should **you** remain dissatisfied **you** can pursue **your** Legal Expenses complaint further with Lloyd's, One Lime Street, London EC3M 7HA or contact Lloyd's by telephone on **0207 327 5693** or email them at **complaints@lloyds.com**
Website **www.lloyds.com/complaints**

Customer Information

Continued

Using these services does not affect **your** right to take legal action.

Please be ready to provide all relevant details of **your** policy and in particular **your** policy or claim number (if allocated) to help **your** enquiry or complaint to be dealt with speedily.

You can also register a complaint with the European Union's Online Dispute Resolution (ODR) Platform. Their website is <http://ec.europa.eu/consumers/odr/>

The ODR will simply pass **your** complaint to the Financial Ombudsman Service.

Financial Ombudsman Service

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

Their contact details are:

Financial Ombudsman Service
Exchange Tower
London E14 9SR

Telephone: **0800 023 4567**

Website: www.financial-ombudsman.org.uk

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

Financial Services Compensation Scheme

The insurers under this policy are covered by the Financial Services Compensation Scheme. **You** may be entitled to compensation from the scheme if the insurer cannot meet its obligations. This depends on the type of business and the circumstances of the claim.

Further information is available from:

The Financial Services Compensation Scheme
10th Floor
Beaufort House
15 St Botolph Street
London EC3A 7QU.

Telephone: **020 7741 4100**

Website: www.fscs.org.uk

Email: enquiries@fscs.org.uk

How We Use Your Information

Please visit www.coveainsurance.co.uk/dataprotection for further information about how and when we process your personal information under our full Privacy Policy.

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

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

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

- it is necessary for **us** to process **your** personal information to provide **your** insurance policy and services. **We** will rely on this for activities such as assessing **your** application, managing **your** insurance policy, handling claims and providing other services to **you**

Customer Information

Continued

- **we** have an appropriate business need to process **your** personal information and such business need does not cause harm to **you**. **We** will rely on this for activities such as maintaining **our** business records and developing, improving **our** products and services
- **we** have a legal or regulatory obligation to use such personal information
- **we** need to use such personal information to establish, exercise or defend **our** legal rights
- **you** have provided **your** consent to **our** use of **your** personal information, including sensitive personal information.

How We Share Your Information

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

- reinsurers, regulators and authorised/statutory bodies
- credit reference agencies
- fraud prevention agencies
- crime prevention agencies, including the police
- suppliers carrying out a service on **our**, or **your** behalf
- product providers where **you** have opted to buy additional cover
- other insurers, business partners and agents
- other companies within the Covea Insurance Group.

Marketing

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

Fraud Prevention and Detection

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

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

Automated Decisions

We may use automated tools with decision making to assess **your** application for insurance and for claims handling processes, such as price rating tools, flood, theft and subsidence area checks and credit checks. These automated decisions will produce a result on whether **we** are able to offer insurance, the appropriate price for **your** policy or whether **we** can accept **your** claim. If **you** object to an automated decision, **we** may not be able to offer **you** an insurance quotation or renewal.

How to Contact Us

Please contact **us** if **you** have any questions about **our** Privacy Policy or the information **we** hold about **you**:

The Data Protection Officer

Covea Insurance plc,

Norman Place,

Reading,

Berkshire,

RG1 8DA

Email: dataprotection@coveainsurance.co.uk.

Customer Information

Continued

Employers' Liability Tracing Office

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

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

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

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

The Database will be managed by the ELTO and further information can be found on the ELTO website:

www.elto.org.uk

Registration and Regulatory Information

Insurers Under the Policy

Covea Insurance plc is the insurer under this policy except under the Legal Expenses Section, where the insurer is Brit Syndicate 2987 at Lloyd's.

Covea Insurance plc

Covea Insurance plc is registered in England and Wales under number 613259. **We** underwrite general insurance business. **We** are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Our Firms reference number is 202277. **You** can check this on the Financial Services Register by visiting the Financial Conduct Authority website www.fca.org.uk/register

Registered Office: Norman Place, Reading, Berkshire RG1 8DA.

ARAG plc

ARAG plc is authorised to administer the Legal Expenses Section of this policy on behalf of the insurer Brit Syndicate 2987 at Lloyd's (written under unique market reference B0356KA233D12A000 or replacement thereof). ARAG plc is registered in England under number 02585818. ARAG plc is authorised and regulated by the Financial Conduct Authority firm registration number 452369. Brit Syndicates Limited, the managing agent for Brit Syndicate 2987 at Lloyd's, is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. **You** can check this on the Financial Services Register by visiting the Financial Conduct Authority website www.fca.org.uk/register

Registered address: 9 Whiteladies Road, Clifton, Bristol BS8 1NN.

Morton Michel

This policy is arranged for **you** by Morton Michel Limited.

Morton Michel Limited ('Morton Michel') is a private company limited by shares incorporated in England and Wales under registered number 5120835.

Its Registered Office is PIB Group, Rossington's Business Park, West Carr Road, Retford, Nottinghamshire DN22 7SW. It is authorised and regulated by the Financial Conduct Authority. Its Firms reference number is 527300. **You** can check this on the Financial Services Register by visiting the Financial Conduct Authority website

www.fca.org.uk/register

General Definitions

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

act of terrorism

an act or threatened act that:

1. involves a violent or an unlawful use of force or an unlawful act dangerous to human life, property or infrastructure, or threat thereof and
2. is or appears to be intended to intimidate or coerce a civilian population or disrupt any segment of the economy of any government, state or country or overthrow, influence or affect the conduct or policy of any government by intimidation or coercion or affect the control of any government by mass destruction, assassination, kidnapping or hostage taking and
3. is committed for political, religious, ideological or other similar purposes

bodily injury

death, injury, illness, disease or shock

building

the building or buildings stated in the **schedule** including:

1. outbuildings
2. walls, gates and fences
3. permanent fixtures and fittings including alarms systems
4. car parks, driveways, paths, steps and roadways
5. piping, ducting, cabling and control gear
6. fuel tanks, telephone, gas, water and electric meters, fibre optic or integrated services, digital network lines
7. sanitary ware, fixed glass, fanlights, skylights and partitions, solar panels and wind turbines
8. air conditioning and central heating systems
9. foundations, extensions, annexes, gangways, conveniences and sub-stations
10. underground services

on the **premises** or extending to the perimeter of the **premises** and for which **you** are legally responsible

business

the business stated in the **schedule** conducted solely within the **territorial limits** including:

1. the provision and management of catering, social, sports, educational and welfare facilities for the benefit of **employees**
2. first aid, medical, ambulance, fire and security services
3. the ownership, repair and maintenance of the **premises**
4. organised and supervised outings away from the **premises** that last for up to three consecutive days
5. participation as an exhibitor at trade shows and exhibitions

but excluding any overnight or 24 hour care other than as part of an organised and supervised outing away from the **premises**

business hours

the period during which the **premises** are occupied by **you** or **your** authorised **employees** for the purposes of the **business**

General Definitions

Continued

circumstance

information or facts or matters of which **you** are aware that are likely to give rise to a claim against **you** which **you** could become legally liable to pay and which arise out of the exercise and conduct of the **business**

compensation

damages including interest

computer system

a computer or other equipment or component or system or item which processes stores transmits or receives **data**

contents

the following property used solely in connection with **your business**, belonging to **you** or for which **you** are legally responsible and kept at the **premises**:

1. electronic, computer or other data processing and/or storage equipment including other peripheral devices such as projectors, printers, scanners that are used with this equipment , laptops, palmtops and notebooks, removable satellite navigation systems and digital cameras
2. fax, audio, television, video and photographic equipment
3. deeds, documents, manuscripts, business books and computer system records
4. patterns, models, moulds, plans and designs
5. machinery, plant, trade and office furniture
6. fixtures, fittings, blinds and signs
7. **stock**
8. all other contents including pictures
9. **fixed outside equipment**

not including **money, vehicles, personal effects, specified stock** and **tenant's improvements**

costs and expenses

1. claimants' legal costs for which **you** are legally liable
2. all costs and expenses incurred with **our** written consent in defending any claim
3. the solicitor's fees incurred with **our** written consent for representation at proceedings in any court of summary jurisdiction in respect of any alleged act causing or relating to any occurrence which may be the subject of indemnity under this policy or at any coroner's inquest or fatal accident inquiry

damage

accidental loss, destruction or damage unless otherwise excluded

data

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

General Definitions

Continued

defence costs	all costs and expenses incurred with our written consent in the investigation, defence or settlement of any claim or circumstance notified under the terms of this insurance and/or the cost of representation at any enquiry or other proceedings which have a direct or indirect relevance to this investigation, defence or settlement of any matter notified under the terms of this insurance
electronic data	facts, concepts or information in a form usable for communications, interpretation or processing by electronic or electro-mechanical data processing or electronically controlled equipment which includes programs, software, firmware, operating systems or other coded instructions for the processing or manipulation of data
emergency cover	a temporary arrangement of no more than 4 weeks duration whereby a person satisfying the conditions applicable to them is employed by you to cover the temporary illness, absence or other unavoidable absence of an employee on a permanent contract of service with you
employee	any person working under your control in connection with the business who is: <ol style="list-style-type: none">1. under a contract of service or apprenticeship to you2. a labour master or labour only sub contractor or person supplied by them3. a self employed person providing labour only4. a trainee or person undergoing work experience, training, study or exchange scheme5. a person under a contract of service or apprenticeship with some other employer and who is hired to or borrowed by you6. voluntary workers
Europe	the territorial limits , any member country of the European Union, Iceland, Liechtenstein, Norway and Switzerland
excess	the amount for which you will be responsible and which will be deducted from each and every claim
fixed outside equipment	fixed and immovable play equipment, safety surfaces and artificial grass in the open at the premises excluding anything that is more specifically covered by this policy
gross revenue	the money paid or payable to you for work done and services rendered in the course of the business
indemnity period	the period beginning with the date of damage and lasting for the period during which your business is affected as a result of the damage , but not longer than the maximum indemnity period
intruder alarm installation	the component parts of the alarm including the means of communication used to transmit signals to the alarm receiving centre as detailed in the alarm specification

General Definitions

Continued

loss of limb	total loss of one or more limbs at or above the wrist or ankle or total and permanent loss of use of any entire limb
loss of sight, hearing or speech	total and irrecoverable loss of: <ol style="list-style-type: none">1. sight in one or both eyes2. hearing3. speech
money	negotiable money and non-negotiable money all pertaining to the business and belonging to you or which you are responsible for
negotiable money	current currency, uncrossed bankers drafts, postal and money orders, uncrossed cheques, travellers cheques, national savings stamps, bus and rail travel cards and passes, telephone cards, current postage stamps, luncheon vouchers, gift tokens, holiday with pay stamps, trading stamps, premium bonds, savings stamps and National Lottery 'Instants' and other scratch cards
non-negotiable money	crossed cheques, postal orders, money orders, bankers drafts, national giro drafts, payment orders, dividend warrants, national savings certificates, unused postal franking machine units, stamped or impressed national insurance cards, premium bonds, VAT purchase invoices, credit and debit card sales vouchers and consumer redemption vouchers
official	you and any director, partner or employee of the business
operative sections	the sections which you have selected and for which cover is provided by this policy
outstanding debit balances	the individual amounts owed to you by your customers and shown as outstanding in your records after adjustment for bad debts, abnormal trading conditions and debit/credit amounts not passed through your books during the period between the last record and the date of damage
offshore Installation	<ol style="list-style-type: none">1. installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation2. installation in the sea or tidal waters which is intended for the storage or recovery of gas or generation of electricity3. pipe or system of pipes in the sea or tidal waters4. accommodation installation for persons who work on or from the locations specified above
parent	any person with legally recognised parental or guardian responsibility
participant	any person who is a customer or service user of you s

General Definitions

Continued

period of insurance	the period of insurance stated in the schedule and any subsequent period for which we have accepted a renewal premium
permanent contract of service	a contract of service on a full time basis not including emergency cover , voluntary workers or work experience
permanent total disablement	permanent inability to engage in any gainful employment, other than such inability caused by loss of limb or loss of sight, hearing or speech
personal effects	personal possessions normally worn, carried by, on or about the person, clothing, tools and pedal cycles not otherwise insured excluding money
pollutants	any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acid, alkalis, chemicals and waste (waste includes materials to be recycled, reconditioned or reclaimed)
pollution or contamination	pollution, contamination, sooting, deposition, impairment with dust, chemical precipitation, poisoning, epidemic and disease (including but not limited to foot and mouth disease), adulteration, impurification or limitation or prevention of the use of objects because of hazards to health
premises	the buildings and the land inside the boundary of the risk address stated in the schedule occupied by you for the purpose of the business
property insured	buildings, contents, tenant's improvements, specified stock or any other property as specified in the schedule
schedule	the document that specifies your details, the period of insurance , the premises , the property insured , the operative sections of the policy with the sums insured, limits and excess which apply and any endorsements and conditions which amend the standard policy wording
service user	a person in your care whilst attending the business
specified stock	stock of tobacco, cigarettes, cigars, wines, spirits, beers and ciders and all other alcoholic wet stock owned by you or for which you are legally responsible for the purposes of the business
standard gross revenue	the gross revenue during that period in the twelve months immediately before the date of the damage which corresponds with the indemnity period

General Definitions

Continued

stock	<p>stock and materials in trade including:</p> <ol style="list-style-type: none">1. raw materials2. work in progress3. finished goods4. goods in trust <p>owned by you or for which you are legally responsible for the purposes of the business excluding specified stock</p>
temporary total disablement	<p>temporary and absolute inability to engage in usual occupation</p>
tenant's improvements	<p>improvements, alterations and decorations which have been undertaken to the buildings either by you or a previous occupier, as tenant and for which you are legally responsible as occupier and not as owner of the buildings</p>
territorial limits	<p>the United Kingdom, the Isle of Man and the Channel Islands</p>
unattended vehicle	<p>any vehicle with no person in charge or keeping the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle</p>
United Kingdom	<p>Great Britain and Northern Ireland</p>
vacant or unoccupied buildings	<p>buildings or part thereof that have become unoccupied, untenanted or which have not been actively used for a period of more than 30 days</p>
vehicle	<p>any road vehicle including trailers and containers</p>
virus or similar mechanism	<p>program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, computer systems, data or operations, whether involving self-replication or not. The definition of virus or similar mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above</p>
we, us, our	<p>Covea Insurance plc</p>
you, your, yours, policyholder	<p>the person, persons or company or the management committee for the time being of the business named as the Insured in the schedule</p>

General Conditions

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

1. Acts of Parliament and Statutory Instruments

All legal instruments and rules referred to in this policy include any subsequent amendments or re-enactments of those Acts and any equivalent legislation which is enforceable within the **territorial limits**.

2. Alteration in Risk

You or **your** insurance broker must tell Morton Michel or **us** immediately if during the **period of insurance** there is any alteration in risk or to the facts which **you** disclosed when **you** took out this policy, which materially affects the risk of injury, loss, **damage** or liability which would fall within the policy cover. This includes but is not limited to alterations to the **business** or the **premises**.

When **you** tell **us** about an alteration in risk, **we** may apply additional terms and conditions to this policy (including but not limited to premium) or, if the risk is unacceptable to **us**, **we** may cancel the policy in accordance with General Condition 4 (b) - Our Rights to Cancel the Policy.

If **you** fail to tell **us** about an alteration in risk, **we** may:

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

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

Where **we** elect to proportionately reduce the amount payable in respect of a claim, **we** will pay a percentage of the claim, the percentage being calculated by comparing the premium which **you** actually paid with the premium which **we** would have charged had **you** told **us** about the alteration in risk.

For example, if the premium which **you** actually paid is 70% of the premium **we** would have charged, **we** will only pay 70% of any claim.

3. Average

(not applicable to Equipment Breakdown Section and Cyber Section if insured by this policy)

If at the time of any loss the total sum insured specified in the **schedule** is less than 85% of the total value of the **property insured** **we** will bear only that proportion of the loss which the total sum insured bears to the total of the **property insured**.

4. Cancellation

(a) Your Rights to the Cancel the Policy

You may cancel this policy by giving written instructions to Morton Michel at Morton Michel Ltd, 6th Floor Knollys House, 17 Addiscombe Road, Croydon CR0 6SR or to **us** at Covea Insurance plc, 50 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JX. **You** may cancel this policy at any time from the date it begins or from the date **you** receive this policy document and **schedule**, whichever is the later. If cover has not yet started **you** will receive a full refund of the premium. If cover has started **we** will refund the premium for the exact number of days left on the policy. No refund will be given if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **period of insurance**.

General Conditions

Continued

(b) Our Rights to Cancel the Policy

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

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

(i) not

- paying a premium when it is due
- co-operating with **us**, or sending **us** information or documentation that materially affects **our** ability to process the policy or **our** ability to defend **our** interests
- taking all reasonable precautions to prevent or minimise **damage**, accident or injury as required by General Condition 10. Reasonable Precautions of this policy and failing to put this right when **we** ask **you** to by sending **you** seven days written notice to **your** latest address

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

(iii) not

- giving **us** access to **your premises** when **we** have asked to carry out a risk survey
- complying with any risk improvements required by **us** following a survey within the timescales specified.

If **we** cancel **your** policy, **we** will refund the premium for the exact number of days left on the policy unless a claim or an incident likely to give rise to a claim has occurred during the current **period of insurance**. No refund will be given if a claim has been submitted or there have been any incidents likely to give rise to a claim during the current **period of insurance**.

5. Change of Risk or Interest

This policy will be avoided if:

(a) **your** interest ceases other than by death

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

Nothing contained in this policy will give any right against **us** to any person other than **you** except to a transferee approved by **us**.

6. Contracts (Rights of Third Parties) Act 1999

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

7. Excess Clause

Where stated in the policy or **schedule you** will be responsible for paying an **excess** in relation to each and every claim made by **you** under this policy.

If a claim is made for **damage** under more than one Section resulting from the same cause and at the same time, **you** will only pay one **excess** and if different **excesses** apply, **you** will pay the higher amount.

General Conditions

Continued

8. Fair Presentation of the Risk

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

If **you** fail to make a fair presentation of the risk including failing to disclose or misrepresenting a material fact or disclosing material facts to **us** in a way which is not clear and accessible **we** may avoid this policy and refuse all claims where:

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

Should **we** avoid this policy **we**:

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

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

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

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

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

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

9. Other Interests

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

General Conditions

Continued

10. Reasonable Precautions

You must:

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

11. Registration

It is a condition precedent to **our** liability that before any **business** activities which require you to be registered take place, **you** shall be registered with the appropriate Registering Authority and comply with the terms of **your** registration at all times.

12. Reinstatement of Sum Insured

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

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

13. Sanctions

We shall not provide cover or be liable to provide indemnity or pay any claim or provide any benefit under this policy to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **us** or any member of **our** group to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any country.

14. Security

It is a condition precedent to **our** liability for any claim resulting from fire, theft or malicious damage, that **you** must at all times ensure that:

- (a) security devices are put into full and effective operation whenever the **premises** are closed for **business** or left unattended
- (b) keys and all details of any codes or combinations relating to any part of the **intruder alarm installation** and any safe or strongroom are removed from the **premises** whenever the **premises** are closed for **business** or left unattended
- (c) fire break doors and shutters in the **buildings** are maintained in efficient working order and that the openings protected by such doors and shutters are kept clear of obstruction at all times and that all such doors and shutters other than those fitted with fusible links are kept closed except during **business hours**
- (d) alterations or additions to or changes in or removal of security devices are advised to **us** immediately in writing.

General Conditions

Continued

15. Survey

It is a condition precedent to **our** liability under this policy that **you** will comply with any risk improvements required by **us** following a survey within the timescales specified.

We retain the right to cancel in accordance with General Condition 4. Cancellation, suspend or alter the terms of the insurance provided by this policy should the survey show the risk or any part thereof to be unacceptable to **us** or requiring improvement.

16. Vacant or Unoccupied Buildings

It is a condition precedent to **our** liability that where there are **vacant or unoccupied buildings you** will notify **us**:

- (a) immediately **you** become aware that the **buildings** are **vacant or unoccupied buildings**
- (b) of any **damage** to the **vacant or unoccupied buildings** whether such **damage** is insured or not
- (c) if the **buildings** are to be occupied by contractors for renovation, alteration or conversion purposes.

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

- (i) an internal and external inspection of the **buildings** every 7 days by **you** or an authorised representative and a written record of such inspections maintained
- (ii) all trade refuse and waste materials are removed from the interior of the **buildings** and no accumulation of refuse and waste be allowed in the adjoining yards or spaces owned by **you**
- (iii) the **buildings** must be secured against unlawful entry and all locks bolts and other protective devices in full operation
- (iv) all ground floor window openings must be securely fastened and if specified by **us** in writing boarded up in accordance with **our** requirements
- (v) ensure all letterboxes are sealed to prevent insertion of material
- (vi) all sources of power fuel or water are turned off and the water system drained down other than:
 - where electricity is needed to maintain any fire or **intruder alarm installation** in operation
 - where the **buildings** are protected by a wet sprinkler installation to provide sufficient heat to prevent freezing or bursting of the sprinkler installation.

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

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

Claims Conditions

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

1. Claims Procedure

It is a condition precedent to **our** liability that following an incident that may result in a claim under this policy:

- (a) **you** must advise the police as soon as reasonably possible if there has been a theft, attempted theft, riot damage, vandalism or any malicious act or if any **property insured** has been lost outside the **premises**
- (b) **you** must notify **us**:
 - (i) within 28 days of the event in the case of **damage** caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons
 - (ii) immediately in respect of all other claims being made, or of any impending prosecution, inquest or fatal accident inquiry
- (c) **you** must provide **us** with all documentation relating to any accident, claim, prosecution or court proceedings and send this to **us** immediately, unacknowledged
- (d) **you** must not admit or repudiate liability without **our** written consent
- (e) **you** must provide at **your** own expense all details and evidence **we** may reasonably require
- (f) **you** must take all reasonable steps to mitigate the extent of any **damage**
- (g) **we** are entitled to enter any building where **damage** to **property insured** by this policy has occurred and to take possession of and deal with any salvage in a reasonable manner. No property may be abandoned to **us**.

2. Fraudulent Claims

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

If **you** or anyone acting on **your** behalf makes a claim which is in any way fraudulent **we**:

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

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

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

Fraudulent claims include but are not limited to:

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

3. Other Insurances

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

Claims Conditions

Continued

4. Subrogation

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

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

5. Terms not Relevant to Actual Loss

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

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

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

General Exclusions

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

Applicable to all Sections

We will not pay for loss or damage to any property whatsoever or any claim, cost or expense whatsoever resulting or arising therefrom or any consequential loss or any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

1. Confiscation

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

2. Radioactive Contamination

- (a) Ionising radiations from or contamination by radioactivity from any irradiated nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- (b) The radioactive, toxic, explosive or other hazardous properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
- (c) Any weapon or device employing atomic or nuclear fission and or fusion or other like reaction or radioactive force or matter.
- (d) The radioactive toxic explosive or other hazardous or contaminating properties of any radioactive matter, but the exclusion in this paragraph (d) shall not extend to radioactive isotopes other than nuclear fuel when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.
- (e) Any chemical biological bio-chemical or electromagnetic weapon.

As far as concerns **bodily injury** caused to any **employee** of **yours** if such **bodily injury** arises out of and in the course of employment or engagement of such person by **you** this Exclusion shall apply only in respect of:

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

3. Sonic Bangs

Pressure waves caused by aircraft or other aerospace devices travelling at sonic or supersonic speeds.

4. War Risks

War, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

Applicable to the Property Damage, Portable Equipment, Equipment Breakdown, Business Interruption, Loss of Registration Certificate, Personal Accident, Money, Employee Dishonesty, Cyber, Terrorism and Loss of Licence Sections

We will not pay for any loss, damage or any claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

5. Act of Terrorism (not applicable to the Terrorism Section)

An **act of terrorism** or any action taken in controlling, preventing, suppressing, retaliating against, responding to or in any way relating to an **act of terrorism**.

If **we** allege that by reason of this Exclusion any **damage**, cost or expense is not covered by this policy the burden of proving the contrary will be upon **you**.

6. Communicable Disease

- (a) (i) a **communicable disease**; or
- (ii) the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.

General Exclusions

Continued

The above Exclusion includes, without limitation to the scope of the foregoing:

1. any cost to clean up, detoxify, remove, monitor or test:
 - (i) for a **communicable disease**; or
 - (ii) any property insured hereunder that is affected by such **communicable disease**, and
 2. any measures taken by any governmental, public or other authority or any other person for the prevention, suppression, mitigation, cleaning or removal of any **communicable disease**.
- (b) However, paragraph (a) shall not apply to physical loss or destruction of, or physical damage to, property and any resulting consequential loss, to the extent that **you** establish that such physical loss, destruction or damage was directly caused by:
- (i) an **act of terrorism**, or
 - (ii) a **defined peril**, as described below where specifically insured by this insurance.

All other terms, Conditions and Exclusions of the insurance remain the same.

For the purposes of this Exclusion the following Definitions apply:

communicable disease means any type of disease or illness which can be transmitted by means of any substance or agent from any organism to another organism where:

1. the substance or agent includes, but is not limited to, any pathogen, virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas, or between organisms, and
3. the disease, illness, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property of any type

defined peril means one of the following perils if specifically insured by this insurance:

fire (howsoever caused); lightning; explosion; aircraft and aerial devices dropped from them; riot; civil commotion; strikers; damage caused by malicious persons; windstorm; rainstorm; hail; tornado; cyclone; typhoon; hurricane; earthquake; seaquake; seismic and/or volcanic disturbance/eruption; flood (howsoever caused); freeze; ice storm; weight of snow or ice; avalanche; meteorite or asteroid impact; landslide; mudslide; escape of water, oil or hydraulic fluid from any tank, apparatus or pipe; sprinkler leakage; impact by any road vehicle or animal; theft or attempted theft; mechanical or electrical breakdown; subsidence; heave; implosion; or collapse

7. Gradually Operating Causes

Wear, tear or any gradually operating cause.

8. Northern Ireland

Riot, civil commotion and (except in respect of **damage** or any expense caused by fire or explosion) strikers, locked out workers or persons taking part in labour disturbances or malicious persons happening in Northern Ireland.

9. Pollution or Contamination

- (a) **Pollution or contamination** unless it is caused by a sudden, identifiable, unintended and unexpected event which occurs in its entirety at a specific time and place during the **period of insurance**.
- (b) In addition, **we** will not pay for any loss under the Business Interruption Section of this policy resulting from **pollution or contamination** other than loss resulting from **damage** at the **premises** to property used by **you** for the purpose of the **business** caused by a sudden, identifiable, unintended and unexpected event which occurs in its entirety at a specific time and place during not more than one **period of insurance**.

General Exclusions

Continued

10. Process of Heat

Property undergoing any process involving the application of heat.

11. Theft by Principals

Theft or attempted theft where an **official** or any member of an **official's** family or household be concerned as principal or accessory.

12. Unexplained Losses

Disappearance, unexplained loss, inventory shortage, misfiling or misplacing of information.

Applicable to the Property Damage, Portable Equipment, Business Interruption, Loss of Registration Certificate, Personal Accident, Money, Employee Dishonesty, Terrorism and Loss of Licence Sections

We will not pay for any loss, damage or any claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

13. Electronic Risk

(a) Any:

- (i) loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a **computer system**, unless subject to the provisions of paragraph (b)
- (ii) loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **data**, including any amount pertaining to the value of such **data** unless subject to the provisions of paragraph (c).

(b) Notwithstanding paragraph (a) above, and subject to all terms, Conditions and Exclusions of this policy or any endorsement thereto, this policy covers physical damage to property insured under this policy and any consequential loss directly resulting therefrom where such physical damage is directly occasioned by any of the **defined perils** as described below.

(c) Notwithstanding sub paragraph (a) (ii) above, in the event that hardware or the **data** storage device of a **computer system** insured under this policy sustains physical damage caused by a **defined Peril** which results in damage to or loss of **data** stored on that hardware or the **data** storage device, then the damage to or loss of such **data** shall be recoverable hereunder and the basis of valuation for the recovery of the damaged or lost **data** shall only be the costs of reproducing **data** if such costs are indemnified under this policy. Such costs shall include all reasonable and necessary expenses incurred in recreating, gathering or assembling such **data**, but does not include the value of the **data** to you or any other party even if such **data** cannot be recreated, gathered or assembled.

For the purposes of this Exclusion the following Definitions apply:

computer system means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility

data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **computer system**

defined peril means fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze or weight of snow

General Exclusions

Continued

Applicable to the Public and Products Liability, Treatment Liability for Registered Providers, Treatment Liability for Unregistered Providers, Professional Indemnity, Directors', Trustees' and Officers' Liability and Trustees' and Officials' Financial Liability Sections

We will not pay for any cost, expense or legal liability directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

14. Asbestos

- (a) Any liability arising directly or indirectly out of exposure to inhalation of, or fears of the consequences of exposure to, or inhalation of asbestos, asbestos fibres or any derivatives of asbestos.
- (b) The cost of cleaning up, or removal of, or damage to property or any product arising out of any asbestos, asbestos fibres or any derivatives of asbestos (except as stated in this policy).

15. Electronic Risk

- (a) Authorised or unauthorised transmission of **electronic data**.
- (b) The content of any website, **your** email, intranet or extranet.
- (c) Erasure, loss, distortion, corruption or alteration of **electronic data** or any loss of use resulting in reduction of functionality.
- (d) Failure of electronic, electromechanical data processing or electronically controlled equipment or **electronic data** to correctly recognise any given date or to process data or to operate properly due to a failure to recognise any given date.

16. Pollution or Contamination

- (a) **Bodily injury** or financial loss of, **damage** to or loss of use of property directly or indirectly arising out of the discharge, dispersal, release or escape of **pollutants** unless caused by a sudden, identifiable, unintended and unexpected event which occurs in its entirety at a specific time and place during not more than one **period of insurance**.
- (b) The cost of removing, nullifying or cleaning up **pollutants** unless caused by a sudden, identifiable, unintended and unexpected event which occurs in its entirety at a specific time and place during not more than one **period of insurance**.

17. Communicable Disease

A **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease**.

For the purposes of this Exclusion the following Definition applies:

communicable disease means

1. coronavirus being:
 - (a) any coronavirus; or
 - (b) any disease caused by any coronavirus; or
 - (c) any mutation or variation of any coronavirus or of any disease caused by any coronavirus
2. any other infectious disease in humans which has been determined or declared to:
 - (a) constitute a Public Health Emergency of International Concern under the International Health Regulations (2005) (as amended or replaced from time to time); and/or
 - (b) an outbreak identified as a major health incident in the United Kingdom, for which a Scientific Advisory Group for Emergencies has been activated by the Cabinet Office Briefing Room

Property Damage Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

contract works

temporary or permanent works executed or in the course of execution at the **premises** on **your** behalf in connection with the contract for alterations and/or improvements to the **buildings**

refrigeration unit

refrigerators, freezer units and chiller cabinets

Cover

Damage occurring at or within 50 metres of the **premises** to the **property insured** occurring during the **period of insurance**.

Extensions

The following Extensions apply to this Section.

1. 72 Hours Clause

Damage occurring within 72 consecutive hours of and arising from storm or flood is deemed to be one claim. **You** have the right to select the moment from which the 72 hour period will be deemed to have commenced within the terms of this Section provided that such **damage** occurred prior to expiry of the **period of insurance**.

2. Additional Costs of Construction - Energy Efficiency

Within the **buildings** sum insured **we** will pay for the additional costs of reinstatement following **damage** to the **buildings** arising solely from the necessity to comply with the application of the EC Directive on Energy Performance on Buildings 2002/91 (as enacted in applicable national law).

Provided that **we** will not be liable under this cover for any such costs or expenses:

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

Our liability will not exceed the amount shown in the **schedule**.

3. Additional Statutory Costs

Within the sum insured of the **property insured** **we** will pay reasonably and necessarily incurred additional costs involved in complying with statutory regulations or local authority requirements following **damage**.

Provided that **we** will not be liable under this cover for any such costs or expenses:

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

Our liability will not exceed the amount shown in the **schedule**.

Property Damage Section

Continued

4. Architects' and Surveyors' Fees

Within the overall limit of the sum insured on **property insured** (excluding **stock** and **specified stock**) **we** will pay the cost of architects', surveyors', consulting engineers', legal and other fees necessarily and reasonably incurred with **our** consent in the reinstatement or repair of the property following **damage** but excluding fees charged for the preparation of any claim.

5. Capital Additions

This Section includes:

- (a) newly acquired **buildings, tenant's improvements** and **contents** (excluding **stock** and **specified stock**) anywhere within the **territorial limits** in so far as such property is not otherwise insured
- (b) alterations, additions and improvements to existing **buildings, tenant's improvements** and **contents** (excluding **stock** and **specified stock**) at the **premises** but excluding any appreciation in value of such property during the **period of insurance**.

Provided that:

- (a) at any one location **our** liability will not exceed the amount shown in the **schedule**
- (b) **you** will notify **us** of such capital additions as soon as possible or within 6 months of the addition and pay the appropriate additional premium that may be required to provide retrospective cover from the commencement date of **your** liability for such property following such notification the provisions of this clause are fully reinstated.

6. Continuing Interest and Hire Charges

In the event of **damage** at the **premises** where **you** are liable under contract for interest charges or continuing hire charges not recoverable under the terms of a lease or similar agreement in respect of property for which **you** are responsible and which is not otherwise insured **we** will pay such charges actually and reasonably incurred.

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

7. Contract Price

In respect of goods sold but not delivered for which **you** are legally responsible and where the sale contract is cancelled by reason of **damage** then **our** liability will be based on the contract price. For the purpose of General Condition 3. Average the sum insured will be calculated on the same basis.

8. Contract Works

The insurance by this Section extends to cover **damage** to **contract works** in the joint names of **you** and the contractor carrying out the **contract works**.

Provided that:

- (a) such joint insurance will apply for the period of the contract only
- (b) **our** liability in respect of any one single contract will not exceed the amount shown in the **schedule**
- (c) this cover does not apply to **contract works** that are otherwise insured.

We will not pay for **damage** caused by:

- (a) theft or any attempt thereat
- (b) malicious persons
- (c) water discharged from any automatic sprinkler installation
- (d) escape of oil
- (e) falling trees or branches
- (f) accidental damage.

Property Damage Section

Continued

9. Contracting Purchaser

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

10. Debris Removal Costs

- (a) The insurance by this Section extends to include costs and expenses necessarily incurred by **you** with **our** consent in:
- (i) removing debris
 - (ii) dismantling or demolishing
 - (iii) shoring up or propping
- of the portion or portions of the **property insured** which has been subject to **damage** but excluding any such costs or expenses incurred in respect of any item insuring **stock** and **specified stock**.
- (b) Where **stock** or **specified stock** is insured the insurance by this Section includes costs and expenses necessarily incurred by **you** with **our** consent in removing debris of the portion or portions of such insured property which has suffered **damage** but **our** liability in respect of **damage** to **stock** or **specified stock** will not be increased above the respective sum by the operation of this Extension.

Provided that **we** will not be liable for any such costs or expenses:

- (a) incurred in removing debris except from the site of the **property insured** which has suffered **damage** and from the area immediately adjacent to such site
- (b) arising from **pollution or contamination** of property not insured by this Section.

11. Deterioration of Refrigerated Stock

We will pay for **damage** to refrigerated **stock** and **specified stock** at the **premises** contained in any **refrigeration unit**, caused by deterioration or putrefaction due to:

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

We will not be liable under this Extension for:

- (a) refrigerated **stock** and **specified stock** contained in any **refrigeration unit** which is more than ten years old at the commencement of any **period of insurance**.

Our liability will not exceed the amount shown in the **schedule**.

12. Documents and Computer System Records

We will pay for **damage** to deeds and other documents, manuscripts, plans and writings of every description, books and computer system records belonging to **you** or for which **you** are responsible:

- (a) whilst temporarily removed from the **premises** to elsewhere within the **territorial limits**
- (b) stored at the home of any authorised **official** or at a self-contained unit in a storage facility anywhere within the **territorial limits**.

Provided that:

- (a) this cover does not apply to property in so far as it is otherwise insured
- (b) **our** liability will not exceed the amount shown in the **schedule**.

Property Damage Section

Continued

13. Drains, Sewers and Gutters

The insurance by this Section extends to include costs and expenses necessarily incurred by **you** with **our** consent for cleaning and/or clearing of drains, sewers and gutters in consequence of **damage** to the **property insured**.

Provided that **we** will not be liable for any such costs or expenses:

- (a) incurred in removing debris except from the site of the **property insured** which has suffered **damage** and from the area immediately adjacent to such site
- (b) arising from **pollution or contamination** or property not insured by this Section.

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

14. Exhibitions

We will pay for **damage** caused to **property insured** excluding **buildings** and **tenants improvements** whilst:

- (a) within the premises of any trade show or exhibition within **Europe** at which **you** are participating as an exhibitor
- (b) in transit thereto and therefrom but excluding theft or attempted theft from any **unattended vehicle**.

Our liability will not exceed the amount shown in the **schedule** in any one **period of insurance**.

15. Fire Brigade Charges

We will pay **you** the reasonable costs charged by any Public Authority relating to the extinguishing or fighting of fire.

16. Fixed Glass, Mirrors and Signs

We will pay for **damage** to:

- (a) fixed glass
- (b) armoured, bent or other special glass or lettering or designs superimposed on glass
- (c) alarm foil caused by the breakage of glass described in (a) or (b) above
- (d) fixed mirrors and fixed glass in showcases, counters and display cabinets
- (e) signs, neon and illuminated signs fixed to the **buildings** including fixed glass therein at the **premises** including necessarily incurred additional costs involved in:
 - (i) boarding up or temporary glazing pending replacement of broken glass
 - (ii) removing and re-fixing window fittings and other obstacles to replacement provided **you** are legally responsible for the repair of such **damage**.

Provided that **we** will not be liable for:

- (a) glass which was broken or cracked before the insurance commenced
- (b) superficial scratching, chipping or cracking
- (c) breakage of or **damage** caused during installation or removal or whilst alterations or repairs are being effected at the **premises**.

Our liability will not exceed the amount shown in the **schedule**.

17. Fixed Outside Equipment

We will pay for **damage** to **fixed outside equipment** at the **premises** belonging to **you** or for which **you** are legally responsible.

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

Property Damage Section

Continued

18. Further Investigation Costs

Where **you** have suffered **damage** to **buildings** insured by this Section and in the opinion of a competent construction professional, in respect of the same event, there is a reasonable possibility **you** have also suffered **damage** to:

(a) a portion of the same **building** which is not immediately apparent

(b) **buildings** for which **you** are responsible in the immediate vicinity

we will pay the reasonable costs incurred by **you** with **our** prior consent in establishing whether or not such **damage** has occurred.

Provided that sub-clause (b) above is subject to such **buildings** in the immediate vicinity being found to have suffered **damage** for which **we** are liable under this Section.

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

19. Groundsman's Machines and Equipment

We will pay for **damage** to groundsman's machines and equipment, ornaments and unfixed garden contents including monuments, memorials and statues (but not **fixed outside equipment**) in the open at the **premises**.

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

20. Household Contents

We will pay for **damage** to household furniture, carpets, furnishings, decorations, kitchen utensils and appliances, audio, television and video equipment belonging to **you** or for which **you** are responsible at the **premises** excluding **damage** more specifically covered by this policy or covered by any other insurance.

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

21. Inflation Protection

The sum insured stated in the **schedule** for **property insured** (other than **stock** or **specified stock** or other items stated as being insured on an alternative basis) will be adjusted each month in line with the percentage changes to the suitable indices. This adjustment will continue after any **damage** if the repairs or reinstatement are done without delay. **We** will not charge any extra premium during the **period of insurance** but at the end of the period **we** will calculate the renewal premium based on the revised sum insured.

22. Interested Parties

Any act or omission by the leaseholder, lessee, mortgagor or **you** or by any tenant occupying or using the **buildings** which increases the possibility of **damage** will not prejudice the insured interest of the freeholder, lessor or mortgagee.

Provided that:

(a) such act or omission is entirely without the authority of the freeholder, lessor or mortgagee

(b) as soon as the freeholder, lessor or mortgagee becomes aware of any such act or omission they will give immediate written notice to **us** and pay any additional premium required.

23. Landscaping Costs

We will pay **you** for the costs and expenses incurred by **you** with **our** consent in repairing or reinstating **damage** to the landscaped gardens and grounds at the **premises**, caused by fire brigade equipment and personnel in the course of combating fire or any other insured event provided that **you** are legally responsible for the repair or reinstatement of such **damage**.

Property Damage Section

Continued

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

24. Loss Minimisation Expenses

We will pay for the costs and expenses necessarily and reasonably incurred by **you** with **our** consent in:

- (a) preventing or reducing losses in the event of imminent **damage** which would have been insured under this Section
- (b) alleviating **damage** insured under this Section during and after the event of such **damage**

Provided that:

- (i) the impending **damage** was not reasonably foreseeable earlier and would be the inevitable outcome if such costs and expenses were not incurred
- (ii) the impending **damage** did not arise from any defect in the **property insured**
- (iii) the impending **damage** is not more specifically insured.

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

25. Loss of Metered Gas and Water

We will pay charges for which **you** are responsible if water, oil, gas or electricity is accidentally discharged from a metered system providing service to the **premises** as a result of **damage** insured under this Section.

We will not be liable for any such charges incurred by **you** in respect of any **vacant or unoccupied building**.

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

26. Non-Invalidation

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

27. Officials' Personal Effects

We will pay for **damage** to the **personal effects** of any **official** occurring on the **premises** during **business hours**.

Our liability will not exceed the amount shown in the **schedule**.

28. Participants' Personal Effects

We will pay for **damage** to the **personal effects** of any **participant** attending the **business** occurring whilst the **participant** is in **your** care.

Our liability will not exceed the amount shown in the **schedule**.

29. Protection Equipment Expenses

We will pay **you** the cost of refilling fire extinguishing equipment and smoke cloaks used solely as a consequence of **damage** but **our** liability will not exceed the amount stated in the **schedule** in respect of the **property insured**.

30. Sanitary Ware and Underground Service Pipes or Cables

The cost of reinstatement or repair for which **you** are legally liable following **damage** to:

- (a) fixed sanitary ware and fittings
- (b) underground service pipes or cables extending from the public mains to the **premises** or the **buildings** where the **buildings** at the **premises** are not owned by **you** or insured by this policy.

Property Damage Section

Continued

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

31. Seasonal Increase

The sums insured for **stock** and **specified stock** are increased by the amount shown in the **schedule** during each **period of insurance** either during:

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

32. Sheds and Shipping Containers

We will pay for **damage** to wooden, plastic or metal sheds or shipping containers and their **contents** at the **premises**.

Our liability will not exceed the amount shown in the **schedule**.

33. Subrogation Waiver

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

- (a) any company standing in the relation of Parent to Subsidiary or Subsidiary to Parent to **you** as defined in the Companies Act or Companies (N.I.) Order as appropriate current at the time of the **damage**
- (b) any company which is a Subsidiary of a Parent Company of which **you** are yourself a Subsidiary in each case within the meaning of the Companies Act or Companies (N.I.) Order as appropriate current at the time of the **damage**
- (c) any tenant or lessee who contributes to the cost of the premiums but excluding **damage** arising out of the tenant's or lessee's gross negligence or as a result of the tenant's or lessee's wilful act or recklessness.

34. Temporary Removal

The **property insured** (other than documents, manuscripts, plans and writings of every description, books, **stock** and **specified stock** and computer system records) is covered whilst temporarily removed from the **premises** for cleaning renovation repair or similar purposes and in transit thereto and therefrom anywhere within the **territorial limits** provided that:

- (a) **our** liability under this Extension will not exceed the amount shown in the **schedule**
- (b) this Extension does not apply to property in so far as it is otherwise insured.

35. Theft Damage to the Buildings

We will pay for **damage** to the **buildings** at the **premises** not owned by **you** or insured by this policy resulting from theft or any attempt thereat provided that **you** are legally responsible for the repair of such **damage**.

Our liability will not exceed the amount shown in the **schedule**.

36. Theft of Fixed Fabric of the Building

We will pay for theft of the fixed fabric of the **building**, including fixed external CCTV equipment, floodlighting, security lighting and equipment.

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

Property Damage Section

Continued

37. Theft of Keys

We will pay for the cost of replacing locks or keys to the **buildings** or to any safe or strongroom therein resulting from loss of keys following their theft:

- (a) involving forcible or violent entry to the **buildings** or the home of any authorised **employee**
- (b) involving assault or violence or threat thereof whilst such keys are in the personal custody of **you** or any authorised **employee**.

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

38. Trace and Access

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

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

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

39. Unauthorised Use of Electricity, Gas and Water

We will pay for **you** for the cost of metered electricity, gas and water for which **you** are legally responsible arising from unauthorised use by persons taking possession of, keeping possession of or occupying the **premises** without **your** written consent provided that:

- (a) **you** will take all practicable steps to terminate such unauthorised use as soon as it is discovered
- (b) **you** have advised **us** of such unauthorised use immediately on becoming aware of it.

Our liability in respect of each **premises** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

40. Workmen

Workmen are allowed to work in or on the **premises** for the purposes of effecting any repairs, additions, alterations or decorations without prejudice to this insurance.

Maximum Amount Payable

The most **we** will pay in respect of any one occurrence will not exceed the sum insured stated against each item of **property insured** or the total of all sums insured stated against all items of **property insured** as shown in the **schedule**, or any other limit of liability stated in this Section or in the **schedule**.

Basis of Claims Settlement Clauses

1. Basis of Settlement

In the event of **damage** to **property insured** by this Section the basis upon which the amount payable will be calculated will be:

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

Property Damage Section

Continued

- (e) rent - the amount payable for rent will be calculated as the loss of rent payable to **you** or payable by **you**, as described in the **schedule**, whilst necessary reinstatement or repairs are carried out following **damage** to the **buildings** which makes them uninhabitable, subject to a maximum term as stated in the **schedule**
- (f) all other **property insured** – the reinstatement of the property lost, destroyed or damaged.
For this purpose 'reinstatement' means:
 - (i) the rebuilding or replacement of property lost or destroyed which, provided that **our** liability is not increased, may be carried out:
 - in any manner suitable to **your** requirements
 - upon another site
 - (ii) the repair or restoration of property damagedin either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

Provided that:

- (i) if at the time of **damage** the sum insured on the **property insured** is less than the cost of reinstatement then **you** will be considered as being **your** own insurer for the difference and will bear a proportionate share of the loss
- (ii) **our** liability for the repair or restoration of property which is only partially damaged will not exceed the amount which would have been payable had the property been wholly destroyed
- (iii) no payment beyond the amount which would have been payable in the absence of this Basis of Claims Settlement will be made:
 - unless reinstatement commences and proceeds without unreasonable delay
 - until the cost of reinstatement has actually been incurred
 - if at the time of **damage** the **property insured** is insured by any other insurance effected by **you** or on **your** behalf which is not upon the same basis of reinstatement
- (iv) where for any reason no payment is to be made on the basis of repair or reinstatement as new (liability being otherwise admitted) then **our** liability will be arrived at as if this Basis of Claims Settlement had not been incorporated herein and the Basis of Claims Settlement will then be deemed to read - following **damage** and subject to the adequacy of the sum insured and the Maximum Amount Payable **we** will pay the value of the **property insured** at the time of the **damage**, or the amount of such **damage** as the case may be, after due allowance for wear, tear or depreciation or at **our** option replace, reinstate or repair the lost, destroyed or damaged property.

2. Designation

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

3. Average

Each Item of **property insured** under this Section is similarly but separately subject to average as specified in General Condition 3. Average.

Conditions

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

1. Excess

In the event of a claim under this Section, **we** may impose an **excess** during the term of any **period of insurance** until any required risk improvements have been implemented.

Property Damage Section

Continued

2. Extensions

Except where specifically insured the **contents** of:

- (a) outbuildings, annexes, tanks, bunds, gangways and conveniences
- (b) extensions adjoining or communicating with main buildings described herein are deemed to be insured under the respective item applying to the main buildings.

3. Maintenance Contract

It is a condition precedent to **our** liability that during the currency of this policy there will be in force a manufacturer's guarantee or a maintenance contract applicable to any **refrigeration unit** which does not have hermetically sealed motors and compressors.

Exclusions

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

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

1. water (other than under Extension 25. Loss of Metered Gas and Water), air, runways, railway lines, dams, reservoirs, storage lakes, canals, rigs, wells, tunnels, docks, piers, jetties, excavations, wharfs, mines, and offshore property
2. animals and growing crops
3. jewellery, precious stones, bullion, furs, fine art, curiosities, relics except where specifically mentioned in the **schedule**
4. overhead electrical and telecommunication transmission and distribution lines, overhead transformers or other similar overhead communication, transmission or distribution equipment and their supporting structures other than those within the **premises** for which **you** are responsible
5. vehicles required to be licensed for road use (including accessories thereon), caravans, trailers, railway locomotives or rolling stock, watercraft, aircraft or spacecraft (including but not limited to satellites)
6. property or structures in course of demolition, construction or erection and materials, equipment or supplies in connection therewith other than as provided for under Extension 8. Contract Works
7. moveable property in the open (other than **contract works**), signs, fences, gates, vegetation, lawns and shrubs in respect of loss, destruction or damage caused by wind, rain, hail, sleet, snow, flood, dust or falling trees other than as provided for under Extension 19. Groundsman's Machines and Equipment
8. property from a garden, yard, open space or any open fronted or open sided building therein by theft or any attempt thereat or malicious damage other than as provided for under Extension 36. Theft of Fixed Fabric of the Building
9. explosives and contraband
10. **damage** to **property insured** comprising of or within **vacant or unoccupied buildings** unless agreed by **us**
11. **damage** to property stored in any outbuilding or basement caused by storm, flood, leakage of oil or water following bursting or overflowing of oil or water tanks, apparatus or pipes or from any automatic sprinkler installation, unless such property is raised at least 100mm above the ground floor level of the outbuilding or the floor level of the basement
12. **damage** to any electrical machine or apparatus or component thereof occasioned by its own over-running, excessive pressure, short-circuiting or self-heating not resulting in fire
13. explosion:
 - (a) caused by or consisting of the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to **you** or under **your** control
 - (b) in respect of and originating in any vessel machinery or apparatus or its contents, belonging to **you** or under **your** control 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

Property Damage Section

Continued

14. theft or attempted theft from any unattended **building** unless all security devices are put into full and effective operation and such theft or attempted theft involves forcible and violent entry to or exit from the **building**, other than:
 - (a) theft or attempted theft involving assault or violence or threat thereof to any **officials**
 - (b) as provided for under Extension 36. Theft of Fixed Fabric of the Building
15. **damage** by theft or attempted theft from any **unattended vehicle** unless:
 - (a) all windows and other openings have been closed, all doors have been secured and any other protective devices put into full and effective operation
 - (b) any property insured by this Section is secured in the locked boot, storage compartment or closed glove compartment; (the luggage space at the rear of an estate car or hatchback under the top cover and out of view is deemed to be a locked boot)
 - (c) **overnight** or after the completion of any **working day of the driver** all windows and other openings have been closed and the **vehicle** is locked and garaged in a secure building or compound
 - (d) in respect of any **unattended vehicle** in an unattended building (not at the **premises**) all security devices are put into full and effective operation and such theft or attempted theft involves forcible and violent entry to or exit from the building
16. **stock** and **specified stock** whilst in transit:
 - (a) **damage** due to:
 - (i) leakage, spillage, contamination or deterioration
 - (ii) breakage of china, glass or other brittle articles unless caused by fire, theft or an accident involving the **vehicle**
 - (b) **damage** resulting from faulty packing or labelling
 - (c) **damage** to property conveyed in any soft or open topped or soft or open sided **vehicle** caused by:
 - (i) theft or attempted theft unless caused by or arising from theft or attempted theft of the conveying **vehicle**
 - (ii) storm or malicious damage
17. **damage** caused by theft or attempted theft occurring outside **business hours** to any till or cash register unless its drawer has been left in an open position
18. **damage** arising solely from a change in the water table level (i.e. the level below which the ground is saturated with water)
19. **damage** by falling trees caused by felling or lopping carried out by **you** or on **your** behalf
20. **damage** caused by or arising from or consisting of:
 - (a) wear, tear or depreciation or diminution in value
 - (b) collapse or cracking of **buildings**
 - (c) inherent vice, latent defect, defective design, plan or specification or the use of faulty materials
 - (d) faulty or defective workmanship, operational error or omission by any **officials**
 - (e) marring, scratching, denting or mechanical or electrical defect, failure, breakdown or derangement
 - (f) gradually operating causes, including but not limited to atmospheric or climatic conditions, wet or dry rot, fungus, rust, corrosion, woodworm, moths, insects, vermin or pests
 - (g) any process involving heating, drying, cleaning, dyeing, staining, repairing, restoring, renovating, fitting, installation, testing, commissioning, alteration or maintenance of any property
 - (h) use of any article contrary to manufacturers' instructions
 - (i) change in temperature, colour, flavour, or finish
21. **damage** caused by other authorised users of the **premises**
22. any losses, costs or expense of any kind which occurs as a result of interruption of or interference with the **business** under this Section, except loss of rent payable where this is shown as covered in **your schedule**
23. **damage** at any other premises temporarily occupied by **you** occurring outside the period during which the premises are occupied by **officials** for the purposes of the **business** unless the **contents** are stored in a securely locked room or cupboard

Property Damage Section

Continued

24. breakage of or **damage** to glass or lettering or designs superimposed thereon other than as provided for under Extension 16. Fixed Glass, Mirrors and Signs
25. subsidence, ground heave or landslip caused by:
 - (a) settlement or bedding down of new structures
 - (b) compaction of the infill to floors
 - (c) the settlement or movement of newly made up ground
 - (d) river or coastal erosion or cliff fall
 - (e) defective design or workmanship or the use of faulty or defective materials
 - (f) demolition or structural repairs or alterations to the **buildings**
 - (g) **damage** caused by or consisting of fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
26. movement of solid floor slabs caused by subsidence, ground heave or landslip unless foundations beneath the external walls of the **buildings** are damaged at the same time by the same cause
27. **damage** to oil tanks, paths, patios, paved areas or other artificially covered surfaces, swimming pools, tennis courts and walls caused by subsidence, ground heave or landslip, unless the main building is damaged at the same time by the same cause
28. **damage** caused by subsidence, ground heave or landslip for which compensation is provided by legislation
29. **damage** insured by the Equipment Breakdown Section
30. **damage** to **personal effects** of **officials** and **participants** other than as provided for under Extension 27. Officials' Personal Effects and Extension 28. Participants' Personal Effects
31. the **excess** stated in the **schedule**.

Employers' Liability Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Cover

We will pay:

1. all amounts which **you** become legally liable to to pay as **compensation** to any **employee** and
2. **costs and expenses** in respect of **bodily injury** caused in the course of the **business**:
 - (a) during the **period of insurance**
 - (b) within the **territorial limits**
 - (c) elsewhere in the world in respect of any journey or temporary visit in connection with the **business** by any **employee** normally resident within the **territorial limits**.

Extensions

The following Extensions apply to this Section.

1. Compensation for Court Attendance

We will pay **you** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which **you** are entitled to be paid under this Section and with **our** agreement up to the maximum amounts per day stated in the **schedule** for each day on which attendance is required.

2. Corporate Manslaughter

We will pay **you** in respect of:

- (a) legal costs and expenses incurred with **our** prior written consent and
- (b) prosecution costs awarded against **you**

in the defence of criminal proceedings including an appeal against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 as a result of any death to an **employee** happening in connection with the **business** during the **period of insurance** and which may be the subject of payment under this Section.

Provided that:

- (a) **our** liability will not exceed the Maximum Amount Payable during any one **period of insurance**
- (b) all amounts payable under this Extension will form part of and not be in addition to the Maximum Amount Payable
- (c) where **we** have already provided a payment in respect of any legal costs or expenses incurred in connection with the defence of any criminal proceedings including appeals against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 arising out of the same occurrence which give rise to such proceedings any amount paid or payable by **us** will be deducted from the amount payable under this Section
- (d) **we** agreed in writing to the appointment of any solicitor or counsel who is to act on **your** behalf prior to their appointment.

We will not be liable under this Extension for:

- (a) any fines or penalties or the cost of implementing any remedial order or publicity order
- (b) an appeal against any fines penalties remedial order or publicity order
- (c) any costs incurred which result from the failure to comply with any remedial order or publicity order
- (d) costs and expenses in connection with any appeal unless advice has been obtained from solicitors or counsel approved by **us** that there are strong prospects of success
- (e) costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by **you** or any other director, partner or **employee** of **yours**

Employers' Liability Section

Continued

- (f) costs and expenses provided by any other source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance
- (g) costs and expenses in connection with the defence of any criminal proceedings unless such proceedings are brought against **you** in a Court of Law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

3. Cross Liabilities

Where there is more than one person named as the Insured in the **schedule** this Section will apply separately to each named person as if each is insured by a separate policy, provided always that **our** maximum liability in the aggregate for damages to all parties insured will not exceed the Maximum Amount Payable.

4. Health and Safety at Work etc. Act 1974

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

We will not be liable under this Extension for:

- (a) any fines or penalties or the cost of implementing any remedial order or publicity order
- (b) an appeal against any fines, penalties, remedial order or publicity order
- (c) costs and expenses provided by any other source or any other insurance or, which but for the existence of this Extension, would have been provided by such source or insurance
- (d) proceedings arising out of any deliberate act or omission by **you**.

5. Indemnity to Other Persons

We will pay at **your** request:

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

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

Provided that:

- (a) any person is not entitled to be paid under any other insurance
- (b) any person will observe, fulfil and be subject to the terms and conditions of the policy as far as they can apply
- (c) **we** will retain the sole conduct and control of any claim
- (d) the total amount **we** will pay for damages to **you** and any such persons will not exceed the Maximum Amount Payable.

Employers' Liability Section

Continued

6. Unsatisfied Court Judgements

If any **employee** or their personal representative obtains a judgement from a court within the **territorial limits** for damages for **bodily injury** against any company or individual operating from premises within the **territorial limits** and that judgement remains unpaid in whole or in part for more than six months after the date of the award **we** will pay at **your** request the amount of any unpaid damages and awarded costs to the **employee** or their personal representative.

Provided that:

- (a) the **bodily injury**:
 - (i) is caused during the **period of insurance**
 - (ii) arises out of and in the course of employment in the **business**
- (b) there is no appeal outstanding
- (c) if any payment is made under the terms of this Extension the **employee** or their personal representative will assign the judgement to **us**.

Maximum Amount Payable

The maximum amount payable in respect of **compensation** and **costs and expenses** will not exceed:

1. £5,000,000 for **bodily injury** which is directly or indirectly caused by, contributed to by, results from or arises out of or in connection with any **act of terrorism** or any action taken in controlling, preventing, suppressing, retaliating against responding to or in any way relating to any **act of terrorism**
2. the Limit of Indemnity stated in the **schedule** as regards any other **bodily injury**

in respect of any one claim against **you** or series of claims against **you** arising out of one cause.

Conditions

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

1. Certificate of Employers' Liability Insurance

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

2. Discharge of Liability

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

- (a) the Maximum Amount Payable less any amount already paid
- (b) any lesser amount for which such claim or claims can be settled.

We will then cease to have the conduct and control of any negotiations, actions or proceedings and be under no further liability for the claim other than for costs and expenses incurred prior to the date of final payment.

3. Our Right of Recovery

The insurance provided by this Section is deemed to be in accordance with any law relating to compulsory insurance or liability to **employees** whilst employed in the **territorial limits** but **you** will repay to **us** all sums paid by **us** which **we** would not have been liable to pay but for the provisions of such law.

Employers' Liability Section

Continued

Exclusions

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

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

1. liability for **bodily injury** to any **employee** arising out of the ownership, possession or use by or on **your** behalf of any mechanically propelled vehicle or trailer if liability is required by any road traffic legislation to be the subject of compulsory insurance or other security
2. liability arising from **bodily injury** to any **employee** working in or on any **offshore installation** or any support vessel for any **offshore installation** or whilst in transit to or from any **offshore installation** or support vessel
3. fines, penalties or liquidated, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages
4. any liability which is insured by or would but for the existence of this Section be insured by any other policy except in respect of any excess beyond the amount payable under such other policy had this insurance not been effected.

Public and Products Liability Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

accredited first aid training	an accredited first aid qualification, provided by a registered training organisation whereby on full completion of the course a person is awarded competency in the course content
accredited training	an accredited qualification, provided by a registered training organisation whereby on full completion of the course a person is awarded competency in the course content
activity leader	the official who is responsible for the management and delivery of the activity
competent person	a person with sufficient knowledge and experience which enables them to recognise hazards associated with inflatable play equipment
forest school	a scheduled full or part-time programme of outdoor learning activities in a woodland or other natural environment
hand tools	tools powered only by hand without any artificial power
higher risk outdoor learning activities	comprising of: <ol style="list-style-type: none">1. the use of fire for cooking, heating or recreational activities2. the use of hand tools for the use of cutting, shaving or grinding3. any activity that could bring harm to an individual by consumption of foreign object4. tree climbing or any climbing activity including any element of height5. the use of swings, tightropes and slacklines
inflatable play equipment	a structure relying on air pressure to maintain its shape, designed and intended solely for use by children to play, bounce or slide in or on and for no other recreational purpose but excluding paddling pools
outdoor learning	a forest school or any other organised programme of learning and play activities taking place mostly in outdoor environments
outdoor learning activities	outdoor learning comprising of digging, exploring, hiking, walks, outdoor locating games , map making, natural art activities, natural environment material counting, bug hunting, shelter making, den building, rope work (knots, lashings), swings and tightropes, willow weaving, paddling and pond dipping excluding higher risk outdoor learning activities
outdoor locating games	games or activities involving navigation to locate a target place, person or property, including but not limited to, treasure hunts, hide and seek, capture the flag, orienteering and scavenger hunts
products	any goods, including containers, packaging, labelling and instructions for use, sold, supplied, processed, delivered, installed, tested, repaired, serviced, altered, treated or hired out by you in connection with the business and no longer in your possession or control
visiting instructor or demonstrator	any third party individual, company or organisation, other than you or your employees , that organises, runs or supervises activities as a business or otherwise and provides such activities at the premises for you under contract with or without a fee being charged

Public and Products Liability Section

Continued

Cover

We will pay:

1. all amounts which **you** become legally liable to to pay as **compensation** and
2. **costs and expenses** in respect of:
 - (a) accidental **bodily injury** to any person
 - (b) **damage** to material property
 - (c) accidental nuisance or trespass, obstruction, loss of amenities or interference with any right of way, light, air or water
 - (d) wrongful arrest, malicious prosecution, detention, imprisonment, eviction or invasion of the right of privacy of any personoccurring in connection with the **business** and occurring:
 - (i) during the **period of insurance**
 - (ii) within the **territorial limits**
 - (iii) elsewhere in the world in respect of any journey or temporary visit in connection with the **business** by **officials** normally resident within the **territorial limits**, provided such journey or visit is not for the purpose of performing manual work
 - (iv) anywhere in the world caused by **products**.

Extensions

The following Extensions apply to this Section.

1. Compensation for Court Attendance

We will pay **you** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which **you** are entitled to be paid under this Section and with **our** agreement up to the maximum amounts per day stated in the **schedule** for each day on which attendance is required.

2. Consumer Protection and Food Safety Acts – Legal Defence Costs

We will pay **you** and at **your** request any director, partner or **employee** of **yours** legal costs incurred with **our** written consent in connection with the defence of proceedings or an appeal against conviction arising from such proceedings brought for a breach of the Consumer Protection Act 1987 and the Food Safety Act 1990 committed or alleged to have been committed in the course of the **business** during the **period of insurance**.

Provided that **we** will not be liable for:

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

3. Contingent Motor Liability (Non-owned Vehicles)

We will pay **you** for all amounts **you** become legally liable for arising out of the use in the course of the **business** of any motor vehicle not owned by or provided by **you**.

Provided **we** will not be liable:

- (a) for loss of or destruction of or damage to such vehicle or to goods being carried
- (b) for **bodily injury** to any person or loss of property arising while the vehicle is being driven by **you** or by any person who to **your** knowledge does not hold a licence to drive such vehicle
- (c) in respect of liability more specifically insured under any other insurance
- (d) in respect of liability arising outside the **territorial limits**.

Public and Products Liability Section

Continued

4. Corporate Manslaughter

We will pay **you** in respect of:

- (a) legal costs and expenses incurred with **our** prior written consent, and
- (b) prosecution costs awarded against **you**

in the defence of criminal proceedings including an appeal against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 as a result of any death to any person other than an **employee** happening in connection with the **business** during the **period of insurance** and which may be the subject of payment under this Section.

Provided that:

- (a) **our** liability will not exceed the Maximum Amount Payable under this Section during any one **period of insurance**
- (b) all amounts payable under this Extension will form part of and not be in addition to the Maximum Amount Payable
- (c) where **we** have already provided a payment in respect of any legal costs or expenses incurred in connection with the defence of any criminal proceedings including appeals against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 arising out of the same occurrence which give rise to such proceedings any amount paid or payable by **us** will be deducted from the amount payable under this Section
- (d) **we** agreed in writing to the appointment of any solicitor or counsel who is to act on **your** behalf prior to their appointment.

We will not be liable under this Extension for:

- (a) any fines or penalties or the cost of implementing any remedial order or publicity order
- (b) an appeal against any fines penalties remedial order or publicity order
- (c) any costs incurred which result from the failure to comply with any remedial order or publicity order
- (d) costs and expenses in connection with any appeal unless advice has been obtained from solicitors or counsel approved by **us** that there are strong prospects of success
- (e) costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by **officials of yours**
- (f) costs and expenses provided by any other source or any other insurance or which but for the existence of this Extension would have been provided by such source or insurance
- (g) costs and expenses in connection with the defence of any criminal proceedings unless such proceedings are brought against **you** in a Court of Law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

5. Cross Liabilities

Where there is more than one person named as the Insured in the **schedule** this Section will apply separately to each named person as if each is insured by a separate policy, provided always that **our** maximum liability in the aggregate for damages to all parties insured will not exceed the Maximum Amount Payable.

6. Defective Premises Act 1972

We will pay **you** any amount for which **you** will become legally liable to pay 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 any business premises or land which have been disposed of by **you**.

We will not be liable under this Extension:

- (a) if at the date of their disposal by **you** such buildings were not insured by this policy or any other policies in respect of which this policy has been issued in substitution
- (b) for the cost of repairing or rectifying any defect or alleged defect in such buildings
- (c) if **you** are entitled to payment under any other policy.

Public and Products Liability Section

Continued

7. General Data Protection Regulations

We will indemnify **you** in respect of legal liability under Article 82 of Regulation (EU) 2016/679 (the "General Data Protection Regulation" or the "GDPR") and the equivalent provision under the Data Protection Act 2018 (all as amended, updated or re-enacted from time to time), in connection with personal data (as defined in the Regulation) processed by **you** provided that **we** will not be liable for:

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

Our liability will not exceed the amount shown in the **schedule** during any one **period of insurance** inclusive of **costs and expenses**.

8. Health and Safety at Work etc. Act 1974

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

We will not be liable under this Extension for:

- (a) any fines or penalties or the cost of implementing any remedial order or publicity order
- (b) an appeal against any fines, penalties, remedial order or publicity order
- (c) costs and expenses provided by any other source or any other insurance or which but for the existence of this Extension would have been provided by such source or insurance
- (d) proceedings arising out of any deliberate act or omission by **you**.

9. Indemnity to Other Persons

We will pay at **your** request:

- (a) any of **your** directors, partners or **employees**
 - (b) any officer, committee member or other person employed by **your** catering, social, sports, educational or welfare organisations or first-aid, medical, ambulance, fire or security services
 - (c) any bona fide member of **your** organisation
 - (d) any director, partner or official for whom with **your** consent an **employee** is undertaking private work
 - (e) any principal or public or local authority as far as is necessary to meet the requirements of any contract or agreement entered into by **you** for the performance of work
 - (f) the owner of plant hired by **you** but only to the extent of the conditions of hire
 - (g) any legal representative of any of the above in the event of their death
- for amounts which they are legally liable in respect of which **you** would have been entitled to payment under this policy if the claim had been made against **you**.

Provided that:

- (a) any person is not entitled to be paid under any other insurance
- (b) any person will observe, fulfil and be subject to the terms and conditions of this policy as far as they can apply
- (c) **we** will retain the sole conduct and control of any claim
- (d) the total amount **we** will pay in the aggregate for any one occurrence for damages to **you** and any such persons will not exceed the Maximum Amount Payable.

10. Overseas Personal Liability

We will pay **you** or at **your** request any director or partner or any **employee** or spouse of such person in respect of any amount for which they will be legally liable incurred in a personal capacity whilst temporarily outside the **territorial limits** in connection with the **business**.

Public and Products Liability Section

Continued

We will not be liable under this Extension for:

- (a) ownership or occupation of land and buildings
- (b) any person referred to above who is entitled to payment under any other policy.

11. Premises Leased, Hired, Rented or In Custody or Control

We will pay **you** any amount **you** become legally liable for following **damage** to premises including fixtures and fittings leased, hired or rented to **you** or those in **your** custody or control.

Maximum Amount Payable

The maximum amount payable as **compensation** under this Section for any occurrence giving rise to any one claim or series of claims arising out of one cause will not exceed the Limit of Indemnity stated in the **schedule** but the amount will be the maximum amount payable in any one **period of insurance** in respect of liability arising out of **products**.

Where indemnity is provided for liability in respect of claims brought in the United States of America or Canada or their dependencies or trust territories the Limit of Indemnity stated in the **schedule** shall be the maximum amount payable by **us** inclusive of all **costs and expenses**.

Conditions

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

1. Animal Handling

It is a condition precedent to **our** liability in respect of any activity at the **premises** which involves handling or petting any animal that:

- (a) such activity is limited to:
 - (i) insects, arachnids and molluscs
 - (ii) mammals
 - (iii) reptiles and amphibians
 - (iv) birdscommonly kept as domestic pets
- (v) domestic farm animals comprising mammals and birds
- (b) no feral, stray, aggressive or unpredictable animals and no venomous or toxin-producing animals are to be involved
- (c) **you** will notify **parents** of the types of animals that may be handled or petted and obtain consent to this from a **parent**, together with details from them of any known animal allergies before their child is permitted to participate in the activity
- (d) a risk assessment for all animal handling or petting activities at the **premises** must be completed, documented and regularly reviewed
- (e) the risk assessment must include (but not be limited to):
 - (i) supervision ratios
 - (ii) numbers of children permitted to handle or pet
 - (iii) use of suitable protective clothing
- (f) children under 2 years of age are not permitted to handle or pet any animals
- (g) no more than 3 children are permitted to handle or pet any animal at any one time
- (h) only an **official** or a **visiting instructor or demonstrator** is to directly hold the animal during the activity
- (i) suitable hand washing and drying facilities are to be used before and immediately after contact with the animal or its associated equipment and again before consumption of any food or drink

Public and Products Liability Section

Continued

- (j) **you** remove any soiling promptly and then clean and disinfect any contaminated surfaces and any other surfaces with which an animal has been in contact
- (k) any cuts or grazes are to be covered by suitable waterproof plasters or coverings prior to any contact with animals
- (l) children must not be permitted to take any form of food or drink into the area used for any animal handling or petting activity other than that which is intended for animal consumption
- (m) children are not permitted to feed animals other than by:
 - (i) throwing food from the hand
 - (ii) bottle.

2. Barbecues

It is a condition precedent to **our** liability that whenever barbecues are used that:

- (a) a written risk assessment is completed before commencement
- (b) the barbecue is:
 - (i) sited on firm level ground away from flammable materials including fences, trees, hedges and buildings
 - (ii) cordoned off away from any children and all activities
 - (iii) supervised at all times by an **official**
- (c) an adult with **accredited first aid training** must be present on site
- (d) a suitable fire extinguisher is kept at hand
- (e) suitable precautions are taken to:
 - (i) prevent cross contamination from cooked and raw foods
 - (ii) ensure all foods cooked are cooked throughout and are safe to be served
- (f) an **official**:
 - (i) supervises the disposal of the barbecue and any flammable materials from the barbecue
 - (ii) ensures that the barbecue and any other flammable material from the barbecue is fully extinguished at the end of the event and before leaving the site.

3. Checks and Investigations for Employees

It is a condition precedent to **our** liability that:

- (a) **you** will:
 - (i) carry out all investigations recommended by Ofsted or any other competent authority on all current and prospective **employees** and
 - (ii) where **you** are required by law to do so, obtain all necessary criminal records and barred list checks in respect of all relevant current and prospective **employees** and act reasonably in response to the information obtained
- (b) while **you** are awaiting the outcome of criminal records and barred list checks on an **employee** that **you** are required by law to obtain in relation to them, that **employee** will be supervised at all times (while engaged in the **business**) by another **employee** for whom criminal records and barred list checks have been obtained.

4. Discharge of Liability

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

- (a) the Maximum Amount Payable less any amount already paid
- (b) any lesser amount for which such claim or claims can be settled.

We will then cease to have the conduct and control of any negotiations, actions or proceedings and be under no further liability for the claim other than for **costs and expenses** incurred prior to the date of final payment.

5. Equipment Used in Activities

It is a condition precedent to **our** liability that **you** ensure all equipment used in activities is free from defects and is suitable for the age and ability of the **participant**.

Public and Products Liability Section

Continued

6. Face Painting, Temporary Tattoos and Children's Cosmetics

It is a condition precedent to **our** liability that whenever activities involving face painting, temporary tattoo's and children's cosmetics take place:

- (a) **you** will obtain consent from a **parent** before their child is permitted to participate in the activity
- (b) any products and equipment used must be of a proprietary brand, specially designed for use by and/or on children and the manufacturers recommendations are followed
- (c) the activity is to take place in a segregated area.

7. Fireworks and Bonfires

It is a condition precedent to **our** liability that for any event **you** organise:

- (a) only category 2 fireworks that carry the CE mark are used
- (b) fireworks are stored in a closed box in a locked location away from children and naked flames until they are needed
- (c) the fireworks are sited in a clear unenclosed space no less than 8 metres from any buildings, trees, fences, overhead cables, car parking areas and the spectators cordoned off at this distance
- (d) any bonfire is sited in a clear unenclosed space no less than 18 metres from buildings, trees, fences, overhead cables, car parking areas and firework displays and the spectators cordoned off at this distance
- (e) all spectator areas, car parks and walkways are adequately lit
- (f) children are accompanied and supervised at all times by a **parent**
- (g) sparklers are not given to children under 5 years of age
- (h) alcohol is not sold or provided or permitted to be brought to the event
- (i) the bonfire is checked to be clear of anything living or hazardous before lighting and is not lit with paraffin or petrol
- (j) only **officials** are permitted to light the fireworks and bonfire
- (k) there are two easily identified **officials** (wearing fluorescent jackets or other distinctive outfits) whose sole responsibility is safety and site management
- (l) an adult with **accredited first aid training** must be present on site
- (m) fireworks that have been lit are not returned to and are dealt with at the end of the event
- (n) any lit fireworks that fail to go off are soaked in a container of water in an area where they cannot be tampered with and disposed of in accordance with the manufacturer's or supplier's guidelines
- (o) an **official**:
 - (i) ensures that the bonfire is properly extinguished before the site is left and at the end of the event
 - (ii) visits the site the following day and any debris is removed and disposed of.

8. Food Hygiene

It is a condition precedent to **our** liability that if **you** prepare and provide food that **you**:

- (a) check for food allergies and special dietary requirements
- (b) provide information, guidance and warnings in respect of all foods supplied
- (c) comply with all applicable food hygiene regulations.

9. Horse Riding

Any horse riding activity must be at riding centres approved by the British Horse Society only with their own Public Liability insurance, effective and with a Limit of Indemnity of at least £5,000,000.

10. Inflatable Play Equipment

It is a condition precedent to **our** liability that whenever **inflatable play equipment** is used:

- (a) the **inflatable play equipment** must be built to British Standard BS EN 14960 and labelled as such
- (b) the manufacturers' and/or suppliers' instructions regarding use, safety and maximum recommended numbers of children must be complied with at all times

Public and Products Liability Section

Continued

- (c) the height of the **inflatable play equipment** does not exceed:
 - (i) 2 metres for inflatable slides (ground to platform)
 - (ii) 3 metres for all other **inflatable play equipment**
- (d) no adult must be allowed to play on the **inflatable play equipment**
- (e) if being used outside:
 - (i) the **inflatable play equipment** is not used in winds above 24 mph
 - (ii) checks of wind speed using an anemometer take place at regular intervals
 - (iii) all anchor points are used
 - (iv) all anchor points are anchored to metal ground stakes at least 380 mm long and 16 mm wide, with a rounded top and welded metal 'O' or 'D' ring fittings
 - (v) ballast of at least 163 kg with suitable fixings to each anchor point is used where the ground is not suitable for stakes
- (f) the **inflatable play equipment** must be checked by a **competent person** before use to ensure that there is no defect or damage
- (g) at least two **officials** must supervise the **inflatable play equipment** at all times
- (h) safety mats must be in the correct place and kept clear at all times
- (i) supervising **officials** must be able to see all children on the **inflatable play equipment** and be close enough to support any child that may come off or be in need of help
- (j) the **inflatable play equipment** must be dismantled and deflated when not intended for use
- (k) a **competent person** must check the **inflatable play equipment** every half hour to ensure that the moorings are stable, the blower is pumping in air correctly and the air vents are secure
- (l) the electrical blower must be PAT tested at least once a year
- (m) the **inflatable play equipment** must be tested annually by a **competent person** and any faults rectified before the equipment is allowed back into use
- (n) an adult with **accredited first aid training** must be present on site
- (o) food and drink must not be permitted in or on the **inflatable play equipment**
- (p) children must not be permitted to:
 - (i) wear jewellery, watches or footwear or have any sharp or pointed objects whilst in or on the **inflatable play equipment**
 - (ii) perform any type of acrobatics or climb the walls or supporting pillars of the **inflatable play equipment**
 - (iii) go either around the back or the sides of the **inflatable play equipment** at any time
 - (iv) have access to the **inflatable play equipment** whilst it is being set up and inflated or dismantled and deflated
- (q) children must:
 - (i) walk on and off the **inflatable play equipment** on all occasions
 - (ii) be grouped in relation to their size and age.

11. Outdoor Learning

It is a condition precedent to **our** liability that:

- (a) **activity leaders** have appropriate **accredited training** for all **outdoor learning activities**
- (b) the **activity leader** or an **official** who is present on site, has **accredited first aid training** appropriate for **outdoor learning**
- (c) **you** obtain consent from a **parent** before their child is permitted to participate in **outdoor learning activities**
- (d) a written risk assessment:
 - (i) is completed before the commencement of any **outdoor learning activities**
 - (ii) for **higher risk outdoor learning activities** is completed on the day at the site before the activity commences and must provide for (but not be limited to):

Public and Products Liability Section

Continued

- adequate supervision ratios
 - staff qualification/competency
 - the mental and physical ability of **participants**
 - use of personal and protective equipment
 - adverse and extremes of weather
 - first aid provision and emergency procedures
 - condition and suitability of equipment and any naturally occurring feature used in any activity
 - condition and suitability of the immediate area surrounding the activity
- and must be:
- appropriate for the level of activity being delivered
 - documented and regularly reviewed
 - communicated to all persons leading, assisting in or supervising the delivery of activities
- (iii) a copy of each risk assessment is retained by **you** and available to **us** upon request
- (e) children undertaking **higher risk outdoor learning activities** must:
- (i) be aged at least 3 years, or
 - (ii) become 3 years of age during their first term at the setting
- (f) when tightrope walking or slacklining:
- (i) the height of the line is no greater than 30cm above ground level at its minimum point when in use
 - (ii) the activity is limited to walking along or balancing on the line
- (g) when whittling:
- (i) a glove is worn on the non-tool hand
 - (ii) only a potato peeler or suitable age appropriate knife is used
- (h) when making rope swings:
- (i) the thickness of the rope used is at least 10mm
 - (ii) the rope swing is no greater than 1 metre from ground level at its minimum point when in use
 - (iii) the rope swing is tested by the **activity leader** prior to use
- (i) when using axes, bill hooks, hand saws and working in pairs, only one tool is to be used between each pair of children
- (j) when making and using fires that:
- (i) fires are only set in a fire pit or fire bowl
 - (ii) any children who are not cooking or lighting a fire must be at least one metre away from the fire
 - (iii) fires are extinguished one hour prior to the location being vacated and that a final check takes place to ensure the fire is extinguished before leaving.

12. Roller Blading and Skateboarding

It is a condition precedent to **our** liability that whenever roller blading or skateboarding takes place:

- (a) only children aged 4 years and above will be allowed to participate in the activity
- (b) **you** will obtain consent from a **parent** before their child is permitted to participate in the activity
- (c) all skates, skateboards, protective gear and other equipment used to participate in the activity must be provided by **you**
- (d) all skates, skateboards, protective gear and other equipment used to participate in the activity must be safety checked by **you** before and after use
- (e) children must wear the following protective gear at all times: helmet, wrist guards, knee and elbow pads
- (f) when in a public area children must wear a high visibility jacket, bib or wristband to ensure they are easily identified
- (g) roller blading will only take place within an enclosed space such as a hall or school playground
- (h) skateboarding will only take place within a designated skate park or school playground
- (i) the following minimum **official** to child supervision ratios must be maintained at all times:
 - (i) children aged 4 to 7 years; 1 **official** to 4 children
 - (ii) children aged 8 years and above; 1 **official** to 8 children
- (j) children must not be permitted to perform tricks, stunts, jumps or flips.

Public and Products Liability Section

Continued

13. Swimming

A National Pool Lifeguard Qualification or equivalent qualified Life Saver or swimming teacher/coach must be in attendance at all times whenever swimming activities are undertaken.

14. Trampolines

It is a condition precedent to **our** liability that whenever trampolines are used:

- (a) the manufacturers'/suppliers' instructions regarding use, safety and recommended numbers of children must be complied with at all times
- (b) all trampolines have manufacturers' fitted safety netting
- (c) an **official** must monitor the trampoline at all times whilst in use.

15. Visiting Instructors or Demonstrators

All **visiting instructors or demonstrators** must have their own Public Liability insurance covering their activities, effective and with a Limit of Indemnity of at least £5,000,000.

16. Water Slides

It is a condition precedent to **our** liability that whenever garden water slides are used that:

- (a) all slides and associated equipment used must be of a proprietary brand and designed and intended solely for use by children to slide on and for no other recreational purpose
- (b) the length of the water slide does not exceed 6 metres
- (c) **you** must at all times comply with the manufacturers' and/or suppliers' use and safety instructions except as stated within (d) to (m) below
- (d) the age range of children permitted to use the water slide is 4 years minimum and 12 years maximum
- (e) no adult must be allowed to play on the water slide
- (f) the water slide must only be used outdoors, sited on a level grassed area at least 2 metres from any structure or obstruction
- (g) the water slide is wetted only with water
- (h) where multiple water slides are in use, each shall be sited and used independently of any other
- (i) the water slide must be checked by an **official** before use to ensure that there is no defect or damage
- (j) at least two **officials** must supervise the water slide at all times, with one stationed at the entrance and one at the exit of the slide
- (k) an adult with **accredited first aid training** must be present on site
- (l) children are not permitted to:
 - (i) wear jewellery, watches or footwear or have any sharp or pointed objects whilst on the water slide
 - (ii) slide kneeling or standing
- (m) the maximum number of children allowed to use the slide at any one time shall not exceed:
 - (i) one per lane where the slide is manufactured with multiple sliding lanes
 - (ii) two in total.

Exclusions

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

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

- 1. **bodily injury** to any **employee** arising out of and in the course of their employment in the **business**
- 2. **bodily injury** or **damage** arising from the ownership possession or use by **you** or on **your** behalf of:
 - (a) any aircraft, aerospace device, hovercraft or watercraft other than hand propelled watercraft and other watercraft not exceeding 7 metres in length
 - (b) any lift, elevator, hoist, crane, steam boiler or other apparatus operating under steam pressure, for which a statutory inspection certificate is required but which is not in force

Public and Products Liability Section

Continued

- (c) any mechanically propelled vehicle or plant or trailer attached in circumstances in respect of which insurance or security is necessary to meet the requirements of road traffic legislation other than as insured under Extension 3. Contingent Motor Liability (Non-owned Vehicles) of this Section
- 3. **damage** to:
 - (a) property owned by or leased, hired or rented to **you** other than as insured under Extension 11. Premises Leased, Hired, Rented or In Custody or Control of this Section
 - (b) property belonging to **you** or held in **your** care, custody or control other than:
 - (i) personal property of directors, partners or **employees**
 - (ii) the property of customers or visitors temporarily on or about the **premises**
 - (iii) as insured under Extension 11. Premises Leased, Hired, Rented or In Custody or Control of this Section
- 4. legal liability under a contract unless legal liability would have attached to **you** in the absence of such contract
- 5. liability arising from or caused by **damage** to property, buildings or land caused by vibration or by the removal or weakening of support
- 6. **damage** to **products** or the cost of making good or recalling such **products** or the cost of rectifying defective work
- 7. **damage** to property which **you** or any of **your employees** are or have been working on
- 8.
 - (a) liquidated damages fines or penalties
 - (b) punitive exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages
- 9. legal liability arising from or caused by:
 - (a) the provision of advice or any plan, design, formula or specification given separately for a fee or for which a fee is normally charged
 - (b) the making up, sale or supply of any drug or medical preparation, syringes, dressings or medical supplies or equipment of any kind whatsoever
 - (c) the making up, sale or supply of animal feeds, seeds, fertilisers, insecticides, or pesticides
 - (d) any **products** manufactured, constructed or prepared in accordance with their plan, design, formula or specification failing to perform the function for which they are intended by **you**
 - (e) the use of solaria, sunbeds, saunas and hydro-massage facilities
- 10. any **products** which with **your** knowledge are:
 - (a) exported directly or indirectly to the United States of America or Canada
 - (b) used in the aircraft, space, petro-chemical, gas, offshore, ship building and repair or nuclear industries
 - (c) to be used in the motor industry other than those not affecting the safety, stability, steering or braking of the vehicle
- 11. any second-hand or pre-owned **products** supplied by **you** that:
 - (a) do not meet the standards under current statutory safety legislation other than upholstered furniture or bedding supplied free of charge as a charitable donation
 - (b) are gas appliances of any description
 - (c) are appliances containing or using flammable liquids
 - (d) are electrical appliances other than portable electrical appliances that have been inspected, tested and certified safe by a person qualified to undertake PAT testing (this does not apply to those powered by a battery only)
- 12. liability arising from or caused by or contributed to by any error or omission in:
 - (a) the provision of medical, dental or nursing care treatment
 - (b) the supply of medicines or drugs
 - (c) the provision of beauty treatments other than face painting, temporary tattoos or cosmetics for children, in accordance with Condition 6. Face Painting, Temporary Tattoos and Children's Cosmetics
- 13. liability caused by or arising from **products** where the action is brought against **you** in any country not being a member of the European Union where **you** have a branch or a parent or a subsidiary company or are represented by a person or company holding **your** Power of Attorney

Public and Products Liability Section

Continued

14. legal liability arising from or caused by the following activities where provided by **you**:
- (a) promotional and fund raising events where the anticipated attendees exceed:
 - (i) 100 people in respect of events involving fireworks and/or bonfires,
 - (ii) 500 people in respect of all other events
 - (b) the use or ownership of Velcro wall, "bar fly" or similar equipment
 - (c) use of **inflatable play equipment** or apparatus worn on or around the body
 - (d) cycling on public roads, BMX freestyle, cross country and mountain biking
 - (e) use of mechanical or powered tools or other tools with a sharp edge other than:
 - (i) **hand tools**
 - (ii) tools used for arts and crafts
 - (iii) knives and utensils used for cookingwhich are age appropriate and intended for that purpose
 - (f)
 - (i) gymnastics other than in connection with delivery of the British Gymnastics Pre-School Proficiency programme
 - (ii) dance or cheerleading involving lifting above shoulder height, acrobatics or spinning headstands
 - (iii) parkour and street/free running
 - (g)
 - (i) martial arts, combat or fighting sports
 - (ii) American football, Australian rules football, Gaelic football, lacrosse, roller derby, rugby or weight-lifting
 - (iii) professional or semi-professional sports
 - (iv) sports involving weapons (including but not limited to paintballing, archery, fencing and shooting)
 - (v) fire walking, kite land boarding, and sledding, sledging or sleighing whether on snow, ice or any other surface
 - (vi) ice-hockey, ice skating, skiing or any other winter sports
 - (vii) sports in a terrain that require hands as well as feet to traverse such as hillwalking, scrambling and mountaineering
 - (h) any activity that requires the use of guides, cables, wires or ropes (other than tug-of-war), elastic rope sports or aerial activity of any kind including bungee jumping and zip wires other than:
 - (i) **outdoor learning activities**
 - (ii) traverse climbing walls not exceeding 2 metres in height
 - (i) activities that take place in or on bodies of water other than:
 - (i) swimming that takes place within a purpose built swimming pool
 - (ii) the use of inflatable paddling pools
 - (iii) **outdoor learning activities**
 - (j) use of:
 - (i) fireworks or other pyrotechnics
 - (ii) airborne lantern, sky lantern, sky candle or wish lantern
 - (iii) fires or bonfiresother than:
 - (i) **outdoor learning activities**
 - (ii) strictly in accordance with Condition 7. Fireworks and Bonfires
 - (k) any activity taking place more than one metre above ground when outside a building or structure or one metre from floor level when inside a building or structure, other than:
 - (i) use of **fixed outside equipment**
 - (ii) **outdoor learning activities**
 - (l) use of motorised toys, or other equipment that are/is designed to be ridden including but not limited to segways, motorised or electric scooters and bikes, self-balancing two-wheeled boards, powered go karts and motorised fairground rides other than electric 4 wheel ride on toys designed and intended for children and with a motor not exceeding 6 volts

Public and Products Liability Section

Continued

- (m) use of mechanical fitness equipment
- (n) activities that take place beneath the surface of the ground such as caving and potholing
- (o) any racing or time trial other than those on foot which do not take place on a public road
- (p) liability arising in connection with any visits to or work on any **offshore installation** or any support vessel for any **offshore installation** or whilst in transit to or from any **offshore installation** or support vessel.

Treatment Liability for Registered Providers Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Cover

We will pay:

1. all amounts which **you** become legally liable to to pay as **compensation** and
2. **costs and expenses** in respect of accidental **bodily injury** to any person other than an **employee** caused by error or omission in:
 - (a) the provision of medical treatment
 - (b) care that has not been prescribed by a qualified medical or dental practitioner
 - (c) the supply of medicines or drugs whether prescribed or otherwise

occurring in connection with the **business**:

- (i) during the **period of insurance**
- (ii) within the **territorial limits**.

Maximum Amount Payable

The maximum amount payable as **compensation** under this Section for any occurrence giving rise to any one claim or series of claims arising out of one cause will not exceed the Limit of Indemnity stated in the **schedule**.

Where indemnity is provided for liability in respect of claims brought in the United States of America or Canada or their dependencies or trust territories the Limit of Indemnity stated in the **schedule** shall be the maximum amount payable by **us** inclusive of all **costs and expenses**.

Conditions

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

1. Registration

It is a condition precedent to **our** liability that **you** comply with the terms of registration of **your** Registering Authority.

2. Treatment

It is a condition precedent to **our** liability that whenever medication is administered or supplementary health support procedures are provided to any person in **your** care that **you** comply with all relevant requirements of any government statutory or licensing authority.

3. Discharge of Liability

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

- (a) the Maximum Amount Payable less any amount already paid
- (b) any lesser amount for which such claim or claims can be settled.

We will then cease to have the conduct and control of any negotiations, actions or proceedings and will be under no further liability for the claim other than for **costs and expenses** incurred prior to the date of final payment.

Exclusions

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

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

1. (a) liquidated damages fines or penalties
(b) punitive exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages

Treatment Liability for Registered Providers Section

Continued

2. liability arising from or caused by or contributed to by:
 - (a) the provision of medical treatment when prescribed by a medical practitioner who is a principal, director or **employee of yours**
 - (b) surgery
 - (c) diagnosis other than by a qualified registered nurse
 - (d) the prescription of any drugs or medicines
3. any liability for which **you** are entitled to indemnity under any other policy
4. any liability arising out of abuse.

Treatment Liability for Unregistered Providers Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

carer

personal assistant, carer or **parent**

tube feeding

the delivery of a nutritionally complete feed, directly into the stomach, duodenum or jejunum via a tube entering the body through the nose, the mouth, or directly through the abdominal wall

Cover

We will pay:

1. all amounts which **you** become legally liable to pay as **compensation** and
2. **costs and expenses** in respect of accidental **bodily injury** to any person other than an **employee** caused by error or omission in:
 - (a) the provision of medical treatment
 - (b) care that has not been prescribed by a qualified medical or dental practitioner
 - (c) the supply of medicines or drugs whether prescribed or otherwiseoccurring in connection with the business:
 - (i) during the **period of insurance**
 - (ii) within the **territorial limits**.

Maximum Amount Payable

The maximum amount payable as **compensation** under this Section for any occurrence giving rise to any one claim or series of claims arising out of one cause will not exceed the Limit of Indemnity stated in the **schedule**.

Where indemnity is provided for liability in respect of claims brought in the United States of America or Canada or their dependencies or trust territories the Limit of Indemnity stated in the **schedule** shall be the maximum amount payable by **us** inclusive of all **costs and expenses**.

Conditions

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

1. Treatment - Drugs and Medicines

It is a condition precedent to **our** liability that the administration of drugs or medicines takes place only under the following conditions:

- (a) in all cases:
 - (i) details of any known allergy to medication for each **service user** must be obtained from:
 - a **parent** if the **service user** is a child
 - the **service user** or their **carer** if the **service user** is an adultand recorded by an **official** in the drugs/medicine register and consulted before any emergency administration of drugs or medicines
 - (ii) for prescribed drugs or medicines, the drug or medicine must have been prescribed by the **service user's** General Practitioner or consultant and given to **you** by:
 - a **parent** if the **service user** is a child

Treatment Liability for Unregistered Providers Section

Continued

- the **service user** or their **carer** if the **service user** is an adult
 - the **service user's** General Practitioner or consultant
- (iii) for non-prescribed drugs or medicines, the drug or medicine must be of a type that is available over the counter in the **United Kingdom** and must only be administered with the permission of:
- a **parent** if the **service user** is a child
 - the **service user** or their **carer** if the **service user** is an adult
- and **you** must keep a record confirming the permission that has been given
- (iv) a clear label, with the **service user's** name, must be attached to all drugs and medicines given to **you** by:
- a **parent** if the **service user** is a child
 - the **service user** or their **carer** if the **service user** is an adult
 - or the **service user's** General Practitioner or consultant
- (v) the drug or medicine must be kept in a secure place with access only by authorised persons
- (vi) a drugs/medicine register must be kept showing:
- the **service user's** name
 - type of drug/medicine administered
 - date and time administered
 - dosage
 - name and signature of person administering the drug/medicine
 - name and signature of a witness
 - when an administration of drug or medicine has been given in an emergency, the time of notification to a **parent** if the **service user** is a child, or their **carer** if the **service user** is an adult
 - note of any known allergy to medication suffered by any **service user**
- (vii) **you** must familiarise yourself and comply with all relevant requirements of **your** statutory registering authority if applicable concerning the administration of drugs and medicines
- (viii) **you** must have written authorisation from:
- a **parent** if the **service user** is a child
 - the **service user** or their **carer** if the **service user** is an adult
- containing clear instructions for the administration of non-prescribed drugs or medicines, prescribed oral medication or asthma inhalers
- (b) in cases where occasional, regular or emergency medication is required such as epipens, hypodermic injections, insulin pumps, tube-administered or stent-administered medication (but not including non-prescribed drugs or medicines, prescribed oral medication or asthma inhalers, which are dealt with under **1 (a)** above), **you** must comply with **(i)** to **(vi)** above AND IN ADDITION
- (i) **you** must have written consent from:
- a **parent** if the **service user** is a child
 - the **service user** or their **carer** if the **service user** is an adult
- for **officials** to administer the medication
- (ii) **you** must have a letter from the **service user's** General Practitioner or consultant stating:
- what condition the drug or medicine is for with its name
 - how and when the drug or medicine is to be given
 - what training of personnel is required, if any
 - any other relevant information
- (iii) **you** must ensure that any **official** administering the drug or medicine has the training specified by:
- a **parent** if the **service user** is a child
 - the **service user** or their **carer** if the **service user** is an adult
 - or the **service user's** General Practitioner or consultant
- and, if required, **you** must provide proof of such training.

Treatment Liability for Unregistered Providers Section

Continued

2. Treatment - Supplementary Healthcare Procedures

It is a condition precedent to **our** liability that the administration or provision of oxygen, **tube feeding**, cleaning and changing of **tube feeding** or tracheostomy/tracheotomy tubes and emptying/changing stoma bags takes place only under the following conditions:

- (a) **you** must have a letter from the **service user's** General Practitioner or consultant stating:
 - (i) the **service user's** condition and the health support procedures required
 - (ii) what training of personnel is required
 - (iii) what medical experience is required
 - (iv) any other relevant information
- (b) **you** must have written consent from:
 - (i) a **parent** if the **service user** is a child
 - (ii) the **service user** or their **carer** if the **service user** is an adultfor **officials** to administer/provide the health support procedures required
- (c) **you** must ensure that any **official** administering/providing the required health support procedures has the medical experience and training specified by the **service user's** General Practitioner or consultant and, if required, **you** must provide proof of such training
- (d) **you** must familiarise yourself and comply with all relevant requirements of **your** statutory registering authority if applicable concerning the administration/provision of the health support procedures.

3. Discharge of Liability

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

- (a) the Maximum Amount Payable less any amount already paid
- (b) any lesser amount for which such claim or claims can be settled.

We will then cease to have the conduct and control of any negotiations, actions or proceedings and will be under no further liability for the claim other than for **costs and expenses** incurred prior to the date of final payment.

Exclusions

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

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

- 1. (a) liquidated damages fines or penalties
- (b) punitive exemplary or aggravated damages or any additional damages resulting from the multiplication of compensatory damages
- 2. liability arising from or caused by or contributed to the provision or administering of any treatment other than:
 - (a) first aid treatment
 - (b) the administration of drugs and medicines strictly in accordance with Condition 1. Treatment – Drugs and Medicines
 - (c) the administration or provision of oxygen, **tube feeding**, cleaning and changing of **tube feeding** or tracheotomy/tracheostomy tubes and emptying/changing stoma bags strictly in accordance with Condition 2. Treatment - Supplementary Healthcare Procedures
- 3. any liability for which **you** are entitled to indemnity under any other policy
- 4. any liability arising out of abuse.

Professional Indemnity Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

documents

project models or displays, deeds, wills, agreements, maps, plans, records, photographs or negatives, written or printed books, letters, certificates or written or printed documents of any nature whatsoever and shall include computer software and systems records (electronic data shall be deemed to be physical property for the purposes of this Section) but excluding bearer bonds, coupons, bank or currency notes and other negotiable paper

letter of claim

the Letter of Claim as detailed in any applicable Pre-Action Protocol

you, your, yours

1. the **policyholder**
2. any natural person who was, is or during the **period of insurance** becomes a trustee, committee member, volunteer, director or officer of the **policyholder**
3. any **employee** or former **employee**
4. the estates, heirs or legal representatives of 1., 2. and 3. above who has died or become incapacitated, insolvent or bankrupt

Cover

We will indemnify **you** against:

1. legal liability to pay **compensation**
and
2. claimants' legal costs for which **you** are legally liable
arising out of any negligent act, error or omission, breach of duty, infringement of intellectual property rights, libel and slander or any other civil liability incurred in connection with the conduct of the **business** within the **territorial limits** that results in a claim being first made against **you** and notified to **us** during the **period of insurance**.

Extensions

The following Extensions apply to this Section.

1. Compensation for Court Attendance

We will pay **you** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which **you** are entitled to be paid under this Section and with **our** agreement up to the maximum amounts per day stated in the **schedule** for each day on which attendance is required.

2. Consultants

We will indemnify **your** former partners, former directors or former **employees** who have continued as consultants to **you** and any persons who were formerly consultants to **you** in respect of any claim for any negligent act, negligent error or negligent omission first made against them and notified to **us** during the **period of insurance** which arises out of the exercise and conduct of the **business**.

Provided that **we** will not be liable under this Extension for any claim which is covered by any other insurance.

Professional Indemnity Section

Continued

3. Defence Costs

We will also indemnify **you** for **defence costs** where such costs have been incurred with **our** prior written consent. Such **defence costs** will be payable in addition to the Limit of Indemnity stated in the **schedule**.

4. Joint Venture or Consortium

We will indemnify **you** for any claim first made against **you** and notified to **us** during the **period of insurance** which **you** may become legally liable to pay, whether jointly or severally, which arises out of the exercise and conduct of the **business** whilst **you** are a member of a joint venture or consortium, whether or not the joint venture or consortium is conducted through a separate legal entity.

Provided that:

- (a) such joint venture or consortium together with the turnover/fees of the joint venture or consortium (not just **your** proportion) has been declared to and agreed by **us**
- (b) **our** liability will be proportionate to the lesser of:
 - (i) the percentage of the share capital of the joint venture or consortium owned by **you**, or
 - (ii) the percentage of the voting control of the joint venture exercised by **you**
- (c) **we** will only indemnify **you** under this Extension. No other member of such joint venture or consortium, nor any other third party shall have any rights under this policy and **we** will not be liable to pay a contribution to an insurer of any other member of such joint venture or consortium.

5. Legal Representation

We will indemnify **you** in respect of reasonable costs and expenses necessarily incurred with **our** written consent for representation at any official examination, enquiry, investigation or other proceedings ordered or commissioned by a body legally empowered to investigate **your** affairs that are first instigated against **you** and notified to **us** during the **period of insurance** and which may otherwise be the subject of indemnity under this Section.

Our liability will not exceed the amount shown in the **schedule** during any one **period of insurance** and this limit will form part of and not be in addition to the Limit of Indemnity stated in the **schedule**.

6. Loss of or Damage to Documents

In the event of **damage to documents** suffered and notified to **us** during the **period of insurance**, **we** will indemnify **you** for any claim or reasonable and necessary costs and expenses incurred in replacing, restoring or reconstituting any **documents** which are **your** property or are in **your** care, custody or control.

Our liability will not exceed the amount shown in the **schedule** in any one **period of insurance**.

Maximum Amount Payable

The maximum amount payable under this Section for:

1. **compensation**
and

2. claimants' legal costs for which **you** are legally liable

in respect of all claims made against **you** during any one **period of insurance** shall not exceed the Limit of Indemnity stated in the **schedule**.

Professional Indemnity Section

Continued

Conditions

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

1. Conduct of Claims

It is a condition precedent to **our** liability that following notification of any claim or **circumstance**, **we** will be entitled to take over and conduct in **your** name the investigation, defence or settlement of any such matter.

You will:

- (a) assist **us** and **your** duly appointed representatives to put forward the best possible defence of a claim within the time constraints available
- (b) have adequate internal systems in place, which will allow ready access to material information
- (c) at all times and at **your** own cost give to **us** or **your** duly appointed representatives all such information, assistance, signed statements or depositions as may properly be required to facilitate compliance with all applicable Civil Procedure Rules, Practice Directions and Pre-Action Protocols and recoveries
- (d) pay the **excess** on demand of **us** or **your** duly appointed representatives to comply with any settlement agreed by **us**.

If **you** and **we** cannot agree a common course of action with regard to the contesting of any legal proceedings (whether defence or prosecution), the dispute will be resolved by Condition 4. Insurance Disputes.

2. Discharge of Liability

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

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

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

3. Discovery of a Claim or Circumstance

It is a condition precedent to **our** liability that if during the **period of insurance you**:

- (a) receive notice of any claim that is indemnifiable under this Section other than any claim received through a **letter of claim**, **you** will give notice in writing to **us** as soon as practicable
- (b) receive a **letter of claim**, **you** will give notice in writing to **us** as soon as practicable and in any event within 7 working days from receipt of such **letter of claim** and not later than the expiry of the **period of insurance**
- (c) become aware of any **circumstance**, **you** will give notice to **us** in writing of such **circumstance** as soon as practicable, **we** agree that any **circumstance** notified to **us** during the **period of insurance** which subsequently gives rise to a claim after expiry of this insurance will be deemed to be a claim first made during the **period of insurance**.

4. Insurance Disputes

This insurance is governed by the laws of England and Wales. Any dispute or difference between **you** and **us** arising from this insurance will be referred for determination to Senior Counsel of the English Bar, to be mutually agreed between **us** and **you**, or any other person as may be mutually agreed. In the event of disagreement regarding the appointment, the Chairman of the Bar Council will appoint a suitable person. The findings of the agreed or appointed person will be binding on **us** and **you**, and the cost of such referral will be allocated by the agreed or appointed person on a fair and equitable basis.

Professional Indemnity Section

Continued

5. Subrogation

If any payment is made by **us, you** grant to **us** all rights of recovery against any parties from whom a recovery may be made and **you** will take all reasonable steps to preserve such rights. However, **we** agree to waive any rights of recovery against any of **your employees** or former **employees**, self employed persons or consultants unless liability has resulted in whole or part from any act or omission on the part of such person which is dishonest, fraudulent, criminal or malicious.

Exclusions

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

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

1. any liability for, directly or indirectly arising out of, or in any way involving the ownership, possession or use by or on behalf of **you** of any aircraft, watercraft, hovercraft, motor vehicle or trailer or any buildings, structures, premises or land or that part of any building leased, occupied or rented by **you** or any of **your** property
2. any bodily or psychological injury, sickness, disease or death of any **employee** or any claim arising out of any dispute between **you** and any present or former **employee** or any person who has been offered employment with **you**
3. any liability for, directly or indirectly arising out of, or in any way involving the manufacture, construction, alteration, repair, servicing or treating of any goods or **products** sold, distributed or supplied including the sale and/or supply of hardware and/or software by **you**
4. any act, error or omission of any of **your** partner(s) or director(s) which is dishonest, fraudulent, criminal or malicious, or any claim where any person has committed a dishonest, fraudulent, criminal or malicious act after discovery by **you** of reasonable cause for suspicion that such act has been committed
5. any claim made against **you** by either:
 - (a) any entity in which **you** exercise a controlling interest, or
 - (b) any entity exercising a controlling interest over **you** by virtue of having a financial or executive interest in **your** operationunless such claim is made against **you** for an indemnity or contribution in respect of a claim made by an independent party against the said entities detailed in **5. (a) or 5. (b)** above and arises out of the exercise and conduct of the **business**
6. any claim in respect of liquidated damages or penalties due to liability assumed by **you** under any contract or agreement where such liability would not have existed in the absence of such contract or agreement
7. any work or activities undertaken by **you** outside of the **United Kingdom**, Channel Islands, Isle of Man and Member States of the European Union
8. any claim brought (or the enforcement of any judgement or award entered against **you**) outside the courts of the **United Kingdom**, Channel Islands, Isle of Man and Member States of the European Union
9. fines, penalties, punitive, multiple or exemplary damages
10. any claim arising from the exercise and conduct of the **business** prior to the retroactive date stated in the **schedule**
11. **damage to documents** which are stored on magnetic or electrical media unless such **documents** are duplicated on magnetic or electrical media with the intention that in the event of loss or damage the duplicate can be used as the basis for restoring the **documents** to their original status
12. any claim arising from being a director, officer or trustee of **yours** (as opposed to those duties and functions carried out in furtherance of the **business**) or from the acceptance of any directorship or trusteeship in any other company not forming part of **you**

Professional Indemnity Section

Continued

13. any claim or **circumstance** that may give rise to a claim which has been notified and accepted by **us** in respect of any other insurance attaching prior to the inception of this Section or as disclosed as a material fact to **us** which formed the basis of this insurance or any claim or **circumstance** that may give rise to a claim of which **you** were or should have been aware prior to the inception of this Section
14. any trading losses or trading liabilities incurred by any business managed or carried on by **you** including loss of any client account or business
15. any consequential loss arising from **your** failure to arrange and/or maintain insurance and/or finance
16. (a) any depreciation or loss of investment when such depreciation or loss arises from fluctuations in any financial stock or commodity or other markets, and any express or implied warranty or guarantee relating to the financial return of any investment or portfolio of investments
(b) any investment advice given or services performed which have not been authorised where such authorisation is required under any statutory regulation by an appropriate statutory authority
17. any liability for, or directly or indirectly arising out of, or in any way involving **you** acting in the capacity of trustee, fiduciary or administrator of any employer-sponsored pension or superannuation scheme or superannuation programme
18. any claim arising out of:
(a) bodily or psychological injury, sickness, disease or death of any person(s)
(b) **damage** to property other than as provided under Extension 5. Loss of or Damage to Documents
19. any claim arising out of **your** contractual liability unless such liability would have existed in the absence of such a contract or agreement
20. any claim or **circumstance** or **defence costs** arising from actual or attempted sexual relations, sexual contact or intimacy, sexual harassment or sexual exploitation whether under the guise of treatment or not, or in the course of treatment or not
21. any claim either directly or indirectly or in connection with or in any way involving medical malpractice
22. any claim which arises out of any statement which **you** knew, or ought reasonably to have known, was libellous or slanderous at the time it was made or any claim arising from personal spite or ill will towards any claimant or arising from reckless behaviour
23. the **excess** stated in the **schedule**.

Directors', Trustees' and Officers' Liability Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

claim

any written demand for monetary damages or non-monetary relief, any civil proceedings or any formal administrative or regulatory proceedings

employment practice claim

a **claim** for an **employment wrongful act**

employment wrongful act

any act, error or omission committed or attempted by or allegedly committed or attempted by **you** or an **insured person**, or by any third party where **you** are held vicariously liable, relating to any actual or alleged:

1. breach of any employment contract
2. wrongful dismissal or termination of employment whether actual or constructive
3. unfair dismissal
4. unequal pay
5. unlawful deduction from wages
6. discrimination including on grounds of sex, sexual orientation, pregnancy, age, religion, race or disability
7. sexual or other harassment or victimisation in the workplace
8. employment related misrepresentations
9. wrongful deprivation of any career opportunity, employment or promotion or demotion
10. failure to grant tenure
11. wrongful discipline or negligent evaluation
12. employment related invasion of privacy, defamation, libel, slander or humiliation
13. failure to adopt adequate employment or workplace policies or procedures
14. employment-related breach, violation or non-compliance with the Data Protection Act 2018
15. illegal retaliatory treatment including retaliation in violation of any law relating to whistleblowing

arising solely as a result of the employment or non-employment by **you** of any current, former or prospective **employee**

Directors', Trustees' and Officers' Liability Section

Continued

insured person

1. in respect of all **claims** other than **employment practice claims** any natural person who was, now is, or may hereafter become a director, officer, governor, committee member or trustee of **yours**
2. in respect of **employment practice claims**, any natural person who was, now is, or may hereafter become a director, officer, governor, committee member, trustee or **employee** of **yours**
3. in the event of the death or incompetency or bankruptcy of an insured person, cover is extended to include heirs, legal representatives or assigns, for legal liability incurred due to a **wrongful act** of such insured person
4. any lawful spouse, civil partner or domestic partner of any director, officer, governor, committee member or trustee of **yours** but excluding any natural person who was, now is or may hereafter become a trustee or administrator of any pension or superannuation scheme, health and welfare plan or other employee benefit program established or maintained for the benefit of **employees**

loss

1. **compensation**, judgements or settlements agreed with **our** prior written consent (which will not be unreasonably withheld)
2. claimants' legal costs
3. **defence costs**.

run-off period

72 consecutive months from the date from which **you** do not renew this Section of the policy

subsidiary

1. any branch, division or other internal structure of **yours** except any pension fund, or scheme established for the company's own directors, officers or **employees**
2. any company in respect of which **you** (either directly or indirectly through one or more of **your** subsidiaries):
 - (a) control the composition of the board of directors or
 - (b) control more than half the voting power or
 - (c) hold more than half of the issued share capital
3. any company falling within **1. or 2.** which is acquired or created on or subsequent to the inception date of this Section and of which the total assets do not exceed 20% of **your** total consolidated assets at the last financial year end, provided that cover will only apply in respect of a **wrongful act** committed or alleged to have been committed by an **insured person** subsequent to the date of such acquisition or creation
4. any company other than those referred to in **2. (a), (b) or (c)** in respect of which **we** have given prior written consent to cover it as a subsidiary under this Section

takeover

any sale of **you** or **your** merger with or acquisition by another entity such that **you** are not the surviving entity, or the acquisition by any entity or person of 50% or more of **your** voting stock

Directors', Trustees' and Officers' Liability Section

Continued

wrongful act

any actual or alleged error, misstatement, misleading statement, act, omission, neglect, breach of trust, breach of duty, breach of warranty of authority, breach of statutory law, defamation, **employment wrongful act**, wrongful trading or any other wrongful act or omission committed or attempted by or allegedly committed or attempted by any **insured person** while acting in their capacity as an **insured person** for **you** in connection with the **business**

you/your/yourself/ policyholder

the company or organisation named in the **schedule** and including all **subsidiaries**

Cover

Cover Clause A – Trustees' Liability

We will indemnify the **insured persons** against legal liability for **loss** arising from any **claim** for a **wrongful act** which is first made against them jointly or severally and notified to **us** during the **period of insurance** except when and to the extent that they have been indemnified by **you**.

Cover Clause B – Entity Reimbursement

We will indemnify **you** against legal liability for **loss** arising from any **claim** for a **wrongful act** which is first made against an **insured person** and notified to **us** during the **period of insurance** but only when and to the extent it will be lawful for **you** to indemnify them.

Extensions

The following Extensions apply to this Section.

1. Emergency Costs and Expenses

In the event that **you** are unable to contact **us** to obtain consent to authorise costs and expenses following a **claim** which has been notified to **us we** agree to pay **you** for emergency costs and expenses necessarily and reasonably incurred.

Our liability under this Extension in respect of all **claims** first made against **you** in any one **period of insurance** will not exceed 10% of the Limit of Indemnity stated in the **schedule**.

2. Extended Reporting Period

If:

- (a) **we** cancel or refuse to renew this Section for any reason other than non-payment of premium or non-compliance with terms and conditions of this policy
- (b) **you** refuse to renew this Section

you will have the right to an extension of the expiring **period of insurance** provided by this Section in respect of any **claim** first made against an **insured person** during the 12 months after the effective date of such cancellation or expiry of this Section.

Provided that:

- (a) this Extension will only be operative:
 - (i) if **you** do not replace the cover provided by this Section with any other similar policy with another insurer
 - (ii) if written notice is given to **us** within 10 days of the effective date of cancellation or expiry of this Section

Directors', Trustees' and Officers' Liability Section

Continued

- (iii) subject to payment of 50% of the annual premium of this Section for the expiring **period of insurance**
- (iv) if the premium referred to in (iii) is paid to **us** within 30 days of the effective date of cancellation or expiry of this Section
- (b) **we** will not be liable for any **claim** arising from a **wrongful act** committed or attempted after the effective date of cancellation or expiry of this Section
- (c) an offer by **us** to renew this Section subject to terms, conditions or a Limit of Indemnity different from those of the expiring **period of insurance** will not constitute a refusal to renew
- (d) there has been no **takeover**
- (e) **our** liability under this Extension will form part of and not be in addition to the Limit of Indemnity stated in the **schedule**.

3. Legal Representation

We will indemnify **you** in respect of reasonable costs and expenses necessarily incurred with **our** written consent for representation at any official examination, enquiry, investigation or other proceedings ordered or commissioned by a body legally empowered to investigate **your** affairs that are first instigated against **you** and notified to **us** during the **period of insurance** and which may otherwise be the subject of indemnity under this Section.

Our liability will not exceed the amount shown in the **schedule** in the aggregate during the **period of insurance** and this limit will form part of and not be in addition to the Limit of Indemnity stated in the **schedule**.

4. Outside Organisations

We will indemnify the **insured person** for any **wrongful act** committed in the capacity as a director, officer, governor, committee member or trustee of any voluntary not-for profit charitable organisation, other than **you** or any **subsidiary**, registered (for any purpose), domiciled or incorporated in the **territorial limits**.

Provided that:

- (a) the **insured person** was acting in such capacity on **your** written authority and request
- (b) if a **claim** or **loss** would but for the existence of this Extension be insured by any other valid and collectable policy in respect of such other organisation, **we** will only be liable for any amount above that collectable under such other policy.

5. Pollution or Contamination Defence Costs

We will pay for **defence costs** incurred by the **insured person** as a result of any **claim** arising from **pollution or contamination**.

Provided that:

- (a) **we** will not be liable for any **claim** arising from a **wrongful act** occurring prior to the original inception date of this Section
- (b) **our** liability under this Extension will not exceed the amount shown in the **schedule** which will form part of and not be in addition to the Limit of Indemnity.

6. Retired Insured Persons

In the event that **you** do not renew this Section and only in respect of any **insured person** who retires prior to the date of non-renewal, this Section will continue in force during the **run-off period**.

Provided that:

- (a) cover under this Extension will only apply to a **claim** arising from any **wrongful act** prior to the date of retirement of the **insured person**
- (b) the **run-off period** shall run concurrently with any extended reporting period under Extension 2. Extended Reporting Period
- (c) no indemnity is provided by any other insurance.

Directors', Trustees' and Officers' Liability Section

Continued

Maximum Amount Payable

The maximum amount payable under this Section in respect of all **losses** arising from all **claims** first made against **you** in any one **period of insurance** will not exceed the Limit of Indemnity stated in the **schedule**.

Conditions

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

1. Allocation of Loss

- (a) In respect of **defence costs** jointly incurred by **you** and **insured persons** and any joint settlement of any **claim** made against both **you** and **insured persons**, such **defence costs** and joint settlement having been consented to by **us** (such consent will not be unreasonably withheld), **you**, the **insured persons** and **we** agree to use **our** best efforts to determine a fair and proper allocation of the amount as between **you**, the **insured persons** and **us**.
- (b) Under Cover Clause A - Trustees' Liability, **we** will, to the fullest extent permissible by law, advance **defence costs** prior to the final settlement of the **claim**, unless such **defence costs** have been advanced by **you**.
- (c) Under Cover Clause B - Entity Reimbursement, **we** will, to the fullest extent permissible by law, advance **defence costs** prior to the final settlement of the **claim**.

Such advance payments of **defence costs** as referred to in (b) and (c) will be repayable to **us** by the **insured persons** and **you** severally according to their respective interests, in the event and to the extent that it is determined that they will not be entitled under this Section to payment of such **defence costs**.

2. Authorisation

You will act on behalf of **yourself** and all **insured persons** with respect to the giving and receiving notice of any **claim**, the payment of premiums and the receipt and acceptance of any endorsements attaching to and forming part of this Section.

3. Avoidance

In the event **we** are entitled to avoid this Section as if it had not existed from the start date **we** may at **our** option elect instead to give notice in writing to **you** that **we** regard this Section as in full force and effect but that any **loss** which has arisen or which may arise and which is related to the circumstances which entitle **us** to avoid this Section will be excluded from the cover provided.

This Section will then continue in full force and effect but will be deemed to exclude the particular **loss** referred to in such notice as if it had been specifically endorsed from the start date.

4. Continuous Wrongful Acts

Related or continuous or repeated actual or alleged **wrongful acts** will constitute a single **wrongful act**.

5. Contest of Claims

- (a) Neither the **insured person** nor **you** will be required to contest any legal proceedings unless counsel (to be mutually agreed upon by the **insured person, you** and **us**) advises that such proceedings should be contested.
- (b) **We** will not settle any **claim** without the consent of the **insured person** or **you**. If however the **insured person** or **you** refuse to consent to any settlement recommended by **us** and elect to contest or continue any legal proceedings in connection with such **claim**, then **our** liability for the **claim** will not exceed the amount by which the **claim** could have been so settled inclusive of **defence costs** incurred with the **insured person's** or **your** consent up to the date of such refusal, and then only up to the Maximum Amount Payable.
- (c) **We** will be entitled to nominate a solicitor and, if appropriate, a barrister to represent the **insured person**.

Directors', Trustees' and Officers' Liability Section

Continued

6. Defence of Claims

It is a condition precedent to **our** liability that the **insured person** and **you** will:

- (a) give **us** such information and co-operation as **we** reasonably require and will not disclose to anyone the existence of this Insurance without **our** prior written consent, unless as a consequence of the requirements of the law
- (b) not admit liability for or attempt to settle any **claim** or incur **defence costs** without **our** written consent. **We** will be entitled at any time to take over and conduct in the name of the **insured person** or **you** the defence or settlement of any **claim** or to prosecute in the name of the **insured person** or **you** for their own benefit any **claim** for payment, indemnity or damages or otherwise against any third party. In any event no action will be taken which might prejudice **us**.

7. Discharge of Liability

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

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

On payment **we** shall relinquish the conduct and control of and be under no further liability in connection with such **claim** or **claims** except for the payment of claimants' legal costs and **defence costs** incurred prior to the date of such payment.

8. Notice of Circumstance or Claim

It is a condition precedent to **our** liability that the **insured person** and/or **you** will give **us** notice in writing of any:

- (a) **circumstances** which might reasonably be expected to give rise to a **claim** against an **insured person**, including the reasons for the anticipation of such **claim**, with full particulars as to dates and persons involved, as soon as reasonably possible. Any subsequent **claim** arising out of the notified **circumstances** will be deemed to have been made at the time of notice to **us**
- (b) **claim** as soon as reasonably possible and in any event within 30 days of the end of the **period of insurance**.

9. Proportionality of Costs

Where **you** become liable to pay a sum in excess of the amount of indemnity available under this Section **we** will pay only the proportion of any claimants' legal costs and **defence costs** that the available amount of indemnity bears to **your** total liability.

10. Severability

- (a) The application for this insurance will be construed as a separate application by each **insured person**. With regards to the Proposal Form, Statement of Fact or electronic application together with the declarations and statements contained therein, no statements in such Proposal Form, Statement of Fact or electronic application or knowledge possessed by any **insured person** will be imputed to any other **insured person** for the purposes of determining the availability of indemnity by this Section for loss arising from a **claim** made against an **insured person**.
- (b) For the purpose of determining the applicability of any conditions and exclusions, the **wrongful act** of any **insured person** or **you** will not be imputed to any other **insured person**.

11. Takeover

In the event of a **takeover** any cover by this Section in respect of **loss** arising from a **claim** will apply only to any **loss** by reason of **wrongful acts** committed by an **insured person** prior to the date of such **takeover**.

Directors', Trustees' and Officers' Liability Section

Continued

Exclusions

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

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

1. any actual or alleged bodily or psychological injury, sickness, disease or death of any person or any actual or alleged damage to or destruction of any tangible property, including loss of use thereof, other than in respect of:
 - (a) **defence costs**
 - (b) any **claim** for emotional distress in respect of an **employment practice claim**
2. **pollution or contamination** other than as provided for under Extension 5. Pollution or Contamination Defence Costs
3. any **loss** in connection with any **claim** directly or indirectly arising from or in any way involving:
 - (a) any trading losses, liabilities or debts
 - (b) defamation, libel or slander resulting from errors or omissions in printing
 - (c) an **insured person** acting in any capacity as external or statutory auditor, liquidator, receiver, administrator or administrative receiver
4. any **loss** in connection with any **claim** directly or indirectly arising from or in any way involving:
 - (a) **you** or an **insured person** receiving any remuneration or gaining any profit or advantage which **you** or they had or have no legal entitlement to
 - (b) any actual dishonest, fraudulent or malicious act or omission of any **insured person**
 - (c) any act or omission which an **insured person** knew to be a **wrongful act** or which was committed by the **insured person** in reckless disregard of whether it was a **wrongful act** or not
5. any actual or alleged breach of any professional services or duty by any **insured person** or **you**
6. any **loss** in connection with any **claim** brought about by, or contributed to by, or consequent upon, any fact, **circumstance** or situation which has been the subject of any notice given under any insurance which was in force prior to the **period of insurance** or which was known about by **you** or any **insured person** prior to the **period of insurance** and might reasonably be expected to give rise to a **claim** but was not disclosed to **us** prior to inception of this Section
7. any **loss** in connection with any **claim** brought by or on behalf of any **insured person** or **you**, other than:
 - (a) a **claim** instigated by a shareholder or group of shareholders without the solicitation, participation or assistance of any **insured person** or **you**
 - (b) an **employment practice claim** brought or maintained by any **insured person**
 - (c) a **claim** brought or maintained by any **insured person** for contribution or indemnity, if the **claim** directly results from any other valid **claim** made under this Section brought by a liquidator, administrative receiver or receiver either derivatively on behalf of **you** without the solicitation, participation or assistance of any **insured person** or **you**
8. any **loss** in connection with any **claim** made by or on behalf of any person or entity holding beneficially or otherwise more than 20% of **your** issued share capital whether such **claim** is made in **your** name or not
9. any **loss** in connection with any **claim** based upon or attributable to the actual or intended listing of any of **your** share capital on any stock exchange
10. any **claim** or **circumstance** or **defence costs** arising from actual or attempted sexual relations, sexual contact or intimacy, sexual harassment or sexual exploitation whether under the guise of treatment or not, or in the course of treatment or not
11. any **claim** either directly or indirectly or in connection with or in any way involving medical malpractice
12. any **claim** brought (or the enforcement of any judgement or award entered against **you**) outside the courts of the **United Kingdom**, Channel Islands, Isle of Man and Member States of the European Union
13. any **claim** or **loss** arising from **your** failure to arrange and/or maintain insurance and/or finance

Directors', Trustees' and Officers' Liability Section

Continued

14. any liability for, or directly or indirectly arising out of, or in any way involving **you** acting in the capacity of trustee, fiduciary or administrator of any employer-sponsored pension or superannuation scheme or superannuation programme
15. any **claim** which arises out of any statement which **you** or an **insured person** knew, or ought reasonably to have known, was libellous or slanderous at the time it was made
16. any **claim** arising out of **your** contractual liability unless such liability would have existed in the absence of such a contract or agreement
17. any liability arising out of **your** involvement in any joint venture, consortium or other profit sharing scheme
18. any liability in respect of taxes, fines, penalties or liquidated, punitive or exemplary damages, aggravated or multiplied damages, or claims deemed uninsurable by law
19. the **excess** stated in the **schedule**.

Legal Expenses Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

agency worker	a person under a contract with you who is engaged to perform work for a client of your business as an agency worker
appointed advisor	<ol style="list-style-type: none">1. the solicitor, accountant, or other advisor (who is not a mediator), appointed by us to act on behalf of the insured person2. mediator appointed by us to provide impartial dispute resolution in relation to a claim accepted by us
collective conditional fee agreement	a legally enforceable agreement entered into on a common basis between the appointed advisor and us to pay their professional fees on the basis of either: <ol style="list-style-type: none">1. 100% "no-win no fee" or2. where discounted, that a discounted fee is payable
conditional fee agreement	a legally enforceable agreement between the insured person and the appointed advisor for paying their professional fees on the basis of either: <ol style="list-style-type: none">1. 100% "no-win no fee" or2. where discounted, that a discounted fee is payable
crisis communication	<ol style="list-style-type: none">1. liaison by us between you and your solicitor whether the solicitor is an appointed advisor under this Section or acts on your behalf under another Section of this policy, or any other policy) to draft a media statement or press release2. preparation of communications for your customers/suppliers and/or telephone or website script or social media messaging3. support and representation for an insured person at an event which media will be reporting4. taking phone calls, responding to email and managing interaction with media outlets5. supporting and preparing the insured person for media interviews
employee	a worker who has or alleges they have entered into a contract of service with you
insured person	you and your directors, partners, managers, employees and any other individuals declared by you to us
insurer	Brit Syndicate 2987 at Lloyd's (written under unique market reference B0356KA233D12A000 or replacement thereof)

Legal Expenses Section

Continued

legal costs & expenses

1. reasonable legal costs and disbursements reasonably and proportionately incurred by the **appointed advisor** on the standard basis and agreed in advance by **us**. The term "standard basis" can be found within the Courts' Civil Procedure Rules Part 44.3
2. in civil claims, other side's costs, fees and disbursements where the **insured person** has been ordered to pay them or pays them with **our** agreement
3. reasonable accountancy fees reasonably incurred under Insured Events 12. Tax Disputes and 17. Executive Suite by the **appointed advisor** and agreed by **us** in advance
4. Health & Safety Executive Fees for Intervention
5. basic wages or salary otherwise payable by **your business** while the **insured person** attends court or tribunal at the request of the **appointed advisor** or whilst performing jury service where lost wages or salary cannot be claimed back from the court or tribunal
6. the reasonable cost of phone calls, postage, image scanning, photocopying and credit reports incurred following personal identity theft, where the **insured person** has taken advice from **our** Identity Theft Resolution Service
7. the professional fees and expenses of an **appointed advisor** selected by **us** to reduce the actual adverse or negative publicity or media attention following a claim for **crisis communication**

occurrence date

1. for a civil claim will be the date of:
 - (a) the event, or
 - (b) the first in a series of events that arise from the same original cause that leads to a claim
2. for criminal cases will be the date the **insured person** began, or is alleged to have begun, to commit an offence
3. for HMRC enquiries and compliance disputes, will be the date the **insured person** disagrees with the outcome of an HMRC Internal Review where the matter is appealable; or otherwise the date when the **insured person** receives notification of the enquiry, or when a non-compliance is raised by the HMRC
4. for an appeal against the terms imposed by a Statutory Notice will be the date **you** received the Statutory Notice
5. for investigations or disciplinary hearings by a professional or regulatory body (other than as in 6. below) will be the date the **insured person** is alleged to have committed a regulatory breach or act of misconduct
6. for the **insured person's** attendance at Public Childcare Proceedings or Public Law Childcare Proceedings will be the date the **insured person** receives a request to attend the proceedings
7. for an appeal against the decision of a licensing or registration authority will be the date the **insured person** became aware of the relevant authority's decision against which they wish to appeal
8. for **crisis communication** will be the date of publication of material that could cause damage to **your business** reputation

Legal Expenses Section

Continued

reasonable prospects of success

1. other than set out in 2. and 3. below, a greater than 50% chance of the **insured person** successfully pursuing or defending the claim and, if the **insured person** is seeking damages or compensation, a greater than 50% chance of enforcing any judgment that might be obtained
2. in criminal prosecution claims where the **insured person**:
 - (a) pleads guilty, a greater than 50% chance of reducing any sentence or fine or
 - (b) pleads not guilty, a greater than 50% chance of that plea being accepted by the court
3. in all claims involving an appeal, a greater than 50% chance of the **insured person** being successful

where it has been determined that **reasonable prospects of success** as set out in 1. 2. and 3. above do not exist, the **insured person** will be liable to pay any legal costs incurred should they pursue or defend their claim irrespective of the outcome

territorial limits

The **United Kingdom**, Channel Islands and Isle of Man and will extend to **Europe**, Norway and Switzerland for Insured Events 2. Contract & Debt Recovery and 6. Legal Defence

we, us, our

ARAG plc who is authorised under a binding authority agreement on behalf of the **insurer**

Cover

The **insurer** will pay **legal costs & expenses** (and compensation awards under Insured Event 15. Employment Compensation Awards) up to the Limit of Indemnity specified in **your schedule** (£1,000,000 aggregate limit per annum applies under Insured Event 15. Employment Compensation Awards) for all claims related by time or originating cause (including the cost of appeals) that arise in connection with the **business** and occur within the **territorial limits** with an **occurrence date** during the **period of insurance** and subject to the claim having a **reasonable prospects of success** and being reported to **us** as soon as the **insured person** first becomes aware of circumstances which could give rise to a claim for the following Insured Events.

Any dispute will be dealt with through mediation or by a court, tribunal, Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body.

Insured Events

1. Compliance & Regulation

- (a) Receipt of a Statutory Notice that imposes terms against which **you** wish to appeal
- (b) Notice of a formal investigation or disciplinary hearing by any professional or regulatory body
- (c) A civil action alleging wrongful arrest arising from an allegation of theft
- (d) A claim against **you** for compensation under the Data Protection Act 2018 provided that **you**:
 - (i) have paid the data protection fee and
 - (ii) are able to evidence that **you** have in place a process to:
 - investigate complaints from data subjects regarding a breach of their privacy rights
 - offer suitable redress where a breach has occurred and that **your** complaints process has been fully engaged
- (e) Receipt of a request to attend Public Childcare Proceedings/Public Law Children Order proceedings (as a respondent or intervener) by a Local Authority or the NSPCC under the Children Act 1989 or Children (Northern Ireland) Order 1995: arising from childcare provided by an **insured person**.

Legal Expenses Section

Continued

Note - Public Childcare Proceedings/Public Law Children Order proceedings are convened when it is considered that a child(ren) is suffering or is likely to suffer significant harm if they remain in the care of the primary care givers. Anyone included in the potential pool of perpetrators of alleged non-accidental injury could be asked to attend any/all of the following:

- (a) a Case Management Hearing
- (b) a Further Case Management Hearing
- (c) a Fact Finding hearing
- (d) a Final Hearing.

General Condition 11. Registration which is shown on page 19 will be waived for the purpose of applying insurance under this Insured Event.

The **insurer** will not be liable for any claim relating to:

- (a) the pursuit of an action by **you** other than an appeal
- (b) a routine inspection by a regulatory authority
- (c) an enquiry, investigation or enforcement action by HMRC
- (d) a claim brought against **your business** where unlawful discrimination has been alleged.

2. Contract & Debt Recovery

A breach or alleged breach of an agreement or alleged agreement which has been entered into by **you** to buy, sell, hire or lease goods or services (including the provision of **agency worker(s)** or to rent **your premises** provided that if **you** are claiming for an undisputed debt **you** have exhausted **your** normal credit control procedures.

The **insurer** will not be liable for any claim relating to:

- (a) the letting, leasing or licensing of land or buildings where **you** act as the landlord
- (b) the sale or purchase of land or buildings
- (c) loans, mortgages, endowments, pensions or any other financial product
- (d) computer hardware, software, internet services or systems which have been tailored to **your** requirements
- (e) a breach or alleged breach of a professional duty by **you**
- (f) the settlement payable under an insurance policy
- (g) adjudication or arbitration
- (h) a dispute relating to an **employee** or **ex-employee**
- (i) an amount which is less than £200.

3. Crisis Communication

Following an event which causes **your business** significant adverse publicity or reputational damage which is likely to have a widespread financial impact on **your business**, **we** will provide **crisis communication**.

The **insurer** will not be liable for any claim relating to:

- (a) matters that should be dealt with through **your** normal complaints procedures
- (b) a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast
- (c) costs incurred in excess of £25,000.

4. Employment Restrictive Covenants (defence)

A dispute with another party who alleges that **you** have breached their legal rights protected by a restrictive covenant.

5. Identity Theft

A principal, executive officer, director or partner of **your business**, is the victim of personal identity theft and has sought and followed advice from **our** Identity Theft Resolution service.

Legal Expenses Section

Continued

6. Legal Defence

- (a) A criminal investigation and/or enquiry by:
 - (i) the police
 - (ii) other body with the power to prosecutewhere it is suspected that an offence may have been committed that could lead to an **insured person** being prosecuted
- (b) The charge for an offence or alleged offence which leads to an **insured person** being prosecuted in a court of criminal jurisdiction

The **insurer** will not be liable for any claim relating to a parking offence.

7. Loss of Earnings

The **insured person's** absence from work to attend court, tribunal, mediation, a professional body's disciplinary hearing or regulatory proceedings at the request of the **appointed advisor** or whilst on jury service which results in loss of earnings.

The **insurer** will not be liable for any sum which can be recovered from the court or tribunal.

8. Partnership Disputes

A dispute that arises from the terms of a **business** partnership agreement entered into by a principal, executive officer, director or partner of **your business** that is to be referred to mediation.

The **insurer's** liability will not exceed the amount shown in the **schedule**.

9. Personal Injury

An event that causes bodily injury or death to an **insured person**.

The **insurer** will not be liable for any claim arising from or relating to a condition, illness or disease which develops gradually over time.

10. Property

A dispute relating to material property which **you** own or is **your** responsibility following:

- (a) an event which causes **damage** to **your** material property
- (b) a public or private nuisance or trespass.

The **insurer** will not be liable for any claim relating to:

- (a) a contract between **you** and a third party
- (b) goods lent or hired out
- (c) compulsory purchase, demolition restrictions, controls or permissions placed on land or property by any government, local or public authority.

11. Statutory Licence Appeals

An appeal against a decision by the relevant authority to alter, suspend, revoke or refuse to renew **your** compulsory registration.

12. Tax Disputes

- (a) A formally notified enquiry into **your** tax return
- (b) A dispute with HMRC about Value Added Tax
- (c) Reasonable accountancy fees reasonably incurred by the **appointed advisor** and agreed by **us** in advance

Provided that:

- (a) **you** keep proper records in accordance with legal requirements
- (b) in respect of any appealable matter **you** have requested an Internal Review from HMRC where available.

Legal Expenses Section

Continued

The **insurer** will not be liable for any claim relating to:

- (a) tax returns which are submitted late, or for any other reason, result in HMRC imposing a penalty, or which contain careless and/or deliberate misstatements or omissions
- (b) an investigation by the Fraud Investigation Service of HMRC
- (c) circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to **your** financial arrangements
- (d) any enquiry that concerns assets, monies or wealth outside of the **United Kingdom**
- (e) **your** failure to register for VAT.

13. Employees' Compliance & Regulation

A civil action alleging that one or more of **your** directors, partners, managers, **employees** or any other individuals for whom **you** have arranged insurance on the same basis as **your employees** has:

- (a) failed to correctly exercise their fiduciary duty as a trustee of a pension fund set up for the benefit of **your employees**
- (b) committed an act of unlawful discrimination.

14. Employment

A dispute between **you** and **your employee**, ex-**employee**, a prospective **employee**, or **agency worker** arising from a breach or an alleged breach of their:

- (a) contract of service with **you**
- (b) related legal rights or
- (c) an **agency worker** agreement

A claim can be made under the policy provided that where applicable, all internal procedures as set out in the:

- (a) ACAS Code of Practice for Disciplinary and Grievance Procedures, or
- (b) Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland have been or ought to have been concluded.

The **insurer** will not be liable for any claim relating to:

- (a) the pursuit of an action by **you** other than an appeal against the decision of a court or tribunal
- (b) costs **you** incur to prepare for an internal disciplinary hearing grievance or appeal
- (c) a pension scheme where actions are brought by ten or more **employees** or ex-**employees**.

15. Employment Compensation Awards

Following a claim **we** have accepted under Insured Event 14. Employment, the **insurer** will pay any:

- (a) basic and compensatory award
- (b) an amount agreed by **us** in settlement of a dispute.

Provided that compensation is:

- (a) agreed through mediation, conciliation or under a settlement approved by **us** in advance or
- (b) awarded by a tribunal judgment after full argument unless given by default.

The **insurer** will not be liable to pay:

- (a) money due to an **employee** under a contract or a statutory provision relating thereto
- (b) compensation awards or settlements relating to:
 - (i) trade union membership, industrial or labour arbitration or collective bargaining agreements
 - (ii) civil claims or statutory rights relating to trustees of occupational pension schemes.

16. Employment Restrictive Covenants

A dispute with **your employee** or ex-**employee** which arises from their breach of a restrictive covenant where **you** are seeking financial remedy or damages. Provided that the restrictive covenant:

- (a) is designed to protect **your** legitimate **business** interests, for a period not exceeding 12 months
- (b) is evidenced in writing and signed by **your employee** or ex-**employee** and

Legal Expenses Section

Continued

(c) extends no further than is reasonably necessary to protect the **business** interests.

17. Executive Suite

In respect of a principal, executive officer, director or partner of **your business**:

- (a) an HRMC enquiry into their personal tax affairs
- (b) an alleged motoring offence, that arises from the use of a legally insured vehicle for personal domestic and pleasure purposes
- (c) **crisis communication** for personal matters that cause significant adverse publicity or reputational damage.

The **insurer** will not be liable for any claim relating to:

- (a) tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty or which contain careless and/or deliberate misstatements or omissions
- (b) an investigation by the Fraud Investigation Service of HMRC
- (c) circumstances where Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the executive's financial arrangements
- (d) any enquiry that concerns assets, monies or wealth outside of the **United Kingdom**
- (e) a parking offence.

18. Service Occupancy

A dispute relating to material property which **you** own or is **your** responsibility which **you** wish to recover or repossess from an **employee** or ex-**employee**.

19. Tax Compliance Disputes

- (a) A dispute about **your** compliance with HMRC regulations relating to **your employees**, workers or payments to contractors
- (a) Reasonable accountancy fees reasonably incurred by the **appointed advisor** and agreed by **us** in advance.

Conditions

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

1. Acts of Parliament, Statutory Instruments and Civil Procedure Rules

All legal instruments and rules referred to within this Section will include equivalent legislation in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation.

2. Arbitration

If any dispute between the **insured person** and **us** arises from this Section, the **insured person** can make a complaint to **us** as described on Page 6 and 7 and **we** will try to resolve the matter. If **we** are unable to satisfy the **insured person's** concerns and the matter can be dealt with by the Financial Ombudsman Service the **insured person** can ask them to arbitrate over the complaint.

If the dispute cannot be dealt with by the Financial Ombudsman Service, it can be referred for independent arbitration to a qualified person agreed upon by both parties. The loser of the dispute will be liable to pay the costs incurred.

If **we** and the **insured person** fail to agree on a suitable person to arbitrate the matter **we** will ask the President of the relevant Law Society to nominate. The arbitration will be subject to the Arbitration Acts and the arbitrator's decision will be binding on the parties.

Legal Expenses Section

Continued

3. Barrister's Opinion

We may require the **insured person** to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the **insured person**, then the **insurer** will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by **us**, then the **insurer** will pay for a final opinion which will be binding on the **insured person** and **us**. This does not affect the **insured person's** right under Condition 2. Arbitration.

4. Consent

- (a) The **insured person** must agree to **us** having sight of the **appointed advisor's** file relating to the **insured person's** claim. The **insured person** is considered to have provided consent to **us** or **our** appointed agent to have sight of their file for auditing and quality and cost control purposes
- (b) An **insured person** must have **your** agreement to claim under this Section.

5. Freedom to Choose an Appointed Advisor

- (a) In certain circumstances as set out in 5. (b) below the **insured person** may choose an **appointed advisor**. In all other cases no such right exists and **we** will choose the **appointed advisor**
- (b) If:
 - (i) a suitably qualified advisor considers that it has become necessary to start proceedings or proceedings are issued against an **insured**
 - (ii) there is a conflict of interestthe **insured person** may choose a qualified **appointed advisor** except where the **insured person's** claim is to be dealt with by the Employment Tribunal where **we** will always choose the **appointed advisor**
- (c) Where the **insured person** wishes to exercise the right to choose, the **insured person** must write to **us** with their preferred representative's contact details. Where the **insured person** chooses to use their preferred representative, the **insurer** will not pay more than **we** agree to pay a solicitor from **our** panel (**our** panel solicitor firms are chosen with care and **we** agree special terms with them including rates which may be lower than those available from other firms)
- (d) If the **insured person** dismisses the **appointed advisor** without good reason, or withdraws from the claim without **our** written agreement, or if the **appointed advisor** refuses with good reason to continue acting for an **insured person**, cover will end immediately
- (e) In respect of pursuing a claim under Insured Event 2. Contract & Debt Recovery **you** must enter into a **conditional fee agreement** (unless the **appointed advisor** has entered into a **collective conditional fee agreement**) where legally permitted.

6. Settlement

- (a) The **insurer** can settle the claim by paying the reasonable value of the **insured person's** claim
- (b) The **insured person** must not negotiate, settle the claim or agree to pay **legal costs & expenses** without **our** written agreement
- (c) If the **insured person** refuses to settle the claim following advice to do so from the **appointed advisor** the **insurer** reserves the right to refuse to pay further **legal costs & expenses**.

7. The Insured's Person's Responsibilities

An **insured person** must:

- (a) tell **us** immediately of anything that may make it more costly or difficult for the **appointed advisor** to resolve the claim in their favour
- (b) cooperate fully with **us**, give the **appointed advisor** any instructions required, and keep them updated with progress of the claim and not hinder them
- (c) take reasonable steps to claim back **legal costs & expenses** and, where recovered, pay them to the **insurer**
- (d) allow the **insurer** at any time to take over and conduct in the **insured person's** name, any claim.

Legal Expenses Section

Continued

Exclusions

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

The **insured person** is not covered for any claim arising from or relating to:

1. **legal costs & expenses** or compensation awards incurred without **our** consent
2. any actual or alleged act, omission or dispute happening before, or existing at the start of cover under this Section, and which the **insured person** knew or ought reasonably to have known could lead to a claim
3. an allegation against the **insured person** involving:
 - (a) malicious falsehood or defamation (except in relation to Insured Event 3. Crisis Communication and Item (c) of Insured Event 17. Executive Suite)
 - (b) the manufacture, dealing in or use of alcohol, illegal drugs, illegal immigration
 - (c) offences under Part 7 (c) of the Proceeds of Crime Act 2002 (money laundering offences)
4. defending a claim in respect of:
 - (a) damages for personal injury (other than injury to feelings in relation to Insured Event 14. Employment or
 - (b) loss or **damage** to property owned by the **insured person**
5. patents, copyright, passing-off, trade or service marks, registered designs and confidential information (except in relation to Insured Event 4. Employment Restrictive Covenants (defence) and Insured Event 16. Employment Restrictive Covenants)
6. a dispute with any subsidiary, parent, associated or sister company or between shareholders or partners (except in relation to mediation under Insured Event 8. Partnership Disputes)
7.
 - (a) franchise agreements
 - (b) a dispute that arises from an agency agreement other than an agreement that **you** have entered into to engage or supply an **agency worker**
8. a judicial review
9. a dispute with **us**, the **insurer**, Morton Michel or the party who arranged this cover not dealt with under Condition 2. Arbitration
10. the payment of fines, penalties or compensation awarded against the **insured person** (except as covered under Insured Event 15. Employment Compensation Awards) or costs awarded against the **insured person** by a court of criminal jurisdiction
11. a claim where the **insured person's** failure to notify **us** within a reasonable time of the **occurrence date** adversely affects the **reasonable prospects of success** of the claim or **we** consider the **insurer's** position has been prejudiced.

How We Use Your Information

This is a summary of how **we** may collect, use, share and store personal information. To view **our** full privacy statement please see **our** website - www.arag.co.uk/cookie-policy/

Collecting personal information

ARAG may be required to collect certain personal or sensitive information which may include name, address and date of birth and if appropriate medical information. **We** will hold and process any such information in accordance with all relevant data protection regulations and legislation. Should **we** ask for personal or sensitive information, **we** undertake that it shall only be used in accordance with **our** privacy statement.

We may also collect information for other parties such as suppliers **we** appoint to process the handling of a claim.

Using personal or sensitive information

The reason **we** collect personal or sensitive information is to fulfil **our** contractual and regulatory obligations in providing this insurance product, for example to process premium or handle a claim. To fulfil these obligations, **we** may need to share personal or sensitive information with other organisations.

Legal Expenses Section

Continued

We will not disclose personal or sensitive information for any purpose other than the purpose for which it was collected. Please refer to **our** full privacy statement for full details.

Keeping personal information

We shall not keep personal information for any longer than necessary.

Your rights

Any person insured by this Section has a number of rights in relation to how **we** hold personal data including; the right to a copy of the personal data **we** hold; the right to object to the use of personal data or the withdrawal of previously given consent; the right to have personal data deleted. For a full list of privacy rights and when **we** will not be able to delete personal data, please refer to **our** full privacy statement.

Portable Equipment Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

working day of the driver

the period in any day during which a **vehicle** is being used for purposes in connection with the **business**

overnight

between the hours of 21:00 and 06:00

Cover

We will pay for **damage** to the property described against this Section in the **schedule** occurring within the **territorial limits** or elsewhere as specified in the **schedule** .

Maximum Amount Payable

The most **we** will pay in respect of any one occurrence will not exceed the sum insured stated against each item in the **schedule** unless otherwise stated.

Extensions

The following Extensions apply to this Section.

1. Overnight Theft From Vehicles

The insurance by this Section extends to cover **damage** by theft or attempted theft to children's toys, play and educational equipment contained in an **unattended vehicle overnight** or after the completion of any **working day of the driver**.

Provided that the property is stored within the **vehicle** either within:

- (a) a closed glove compartment
- (b) the locked boot of a saloon car
- (c) the luggage space at the rear of an estate car or hatchback under the top cover and out of view
- (d) the enclosed storage compartment of a van of a fully enclosed and rigid type

and that:

- (e) all windows and other openings have been closed, all doors have been secured and any other protective devices put into full and effective operation
- (f) the **vehicle** is garaged in a secure building or compound or kept on the private drive of an **official's** domestic residence.

We will not be liable under this Extension for **damage** to electrical equipment.

Our liability will not exceed the amount shown in the **schedule** in any one **period of insurance**.

Portable Equipment Section

Continued

Basis of Claims Settlement Clauses

1. Basis of Settlement

Following **damage** insured by this Section and subject to the Maximum Amount Payable **we** will pay the cost of repairing or replacing the property equal to its condition when new provided that:

- (a) this is carried out without delay and in the most economical manner
- (b) when property is partially lost, destroyed or damaged **our** liability will not exceed the estimated replacement cost which would have been payable had it been wholly lost or destroyed
- (c) until replacement has been carried out no payment will be made beyond the amount which would be payable if an allowance were made for wear, tear or depreciation.

2. Average

Each Item of property insured under this Section is similarly but separately subject to average as specified in General Condition 3. Average.

Exclusions

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

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

1. **damage** caused by or consisting of:
 - (a) wear, tear or depreciation or diminution in value
 - (b) inherent vice, latent defect, defective design, plan or specification or the use of faulty materials
 - (c) faulty or defective workmanship, operational error or omission on the part of an **official**
 - (d) marring, scratching, denting, mechanical or electrical defect, failure, breakdown or derangement
 - (e) any gradually operating cause, including (but not restricted to) atmospheric or climatic conditions, dry or wet rot, fungus, rust, corrosion, woodworm, moths, insects, vermin or pests
 - (f) any process involving heating, drying, cleaning, dyeing, staining, repairing, restoring, renovating, fitting, installation, testing, commissioning, alteration or maintenance of any property
 - (g) use of any article contrary to manufacturers' instructions
 - (h) storm or flood unless the property is contained in an enclosed **vehicle** or in a building
 - (i) change in temperature, colour, flavour, texture or finish
2. **damage** by theft or attempted theft from any **unattended vehicle**:
 - (a) **overnight** or after the completion of any **working day of the driver** other than as provided for under Extension 1. Overnight Theft From Vehicles
 - (b) at any other time unless:
 - (i) all windows and other openings have been closed, all doors have been secured and any other protective devices put into full and effective operation and
 - (ii) any property insured by this Section is secured within either:
 - the closed glove compartment of the **vehicle** or
 - the locked boot of a saloon car or
 - the luggage space at the rear of an estate car or hatchback under the top cover and out of view or
 - the enclosed storage compartment of a van of a fully enclosed and rigid type
3. losses not directly associated with the incident that caused **you** to claim
4. breakage of brittle articles unless forming part of photographic equipment
5. **damage** by theft or attempted theft from any unattended building which does not involve forcible and violent entry to or exit from the building
6. the **excess** stated in the **schedule**.

Equipment Breakdown Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

accident

direct physical loss caused by:

1. electrical or mechanical **breakdown** including rupture or bursting caused by centrifugal force
2. artificially generated electrical current including electric arcing that damages electrical devices appliances or wires
3. **explosion** or **collapse** of **covered equipment** operating under steam or other fluid pressure
4. loss or damage to hot water boilers other water heating equipment oil or water storage tanks or other **covered equipment** operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment
5. loss or damage caused by operator error that results in the overloading of **covered equipment**

all accidents that are the result of the same event will be considered as one accident

anchor location

a well-known third party business which is responsible, and which **your business** depends upon, for attracting customers to the **premises** specified in the **schedule**

biomass or biogas installation

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

breakdown

1. the actual breaking, failure, distortion, or burning out of any part of the **covered equipment** whilst in ordinary use arising from defects in the **covered equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work
2. fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative
3. the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary
4. **electronic derangement**

business

your Business activities relating to the Business Description shown in the **schedule**

collapse

the sudden and dangerous distortion (whether or not attended by rupture) of any part of the **covered equipment** caused by crushing stress by force of steam or other fluid pressure (other than pressure of chemical action, ignited flue gases or ignition of the contents)

Equipment Breakdown Section

Continued

computer equipment

1. electronic, computer or other data processing and/or storage equipment
2. projectors, printers, scanners and other peripheral devices used in conjunction with 1.
3. software and programs licensed to **you** and installed on 1.
4. **portable computer equipment**

computer media

all forms of electronic magnetic and optical tapes and discs for use in any **computer equipment**

covered equipment

equipment at the **premises** owned by **you** or for which **you** are responsible:

1. which is built to operate under vacuum or pressure, other than the weight of its contents; or
2. that generates, transmits, stores or converts energy; or
3. comprising **computer equipment**

Excluding:

1. any supporting structure, foundation, masonry, brickwork or cabinet
2. any insulating or refractory material
3. any vehicle, aircraft, floating vessels or any equipment mounted thereon (other than vehicle recovery cranes or equipment which is included but not the actual vehicle)
4. self propelled plant and equipment (other than fork lift trucks and pallet trucks used by **you** at **your premises**), dragline, excavation or construction equipment
5. equipment manufactured by **you** for sale
6. safety or protective devices due to their functioning
7. tools, dies, cutting edges, crushing surfaces, trailing cables, non-metallic linings, driving belts or bands or any part requiring periodic renewal
8. any electronic equipment (other than **computer equipment**) used for research, diagnostic, treatment, experimental or other medical or scientific purposes with a new replacement value in excess of £30,000
9. any **manufacturing production or process equipment** including linked **computer equipment**
10. any electricity generating equipment other than emergency back-up power equipment or wind turbines less than 10kw or photovoltaic equipment less than 50kw
11. any kitchen and food preparation equipment, laundry and cleaning equipment, audio-visual equipment and **computer equipment** whilst in a private dwelling or private dwelling quarters (unless such equipment is owned by **you** or for which **you** are responsible)
12. any **biomass or biogas installation**
13. any **hydroelectric installation**

Cyber event

1. a failure of electronic equipment to correctly recognise, process or store any data
2. a hostile, malicious, illegal or transgressive act committed through electronic systems or, including but not limited to:
 - (a) a virus (a program, code, programming instruction or any set of instructions intended to damage, interfere with or have a negative effect on computer programs, data or operations);
 - (b) hacking (unauthorised access to any computer or other electronic equipment);
 - (c) a denial of service attack (any actions or instructions intended to damage, interfere with or affect the availability or performance of networks, network services, network connectivity or telecommunication systems)

Equipment Breakdown Section

Continued

electronic derangement

malfunction of the **computer equipment** or electronic circuitry controlling or operating the **covered equipment** that is not accompanied by visible damage and requires replacement of one or more insured components of the **covered equipment** in order to restore it to its normal operation

electronic derangement does not include:

1. the rebooting, reloading or updating of software or firmware
2. the incompatibility of **covered equipment** with any software or equipment installed, introduced or networked within the previous 30 days
3. the **covered equipment** being of insufficient size, specification or capacity
4. malfunction resulting from causes excluded under Exclusion 2

explosion

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

hazardous substance

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

hydroelectric installation

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

manufacturing production or process equipment

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

portable computer equipment

1. laptops, palmtops and notebooks
2. personal digital assistants (PDAs)
3. projectors, printers, scanners and other peripheral devices which are designed to be carried and used in conjunction with other portable computer equipment
4. removable satellite navigation systems
5. digital cameras
6. smartphones

service provider

a business that **you** hire under a written contract to perform services on **your** behalf in connection with the **business**

transit

the loading, unloading and movement of **covered equipment** (owned by **you** or for which **you** are responsible) other than by air or sea unless the sea transit is by roll-on/roll-off ferry

Equipment Breakdown Section

Continued

Cover

We will pay **you** for direct physical **damage** from an **accident** to **covered equipment** that is owned by **you** or for which **you** are responsible.

The cover under this Section will only apply where the Property Damage or the Property Damage and Business Interruption Sections of the policy are shown as insured on the **schedule** for the current **period of insurance**.

Extensions

The following Extensions apply to loss or damage caused by or resulting from an **accident** to **covered equipment**.

1. Additional Access Costs

Where the Business Interruption Section is insured **we** will pay for any necessary additional costs incurred in order to gain access to repair or replace the **covered equipment** following an **accident**.

Our liability will not exceed the amount shown in the **schedule** for any one **accident**.

2. Anchor Location

Where the Business Interruption Section is insured **we** will pay for financial loss caused by or resulting from an **accident** to property at an **anchor location**.

Provided that:

- (a) the property at the **anchor location** is of a similar type and function to the **covered equipment** that is the subject of this Section
- (b) the **anchor location** has been open for business for at least six months prior to the **accident** and is located within one mile of the **premises** specified in the **schedule**.

Our liability will not exceed the amount shown in the **schedule** in any one **period of insurance**.

3. Away From Premises

We shall provide insurance for direct physical loss or damage and any specified consequential loss from an **accident** to **covered equipment**:

- (a) during **transit** anywhere in the **United Kingdom**, the Channel Islands, the Isle of Man
- (b) whilst temporarily removed from the **premises** specified in the **schedule** to anywhere within the **United Kingdom**, the Channel Islands, the Isle of Man:
 - (i) as long as the **covered equipment** remains under **your** control, or
 - (ii) if it is removed for the purpose of repair, replacement, restoration, service or modification
- (c) for **portable computer equipment** at any location or in **transit** anywhere in the world.

Our liability will not exceed the Equipment Breakdown Limit of Liability shown in the **schedule**.

4. Business Interruption

Where the Business Interruption Section is insured **we** will pay for financial loss caused by or resulting from an **accident** to **covered equipment** including such loss or damage which occurs at **your service provider(s)** premises.

We will not be liable under this Extension for any loss resulting from Extension 6. Damage to Own Surrounding Property.

Our liability will not exceed the amount shown in the **schedule** or the Business Interruption sum insured, whichever is the lower in any one **period of insurance**.

Equipment Breakdown Section

Continued

5. Computer Equipment

We will pay **you** for damage caused by or resulting from an **accident** to **computer equipment** at the **premises**.

Our liability will not exceed the amount shown in the **schedule** for any one **accident**.

Our liability will not exceed the amount shown in the **schedule** for any one **accident** to **portable computer equipment** anywhere in the world.

6. Damage to Own Surrounding Property

We will pay for damage to property at the **premises** belonging to **you** or in **your** custody and control and for which **you** are responsible directly resulting from the **explosion** or **collapse** of any **covered equipment** operating under steam pressure.

Our liability will not exceed the amount shown in the **schedule** for any one **accident**.

7. Debris Removal

We will pay for costs incurred in the removal of debris and protection of **covered equipment** following an **accident**.

Our liability will not exceed the amount shown in the **schedule** for any one **accident**.

8. Energy Efficiency Improvements

We will pay the additional cost to replace the damaged **covered equipment** following an **accident** with similar equipment that is better for the environment, safer and more efficient than the **covered equipment** being replaced.

We will not be liable for any amount unless prior consent has been given by **us**.

Our liability will not exceed the amount shown in the **schedule** for any one **accident**.

9. Expediting Expenses

We will pay **you** for the reasonable extra cost to make temporary repairs to and expedite permanent repairs or permanent replacement for damaged **covered equipment**.

Our liability will not exceed the amount shown in the **schedule** for any one **accident**.

10. Hazardous Substances

We will pay for the additional costs to repair or replace **covered equipment** because of contamination by a **hazardous substance** including any additional expenses incurred to clean up or dispose of such property.

Our liability will not exceed the amount shown in the **schedule** for any one **accident**.

11. Hire of Substitute Item

If **covered equipment** is damaged as a result of an **accident**, we will pay **you** for the cost of hire charges actually incurred by **you** during the **period of insurance** for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged.

Our liability will not exceed the amount shown in the **schedule** for any one **accident**.

Equipment Breakdown Section

Continued

12. Public Authorities/Law or Ordinance

If an **accident** to **covered equipment** damages a **building** that is covered under this policy and the loss is increased by enforcement of any public authority, ordinance or law in force at the time of the **accident** that regulates the construction or repair of buildings, or establishes zoning or land use requirements, **we** will pay the following additional costs to comply with such ordinance or law:

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

We will not be liable for:

- (a) any fine
- (b) any liability to a third party
- (c) any increase in loss due to a **hazardous substance** other than as specifically insured under Extension 10. Hazardous Substances
- (d) increased construction costs until the **building** is actually repaired or replaced.

Our liability will not exceed the Equipment Breakdown Limit of Liability shown in the **schedule**.

13. Public Relations Costs

In the event of financial loss and with **our** prior written agreement **we** will pay the cost for the services of a professional public relations firm to assist **you** in creating and disseminating communications to:

- (a) the media
- (b) the public
- (c) **your** customers and clients.

14. Reinstatement of Data and Computer Increased Costs of Working

Unless otherwise excluded, **we** will pay for the following costs incurred as a result of an **accident** to **covered equipment**, including such loss or damage which occurs at **your service provider(s)** premises.

- (a) Reinstating data lost or damaged

Our liability will not exceed the amount shown in the **schedule** for any one **accident**.

Provided that:

- (i) liability is limited solely to the cost of reinstating data onto **computer media**
 - (ii) **we** will not be liable for loss of or damage to software.
- (b) Reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to **your** computer operations.

Our liability will not exceed the amount shown in the **schedule** for any one **accident** in respect of such additional costs.

15. Repair Costs Investigation

We will pay costs relating to repair, investigations and tests by consulting engineers for loss or damage to **covered equipment** following an **accident**.

We will not be liable for:

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

Our liability will not exceed the amount shown in the **schedule** for any one **accident**.

Equipment Breakdown Section

Continued

16. Storage Tanks & Loss of Contents

We will pay for damage caused by an **accident** to oil storage or water tanks including connected pipework belonging to **you** or for which **you** are responsible at the **premises**.

We will also pay for loss of the contents of oil storage tanks caused by:

- (a) escape of contents, leakage, discharge or overflow from the oil storage tanks caused by or resulting from an **accident**
- (b) contamination of the contents of the oil storage tanks caused by or resulting from an **accident**

including cleaning costs incurred as a result of such a loss.

Our liability will not exceed the amount shown in the **schedule** for any one **accident**.

Maximum Amount Payable

Our liability will not exceed the Equipment Breakdown Limit of Liability shown in the **schedule**. Any limit shown against an Extension is within and does not increase the Equipment Breakdown Limit of Liability.

Basis of Claims Settlement

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

Special Conditions

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

1. Back Up Records

You must:

- (a) back up original data at least every 7 days
- (b) take precautions to make sure that all data is stored safely.

If a **service provider** processes or stores data for **you**, **you** must make sure that the terms of the contract with the **service provider** allows for data to be backed up in line with this Condition.

If **you** fail to comply with this Condition **we** will not pay for any claim unless **you** can evidence that formal procedures are in place and that the failure to comply was an accidental oversight or as a result of circumstances beyond the **your** control.

2. Precautions

You must exercise due diligence in:

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

Equipment Breakdown Section

Continued

Exclusions

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

This Section does not cover:

1. loss or damage caused by or resulting from a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
2. loss or damage of any kind caused by a **cyber event**
3. loss or damage to data or **computer media** of any kind caused by:
 - (a) programming error or programming limitation
 - (b) loss of data (other than as specifically provided for under Extension 14. Reinstatement of Data and Computer Increased Costs of Working)
 - (c) loss of access
 - (d) loss of use
 - (e) loss of functionality
3. loss or damage caused by:
 - (a) depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions
 - (b) any condition which can be corrected by resetting, calibrating, realigning, tightening, adjusting or cleaning or by the performance of maintenancebut if loss or damage from an **accident** results **we** will be liable for that resulting loss or damage
4. loss or damage recoverable under any maintenance agreement or any warranty or guarantee
5. any claim, cost or loss caused by or resulting from **your** commercial decision to stop trading, or the decision of a **service provider** to stop or reduce trade with **you** or restrict services
6. the **excess** stated in the **schedule**.

Business Interruption Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

annual gross rent receivable	the gross rent receivable during the twelve months immediately before the date of the damage
annual gross revenue	the gross revenue during the twelve months immediately before the date of the damage
attending consultant	the appropriately qualified medical specialist supervising care of the dependent child
damage	loss destruction or damage by any cause insured by the Property Damage Section of this policy
gross rent receivable	the money paid or payable to you for accommodation and services provided (including service charges) at the premises
maximum indemnity period	the period stated in the schedule as the maximum indemnity period
standard gross rent receivable	the gross rent receivable during that period in the twelve months immediately before the date of damage which corresponds with the indemnity period
terminal illness	a definite diagnosis by the attending consultant of an illness that satisfies both of the following: (a) the illness either has no known cure or has progressed to the point where it cannot be cured; and (b) in the opinion of the attending consultant the illness is expected to lead to death within 12 months

Cover

The amount of loss resulting from interruption of or interference with the **business** carried on by **you** at the **premises** in consequence of **damage** occurring during the **period of insurance** to any property used by **you** at the **premises** for the purposes of the **business**, provided that:

1. such **damage** would not have been excluded by the Property Damage Section of this policy
2. at the time of **damage** there is insurance in force covering **your** interest in the property at the **premises** against **damage** and that:
 - (a)** payment has been made or liability admitted under that insurance; or
 - (b)** payment would have been made or liability admitted, for the **damage**, but for the operation of a proviso in the insurance excluding liability for losses below a specified amount.

Business Interruption Section

Continued

Extensions

Where **gross revenue**, or **gross rent receivable**, or Increase in Cost of Working is insured by this Section the following Extensions apply:

1. Alternative Accommodation

In the event of **damage** to **premises** covered by this policy resulting in:

- (c) a residential portion of the **buildings** being uninhabitable or
- (d) access being prevented to a residential portion of the **buildings**

this Section extends to include the reasonable additional cost of similar comparable alternative residential accommodation incurred by **you** or any of **your** tenants including temporary furniture, storage costs and accommodation for domestic pets until the residential portion is habitable and accessible.

Our liability will not exceed the percentage shown in the **schedule** of the sum insured on the **buildings** which are subject to **damage**.

2. Book Debts

Interruption of or interference with the **business** in consequence of **damage** to **your** records of **outstanding debit balances** contained within the **premises**.

We will pay for any net **outstanding debit balances** which **you** are unable to recover from customers as a result of **damage** to such records and any additional expenditure incurred after such **damage** in tracing and establishing **outstanding debit balances**.

Our liability in respect of loss of net **outstanding debit balances** and their associated additional expenditure and accountants' charges will not exceed the amount shown in the **schedule** any one occurrence.

Provided that at the end of each month **you** will record the total amount outstanding in customers' accounts and will maintain a separate record, in addition to the books of account, in a place other than the **premises**.

3. Compulsory Closure

Interruption of or interference with the **business** as a result of compulsory closure of the **premises** by a public body authorised to prevent access to the **premises** arising from the occurrence of:

- (a) foreign or deleterious matter in food or drink sold, supplied or provided at the **premises**
- (b) murder, manslaughter, suicide or rape at the **premises**
- (c) defective sanitation or the presence of vermin or pests at the **premises**.

For the purposes of the cover provided by this Extension the **indemnity period** is restated as follows:

The **indemnity period** shall mean the period of time during which interruption to the **business** occurs as a result of the matters set out at sub-clauses (a) – (c) (each 'an occurrence') commencing with the date of the closure of the **premises** and not exceeding:

- (a) 30 days in respect of each occurrence and
- (b) 30 days in total in respect of all occurrences in any one **period of insurance**

Our liability will not exceed the amount shown in the **schedule** in any one **period of insurance**.

4. Contract Sites

Interruption of or interference with the **business** in consequence of **damage** at any location not stated in the **schedule** at which **you** are contracted to undertake work or where **you** undertake **your** activities anywhere within the **territorial limits**.

Our liability will not exceed the amount shown in the **schedule** any one occurrence.

Business Interruption Section

Continued

5. Dependent Children

The indemnity by this Section is extended to cover the cost of wages paid to temporary **employees** hired solely to replace **employees** under a **permanent contract of service** or apprenticeship with **you** who **you** have allowed to take time off work for the purpose of providing care to a dependent child with a **terminal illness** which is first diagnosed during the **period of insurance**.

We will only pay the additional expenditure necessarily and reasonably incurred with **our** consent solely in order to minimise any interruption or interference with the **business**, during the **indemnity period**, which but for such additional expenditure would have taken place.

Provided that:

- (a) the most **we** will pay for any one replacement **employee** will be:
 - (i) 75% of the weekly wages paid to the replacement **employee**, or
 - (ii) the weekly wage normally paid to the **employee** being temporarily replaced whichever is the less
- (b) the **maximum indemnity period** will not exceed 6 months
- (c) **We** will not be liable for:
 - (i) any claim made after the death of the dependent child
 - (ii) any claim for which **we** are not provided with proof of the diagnosis of a **terminal illness**
 - (iii) the first 2 weeks of any claim.

Our liability in respect of the cost of wages paid to all temporary **employees** will not exceed the amount shown in the **schedule** in the aggregate in any one **period of insurance**.

6. Documents and Computer System Records

Interruption of or interference with the **business** in consequence of **damage** to deeds and other documents, manuscripts, plans and writings of every description, books and computer system records belonging to **you** or for which **you** are responsible:

- (a) whilst temporarily removed from the **premises** to elsewhere within the **territorial limits**
- (b) stored at the home of any authorised **official** or at a self-contained unit in a storage facility anywhere within the **territorial limits**.

Our liability will not exceed the amount shown in the **schedule** any one occurrence.

7. Essential Employees

Additional expenditure necessarily and reasonably incurred by **you** during the **period of insurance** as a consequence of:

- (a) the death of any of **your** principals, directors or partners
- (b) **temporary total disablement** or **permanent total disablement** of any of **your** principals, directors or partners which prevents them from carrying out their usual employment or occupation due to injury caused by accidental and violent means.

We will only pay the additional expenditure that **you** necessarily and reasonably incur solely in order to minimise any interruption or interference with the **business**, during the **indemnity period**, which but for such additional expenditure would have taken place.

Provided that:

- (a) the **maximum indemnity period** will not exceed 12 months
- (b) **our** liability will not exceed the amount shown in the **schedule**.

8. Exhibition Sites

Interruption of or interference with the **business** in consequence of **damage** at any trade show or exhibition location not stated in the **schedule** at which **you** are participating as an exhibitor anywhere within **Europe**.

Our liability will not exceed the amount shown in the **schedule** any one occurrence.

Business Interruption Section

Continued

9. National Lottery

For the purpose of this Extension **employee** shall mean:

employee

any person while working for **you** in connection with the **business** who is under a contract of service or apprenticeship with **you**

Interruption of or interference with the **business** at the **premises** in consequence of an **employee** or **employees** terminating their employment with **you** as a direct result of a confirmed win on the National Lottery in the **United Kingdom**.

Provided that the **maximum indemnity period** under this Extension will not exceed 3 months from the date of the confirmed win on the National Lottery.

Our liability will not exceed the amount shown in the **schedule** any one occurrence.

10. Prevention of Access

Interruption of or interference with the **business** in consequence of **damage** to property within 1 kilometre of the **premises** which prevents or hinders the use of or prevents access to the **premises** but excluding **damage** to property of any public utility from which **you** obtain supplies or services.

Our liability will not exceed the **gross revenue, gross rent receivable** or Increase in Cost of Working (as applicable) sum insured stated in the **schedule**.

11. Property in Transit

Interruption of or interference with the **business** in consequence of **damage** to **property insured** whilst in transit by road, rail or inland waterway within the **territorial limits**.

Our liability will not exceed the amount shown in the **schedule** any one occurrence.

12. Public Utilities

Interruption of or interference with the **business** in consequence of **damage** to:

(a) property at any:

- (i) generating station or sub-station of the public electricity supplier
- (ii) land based premises of the public gas supplier or of any natural gas producer linked directly with them
- (iii) land based premises of the public telecommunications supplier or internet service provider
- (iv) waterworks or pumping station of the public water supplier within the **territorial limits** from which **you** obtain electricity, gas or water supplies or telecommunication services

(b) land based property within the **territorial limits** of any public utility from which you obtain supplies or services which results in failure of the supply of:

- (i) electricity at the terminal ends of the supply undertaking's service feeders at the **premises**
- (ii) gas at the supply undertaking's meters at the **premises**
- (iii) water at the supply undertaking's main stopcock serving the **premises**
- (iv) telecommunications services at the incoming line terminals or receivers at the **premises**.

Provided that in respect of Extension **12.(b)** we will not be liable for any failure which does not involve a cessation of supply for at least:

1. 4 hours in respect of the public supply of electricity, gas or water
2. 24 hours in respect of the public supply telecommunications.

Our liability will not exceed the amount shown in the **schedule**:

1. any one occurrence in respect of cover under Extension **12.(a)**
2. in any one **period of insurance** in respect of cover under Extension **12.(b)**.

Business Interruption Section

Continued

13. Suspension of Employees

The indemnity by this Section is extended to cover the cost of wages paid to temporary **employees** hired solely to replace **employees** under a **permanent contract of service** or apprenticeship with **you** who have been suspended in accordance with Ofsted regulations (or the regulations of any other registering authority) as a direct consequence of an accusation of child abuse.

Provided that:

- (a) the suspension will be due solely to Ofsted regulations (or the regulations of any other registering authority)
- (b) the suspension will have followed a reported incident or allegation of child abuse
- (c) the most **we** will pay for any one replacement **employee** will be 75% of the weekly wages paid to the replacement **employee**
- (d) the maximum period of payment will be 5 weeks in respect of any one suspended **employee**.

Our liability in respect of the cost of wages paid to all temporary **employees** will not exceed the amount shown in the **schedule** in the aggregate in any one **period of insurance**.

Maximum Amount Payable

The most **we** will pay shall not exceed:

- 1. 133.3% of the sum insured for each item as shown in the **schedule** in respect of **gross revenue** or **gross rent receivable**
- 2. the sum insured for Increase in Cost of Working, Additional Increase in Cost of Working or any other item as stated in the **schedule**
- 3. the limit for each Extension as stated in the **schedule**

in respect of any one occurrence unless otherwise stated in this Section or in the **schedule**.

Any limit shown against an Extension is within and does not increase the **gross revenue**, **gross rent receivable** or Increase in Cost of Working sum insured shown in the **schedule**.

Basis of Claims Settlement Clauses

1. Gross Revenue

Loss thereof due to:

- (a) loss of **gross revenue** being the amount by which the **gross revenue** during the **indemnity period** falls short of the **standard gross revenue** in consequence of the **damage**
- (b) increase in cost of working being the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **gross revenue** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage**, but not exceeding the amount of reduction in **gross revenue** thereby avoided

less any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross revenue** as may cease or be reduced in consequence of the **damage**.

Provided that if the sum insured on **gross revenue** is less than 85% of the **annual gross revenue** (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve months) the amount payable:

- (a) in respect of **gross revenue**
 - (b) under any Extension
- shall be proportionately reduced.

Business Interruption Section

Continued

2. Additional Increase in Cost of Working

Additional expenditure necessarily and reasonably incurred by **you** during the **indemnity period** in excess of the amount payable under the **gross revenue** or **gross rent receivable** basis (as applicable) for the sole purpose of:

- (a) avoiding or diminishing the reduction in **gross revenue** or
 - (b) avoiding or diminishing a reduction in **gross rent receivable**
- in order to resume or maintain normal **business** operations.

3. Gross Rent Receivable

Loss thereof due to:

- (a) loss of **gross rent receivable** being the amount by which the **gross rent receivable** during the **indemnity period** falls short of the **standard gross rent receivable** in consequence of the **damage**
 - (b) increase in cost of working being the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **gross rent receivable** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage**, but not exceeding the amount of reduction in **gross rent receivable** thereby avoided
- less any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross rent receivable** as may cease or be reduced in consequence of the **damage**.

Provided that if the sum insured on **gross rent receivable** is less than 85% of the **annual gross rent receivable** (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve months) the amount payable:

- (a) in respect of **gross rent receivable**
 - (b) under any Extension
- shall be proportionately reduced.

4. Increase in Cost of Working

Increase in Cost of Working (where insured as a separate Item) is limited to the additional expenditure necessarily and reasonably incurred as a result of the **damage** in order to minimise any interruption or interference with the **business** during the **indemnity period**.

5. Alternative Trading

If during the **indemnity period** goods will be sold or services will be rendered elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf the money paid or payable in respect of such sales or services will be brought into account in arriving at the **gross revenue** as applicable during the **indemnity period**.

6. Payments on Account

Payments on account may be made to **you** during the **indemnity period** at **our** discretion subject to any necessary adjustment at the termination of such period.

7. Trends and Variations

Adjustments will be made to the figures representing the **annual gross revenue**, **standard gross revenue**, **annual gross rent receivable** and **standard gross rent receivable** that may be necessary to provide for the trend of the **business** and for variations in or other circumstances affecting the **business** either before or after the **damage** and which would have affected the **business** had the **damage** not occurred so that the adjusted figures represent as near as reasonably practicable results which but for the **damage** would have been obtained during the relative period after the **damage**.

Business Interruption Section

Continued

8. Professional Accountants

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

Exclusions

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

This Section does not cover loss arising from any interruption of or interference with the **business**:

1. in consequence of **damage** excluded by the Property Damage Section of this policy
2. not caused by **damage** other than as described in Extensions 3. Compulsory Closure, 5. Dependent Children, 7. Essential Employees, 9. National Lottery and 13. Suspension of Employees
3. (a) caused by or consisting of the bursting of any boiler, economiser (other than a boiler or economiser on the **premises** or boiler used for domestic purposes only) vessel, machine or apparatus in which internal pressure is due to steam only and belonging to **you** or under **your** control but this shall not exclude subsequent **damage** which itself results from a cause not otherwise excluded
(b) caused by Explosion in respect of and originating in any vessel machinery or apparatus or its contents, belonging to **you** or under **your** control 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
4. if **your** interest ceases other than by death or the **business** is:
 - (a) wound up or carried on by a liquidator or receiver or
 - (b) permanently discontinuedunless **we** agree otherwise in writing.

Loss of Registration Certificate Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

indemnity period

the period during which **your business** is affected, beginning with the date of cancellation of the **registration certificate** and ending no later than:

1. the date **your** interest ceases due to the disposal of the **premises** or the **business**
or
2. 12 months from the date of the cancellation of **your registration certificate**
whichever is the earlier

registration certificate

the certificate granted to **you** by the appropriate registering authority authorising **you** to carry on the **business** at the **premises**

Cover

In the event of the **registration certificate** being cancelled during the **period of insurance** by the appropriate registering authority under the provisions of the regulations relating to such **registration certificates we** will pay **you** in respect of:

1. (a) any consequent reduction in **gross revenue**; and
(b) any reasonable additional expenses incurred to maintain the **gross revenue** during the **indemnity period** but not more than the loss avoided under **gross revenue**
less any amount saved during the **indemnity period** in respect of reduced expenses due to the event
or
2. the amount of depreciation in the value of **your** interest in the **premises** or the **business** if **you** are unable to obtain the grant of a new **registration certificate** for a period of 12 months following cancellation of the **registration certificate** and **you** dispose of the **premises**.

Extensions

The following Extensions apply to this Section.

1. Temporary Suspension of Registration Certificate

In the event of the **registration certificate** being suspended during the **period of insurance** by the appropriate registering authority under the provisions of the regulations relating to such **registration certificates we** will pay **you** in respect of:

- (a) any consequent reduction in **gross revenue**
- (b) any reasonable additional expenses incurred to maintain the **gross revenue** during the **indemnity period** but not more than the loss avoided under **gross revenue**
less any amount saved during the **indemnity period** in respect of reduced expenses due to the event.

Loss of Registration Certificate Section

Continued

For the purpose of this Extension the definition of **indemnity period** is restated to apply as follows:

indemnity period

the period during which **your business** is affected, beginning with the date of the suspension of **your registration certificate** and ending no later than:

1. the date the appropriate registering authority ends the suspension of **your registration certificate**
or
2. 3 months from the date of the suspension of **your registration certificate** whichever is the earlier

Our liability in respect of each **registration certificate** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

Maximum Amount Payable

Our liability in respect of each **registration certificate** will not exceed the amount shown in the **schedule** in any one **period of insurance**.

Any amount payable under Extension 1. Temporary Suspension of Registration Certificate will be deducted from any subsequent amount payable under this Section for reduction in **gross revenue** arising from cancellation of the **registration certificate**.

Basis of Claims Settlement Clauses

1. Gross Revenue

In respect of a reduction in **gross revenue**, **we** will pay the amount by which the **standard gross revenue** exceeds the actual **gross revenue** during the **indemnity period** due solely to the loss of the **registration certificate**.

If during the **indemnity period** work or services are rendered elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf, the money paid or payable in respect of such work or services will be brought into account in arriving at the **gross revenue** during the **indemnity period**.

2. Increase in Cost of Working

In respect of increase in cost of working, **we** will pay any additional expense **you** necessarily and reasonably incur to prevent or limit a reduction in **gross revenue** during the **indemnity period** which, but for such additional expense, would have taken place due to the loss of the **registration certificate**.

We will not pay more than the reduction in **gross revenue** avoided by the expenditure less any savings during the **indemnity period** in business charges or expenses, payable out of **gross revenue**, which reduce or cease due to the loss of the **registration certificate**.

Conditions

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

1. Complaints, Convictions and Objections

It is a condition precedent to **our** liability that **you** will immediately advise **us** in writing and supply such additional information and give such assistance as **we** may reasonably require on becoming aware of any:

Loss of Registration Certificate Section

Continued

- (a) complaint about the **premises** or the conduct or control of the **business** or any other circumstances advised to **your** registering authority which may endanger **your registration certificate**
- (b) proceedings against or conviction of **you** or the **registration certificate** holder of the **premises** for any breach of the law or other matters whereby the character or reputation of the person concerned is affected or called into question with respect to his honesty, moral standing or sobriety.

2. Supply of Information and Assistance

In the event of the **registration certificate** being cancelled or suspended it is a condition precedent to **our** liability that **you** will at **your** own expense unless otherwise stated:

- (a) give written notice to **us** within twenty-four hours of becoming aware of such event stating the grounds upon which the **registration certificate** was cancelled or suspended
- (b) apply if practicable and if required by **us** for the grant of a new **registration certificate** for the same or alternative premises as may enable **you** to continue the **business** in a similar or alternative form
- (c) give all such assistance as **we** may require for the purpose of an appeal against such cancellation or suspension
- (d) take all practicable steps to minimise any claim
- (e) within 30 days of being requested to do so by **us**, provide a statement of the loss and such documents and accounts as may be reasonably required by **us** to verify such statement
- (f) if requested to do so by **us**, make a statutory declaration as to the accuracy and completeness of the statement of the loss and allow **us** free access to the **premises** and all books and accounts as may be necessary to ascertain the depreciation in the value of the **premises** or the **business**
- (g) at **our** request and at **our** expense, do and concur in doing and permit to be done all such acts as may be reasonably required by **us** for the purpose of enforcing any rights or remedies or of obtaining relief or indemnity from any other parties.

Exclusions

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

We will not be liable for any loss under this Section following cancellation or suspension of the **registration certificate**:

1. arising from any cause wholly or partly within or under **your** control
2. if **you** are entitled to obtain compensation under the provisions of any Act of Parliament in respect of the cancellation or suspension of the **registration certificate**
3. arising from any town or country planning, improvement, redevelopment or compulsory purchase order or the surrender, reduction or re-distribution of **registration certificates** in connection therewith
4. arising from any alteration in the law
5. if the **business** is wound up or carried on by a liquidator or receiver or permanently discontinued
6. if **your** interest ceases other than by **your** death.

Personal Accident Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

bodily injury

bodily injury caused by:

1. accidental violent external and visible means
2. unavoidable exposure to the elements
3. accidental drowning, gassing or poisoning

medical expenses

the cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a qualified medical or dental practitioner and all hospital, nursing home and ambulance charges necessarily incurred in the treatment of an **official** aged between 16 and 75 years in connection with death, **loss of limb, loss of sight, hearing or speech, permanent total disablement** or **temporary total disablement**

Cover

We will pay as compensation to **you** or **your** legal personal representative the relevant amount shown in the **schedule** if:

1. an **official** aged between 16 and 75 years sustains **bodily injury** in any **period of insurance** and such **bodily injury** directly and independently of any other cause results within twelve months from the date of the accident in death, **loss of limb, loss of sight, hearing or speech, permanent total disablement** or **temporary total disablement**
2. any **participant** sustains **bodily injury** while attending the **business** in any **period of insurance** and such **bodily injury** directly and independently of any other cause results within twelve months from the date of the accident in death, **loss of limb, loss of sight, hearing or speech** or **permanent total disablement**.

Extensions

The following Extensions apply to this Section.

1. Medical Expenses Cover

We will pay **medical expenses** necessarily incurred and arising from treatment following **bodily injury** to an **official**.

Our liability will not exceed the percentage shown in the **schedule** of the total amount paid as compensation for death, **loss of limb, loss of sight, hearing or speech, permanent total disablement** and **temporary total disablement**.

Conditions

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

1. Claims Evidence Condition

Any claimant will as often as required submit to a medical examination on **our** behalf at **our** expense and in the case of death **we** will be entitled to have a post mortem examination at **our** expense.

Personal Accident Section

Continued

2. Compensation Payment

- (a) Compensation will not be payable for more than one of the following: death, **loss of limb, loss of sight, hearing or speech, permanent total disablement**, in respect of any one **official** or any one **participant**.
 - (b) Compensation for **temporary total disablement** will be payable at 4 weekly intervals but not payable for more than 104 weeks from the date the disablement started.
 - (c) The total amount payable as compensation for **temporary total disablement** will be deducted from any subsequent compensation payment for death, **loss of limb, loss of sight, hearing or speech, permanent total disablement** that follows from the same cause.
3. We will not be liable for any amount in excess of the maximum accumulation limit of £1,000,000 in respect of any one accident. If the aggregate amount of all compensation and **medical expenses** payable exceeds the maximum accumulation limit, the compensation and **medical expenses** payable for each **official** and **participant** shall be proportionately reduced until the total of all compensation and **medical expenses** does not exceed the maximum accumulation limit.

Exclusions

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

This Section does not cover any claim arising out of or consequent upon or contributed to directly or indirectly as a result of:

1. death, **loss of limb, loss of sight, hearing or speech, permanent total disablement** or **temporary total disablement** caused by:
 - (a) insanity, intentional self-injury, suicide or attempted suicide
 - (b) participation in any criminal act or civil commotion by any **official** or **participant**
 - (c) by any such **official** or **participant** being under the influence of or being affected by intoxicating liquor or drugs except drugs taken in accordance with proper medical prescription and directions and not for the treatment of drug addiction
 - (d) any **official** or **participant** engaging in abseiling, activities necessitating the use of underwater breathing equipment, armed or unarmed combat sports, bungee jumping, climbing necessitating the use of ropes or guides, flying of any kind (other than as a passenger in a fully licensed passenger carrying aircraft), hunting, ice hockey, motor cycling other than by power assisted pedal cycle, parachuting, polo, pot holing or similar underground activities, professional sport, riding or driving in any kind of race, speed or duration test or practice therefor or winter sports
 - (e) pregnancy or childbirth
 - (f) deliberate exposure to exceptional danger (except in an attempt to save human life)
 - (g) any operational duties as a member of the Armed Forces
 - (h) any pre-existing physical or mental disability or infirmity, medical condition or chronic or recurring ailment
2. any medical, surgical or other remedial attention, treatment or appliances unless given or prescribed by a qualified medical or dental practitioner
3. any **medical expenses** which are recoverable from any other source, including another insurance policy.

Money Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

bodily injury bodily injury by violent and visible means

Cover

We will pay for physical loss of **money** as described below occurring within the **territorial limits**.

The most **we** will pay will not exceed the limits stated in the **schedule** in respect of any one occurrence:

1. loss of **non-negotiable money**
2. loss of **negotiable money**:
 - (a) in transit in the personal custody of any **official** or in a bank night safe
 - (b) on the **premises** during **business hours**
 - (c) on the **premises** out of **business hours** contained in locked safe(s)
 - (d) on the **premises** out of **business hours** contained in coin-operated vending, gaming or amusement machines or payphones
 - (e) on the **premises** out of **business hours** not contained in locked safe(s)
 - (f) in the home of any **official**
 - (g) in a charity box under **your** control.

Extensions

The following Extensions apply to this Section.

1. Additional Settings

We will pay for physical loss of **negotiable money** at any setting where **your business** activities take place within the **territorial limits** whilst attended by **officials**.

Our liability will not exceed the limit stated in the **schedule** in respect of any one occurrence.

2. Credit Cards

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

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

Our liability will not exceed the amount shown in the **schedule** in any one **period of insurance**.

Money Section

Continued

3. Officials' Personal Money

We will pay for the physical loss of **officials'** personal **money** occurring at the **premises** during **business hours**.

We will not be liable under this Extension for:

- (a) any loss due to the fraud or dishonesty of any **official**
- (b) any amount recoverable under any other policy of insurance.

Our liability will not exceed the amount shown in the **schedule** in respect of any **official**.

4. Personal Effects

We will pay for **damage** to **personal effects** of an **official** aged between 16 and 75 years arising in connection with the **business** as a direct result of robbery or hold up or any attempt thereof.

Our liability will not exceed the amount shown in the **schedule** in respect of any **official**.

5. Safes

We will pay for the cost of repair or replacement, following theft or attempted theft occurring within the **territorial limits**, of any:

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

Our liability will not exceed the amount shown in the **schedule** in any one **period of insurance**.

Conditions

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

1. Accompaniment Condition

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

- (a) it will be accompanied by not less than two responsible adult **officials**
- (b) no more than £2,500 will be carried by any one **official**
- (c) all journeys are to utilise varied routes and times.

2. Money on the Premises

It is a condition precedent to **our** liability that whenever **money** on the **premises** exceeds £500 it must be kept in a locked safe or locked desk or locked filing cabinet.

3. Records

It is a condition precedent to **our** liability that a true and complete account will be kept of all **money** in transit and on the **premises** and such record will be deposited in a secure place other than in any safe containing the **money**.

4. Safes

It is a condition precedent to **our** liability that:

- (a) during **business hours** any safe will be kept locked other than when **money** or other property is being placed in or removed from the safe and the keys kept in **your** personal custody or in the personal custody of any other authorised **official**
- (b) outside **business hours** any safe will be kept locked and its keys removed from the **premises**.

Money Section

Continued

Exclusions

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

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

1. clerical or accounting errors or shortages due to error or omission
2. any loss due to the fraud or dishonesty of any **official** unless the loss is discovered within seven working days of the date of its occurrence
3. loss caused by dishonoured cheques or by the use of counterfeit **money**
4. loss from any **unattended vehicle**
5. loss from any coin-operated vending, gaming or amusement machine or payphone other than as provided for under Cover **2.(d)**
6. losses not directly associated with the incident that caused **you** to claim
7. the **excess** stated in the **schedule**.

Special Extension - Personal Assault

Cover

We will pay **you** or **your** legal representative in the event of **bodily injury** to any **official** aged between 16 and 75 years consequent upon robbery or hold up or any attempt thereat in the course of the **business** and such **bodily injury** directly and independently of any other cause results within twelve months in:

1. Death
2. **Loss of limb**
3. **Loss of sight, hearing or speech**
4. **Permanent total disablement**

our liability will not exceed £25,000

5. **Temporary total disablement**

our liability will not exceed £250 per week.

Special Conditions

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

1. Compensation Payment

- (a) Compensation will not be payable for more than one of the following: death, **loss of limb, loss of sight, hearing or speech, permanent total disablement**, in respect of any one **official**.
- (b) Compensation will be payable for **temporary total disablement** at 4 weekly intervals but not payable for more than 104 weeks from the date the disablement started.
- (c) The total amount payable as compensation for **temporary total disablement** will be deducted from any subsequent compensation payment for death, **loss of limb, loss of sight, hearing or speech, permanent total disablement** that follows from the same cause.

2. Medical Evidence

An **official** will as often as required submit to a medical examination on **our** behalf at **our** expense and in the case of death **we** will be entitled to have a post mortem examination at **our** expense.

Money Section

Continued

Special Exclusion

The following Special Exclusions applies to this Special Extension in addition to the General Exclusions at the front of this policy.

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

1. death, **loss of limb, loss of sight, hearing or speech, permanent total disablement** or **temporary total disablement** caused by an **official** being under the influence of or being affected by intoxicating liquor or drugs (other than for drugs taken in accordance with proper medical prescription and directions and not for the treatment of drug addiction)
2. illness or disease not resulting from **bodily injury** or suffering from **bodily injury** due to any gradually operating cause
3. death or disablement arising from or attributable to intentional self-injury, provoked assault or wilful exposure to needless peril (except in an attempt to save human life).

Employee Dishonesty Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

acting in collusion	all circumstances where 2 or more employees are concerned or implicated together or materially assist each other in committing theft
any one claim	all acts of theft throughout the continuation of this insurance (or any insurance issued in substitution thereof or for which this insurance is substituted) committed by one individual employee or by 2 or more employees acting in collusion
responsible employee	an employee who: <ol style="list-style-type: none">1. has been employed by you continuously for a period of 60 days and2. has written references for at least 2 years prior to their employment with you and3. has no previous convictions relating to fraudulent activity
supervised	overseen, directed or managed by you or a responsible employee
theft	any act of fraud or dishonesty by any employee committed with the clear intent of obtaining an improper financial gain for themselves or for any other person or organisation intended by the employee to receive such gain (other than salaries, fees, commission or other employee benefit earned in the normal course of employment)
unsupervised	not supervised

Cover

We will pay **you** for direct loss of **money** or property belonging to **you** or for which **you** are responsible caused by **theft** which is:

1. committed within the **territorial limits** by any **employee** during the **period of insurance** and during the uninterrupted service of such **employee** with **you** and
2. discovered:
 - (a) during the **period of insurance** by this Section, or within 12 months of its expiry, or
 - (b) within 12 months of the cessation for any reason of the employment with **you** of such **employee** whichever occurs first.

Extensions

The following Extensions apply to this Section.

1. Auditors Fees

We will pay **you** for auditors fees incurred with **our** written consent solely to substantiate a claim under this Section.

Employee Dishonesty Section

Continued

2. Reinstatement of Electronic Data Cover

We will pay for the reasonable cost of rewriting or amending any computer software programs or security codes, so as to prevent recurrence of **theft** arising from use of computer hardware.

Provided that:

- (a) payment has been made or liability admitted under this Section for such **theft**
- (b) **we** will not be liable for costs otherwise incurred under the General Condition 10. Reasonable Precautions.

Maximum Amount Payable

The most **we** will pay in respect of:

- 1. **any one claim**
and
- 2. any one **period of insurance**
is the Limit of Liability stated in the **schedule**.

Basis of Claims Settlement

The amount payable shall be the value of the **money** or property at the time of the loss or, at **our** option, the replacement or reinstatement of the property.

Conditions

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

1. Cessation of Cover

Upon discovery of **theft** by an **employee** all indemnity under this Section in relation to further **theft** by such **employee** will cease with immediate effect.

2. Claims (actions by you)

On the discovery of any act which may give rise to a claim **you** must:

- (a) notify **us** immediately or at the latest within 14 days
- (b) notify the police authority immediately and assist in taking all practical steps to identify the **employee** responsible and to trace and recover the **money** or property
- (c) carry out and permit to be taken any action which may be reasonably practicable to prevent further loss
- (d) deliver to **us** at **your** own expense within 30 days after such act or such further time as **we** may allow:
 - (i) full information in writing of the **money** or property lost and the amount of the loss
 - (ii) details of any other insurances on any **money** or property hereby insured
 - (iii) all such proofs and information relating to the claim as may be reasonably required
 - (iv) if demanded a statutory declaration of the truth of the claim and of any matters connected with it.

No claim under this Section shall be payable unless the terms of this Condition have been complied with.

Employee Dishonesty Section

Continued

3. Controls

It is a condition precedent to **our** liability under this Section that the following minimum levels of control are used by **you**, unless otherwise agreed by **us**:

(a) Audit:

- (i) **your** accounts must be independently audited every twelve months by external auditors and any recommendations on internal controls implemented.

(b) Banking:

- (i) **you** must operate a system of dual control and independent validation for all payments from bank accounts, including the drawing and signing of cheques and the use of electronic funds transfers
- (ii) **you** must operate a system of dual control over the opening of new bank accounts or amending approved signatory details
- (iii) bank statements must be reconciled at least monthly independently of **employees** permitted to receive or make payments, draw or sign cheques, or transfer funds electronically.

(c) Computer Systems:

- (i) all access to **your computer systems** accounts software must be secure, using an individual login and password for each authorised **employee** which is changed monthly and controlled by **you**, the network administrator or a **responsible employee**
- (ii) a written procedure for computer security must be in place and have been explained to all **employees** using **your computer systems**
- (iii) only:
 - **responsible employees**, or
 - **employees** who have been **supervised** continuously for the preceding 60 daysare given access to **your computer systems** accounts software
- (iv) all computer media discs, tapes, removable storage etc with information of wages, accounts or stock control must be securely stored in locked cabinets when not in use by authorised **employees**
- (v) all amendments to **computer system** programs and authorisation levels must be approved independently of the persons making the amendment
- (vi) all passwords must be withdrawn when **employees** leave.

(d) Contracts Control:

- (i) **you** must ensure that no single **employee** can control the process of appointing suppliers and / or awarding contracts from commencement to completion, without referral to others
- (ii) responsibility for the ordering of stock and materials, the recording of receipt and the authorising of payment for them, must be performed by different **employees** acting independently.

(e) Emergency Cover Provisions, Work Experience and Volunteers:

- (i) **emergency cover employees** must be supplied from a reputable specialist recruitment agency and hold references for at least 2 years prior to the date of employment by **you**
- (ii) **emergency cover employees** must not be given access to **your computer systems** accounts unless permanently **supervised**
- (iii) any **emergency cover employees**, when **unsupervised** must not handle **money** or process electronic funds transfers exceeding the value of £1500
- (iv) **emergency cover employees' money** handling activity is to be checked by **you** or a **responsible employee** within one day of the **money** being handled
- (v) any work experience or voluntary worker must only handle **money** when authorised by **you** or a **responsible employee** and must not handle **money** exceeding the value of £500 cash or £750 for credit or debit card or personal cheque transactions.

(f) Employees:

- (i) any **employee** who has **unsupervised** responsibility for handling of **money** or processing electronic funds transfers on **your** behalf must:
 - be a **responsible employee**, or
 - have been **supervised** continuously for the preceding 60 days.

Employee Dishonesty Section

Continued

(g) Money:

- (i) for cash receipts **employees** are required to pay in daily all cash and cheques received in the course of the business. **Money** received must be paid over to the employer or banked
- (ii) cash and petty cash must be checked independently of **employees** responsible for receiving or holding the cash, at least monthly and additionally without warning every 6 months
- (iii) bank statements, stamped bank paying slips, receipts, counterfoils and vouchers must be checked at least monthly against cash book entries and the balance tested with cash and unrepresented cheques. This must be done independently of the **employee**:
 - making the cash book entries
 - signing cheques
 - paying into the bank
- (iv) • all cheques or other bank instruments drawn must be manually signed by **you** or a **responsible employee** after the amount has been inserted and if the amount drawn is more than £10,000 then two signatures must be used to authorise the transaction
 - **you** must have advised **your** bankers of the above requirements regarding signatures for amounts over £10,000
- (v) no cheque or instrument must be signed until one signatory has validated the requisition, examined the supporting documentation and ensured the payee is a genuine client or creditor
- (vi) wages and salary sheets must be checked independently of the **employee** responsible for their preparation to ensure that the amounts are correct and that no fictitious names have been included.

(h) Termination of Service

Immediately upon the termination of service of any **employee**, **you** must take all reasonable precautions to prevent **theft** arising, including but not limited to:

- (i) the changing of all alarm and other security codes or passwords the **employee** had or may have had knowledge of
- (ii) the deletion or invalidation of any access codes or passwords the **employee** has to access computer or other systems.

(i) Training

All **employees** must be instructed as to their duties and responsibilities in respect of the minimum levels of control and compliance enforced.

4. Money Held

Any **money** of the **employee** held by **you** or any **money** which but for the **theft** would have been due to the **employee** from **you** will be deducted from the amount of any claim payable under this Section as a result of that **theft**.

5. Recovery

You will give all such information and assistance as **we** may require to enable **us** to seek recovery from any **employee** whose **theft** has given rise to a claim under this Section. Any such recovery will be shared by **us** and **you** in such proportion as the amount paid by **us** and the amount of the loss borne by **you** will bear to the total amount of the loss caused by such **theft**.

6. Reinstatement

Notwithstanding the General Condition 12. Reinstatement of Sum Insured of this policy any sum or sums payable by **us** under this Section in any one **period of insurance** will reduce the Limit of Liability so that the total of any or all of such sums will not exceed such Limit of Liability. In the event of such Limit of Liability being reduced by reason of this Condition such Limit of Liability may be reinstated upon payment by **you** of an appropriate additional premium provided that the amount by which such Limit of Liability is reinstated will be available solely in respect of **theft** committed after such reinstatement.

Employee Dishonesty Section

Continued

Exclusions

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

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

1. any loss dependent solely upon an inventory compilation or a profit and loss compilation and unexplained shortages
2. loss arising from malicious damage including computer viruses, worms, trojan horses and the like
3. loss of interest, loss of profits or any indirect loss resulting from **theft**
4. any amount for which an indemnity is granted by the Money Section of this policy
5. losses not directly associated with the incident that caused **you** to claim
6. loss where **you** continue to entrust the defaulting **employee** with access to **money** or property, after becoming aware of any material fact that questions the honesty of the **employee**
7. loss arising from any act or acts of **theft** committed by an **employee** who **you** have continued to employ after discovering a prior act of **theft** committed by the same **employee**
8. losses committed by any **employee** who **you** are unable to identify by name
9. the **excess** stated in the **schedule**.

Terrorism Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

act of terrorism	acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's government in the United Kingdom or any other government de jure or de facto
consequential loss	loss resulting from interruption of or interference with the business carried on by you at the premises in consequence of damage to property used by you at the premises for the purpose of the business
damage	loss or destruction of or damage
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 or performance of networks, network services, network connectivity or computer systems . Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other computer systems
general cover	any insurance provided by this policy (other than the Terrorism Section) in respect of property and/or business interruption in the territorial limits
hacking	unauthorised access to any computer system , whether your property or not
nuclear installation	any installation of such class and description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument, being an installation designed or adapted for: <ol style="list-style-type: none">1. the production or use of atomic energy, or2. the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations, or3. the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter, being matter which has been produced or irradiated in the course of the production or use of nuclear fuel
nuclear reactor	any plant (including any machinery, equipment or appliance, whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons

Terrorism Section

Continued

phishing

any access or attempted access to **data** made by means of misrepresentation or deception

territorial limits

England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 . This shall include the Channel Tunnel up to the frontier with the Republic of France, as set out by the Treaty of Canterbury

Terrorism – Property Damage

This Sub-Section applies to the **property insured** as described, defined and specified as insured in the **general cover** provided by this policy, save only that any insurance in respect of loss of rent or cost of alternative accommodation will be deemed to be insured by the Terrorism – Business Interruption Sub-Section of this Section.

Terrorism – Business Interruption

This Sub-Section applies to loss of **gross revenue**, income or rent, cost of alternative accommodation or increase in cost of working, **outstanding debit balances** or other such items of loss resulting from interruption or interference as described, defined and specified as insured in the **general cover** provided by this policy.

Provided that at the time of the happening of the **damage** that causes the interruption or interference there will be in force an insurance provided by **us** covering **your** interest in the property that suffers such **damage** and that payment will have been made or liability admitted therefor under such insurance or that payment would have been made or liability would have been admitted therefor but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.

Cover

We will indemnify **you** in respect of **damage** to **property insured** within the **territorial limits** or **consequential loss** arising from an **act of terrorism**.

Cover is applicable to the **general cover** in respect of which there is an operative Sub-Section in the **schedule**.

Conditions

The following Conditions apply to this Section.

1. This Section is concurrent and conjunctive with and dependent upon the **general cover** provided by this policy.
2. This Section is not subject to any of the Exclusions specified elsewhere in this policy other than those stated within this Section.
3. This Section is subject to all the other terms, sums insured, limits of liability, definitions, provisions, bases of claims settlement and conditions which apply to the **general cover** provided by this policy (including but without limitation any **excess** to be borne by **you**) except as expressly varied hereby.
4. In any action, suit or other proceedings where **we** allege that any **damage** or **consequential loss** is not covered by this Section the burden of proving that such **damage** or **consequential loss** is covered shall be upon **you**.

Terrorism Section

Continued

5. This Section is not subject to any Inflation Protection or to any Long Term Agreement or Undertaking which may apply to the **general cover** provided by this policy.
6. This Section is to be lapsed or cancelled simultaneously with any lapse or cancellation of the **general cover** provided by this policy.

Exclusions

The following Exclusions apply to this Section.

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

1. **damage** or **consequential loss** directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:
 - (a) riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
2. **damage** or **consequential loss** caused by contributed to by or arising from or occasioned by or resulting from:
 - (a) **damage** to any **computer system** or
 - (b) any alteration, modification, distortion, erasure or corruption of **data**in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to, by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

This Exclusion shall not apply in respect of:

- (i) **damage** which itself results directly (or, solely as regards to (ii) c) below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, **damage** to or movement of buildings or structures, plant or machinery other than any **computer system**; and
- (ii) comprises:
 - (a) the cost of reinstatement, replacement or repair in respect of **damage** to **your** Property; or
 - (b) **consequential loss** as a direct result of **damage** to **your** Property or as a direct result of denial, prevention or hindrance of access to or use of the **premises** by reason of an **act of terrorism** causing **damage** to other Property within one mile of the **premises** to which access is affected or
 - (c) the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of **damage** to **your** Property and any additional costs or charges reasonably and necessarily paid by **you** to avoid or diminish such loss;and
- (iii) is not proximately caused by an **act of terrorism** in relation to which the relevant organization or any persons acting on behalf of or in connection with that organization are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.

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

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

Notwithstanding the exclusion of **data** we will pay **consequential loss**:

- (a) directly resulting from **damage** to Property to the extent that such **damage** within the meaning of Exclusion 2. (ii) directly results from any alteration, modification, distortion, erasure or corruption of **data**

Terrorism Section

Continued

(b) as a result of an occurrence of one or more of the events referred to in Exclusion 2. (i) results directly or indirectly from any alteration, modification, distortion, erasure or corruption of **data**. In no other circumstances will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of **data** be covered by this Section.

3. In respect of:

- (a) any **nuclear installation** or **nuclear reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes, wires, cables, drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **nuclear installation** or **nuclear reactor**
- (b) any property not being a block of flats which is insured in the name of a private individual and is occupied by that individual for residential purposes.
Other than:
 - (i) flats and houses insured by trustees and sole traders provided they do not occupy any part of the premises as their own private residence
 - (ii) properties which comprise mixed residential and commercial use provided the commercial element exceeds 20%
- (c) bankers blanket bond
- (d) any property which is insured by or would but for the existence of this policy be insured by any form of transit or aviation or marine policy other than the Goods in Transit Section where shown as insured in **your schedule**
- (e) any other type of property which is specifically excluded elsewhere in this policy.

Cyber Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

act of terrorism

an act or threat any person or group (whether acting alone or in connection with any organisation or government) commits for political, religious, ideological or similar purposes, including to influence any government or frighten the public

business

your business activities relating to the 'Business Description' shown in the **schedule**

business income

this means:

1. the amount of net income (profit or loss before taxes) which **you** would have earned after the **time excess** if the **cyber event** had not happened
2. normal operating expenses that continue, including ordinary payroll

computer equipment

computers and associated equipment, telecommunications equipment and software and programs used to process **data**, but not including:

1. **portable equipment**
2. **electronic office equipment**
3. equipment controlling manufacturing processes, or forming part of machinery; or
4. equipment held as stock or which **you** have manufactured and is intended for sale or repair in the course of **your business**

computer system

hardware, data, computer networks, websites, intranet and extranet sites

computer virus

any malware, program code or programming instruction designed to have a damaging effect on a **computer system**

condition precedent

an important legal term which sets out a step or action **you** must take. If **you** do not keep to or meet the requirements set out in a condition precedent **you** will not be able to bring a claim under this Section and **we** will not become legally responsible to pay that claim

cyber event

this means:

1. loss, corruption, accidental or malicious deletion of or change to, unauthorised access to, or theft of **data**
2. **damage** to websites, intranet or extranet sites
3. **damage** or disruption caused by **computer virus, hacking or denial of service attack**
4. failure of or variation in the supply of electricity or telecommunications networks owned and operated by **you**

affecting **your computer system**, the **computer system** of a **service provider** or customer of **yours**

Cyber Section

Continued

damage	total or partial loss, damage, destruction, breakdown or corruption
damages	<p>this means:</p> <ol style="list-style-type: none">1. financial compensation you have to pay, except for fines, penalties, liquidated damages (contractual penalties), punitive or exemplary damages (extra damages to punish you) or aggravated damages (more severe damages to reflect the seriousness of an offence); or2. third parties' costs and expenses you have to pay as a result of a claim being brought against you
data	facts, concepts, information, ideas, text, recordings and images which are converted to a form which can be processed by hardware , but not including software and programs
data privacy obligations	<p>legal obligations relating to securing, managing and preventing unauthorised access or use of data, and arising under:</p> <ol style="list-style-type: none">1. applicable data-protection regulations anywhere in the world associated with the confidentiality of, access to, control of and use of personal data which are in force at the time you discover you have failed to keep to your data privacy obligations2. guidance from the Information Commissioner's Office or similar organisations worldwide3. the Payment Card Industry Data Security Standard or other contractual obligations relating to handling credit-card and debit-card information4. privacy statements and confidentiality agreements
defence costs	costs and expenses we agree to in writing for investigating, settling or defending a claim against you
denial of service attack	malicious and unauthorised attack which overloads any computer system
directors and officers	directors, officers, principals, partners or members while they are employed by you and under your control in connection with the business
electronic office equipment	photocopiers, fax machines, shredders, addressing machines, franking machines, televisions and associated equipment, DVD and CD recorders and players, video and audio conferencing and projection equipment and associated software and programs

Cyber Section

Continued

employee

this means any:

1. person employed, borrowed or hired by **you**, including apprentices
2. labour master or labour-only subcontractor (or a person supplied by any of them)
3. self-employed person
4. person taking part in any government or otherwise authorised work experience, training, study, exchange or similar scheme
5. person doing voluntary work for **you**; or
6. person supplied to **you** under a contract or agreement which states that they are in **your** employment

when they are working for **you** in connection with **your business**, but not including **your directors and officers**

excess

the 'excess' shown on the **schedule**, which is the amount of **your** claim that **we** will not pay

hacking

unauthorised or malicious access to any **computer system** by electronic means

hardware

computer equipment, portable equipment and **electronic office equipment** and software

indemnity period

the period during which **you** suffer a loss of **business income** or have to pay extra costs, starting on the date of the **cyber event** and ending no later than the last day of the indemnity period, but not exceeding a maximum period of 12 months

personal data

information which could identify a person or allow identity theft or other fraud to take place

portable equipment

laptops, palmtops, notebooks and tablet computers, removable satellite-navigation systems, digital cameras and smartphones and associated software and programs

service provider

a business that **you** hire under a written contract to perform services on **your** behalf in connection with **your business**

sum insured

the amount shown in the **schedule** as the Sum Insured

time excess

the first 12 hours which must have elapsed before the recovery of any loss of **business income**

Cyber Section

Continued

Cover

For the purposes of Cover 1. Cyber Liability, references to '**you**' also mean any of **your employees** or **directors and officers**.

1. Cyber Liability

We will pay **damages** and **defence costs** arising from a claim first made against **you** during the **period of insurance** and in the course of **your business** as the result of:

- (a) **you** or **your service provider** failing to secure, or prevent unauthorised access to, publication of or use of **data** (including any interference with any right to privacy or publicity, breach of confidence or **your data privacy obligations**)
- (b) **you** unintentionally transmitting, or failing to prevent or restrict the transmission of, a **computer virus, hacking** attack or **denial of service attack** from **your computer system** to a third party or
- (c) loss of reputation (including that of a product) or intellectual property rights being infringed (broken, limited or undermined) as a result of:
 - (i) the content of any emails distributed by **your computer system**
 - (ii) the content of **your** website
 - (iii) online promotional marketing material; or
 - (iv) other **data** processed or distributed by **your computer system**.

2. Data-Breach Expense

If during the **period of insurance** **you** discover that **you** have failed to keep to **your data privacy obligations** in the course of **your business**, **we** will pay the following:

- (a) the cost of hiring professional legal and forensic information-technology services to investigate and tell **you** how **you** should respond
- (b) the cost of informing affected parties, the data privacy regulator and other relevant third parties or organisations worldwide
- (c) the cost of providing the following support services to affected parties as the result of **you** failing to keep to **your data privacy obligations**:
 - (i) credit file monitoring, identity theft assistance and helping the affected parties to correct their credit records and take back control of their personal identity
 - (ii) providing a helpline to respond to enquiries after informing affected parties.These services will only be provided for 12 months, and only if:
 - (i) the **data privacy obligations** **you** have failed to keep to relate to **personal data**; or
 - (ii) **you** must provide the relevant service under **your data privacy obligations**
- (d) public-relations and crisis-management expenses, if **we** have given **our** written permission, for communicating with the media, **your** customers and the public to minimise damage to brands and business operations, and any damage to **your** reputation.

3. Computer System Damage, Data, Extra Cost and Business Income (only if shown as insured on schedule)

We will pay for the following arising as a result of a **cyber event** **you** discover during the **period of insurance**:

- (a) the cost of investigating, reconfiguring and rectifying any **damage** to **your computer system** or the **computer system** of a **service provider**, and restoring and recreating **data**; and
- (b) extra costs to prevent or reduce the disruption to the functions carried out by **your computer system** during the **indemnity period**; and
- (c) **your** loss of **business income** during the **indemnity period**.

Cyber Section

Continued

The amount of loss of **business income we** pay will be based on **your business income** during the 12 months before the **cyber event**, as recorded in **your** accounts. **We** will make adjustments to reflect trends and circumstances which may affect the **business income**, or which would have affected the **business income** whether or not the **cyber event** had happened.

This does not include the value of **data to you**, even if the **data** cannot be restored or recreated.

4. Cyber Crime (only if shown as insured on schedule)

We will pay for the following which arise during the **period of insurance**:

(a) **your** financial loss:

(i) following hacking that results in fraudulent input, destruction or modification of **data in your computer system**, or the **computer system** of **your service provider** leading to:

- money being taken from any account;
- goods, services, property or financial benefit being transferred; or
- any credit arrangement being made;

but excluding **hacking** by **directors and officers** or **employees**;

(ii) resulting from **you** transferring funds from **your** account to that of a third party as a direct result of a fraudulent electronic communication;

as long as **you** have not received any benefit in return, and **you** cannot recover the loss from a financial institution or other third party.

We will also pay the cost of proving that the transaction was fraudulent and that contract or agreement was entered into fraudulently

(b) **your** liability to make any payment to **your** telephone service provider as the result of **hacking into your computer system**

(c) the cost of employing specialist support to verify that a threat is genuine and to help **you** respond, and with **our** written agreement the payment of a ransom demand, if anyone threatens to:

(i) cause **damage** to or disrupt **your computer system** by introducing a **computer virus**, or to initiate a **hacking** attack or **denial of service attack** against **you**

(ii) release, publish, corrupt, delete or alter **data** from **your computer system** if this would cause **you** commercial or financial harm or damage **your** reputation

(iii) fraudulently or maliciously use **your computer system** to cause a loss to **you** or a third party as long as **you** can demonstrate that **you** have good reason to believe that the threat is not a hoax, and **you** have reported it to the police.

Extensions

The following Extensions apply to this Section.

1. Accountants' Fees

We will pay the cost of **you** providing the information **we** need to work out the amount **we** should pay as a result of:

(a) extra staffing costs; and

(b) extra fees charged by **your** usual auditors or accountants.

2. Avoiding Corruption

If **we** have agreed in writing:

(a) **we** will pay the cost of locating and removing a **computer virus** from **your computer system** which has not necessarily caused any **damage** or disruption; and

(b) where a **computer virus** or **hacking** attack has affected **your computer system** during the **period of insurance**, **we** will pay the cost of hiring professional consultants to make recommendations on how to prevent **your computer system** from being infected by **computer virus** or to prevent **hacking**.

Cyber Section

Continued

3. Fines and Penalties

Following a claim against **you**, **we** will pay fines, penalties, liquidated damages (agreed damages or penalties **you** have to pay under a contract) and **defence costs** which **you** become legally obliged to pay as the result of **you** not keeping to **your data privacy obligations**, except for fines and penalties which **you** cannot insure against by law.

4. Investigation Cost

If **we** accept a claim for **damage** or other loss, and **we** agree in writing, **we** will pay the cost of investigating possible repair, replacement or restoration.

5. Loss Prevention Measures

We will pay the cost of preventing or minimising actual or expected **damage** or other loss covered by this Section, as long as:

- (a) **damage** or other loss would be expected if the measures were not taken
- (b) **we** are satisfied that the **damage** or other loss has been prevented or minimised by these measures; and
- (c) the cost is limited to the cost of **damage** or other loss which would have been caused.

The full terms and conditions of this Section apply as if **damage** or other loss covered by this Section had arisen.

6. Security Audit

If the failure to keep to **data privacy obligations** covered by this Section resulted from security weaknesses in **your computer system**, **we** will pay the cost of a professional consultant carrying out an audit of **your computer system** to assess the security weaknesses and advise **you** on how to make improvements.

7. Temporary and Fast-Tracked Repair

If **we** accept a claim for **damage** or other loss, **we** will pay the cost of making temporary repairs and fast-tracking a permanent repair, replacement or restoration.

Maximum Amount Payable

The most **we** will pay for all claims **we** accept under this Section in total for the **period of insurance** is the amount stated in the **schedule** as the **sum insured** plus the Maximum Amount Payable for Extensions, regardless of the number of claims or claimants.

Basis of Claims Settlement Clauses

1. Maximum Amount Payable for Extensions

The maximum amount that **we** will pay for each Extension mentioned above will not exceed the amount stated in the **schedule** for all claims in any one **period of insurance**.

2. Defence Costs

Any **defence costs** **we** pay will be within, not on top of, the **sum insured**.

3. Paying Out the Sum Insured

For any and all claims arising for the **period of insurance** **we** may pay the full **sum insured** that applies.

When **we** have paid the full **sum insured**, **we** will not pay any further amounts for any claims or for associated **defence costs** arising after **we** pay the full **sum insured**.

Cyber Section

Continued

Conditions

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

You must keep to the following Conditions whenever **you** need to make a claim under this Section. If **you** do not meet these Conditions, and this reduces **our** legal or financial rights under this Section, **we** may refuse to pay part or all of **your** claim.

1. Claims co-operation

It is a **condition precedent** of this Section that as soon as **you** know about any incident or circumstance that may give rise to a claim **you** must also:

- (a) take all reasonable steps and precautions to prevent further **damage**, loss of **business income** or other loss covered by **your** policy;
- (b) immediately tell the police about any loss or **damage** relating to crime and get a crime reference number;
- (c) keep any **damaged hardware**, other property covered by **your** policy and other evidence and allow **us** to inspect it; and
- (d) give **us** details of any other insurances **you** may have which may cover **damage**, loss of **business income**, **damages**, **defence costs** or other loss insured by this Section.

In the case of **you** knowing about an incident or circumstance that has resulted in, or may result in:

- (a) a claim being made against **you**;
- (b) **you** receiving a demand for **damages**;
- (c) **you** receiving a notice of regulatory action; or
- (d) **you** receiving a notice of any other process seeking **damages**;

you must:

- (i) immediately send **us** every letter, writ, summons or other document **you** receive in connection with the claim or circumstance, and record all information relating to a claim against **you** that is covered under Cover 1 – ‘Cyber Liability’
- (ii) co-operate with **us** fully and provide in a timely manner all the information and assistance **we** may require to investigate **your** claim or circumstance;
- (iii) tell **us** if **you** recover money from a third party (**you** may need to give the money to **us**); and
- (iv) not admit responsibility or liability, or agree to pay any money or provide any services on **our** behalf, without **our** written permission.

2. Controlling Defence

We can, but do not have to, take control of investigating, settling or defending any claim made against **you**. **We** would take this action in **your** name. If necessary, **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the claim. **We** may appoint **your** solicitor, but only on a fee basis similar to that of **our** own solicitor, and only for work done with **our** permission in writing. **We** will only defend claims if **we** think that there is a reasonable chance of being successful, and after taking the costs of the defence into account.

3. Data Backup

You must back up original **data** at least every 7 days.

If a **service provider** processes or stores **data** for **you**, **you** must make sure that the terms of the contract between **you** and the **service provider** allow **data** to be backed up in line with this Condition.

You must take precautions to make sure that all **data** is stored safely.

If **you** have failed to keep to this Condition, **we** may still pay a claim if **you** can show that formal procedures are in place to keep to this Condition and that the failure was an accidental oversight or as a result of circumstances beyond **your** control.

Cyber Section

Continued

4. Data Protection Authority

For Covers 1. Cyber Liability and 2. Data Breach **you** must have paid the relevant data protection fee to or registered with, the supervisory authority established for the purpose of monitoring the application of data protection regulations that applies to **your business** unless **you** are exempted from doing so by the relevant legislation.

5. Defence Software

Where available **your computer system** must be protected by a virus-protection software package which is:

- (a) licensed to **you**
- (b) paid for and not freely available; and
- (c) updated at least every 7 days.

Your computer system must also be protected by a firewall on all external gateways to the internet, and that firewall must be maintained.

6. More than one Insured

If more than one 'insured' is named in the **schedule**, the first named insured will receive all notices and agree any changes to this Section and will be treated as acting for all the named insureds. **We** will not remove any named insured without their permission.

For any claim, the total amount **we** will pay will not be more than the **sum insured** regardless of the number of people or organisations covered by this Section.

7. Other Insurances

If there is any other insurance covering **your** claim, **we** will only pay **our** share, even if the other insurer refuses to pay the claim.

8. Protecting Data

You must make sure that the appropriate procedures are in place for disposing of and destroying **hardware** and hard copy files in order to protect **data**.

9. Reasonable Care

You must:

- (a) make sure that **your hardware** is maintained, inspected and tested as recommended by the manufacturer
- (b) keep a record of all maintenance and **data** back-up procedures and maintenance carried out, and let **us** check those records
- (c) take all reasonable steps and precautions to prevent or reduce **damage** or other loss covered by this Section; and
- (d) not continue to use **hardware** after **damage**, unless **we** have given **our** written permission.

If **you** do not keep to this Condition **we** may:

- (i) refuse to pay part or all of **your** claim; and
- (ii) cancel this Section of the policy.

10. Reporting a Claim

It is a **condition precedent** of this Section that as soon as **you** know about any incident or circumstance that may give rise to a claim that **you** tell Morton Michel or **us**, providing full details, as soon after the incident or circumstance as possible.

11. Right to Survey

If **we** ask, **you** must give **us** access to **your premises** at an agreed date and time to carry out a risk survey.

We retain the right to cancel this Section of the policy in accordance with General Condition 4. Cancellation if **you** fail to comply with this Condition.

Cyber Section

Continued

12. Salvage and Recoveries

If **you** have made a claim and **you** later recover money from a third party, **you** must tell **us** immediately. If **we** have paid the claim, **you** may have to give the money to **us**.

If **we** have paid a claim and **we** then recover money from a third party, **we** will give **you** any proceeds above the amount **we** paid **you** in connection with the claim.

Any amount due from **you** or **us** must be paid as soon as reasonably possible.

13. Tax

Any claim **we** pay will not include VAT, unless **you** cannot recover part or all of the VAT **you** have paid.

Exclusions

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

We will not pay for any claim, cost or loss caused by or resulting from the following:

1. Associated Companies or other Insured Parties

Any claim brought against **you** by:

- (a) another person named as the 'insured' in the **schedule**
- (b) any of **your** parent or subsidiary companies or
- (c) any company which **you** are a director, officer, partner or employee of and have a financial interest in.

This Exclusion does not apply to **personal data** relating to **employees** or **directors and officers** as long as any benefit they receive is no more than any third party would receive.

2. Circumstances Before Your Cover Started

- (a) Circumstances which existed before any cover provided by this Section started, and which **you** knew about
- (b) Claims or circumstances which **you** have already reported, or which **you** should have reported, to a previous insurer before the **period of insurance**.

3. Confiscation

Your property being confiscated or **damaged** by, or under the order of, any government, public or police authority, other than:

- (a) to protect life or prevent **damage** to property or
- (b) as the result of a regulatory investigation after **you** have failed, or allegedly failed, to keep to **your data privacy obligations**.

4. Credit Card or Debit Card Fraud

For Cover '4. Cyber Crime' – any financial loss resulting from actual or alleged fraudulent use of credit card or debit card.

5. Deficiency or Improvements

The cost of correcting any failings in procedures, systems or security.

6. Deliberate Defamation or Disparagement

Defamatory or disparaging statements or publications made deliberately or recklessly if it could be anticipated by a reasonable person that the statements could result in a claim against **you**.

7. Employer Liability

You failing to keep to any obligation **you** have to **your employees** or **directors and officers**, unless this is specifically covered by this Section after **your data privacy obligations** have not been met.

Cyber Section

Continued

8. External Network Failure

For Cover '3. Computer System Damage, Data, Extra Cost and Business Income' any cost or loss caused by or resulting from the failure or interruption of any electrical power supply network or telecommunication network not owned and operated by **you**.

This Exclusion shall not apply to any cost or loss caused by or resulting from physical damage, if otherwise insured by **your** policy, to the electrical power supply network, telecommunication network or other property.

Telecommunication networks include the internet, internet service providers, Domain Name System service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.

9. Excess

The amount specified as the **excess** in the **schedule**.

10. Extortion or Ransom

Any extortion, blackmail or ransom payments or demands, other than in connection with cover provided by Cover '4. Cyber Crime'.

11. Financial Reporting

Any mistakes in financial statements or representations concerning **your business**.

12. Fines and Penalties

Any fines, penalties, punitive or exemplary **damages** (extra damages to punish **you**) other than those specifically covered by Extension 3. Fines and Penalties.

13. Fraudulent Credit Applications

For Cover '4. Cyber Crime' any financial loss resulting from a fraudulent application for credit or the provision of false details in applying for credit or opening an account with **you**.

14. Indirect Loss

Penalties **you** have to pay under a contract for any delay or in connection with guarantees of performance or efficiency.

15. Intentional Acts

Any intentional act, or failure to act, by **you** or **your directors and officers**, unless the act or failure to act is a measure to prevent or minimise injury, **damage** to **your hardware**, loss of **business income** or a claim for **damages**.

16. Legislation and Regulations

You actually or allegedly breaking any taxation, restraint of trade, competition or anti-trust law or regulation.

17. Normal Upkeep

The cost of normal **computer system** maintenance.

18. Nuclear Risks

- (a) Ionising radiation from, or contamination by, radioactivity from any nuclear fuel or nuclear waste, or from burning nuclear fuel
- (b) The radioactive, toxic, explosive or other dangerous properties of any nuclear installation, reactor or other nuclear equipment, or any nuclear part of them
- (c) Any weapon or device using atomic or nuclear fission, fusion or similar reaction, or radioactive force or material
- (d) The radioactive, toxic, explosive or other dangerous properties of any radioactive material.

Cyber Section

Continued

19. Patent

Infringement of any patent without the patent holders permission.

20. Product Liability or Professional Indemnity

Goods, products or software **you** have sold, supplied, manufactured, constructed, installed, maintained, repaired, altered or treated, or any inadequate or incorrect advice or services **you** have provided.

21. Sanction Limitation

We will not make any payment under the policy if doing so would expose **us** to any sanction, prohibition or restriction under any United Nations resolutions, or the trade or economic sanctions, laws or regulations of the European Union, **United Kingdom** or United States of America.

22. Time Excess

Loss of **business income** arising during the **time excess**.

23. Telecommunications Systems

Atmospheric or environmental conditions causing temporary interference with any satellite signal.

24. Terrorism

(a) Any **act of terrorism**, regardless of any other cause or event contributing to the **damage**, loss of **business income** or other loss

(b) Civil commotion in Northern Ireland

(c) Any action taken to control, prevent, suppress or in any way deal with any **act of terrorism**.

In respect of Covers '1. Cyber Liability', '2. Data-Breach Expense' and '4 Cyber Crime', **computer virus, hacking** or **denial of service attack** will not be regarded as an **act of terrorism**.

25. Trading Risk

Your commercial decision to stop trading, or the decision of a **service provider**, customer or supplier of **yours** to stop or reduce trade with **you** or restrict services.

26. War

War, invasion, hostilities (whether war is declared or not), civil war, rebellion, revolution or uprising.

This Exclusion does not apply to any **damage**, loss of **business income** or other loss resulting from, or caused by, weapons of war which were not discovered before the start of the **period of insurance**, as long as there is no war in the country **your hardware** is in during the **period of insurance**.

27. Wear and Tear

Losses due to:

(a) wear and tear, gradual deterioration or rust

(b) scratching or chipping of painted or polished surfaces

(c) erosion or corrosion or

(d) gradual reduction in performance.

However, **we** will pay for loss resulting from the causes above which **we** would otherwise have paid under this Section.

28. Your Insolvency or Bankruptcy

Your insolvency or bankruptcy.

Trustees' and Officers' Financial Liability Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Cover

We will pay for all amounts that any properly elected trustee or officer of the **business** becomes legally liable to pay or contribute towards, in respect of the shortfall between the assets and liabilities of the **business** in the event that the **business** will cease trading during the **period of insurance** through any cause outside the control of such trustee or officer.

Maximum Amount Payable

The most **we** will pay during any one **period of insurance** is the Limit of Indemnity shown in the **schedule** in respect of all claims by all trustees or officers of the **business**.

Conditions

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

1. Notice of Claim

In the event of a possible claim under this Section it is a condition precedent to **our** liability that **you** will give notice to **us** within thirty days of the cessation of trading by **you** and will submit a claim in writing with all such particulars and proofs as may be reasonably required.

Exclusions

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

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

1. cessation of trading or shortfall caused by, or contributed to by, the fraud, embezzlement, misappropriation or other criminal act of any of **your** trustees or officers
2. any shortfall resulting from dishonoured cheques, the use of counterfeit money, clerical or accounting errors or shortages due to error or omission
3. losses arising from the closure of the **business** within the first six months from inception of this Section
4. the **excess** stated in the **schedule**.

Loss of Licence Section

Cover under this Section is not provided unless it is shown as being an **operative section** in the current **schedule**

Definitions

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

indemnity period

the period during which **your business** is affected, beginning with the date the **licence** is forfeited, suspended or refused and ending no later than:

1. the date **your** interest ceases due to the disposal of the **premises** or the **business** or
 2. 12 months from the date of the cancellation of **your licence**
- whichever is the earlier

gross income

the money paid or payable to **you** in respect of food, drink or accommodation provided and services rendered, less the cost of food and drink

licence

the licence granted by the relevant licensing authority for the retail sale of intoxicating liquor at the **premises** or such other license as may be defined in the **schedule**

Cover

In the event of the **licence** being forfeited, suspended or withdrawn during the **period of insurance** we will pay **you** in respect of:

1. (a) any consequent reduction in **gross income**; and
(b) any reasonable additional expenses incurred to maintain the **gross income** during the **indemnity period** but not more than the loss avoided under **gross income** less any amount saved during the **indemnity period** in respect of reduced expenses due to the event
2. the amount of depreciation in the value of **your** interest in the **premises** or the **business** if **you** are unable to obtain the grant of a new **licence** for a period of 12 months following the forfeiture, suspension or withdrawal of the **licence** and **you** sell the **premises**.

Extensions

The following Extensions apply to this Section.

1. Costs and Expenses

We will pay costs and expenses with **our** written consent incurred in connection with any proceedings or appeal against any forfeiture, suspension or refusal of the **licence**.

Provided that any cause leading to such forfeiture, suspension or refusal was beyond **your** control.

Maximum Amount Payable

The most **we** will pay during any one **period of insurance** is the sum insured stated in the **schedule**.

Loss of Licence Section

Continued

Basis of Claims Settlement Clauses

1. Gross Income

In respect of a reduction in **gross income**, we will pay:

- (a) the amount that the **gross income** during the **indemnity period** falls short of the **gross income** during the equivalent period immediately before the forfeiture, suspension or withdrawal of the **licence**
- (b) any reasonable additional expenses incurred to maintain the **gross income** during the **indemnity period** but not more than the loss avoided under **gross income**

less any amount saved during the **indemnity period** in respect of reduced expenses due to the event.

2. Alternative Trading

If during the **indemnity period** work is done or services are provided elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf, the money paid or payable in respect of such work or services will be brought into account in arriving at the **gross income** during the **indemnity period**.

3. Departmental Trading

If the **business** is conducted in departments or across a number of **premises**, the separate trading results of which can be ascertained, then any claim settlement under this Section will be calculated for each department or **premises**.

4. Trends and Variations

In adjusting the amount paid, all variations or special circumstances affecting the **business** will be taken into account in order that the amount paid will represent as nearly as practicable the results which would have been expected if forfeiture, suspension or withdrawal of the **licence** had not occurred.

If the event occurs in the first trading year of the **business**, the payment under **gross income** will be based on the trading figures immediately before the forfeiture, suspension or withdrawal of the **licence**.

Conditions

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

1. Change in Circumstances

It is a condition precedent to **our** liability that **you** will immediately advise **us** in writing and supply such additional information and give such assistance as **we** may reasonably require on becoming aware of any:

- (a) complaint against the **business**
- (b) proceedings against or conviction of the **licence** holder, manager, tenant or occupier of the **premises**, for any breach of the licensing law or any other matter whatsoever where the character or reputation of the person concerned is affected or called into question with respect to their honesty, moral standing or sobriety
- (c) change in the tenancy or management of the **premises**
- (d) transfer or proposed transfer of the **licence**
- (e) alteration in the purpose for which the **premises** are used
- (f) objection to renewal or other circumstances which may endanger the **licence** or its renewal.

Loss of Licence Section

Continued

2. Forfeiture or Refused Renewal

In the event of the **licence** being forfeited or refused renewal, **you** will:

- (a) give notice to **us** within 24 hours of becoming aware of such event, stating the grounds upon which the **licence** was forfeited or renewal refused
- (b) give all such assistance as **we** may require, for the purpose of an appeal against such forfeiture or refusal to renew
- (c) apply if practicable and if required by **us** for the grant of a new **licence** for the same or alternative premises as may enable **you** to continue the **business** in a similar or alternative form.

3. Transfer of Licence

In the event of **your** death, bankruptcy or incapacity or desertion of the **premises** or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect to their honesty, moral standing or sobriety) of the **licence** holder, manager, tenant or occupier of the **premises**, **you** shall where practicable and at **our** request, procure a suitable person to replace them and one to whom the justices will transfer the **licence** or grant the **licence** by way of renewal.

Exclusions

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

We will not be liable for any loss under this Section:

1. if **you** are entitled to obtain compensation under the provision of any statute following refusal to renew the **licence**
2. following any alteration to the **premises** requiring consent of the appropriate authority which is made without that consent
3. if the **premises** are not maintained in good state of sanitary condition or repair
4. if **you** fail to comply with any direction or requirement of the licensing or other authority
5. if the forfeiture or refusal to renew the **licence** occurs wholly or partly through **your** misconduct, connivance, neglect or omission or by **your** failure to take any steps necessary for keeping the **licence** in force
6. for surrender or refusal to renew or forfeiture which arises under or results directly or indirectly from any scheme of town or country planning, improvement or redevelopment
7. arising from:
 - (a) surrender, reduction or redistribution of **licences**
 - (b) any alteration of the law affecting the grant, surrender, refusal to renew or forfeiture of **licences**.



Morton Michel

6th Floor, Knollys House
17 Addiscombe Road
Croydon
CR0 6SR

Tel: 0330 058 9861

www.mortonmichel.com

Arranged by **Morton Michel**

KH5781 02:21