



Small Business Insurance



This document contains the details of the AA Business Insurance Retail Policy. You should read it together with your Policy Schedule and Policy Summary, which contain information about the policy as it applies to you and your business.

Please read all this information carefully to make sure that the cover meets your needs.

Keep this information in a safe place - it contains important information about your policy should you want to make a claim or make changes to your insurance cover.

Useful contact numbers

When calling us, you'll be asked for your policy number, which you'll find on your Policy Schedule and Policy Summary.

Please be aware we may record calls for training and compliance purposes.

Policy helpline	<ul style="list-style-type: none">• Questions about your policy• Changes to your policy• Information about us and our products• New quotes• Complaints• Impartial claims advice	The intermediary who arranged your cover or AA Business Insurance Adlington Court Adlington Business Park Adlington Cheshire. SK10 4NL 0800 294 0905
Claims helpline	<ul style="list-style-type: none">• Making a claim	AA Business Insurance Claims Adlington Court Adlington Business Park Adlington Cheshire. SK10 4NL 0845 608 6042

Policy Contents

This Policy Wording consists of individual Sections.

The Policy Wording should be read together with the current Policy Schedule for precise details of the insurance protection You have purchased.

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Contract of Insurance – Operation of the Policy

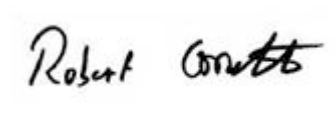
The insurance is underwritten by International Insurance Company of Hannover Limited in accordance with the authorisation granted under Contract

International Insurance Company of Hannover Limited, L'Avenir, Opladen Way, Bracknell, Berkshire is authorised and regulated by the Financial Services Authority. Their FSA Register number is 202640.

Your Policy comprises a legally binding contract of insurance between You and International Insurance Company of Hannover Limited and provides security against liability, loss or damage. The Policy is valid for the Period of Insurance shown on Your Policy Schedule provided AA Business Insurance have accepted Your application and You have paid the premium. Your cover is based on information that You have provided and if this information was inaccurate or incomplete Your Policy may not be valid.

On behalf of International Insurance Company of Hannover Limited

Signature

A handwritten signature in black ink, appearing to read 'Robert Connett', is enclosed within a thin black rectangular border.

IMPORTANT

This Policy is a legal contract. You must advise Us about any facts or changes which affect Your insurance and which have occurred either since the Policy started or since the last Period of Insurance.

If You are not sure whether certain facts are relevant please ask the team at AA Business Insurance as if You do not tell Us about relevant changes, Your Policy may be invalidated or may not provide You with full cover.

You should keep a written record (including copies of letters) of any information You give Us, when You renew this Policy.

You should ensure You observe the Special Conditions where shown as any future claim may be voided by failure to do so.

Policy Definitions

Each time one of the words or phrases listed below is used, it will have the same meaning wherever it appears, unless We state otherwise. A defined word or phrase will start with a capital letter each time it appears in the Policy, except for headings and titles. A particular word or phrase which is not defined will have its ordinary meaning.

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

Business

Activities directly connected with the Business described and specified in the Policy.

Employee

Any person who is

- (1) under a contract of service or apprenticeship with You
- (2) hired to or borrowed by You
- (3) a labour master or supplied by a labour master
- (4) employed by 'labour only' sub-contractors
- (5) self employed working on a labour only basis under Your control or supervision
- (6) engaged in connection with a work experience or training scheme
- (7) a voluntary helper and working under Your control or supervision

while working for You in connection with Your Business.

Endorsement

A wording that changes the terms of the Policy in some way.

Excess

The amount (or amounts) shown in the Policy which will be deducted from each and every claim.

Money

(1) Money means cash, bank notes, cheques, gift tokens, girocheques, bankers' drafts, money and postal orders, bills of exchange, national insurance stamps, national savings stamps and certificates holidays with pay stamps, postage stamps, lottery tickets, negotiable credit company sales vouchers, VAT purchase vouchers and luncheon vouchers.

(2) Non-Negotiable Money means crossed cheques, crossed girocheques, crossed bankers' drafts, crossed money orders, crossed postal orders, unused national insurance stamps, national savings certificates, non-negotiable credit company sales vouchers and VAT purchases.

(3) Money in Safe means Money (excluding Non-Negotiable Money) contained in a locked safe or strongroom in Your premises when closed for Business.

Period of Insurance

From the effective date until the expiry date shown in the Policy.

Property Insured

Property Insured as detailed in the Policy.

Policy

This Policy Wording, the Policy Schedule (providing details of the sums insured and Excess), Employers' Liability Certificate and any Endorsements attached or issued. The Policy is evidence of the legal contract.

Premises

The part of the premises at the address (or addresses) specified in the Policy which You occupy for the purpose of the Business.

Unless otherwise stated the Buildings at the Premises are

- 1) built of brick stone or concrete
- 2) roofed with slate tiles concrete asphalt metal or sheets or slabs composed entirely of incombustible mineral ingredients (with the exception of small outbuildings)
- 3) occupied in connection with the Business

Special Conditions

Conditions applying to all Sections of cover except where otherwise stated. You should note the obligations imposed on You by these conditions.

Company/We/Us/Our

International Insurance Company of Hannover Limited

Insured/You/Your

The person, persons, company, companies, partnership, partnerships or unincorporated association named in the Policy as the Insured.

Property Damage Section

Definitions

(also refer to the Policy Definitions at the front of the Policy)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

Damage

Accidental loss, destruction or damage.

Property Insured

Item 1) Buildings situated at the Premises (where You have opted to purchase this cover). Buildings includes landlords fixtures and fittings, walls, gates and fences, yards, car parks and pavements, , piping, ducting, cables, wires and associated control gear and accessories at the Premises and extending to the public mains but only to the extent of Your responsibility.

Item 2) Contents situated at the Premises. Contents includes trade contents for which You are responsible including Your landlords and Your fixtures and fittings (not specifically insured under Item 1), interior decorations and tenants improvements, computers and electronic equipment and furniture excluding property more specifically insured by Items 3 and 4.

Included within this definition are the following whilst at the Premises in the course of the Business

- (a) Employees' pedal cycles and other personal belongings, visitors' personal belongings but only if they are not otherwise insured. The maximum We will pay is £500 any one person's property.

We will not pay for within Contents

- (i) any property more specifically insured
- (ii) Money, merchandise, gold and silver articles, plate jewellery or precious stones, securities or bonds, furs or curios, rare books or works of art, goods held in trust or on commission
- (iii) the value of information contained in any plans, deeds, briefs, manuscripts, books, documents, office records, computer disks, tapes, transparencies or artwork or expenses in connection with producing information to be recorded

Item 3) Stock situated at the Premises for which You are responsible as a Business or own as a Business including trade samples and goods in trust and excluding property more specifically insured by Item 4. Stock includes

- (a) tobacco, cigarettes and cigars up to £500
- (b) wines and spirits up to £500 unless a higher limit for Item 3(a) and 3(b) is shown in the Policy

Item 4) All other Contents. All other Contents includes any Property Insured not included in Items 1, 2 and 3 above at the Premises for the purpose of the Business

The sums insured for Buildings, Contents, Stock and All other Contents are as stated in the Policy.

Property Damage Excess

The amount (or amounts) shown in the Policy which will be deducted from each and every claim at each separate Premises.

Average

If at the time of any Damage giving rise to a claim, the value of any Property Insured under this item exceeds the sum insured shown in the Policy, You will be responsible for the difference and bear a proportionate share of the loss accordingly.

Cover – Defined Perils

We will indemnify You in respect of Damage to the Property Insured at the Premises, subject to the Property Damage Excess in the Policy as ascertained after the application of Average, caused by the following Defined Perils

- (1) Fire (including subterranean fire), explosion, lightning or earthquake
- (2) Storm or flood excluding
 - (a) Damage caused by frost, subsidence, ground heave or landslip
 - (b) Damage attributable solely to a change in the water table level
 - (c) Damage to gates and fences and moveable property in the open. However, We will indemnify You in respect of Damage to gates and fences if at the same time there is Damage to Buildings
 - (d) Damage or loss of Stock or All other Contents in any basement unless the Items are placed on racks at least 15 cm above floor level
- | (3) Escape of water from any tank, apparatus or pipe (including Damage to any fixed tank, apparatus or pipe caused by freezing or forcible and violent bursting for which You are responsible) excluding
 - (a) Damage to Property Insured at any Premises which are empty or not in use
 - (b) Damage or loss of Stock or All other Contents in any basement unless the Items are placed on racks at least 15 cm above floor level
- (4) Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons excluding
 - (a) Damage arising from cessation of work
 - (b) as regards Damage (other than by fire or explosion) directly caused by malicious persons not acting on behalf of or in connection with any political organisation
 - (i) Damage by theft
 - (ii) Damage in respect of the Property Insured at any Premises which are empty or not in use
- (5) Impact by aircraft or other aerial devices or articles dropped from them, or by any vehicle, train, animal, falling branch, aerial or mast or satellite dish
- (6) Theft or any attempted theft (including Damage to the Premises for which You are responsible) involving entry to or exit from the Premises by forcible and violent means, unless as a result of or in connection with actual or threatened assault or violence or use of force at the Premises against You or any Employee or any other person lawfully on the Premises, excluding
 - (a) from any Building or part of any Building not capable of being locked
 - (b) from the open or from any yard, compound, garden or car park forming part of the Premises
 - (c) from any part of the Building not occupied by You
 - (d) Damage in respect of the Property Insured at any Premises which are empty or not in use
- (7) Leakage of oil from any fixed heating installation
- (8) Any other Damage at the Premises excluding
 - (a) Damage caused by or consisting of
 - (i) an existing or hidden defect in the property
 - (ii) gradual deterioration or wear and tear
 - (iii) frost or a change in the water table level
 - (iv) faulty design of the Property Insured or faulty materials used in its construction
 - (v) faulty workmanship, operating error or omission by You
 - (vi) the bursting of a boiler or other equipment where the internal pressure is due to steam only and belongs to You or is under Your control.

However, We will indemnify You in respect of any subsequent Damage which results from a cause not otherwise excluded.

- (b) Damage caused by or consisting of
 - (i) corrosion, rust or rot, shrinkage, evaporation or loss of weight, dampness or dryness, scratching, vermin or insects
 - (ii) a change in temperature, colour, flavour, texture or finish
 - (iii) nipple or joint leakage or failure of welds or the cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and any associated piping
 - (iv) mechanical or electrical breakdown of the Property Insured.

However, We will indemnify You in respect of Damage not otherwise excluded which itself results from a Defined Peril or any other accidental cause and any subsequent Damage which itself results from a cause not otherwise excluded

- (c) Damage caused by pollution or contamination

However, We will indemnify You in respect of Damage, not otherwise excluded, to the Property Insured, caused by

- (i) pollution or contamination which itself results from a Defined Peril
 - (ii) a Defined Peril which itself results from pollution or contamination
- (d) Damage caused by or consisting of
 - (i) subsidence, ground heave, landslip or the settlement or movement of made up ground unless resulting from fire, explosion, earthquake or escape of water from any tank, apparatus or pipe
 - (ii) normal settlement or bedding down of new structures unless resulting from fire, explosion, earthquake or escape of water from any tank, apparatus or pipe
 - (iii) a Building or structure's own collapse or cracking
- (e) Damage caused by or consisting of
 - (i) acts of fraud or dishonesty by You or any director or any of Your Employees
 - (ii) disappearance, unexplained inventory shortage, misfiling, misplacing of information or shortages due to clerical error or omission
- (f) Damage to the Property Insured resulting from its undergoing any process of production or packaging, treatment, testing or commissioning, servicing or repair. However, We will indemnify You in respect of this Damage if it is caused by fire or explosion.
- (g) Damage to
 - (i) property or structures in the course of construction or erection including materials or supplies for use in the construction
 - (ii) livestock or growing crops or trees unless specifically stated as insured in the Policy.
- (h) Damage specifically excluded in Defined Perils 1 – 7 above or elsewhere in the Policy.
- (i) Damage by confiscation or detention by Customs or other officials or authorities.

- (9) Subsidence, ground heave or landslip.

We will only indemnify You in respect of Damage to

- | | |
|--|---|
| | ____ (a) car parks, driveways, footpaths, terraces or patios
____ (b) walls, gates, hedges or fences |
|--|---|

Provided that such property is specifically insured by this Section and Damage also occurs to the Building to which such property applies and that Buildings are insured by this Section.

We will not indemnify You in respect of

- (1) Damage caused by
 - (a) collapse, cracking, shrinking or settlement of any Building
 - (b) coastal or river erosion
 - (c) defective design or inadequate construction of foundations
 - (d) demolition, structural alteration or repair
 - (e) normal settlement or movement of made up ground
- (2) Damage as a result of movement of solid floor slabs Notwithstanding this exclusion, We will indemnify You if there is Damage to the foundations of the Premises at the same time.
- (3) Damage which originated or existed prior to the inception of the Policy
- (4) the Subsidence Excess as shown in the Policy

Additional Coverage

(1) Deterioration of Stock

We will indemnify You for Damage due to deterioration or putrefaction to frozen or chilled stock in any freezer, deep freezer, cold store, cold room or chilled cabinet due to change in temperature beyond Your control

We will not indemnify You in respect of

- (a) Damage following the deliberate act of any public electricity authority in terminating disconnecting restricting or withholding the supply of electricity
- (b) Damage caused by neglect or misuse
- (c) any freezer, cold room or chilled cabinet over 10 years old unless We agree to do so by Endorsement
- (d) the Deterioration of Stock Excess as shown in the Policy

The maximum We will pay for any one loss is as shown in the Policy.

(2) Glass

We will indemnify You in respect of

- (a) breakage (including the cost of temporary boarding up) of glass, meaning fixed glass in windows doors and fanlights, glass showcases shelves tops and mirrors, at the Premises
- (b) repair of Damage to the shop front for which You are responsible (excluding glass and illuminated signs) caused by accidental external means or malicious act and the cost of Damage to Contents, Stock and All other Contents caused directly as a result of insured Damage to the shop front or breakage of glass
- (c)
 - (i) Damage to window and door frames
 - (ii) Damage to lettering or other ornamental work and alarm foil on glass
 - (iii) the cost of removing and reinstating obstructions to replacing glass
- (d) Damage to signs at the Premises
- (e) breakage of fixed sanitaryware at the Premises.

The maximum that We will pay in respect of items (c)(i) and (c)(iii) is £2,000 per item during the Period of Insurance and in respect of items (c)(ii) and (d) is £1,000 per item during the Period of Insurance.

We will not indemnify You in respect of

- (a) breakage of glass in light fittings, vehicles or vending machines
- (b) breakage to stock in trade or goods in trust
- (c) Damage caused by workmen carrying out alterations or repairs to the Premises

- (d) glass itself in transit to the Premises or whilst being installed
- (e) the Glass Excess shown in the Policy

(3) Goods in Transit

The cover applies from the time the goods are loaded onto any conveyance by You and/or Your Employees until the time they are placed in position by You and/or Your Employees at their final destination (excluding their installation) including loading and unloading.

We will indemnify You in respect of Damage to Property Insured (other than Money) or goods held in trust or for which You are responsible whilst in transit by vehicles owned, leased or hired to You including whilst temporarily housed in the course of transit whether on or off such conveyances within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

The maximum We will pay in respect of any loss or series of losses arising from one event and in total during the Period of Insurance is as shown in the Policy.

We will not indemnify You in respect of

- (a) the deterioration of goods conveyed in frozen or chilled condition due to faulty packing or incorrect setting or operation of the temperature controlling equipment unless due to fire, theft or attempted theft or accident to the conveying vehicle.
- (b) loss or damage due to natural deterioration
- (c) any consequential loss or Damage due to delay
- (d) loss of or Damage to Money, jewellery, precious stones or loss or death of or injury to living creatures
- (e) Damage caused by acts of fraud or dishonesty by You or any director or any of Your Employees
- (f) Damage for any conveyance that does not comply with the relevant Vehicle Security Requirements in the Policy
- (g) the Goods in Transit Excess as shown in the Policy

(4) Money and Assault

Definitions

The following definitions apply to this Additional Coverage and shall keep the same meaning wherever they appear in the Additional Coverage. Policy Definitions from the beginning of the Policy continue to apply.

Benefit

Compensation payment due following Injury to the Individual Insured.

The Benefits are defined as

- (i) Death
- (ii) Loss of one or more Limbs or Eyes
- (iii) Permanent Total Disablement, other than by Loss of Limb or Eyes, from gainful employment of any and every kind
- (iv) Temporary Total Disablement from the usual occupation
- (v) Temporary Partial Disablement from the usual occupation

Business Hours

The normal working hours of Your Business and any other period during which You or any Employee, entrusted with Money is on the Premises in connection with the Business.

Injury

Injury by violent and visible means caused by theft or attempted theft which, directly and independently of any other cause, results in death or disablement whilst the

Individual Insured is working for the Business and within two years is the sole cause of death or disablement for which the Benefit is claimed.

Injury does not include sickness or disease or any naturally occurring condition or degenerative process as a result of a gradually operating cause.

Individual(s) Insured

You, the directors, principals or Employees aged between 16 and 70.

Loss of Limb

Loss of limb shall mean

- (1) in the case of leg loss physical severance at or above the ankle or permanent total loss of use of a complete foot or leg
- (2) in the case of arm loss physical severance of the entire four fingers through or above the meta carpo phalangeal joints or permanent total loss of use of a complete arm or hand

Loss of Eyesight

Loss of Eyesight shall mean

- (1) in both eyes if the name of an Individual Insured is added to the register of Blind persons on the authority of a qualified ophthalmic specialist
- (2) in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Insured Person should see at 60 feet)

Cover - Money

We will indemnify You in respect of

- (1) loss of Money, which belongs to You or You are responsible for in connection with the Business, up to the Limit Any One Loss set against each item below unless otherwise stated in the Policy
- (2) loss or damage to any case, bag, or specialised clothing used for carrying Money following theft or attempted theft
- (3) loss or damage to clothing and personal effects belonging to You, principals or any Employee up to a limit of £500 per person following theft or attempted theft away from the Premises.

Item	Limit Any One Loss
Non Negotiable Money	£250,000
Money in transit, in a bank night safe or at the Premises during Business Hours	£3,000
Money contained in a locked safe outside Business Hours	£3,000
Money not in a safe outside Business Hours	£500
Money at Your home or any Employee's home	£500
Money in vending machines	£250

Exceptions

We will not indemnify You in respect of

- (1) shortages due to clerical or accounting errors
- (2) loss due to the dishonesty of You, the principals or any Employee
 - (a) not discovered within 7 working days of the loss
 - (b) where a more specific insurance is in force, except for any amount in excess of that insurance
- (3) loss of Money from unattended vehicles
loss or damage occurring outside Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- (5) loss of or damage (for which You are responsible) to lottery scratch cards, telephone payments cards, pay as you go vouchers, Oyster cards unless loss or Damage to these items has been notified to the National Lottery operator or card supplier within 24 hours of the loss or Damage and all such cards have been stored and sold in accordance with the suppliers conditions
- (6) loss or damage from automated teller machines
- (7) the Money Excess as shown in the Policy

Cover - Assault

We will pay You compensation for Injury to an Individual Insured which happens in the course of the Business as follows

Benefit	Compensation
(i) Death	£10,000
(ii) Loss of one or more Limbs or Eyes	£10,000
(iii) Permanent Total Disablement	£10,000
(iv) Temporary Total Disablement	£100 per week for a maximum of 104 weeks
(v) Temporary Partial Disablement	£50 per week for a maximum of 104 weeks

Special Condition - Assault

- (1) Benefit will not be paid for any one Individual Insured under more than one of the Benefits (i) – (iv) in connection with the same Injury
- (2) Once payment has been made to an Individual Insured under any of Benefits (i) – (iv) this Additional Coverage will cease to apply to that Individual Insured
- (3) Permanent Total Disablement will have lasted for 104 weeks and have been proved to Our satisfaction to be permanent and without expectation of recovery before Benefit (iii) becomes payable

- (4) The maximum We will pay under Benefits (iv) and (v), notwithstanding the compensation shown above, is the Individual Insured's pre-injury weekly earnings from the Business
- (5) No compensation will carry interest
- (6) No Benefit will be payable due solely to an inability to take part in sports or pastimes
- (7) We may require an Individual Insured to undergo medical examination or a post mortem to be carried out at Our expense prior to making payment.

Special Conditions – Money and Assault

The following Special Conditions apply to this Additional Coverage.

(1) Records and Key Security

It is a Special Condition to Our liability that

- (a) You shall keep a complete record of Money at the Premises and at the homes of Employees in a secure place other than in a safe or strongroom containing Money
- (b) outside Business Hours the safe or strongroom will be kept locked and the keys removed from the Premises unless the Premises are occupied by You or any authorised Employee, when the keys will be kept in a secure place away from any safe or strongroom.

(2) Money in Transit

It is a Special Condition to Our liability for Money in Transit that it be accompanied by the following number of persons

Amount Carried	Number of Persons
over £2,500 up to £5,000	at least 2 persons
over £5,000 up to £7,500	at least 3 persons
over £7,500 up to £10,000	at least 4 persons
over £10,000 company	by professional cash carrying company

Our liability will not exceed the limits stated in the Policy.

(5) Specified Items (where You have opted to purchase this cover)

Under this Additional Coverage We will indemnify You against Damage to Property Insured occurring anywhere within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and for up to 30 days whilst elsewhere in Europe.

We will not indemnify You for

- (a) any property more specifically insured
- (b) loss of or Damage to Money, jewellery, precious stones, documents, securities, motor vehicles, caravans, boats, cycles, household goods or sports equipment
- (c) the Specified Item Excess as shown in the Policy

The maximum We will pay for any one loss is as shown in the Policy.

Clauses

The following clauses apply to Property Insured Items 1, 2, 3 and 4 unless stated otherwise.

(1) Automatic Reinstatement of Sum Insured

The sums insured stated in the Policy will not be reduced by the amount of any claim provided that You shall

- (a) pay the appropriate extra premium on the amount of the loss, unless agreed to the contrary by Us
- (b) if the loss results from theft or attempted theft comply with any additional protective measures which We may require for the further security of the Property Insured

(2) Basis of Claim Settlement

- (a) If Property Insured (other than Stock or All other Contents) is destroyed We will pay for its rebuilding if a Building or in the case of other property its replacement by similar property in a condition equal to, but not better than or more extensive than, its condition when new. If such property is only partially destroyed, We will pay for replacement or repair of the damaged portion to a condition equal to, but not better or more extensive than, its condition when new. However, We will not pay more than We would have done if the property had been completely destroyed.
- (b) The property may be replaced on another site and in a manner suitable to Your requirements but this must not increase Our liability.
- (c) All work must begin and be carried out as quickly as possible.
- (d) If at the time of rebuilding or replacement, 85% of the cost which would have been required to replace the whole of the Property Insured under that item is greater than the sum insured at the time the Damage occurred You will be liable to pay a proportionate share of the loss.
- (e) We will not pay under this clause
 - (i) until the costs of replacing or repairing the property have been incurred
 - (ii) unless any other insurance covering Your interest in the property at the time of the Damage is upon the same basis as this policy
 - (iii) if You do not comply with any of the terms of this clause.
- (f) In respect of Deterioration of Stock, We will pay up to the limit in the Policy for Damage to stock deemed to be no longer of saleable quality.

(3) Capital Additions

The sum insured in respect of Property Insured (other than Stock) as shown in the Policy extends to include any newly acquired property or alterations, additions and improvements to Buildings and Contents but not in respect of any appreciation in value during the current Period of Insurance anywhere in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands provided that

- (a) at any one location the maximum increase in value is £25,000 or 10% of the Contents sum insured whichever is the greater
- (b) You will provide Us with the details of the new values and/or new location as soon as possible and in any event within 90 days or by the next renewal date, whichever is the earlier, and effect insurance thereon retrospective to the date of commencement of Our liability

(4) Changing Locks

We will pay for the cost of changing locks at the Premises if keys are lost from the Premises, Your home or the home of any authorised Employee following theft or

attempted theft or whilst in Your custody or the custody of an Employee following theft or attempted theft.

It is a condition of the Policy that keys must be

- (a) removed from the Premises overnight or whenever the Premises are unoccupied, and
- (b) kept in a secure place away from the safe when the Premises are occupied.

The maximum We will pay is £1,000 any one loss.

(5) Debris Removal

The sum insured for Property Insured as shown in the Policy extends to include costs and expenses necessarily incurred by You, with Our consent, for the removal of debris, dismantling or demolishing and propping or shoring up of the parts of the property which have suffered Damage insured under this Section.

We will not indemnify You in respect of costs and expenses

- (a) incurred in removing debris from anywhere other than the site of the Damage and the area immediately adjacent to it
- (b) arising from pollution or contamination of property not insured under this Section.

(6) European Union & Public Authorities

Following Damage as insured under this Section, We will pay any additional cost of reinstating the Property Insured incurred solely by the necessity to comply with any European Community Legislation, Act of Parliament or Bye-Laws of any Public Authority.

We will not indemnify You in respect of

- (1) costs incurred
 - (a) in respect of Damage not insured by this Section
 - (b) in respect of Damage occurring prior to the granting of this clause
 - (c) where notice was served before the Damage occurred
 - (d) where an existing requirement must be completed within a stipulated period
 - (e) in respect of property or parts of the property, other than foundations (unless foundations are specifically excluded) which have not sustained any Damage by a Defined Peril
- (2) any charge or assessment arising from capital appreciation following compliance with this legislation
- (3) any additional costs that are required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the Regulations, Bye Laws or Acts not arisen

The reinstatement of the property

- (a) must begin and be carried out as quickly as possible
- (b) may be carried out on another site and in a manner suitable to Your requirements but this must not increase Our liability.

If Our liability under this Section is reduced by the application of any terms or conditions of this Policy, Our liability under this Clause will be similarly reduced.

The maximum that We will pay under this Clause in respect of the lost, destroyed or damaged property is

- (a) 15% of the Item sum insured or
- (b) where the sum insured applies to property at more than one premises, 15% of the amount for which We would have been liable had the Property Insured at the Premises where Damage occurred been completely destroyed.

(7) Exhibitions

We will pay a maximum of £2,000 following Damage to Contents or Stock whilst at any exhibition within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

(8) Extinguishment Expenses

We will pay the costs of refilling any fire extinguishing appliances or the cylinders of any gas flooding systems and replacing used sprinkler heads reasonably incurred by You solely following Damage or arising from their accidental discharge.

The maximum We will pay is £1,000 any one loss.

(9) Index Linking

We will adjust the sums insured as declared by You in line with the indices shown in the Index Linking Policy Condition. The renewal premium for this Section will be based on the adjusted sums insured.

(10) Limit of Liability

The maximum We will pay under this Section will not exceed the sums insured in the Policy.

(11) Loss of Metered Water

We will pay for charges (based on the unit cost of metered water at the current rate per cubic metre) that You are responsible for, if water is accidentally discharged from a metered water system providing service to the Premises provided that the loss has been discovered and remedial action taken within 30 days of the Damage.

The maximum We will pay is £2,500 any one occurrence.

(12) Lottery Equipment

We will pay for Damage to lottery equipment, the property of the National Lottery operator, for which You are responsible provided that the lottery equipment has been included in the sums insured for Property Insured Item 2.

(13) Professional Fees

The sum insured for each Building Item includes an amount for professional fees necessarily incurred in reinstating or repairing the Property Insured, following Damage insured under this Section.

We will not indemnify You in respect of fees incurred in preparing a claim or more specifically insured in this Policy or elsewhere.

(14) Rent

We will indemnify You as tenant in respect of Your legal liability to pay rent or lease payments for a period not exceeding one year during which the Premises is untenable as a result of Damage by any of the Defined Perils (1- 7 and 9). The maximum We will pay in respect of any one loss is 20% of the sum insured at that Premises under the Property Insured.

(15) Seasonal Increase

The sums insured for Stock are increased by 50% during each Period of Insurance either

- | (a) during November, December and until 20th January, or
- | (b) during any other period during the year where the seasonal trend of Your Business requires such an increase in the sum insured, provided that such trend can be supported by previous trading records and that the period of the increase does not exceed 90 days in any Period of Insurance

(16) Temporary Removal

We will indemnify You in respect of Damage as insured under this Section to the Property Insured (other than Stock or All other Contents), while temporarily removed for cleaning, renovation, repair or similar purposes elsewhere and whilst in transit thereto and there from within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

The maximum We will pay in respect of any one item is £15,000 or 10% of the Contents sum insured whichever is the greater.

We will not indemnify You in respect of Damage caused by theft or attempted theft from any unattended vehicle where

- | —(a) all doors and windows have not been locked
- | —(b) the vehicles are not garaged in a locked building or locked and secured in a fully enclosed yard or compound when left overnight

(17) Theft Damage to Buildings

We will indemnify You in respect of Damage to Buildings at the Premises for which You are responsible caused by theft or attempted theft involving entry into or exit from the Premises by forcible and violent means. The maximum We will pay is the sum insured in respect of Buildings.

(18) Trace and Access

Following Damage resulting from escape of water from any tank apparatus or pipe as covered by this Section We will pay the costs necessarily and reasonably incurred in locating the Damage and repairing it.

We will not indemnify You in respect of any consequential loss and the maximum We will pay is £5,000 any one loss.

(19) Transfer of Interest

If at the time of Damage to a Building insured under this Section, You have entered into a contract to sell Your interest in it, but

- | —(a) the contract has not yet been completed and
- | —(b) the Building has not yet been insured by or on behalf of the purchaser and the purchase is subsequently completed

then We will indemnify the purchaser to the extent that this Section insures that Building.

(20) Underground Services

Where cover is included in respect of Buildings or You are liable as tenant, We will indemnify You in respect of accidental damage to underground pipes or cables which extend from the Buildings to the public mains.

We will not indemnify You in respect of

- | —(a) the cost of maintenance
- | —(b) Damage caused by gradual deterioration or wear and tear, corrosion, rust, rot or fungus, vermin or insects, atmospheric or climatic conditions and normal settlement or shrinkage
- | —(c) faulty workmanship, defective design or the use of defective materials.

Endorsements and Special Conditions

This Section is subject to any Endorsement and Special Conditions stated in the Policy as applying.

Business Interruption Section

Definitions

(Also refer to the Policy Definitions at the front of the Policy)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

(1) Gross Profit

Damage

Accidental loss, destruction or damage

Gross Profit

Money paid or payable to You for goods sold or for services rendered in the course of the Business at the Premises

Indemnity Period

The period beginning with the happening of the Damage and ending no later than the number of months shown in the Policy during which the Business results are affected as a result of the Damage

Maximum Indemnity Period

The number of months stated in the Policy

(2) Book Debts

Damage

Accidental loss, destruction or damage.

Premises

For the purposes of this Item the Premises extend to include any Premises in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands to which records have been temporarily removed and whilst in transit between them.

Outstanding Debit Balances

The sums outstanding in Your records of the individual amounts owed to You by customers.

Book Debts

The total recorded by You under the provisions of Special Condition 1 Evidence of Amount (within this Section) adjusted for

- (a) bad debts
- (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to customers accounts in the period between the date to which the last statement relates and the date of the Damage, and
- (c) any abnormal condition of trade which had or could have had a material effect on the Business

The figures adjusted will represent as near as possible, the figures which would have been obtained at the date of the Damage had the Damage not occurred.

(3) Loss of Licence

Gross Profit

The money paid or payable to You for goods sold or for services rendered in the course of the Business at the Premises.

Indemnity Period

The period beginning with the loss of Licence and ending no later than twelve months thereafter during which the Business results are affected as a consequence of the loss of Licence, provided that if the Premises is disposed of within the twelve months after the loss of Licence the Indemnity Period will terminate either

- (a) upon disposal, or
- (b) 12 months from the loss of Licence

whichever is the earlier

Licence

The Premises Licence required to sell or supply alcohol granted by the Licensing Authority under the provisions of the Licensing Act 2003 or the Licensing (Scotland) Act 2005.

Cover

(1) Gross Profit

We will indemnify You in respect of cover as specified in the Policy resulting from Damage to Property Insured owned or occupied by You at the Premises for the purpose of the Business to the extent of cover under the Property Damage Section and where liability is admitted under a policy of insurance covering Your interest in such Property Insured.

The amount payable as indemnity will be

- (1) the amount by which the Gross Profit falls short of the Gross Profit which would have been received during the Indemnity Period for the equivalent period immediately prior to the Damage

The shortfall in Gross Profit is calculated as being the amount representing the difference between the sales less relative purchases during the Indemnity Period as compared to the difference between the sales less relative purchases during the equivalent period immediately prior to the Damage

If the Damage occurs during the first trading year the payment will be based on the Gross Profit immediately prior to the loss

- (2) additional expenditure necessarily and reasonably incurred in maintaining sales to prevent or limit the reduction in Gross Profit during the Indemnity Period due to the Damage but not exceeding the shortfall amount avoided by this additional expenditure
- (3) auditors' or accountants' charges necessarily and reasonably incurred for producing and certifying details of a claim under this Section less any savings during the Indemnity Period in respect of such charges or expenses of the Business payable out of Gross Profit which reduce or cease due to the Damage.

In adjusting the amount paid, all variations or special circumstances affecting the Business will be taken into account in order that the amount paid represents as nearly as practicable the results which would have been expected if the Damage had not occurred.

If during the Indemnity Period goods are sold or services are rendered elsewhere than at the Premises for the purpose of the Business either by You or by others acting on Your behalf the money paid or payable in respect of such goods or services shall be brought into account in arriving at the shortfall of Gross Profit during the Indemnity Period.

The total amount payable in respect of any one claim shall not exceed the sum insured stated in the Policy at the time of the Damage.

(2) Book Debts

We will indemnify You in respect of loss sustained for Book Debts directly due to Damage to books of account, other business books or records at the Premises rendering it impossible for You to obtain from customers all the sums due from them and outstanding at the date of the Damage.

The amount payable as indemnity will not exceed

- (1) the difference between the Book Debts and the total of the amounts received or traced
- (2) the additional expenditure incurred with Our consent in tracing and establishing the Outstanding Debit Balances after the Damage

We will pay Your accountant's charges for producing information required for investigating and verifying any claim and confirming the details and information in accordance with Your business books or records. Their report will be accepted as prima facie evidence of details.

The maximum We will pay for any claim, including professional accountant's fees, is the limit stated in the Policy.

We will not indemnify You in respect of

- (a) loss due to records being mislaid or misfiled
- (b) loss arising from deliberate falsification of records
- (c) failure to collect debts which have been traced and established.

(3) Loss of Licence

We will indemnify You in respect of loss of Gross Profit due to the forfeiture, suspension or withdrawal of Your currently held Licence.

The amount payable as indemnity will be (subject to the provisions of Special Conditions (2), (3) and (4))

- (1) the amount by which the Gross Profit falls short of the Gross Profit which would have been received during the Indemnity Period for the equivalent period immediately prior to the forfeiture, suspension or withdrawal of Your Licence

If the loss of Licence occurs during the first trading year the payment will be based on the Gross Profit immediately prior to the loss of Licence.

- (2) additional expenditure necessarily and reasonably incurred in maintaining or limiting the reduction in Gross Profit during the Indemnity Period but not exceeding the shortfall amount avoided by this additional expenditure.
less any savings during the Indemnity Period in respect of such charges or expenses of the Business payable out of Gross Profit which reduce or cease due to the loss of Licence.

In adjusting the amount paid, all variations or special circumstances affecting the Business will be taken into account in order that the amount paid represents as nearly as practicable the results which would have been expected if the forfeiture, suspension or withdrawal of the Licence had not occurred.

1.1 If during the Indemnity Period food, drink or accommodation are supplied or services 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 food, drink or accommodation or services must be brought into account in arriving at the reduction in Gross Profit during the Indemnity Period.

- (3) the reduction in value of the Premises, if You are unable to obtain a Licence for a period of twelve months from the date of forfeiture, suspension or withdrawal of the Licence and You sell the Premises

- (4) all costs and expenses incurred by You with Our consent

1.2 The total amount payable in respect of any one claim shall not exceed the sum insured stated in the Policy.

We will not indemnify You in respect of

- (a) any circumstances where You are entitled to obtain payment of compensation under any legislation or Bye-law in respect of refusal to renew the Licence
- (b) alterations to the Premises requiring the consent of the licensing or other authority and that consent is not sought before the alterations are made
- (c) any period of closure not required by law
- (d) any Premises which is not maintained in a good state of sanitary condition or repair
- (e) any direction or requirement of the licensing or other authority which is not complied with
- (f) the forfeiture or refusal to renew a Licence which occurs wholly or partly by or through Your misconduct, procurement, connivance, neglect or by any omission by You to take any step necessary to keep the Licence in force
- (g) prior or subsequent to the refusal to renew or forfeiture of the License, the Premises is required for any public purpose, or if surrender or refusal to renew or forfeiture arises under, or results directly or indirectly from any scheme of town or country planning, improvement or redevelopment or surrender, reduction or redistribution of Licences, in connection with post-war reconstruction or from any alteration of the law affecting the grant, surrender, refusal to renew or forfeiture of Licences.

Exclusions (b) – (f) will not apply where You, or any other claimant under this Cover, proves to Our reasonable satisfaction that the matter was completely beyond their power or control.

Clauses

We will also indemnify You in respect of Damage as insured under Gross Profit resulting from interruption of, or interference with the Business during the Indemnity Period following

(1) Boilers

Damage to boilers or other equipment in which internal pressure is due to steam only on the Premises

(2) Disease, Food Poisoning, Murder or Suicide

- (a) murder or suicide at the Premises
- (b) an illness sustained by any person caused by food or drink poisoning attributable to food or drink supplied from the Premises
- (c) an injury or illness sustained by any person caused by any human infectious or contagious disease (excluding Acquired Deficiency Syndrome [AIDS] or any AIDS related condition) an outbreak of which the Government has stipulated shall be notified to them at the Premises
- (d) Vermin or pests at the Premises
- (e) an accident which causes defects in the drains or other sanitary arrangements at the Premises

where use of the Premises is restricted on the order or advice of the competent authority.

We will not indemnify You in respect of

- (a) costs incurred in cleaning, repair, replacement, recall or checking of property
- (b) loss arising from premises other than those directly subject to the occurrence

The maximum We will pay is £25,000, or the Business Interruption sum insured shown in the Policy, whichever is the lower, in respect of the total of all losses occurring during the Period of Insurance.

The insurance only applies for the period beginning with the occurrence of the loss and ending not later than 3 months thereafter during which the Business is affected as a consequence of the Damage.

(3) Government or Local Authority Action

Prevention of access to the Premises due to the actions or advice of a government or local authority due to an emergency which is likely to endanger life or property.

We will not indemnify You in respect of

- (a) any incident lasting less than 12 hours
- (b) any period other than the actual period when the access to the Premises was prevented and in any event no longer than 3 months after the interruption to Your Business
- (c) a Notifiable Human Infectious or Contagious Disease as defined in the current relevant legislation occurring at the Premises

The maximum We will pay is £25,000 in respect of all losses occurring during the Period of Insurance.

(4) Prevention of Access

Damage to property in the vicinity of the Premises which hinders or prevents the use of or access to the Premises, whether the Premises or Property Insured therein is damaged.

This clause excludes Damage to property of any supply undertaking from which You obtain electricity, gas, water or telecommunications services (including the provision of extranets or access to or presence on the internet or access to applications and related services over the internet) which prevents or hinders the supply of such services to the Premises.

(5) Failure of Utilities and Telecommunications

Accidental failure of public supplies of electricity or gas or water at the terminal ends of the public supply undertaking's feed to the Premises or of the land based supply of telecommunication services at the incoming line terminals or receivers at the Premises

The Maximum Indemnity Period is amended to 3 months in respect of accidental failure of telecommunications.

We will not indemnify You in respect of

- (a) the deliberate act of any supply authority or the exercise of any supply authority's power to withdraw or restrict supply
- (b) industrial action
- (c) drought or other weather conditions unless equipment has been damaged
- (d) a period lasting less than 24 consecutive hours
- (e) the provision of extranets or access to or presence on the internet or access to applications and related services over the internet

The maximum We will pay is £25,000 any one occurrence.

(6) Suppliers

Damage to any of Your suppliers' premises within Great Britain, Northern Ireland, Isle of Man or the Channel Islands by any of the Defined Perils (1-7 and 9).

We will not indemnify You in respect of Damage at the premises of any supply undertaking from which You obtain electricity, gas, water or telecommunications services.

The maximum We will pay is £25,000 any one occurrence.

Endorsements and Special Conditions

The Section is subject to any Endorsements and Special Conditions stated in the Policy as applying.

Endorsements

The following Endorsements apply

(1) Alteration

We will not indemnify You in respect of this Business Interruption Section if

- (a) the Business is wound up or carried on by a liquidator or receiver or permanently discontinued
- (b) Your interest ceases otherwise than by Your death.

However, We will indemnify You if We issue written agreement stating otherwise.

(2) Accounting Adjustments

- (a) To the extent that You are accountable to the tax authorities for Value Added Tax all terms in this Section are exclusive of such tax.
- (b) Any adjustment made for current cost accounting will be ignored.

Special Conditions

The following Special Conditions apply

(1) Evidence of Amount

It is a Special Condition to the Our liability that every three months You must either deposit with Your accountants or bank or in a different building to the Premises a signed statement of the current total of Outstanding Debit Balances.

(2) Alteration to Risk

If You become aware of any of the following You must notify Us immediately and supply any additional information or assistance as We may reasonably require

- (a) an objection to renewal or other circumstances which may result in the Licence being forfeited or not renewed
- (b) a complaint against the Premises or its control
- (c) a change in the tenancy or management of the Premises
- (d) a transfer or proposed transfer of the Licence
- (e) an alteration in the usage of the Premises
- (f) any proceedings against or a 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

(3) Transfer of License

In the event of Your death, bankruptcy, incapacity or leaving 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 tenant, manager, occupier or Licence holder, You will, where possible and at Our request, find a suitable replacement who the licensing authority will transfer the Licence to or grant the Licence by way of renewal.

(4) Forfeiture or Failure to Renew a Licence

In the event of the Licence being forfeited or renewal being refused You must

- (a) give notice to Us within 48 hours of becoming aware of such an event, stating the grounds on which the Licence was forfeited or renewal refused
- (b) give all assistance We may require for the appeal against such forfeiture or refusal to renew and allow Our solicitors and Us full control of such proceedings
- (c) apply if possible and if required by Us for the granting of a new Licence for the same or alternative Premises as may enable You to continue the Business in a similar or alternative form
- (d) provide a statement of any loss together with all documents, statements and accounts as We may reasonably require and allow Us free access to the Premises and the books and accounts as are necessary for ascertaining the value of the property and the goodwill of the Business

Legal Liabilities Section

Part A Employers' Liability and Part B Public and Products Liability

Definitions

(also refer to the Policy Definitions at the front of the Policy).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the section.

Bodily Injury

Bodily injury including death, illness, disease or nervous shock.

Costs and Expenses

- (1) costs and expenses of claimants for which You are legally liable
- (2) other costs and expenses incurred with Our written consent in respect of any claim which may be the subject of indemnity under this Section
- (3) solicitors fees incurred with Our written consent for
 - (a) defence in any Court of Summary Jurisdiction of any proceedings brought against You in respect of breach or alleged breach of any statutory duty resulting in Bodily Injury
 - (b) representation at a Coroner's Court or fatal injury inquiry in respect of any death

which may be the subject of indemnity under this Section

Damage

Accidental loss, destruction or damage

Limit of Indemnity

Our maximum liability stated in the Policy for damages, Costs and Expenses payable in respect of any one claim against You or series of claims against You arising out of one cause in respect of Part A Employers' Liability and payable to any claimant or number of claimants in respect of any or all claims arising out of one cause in respect of Part B Public and Products Liability.

Products Supplied

- (1) Anything sold or supplied by You (or its container or packaging) in the course of the Business
- (2) Food or drink sold or supplied as goods or a service to Employees or visitors

Territorial Limits

- (1) Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- (2) elsewhere where any Employee normally resident in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands is engaged in the Business
- (3) anywhere in the world in connection with Products Supplied at or from premises in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Cover – Part A Employers' Liability

We will indemnify You against all sums that You shall become legally liable to pay as damages together with Costs and Expenses in respect of Bodily Injury sustained within the Territorial Limits during the Period of Insurance by any Employee arising out of their employment by You in the course of the Business.

The maximum We will pay is the Limit of Indemnity.

Clauses applicable to Part A Employers' Liability

(1) Right of Recovery

This Policy is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to employees in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands but You shall repay to Us all sums paid by Us which We would not have been liable to pay but for the provisions of such law.

(2) Unsatisfied Court Judgements

We will, at Your request, indemnify any Employee or his or her personal representatives in respect of damages and awarded costs unsatisfied in whole or in part 6 months after the date

a judgement for Bodily Injury to the Employee was obtained against another party resident in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

This indemnity will only apply where

- (a) the Bodily Injury arose out of the Employee's work in the course of the Business and during the Period of Insurance
- (b) the judgement was made in a court in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- (c) the judgement for damages is obtained against a company, partnership or individual other than You conducting a business within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- (d) there is no appeal outstanding.

If any payment is made under this Clause the Employee or personal representatives of the Employee will assign the judgement to Us.

(3) Vehicles

We do not provide indemnity to You in respect of any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 or any other compulsory Road Traffic Act legislation.

Exclusions applicable to Part A Employers' Liability

We will not indemnify any person entitled to indemnity in respect of legal liability as a result of work in or on and travel to, from or within any offshore

- (a) accommodation, exploration, drilling or production rig or platform
- (b) support vessel.

Cover – Part B Public and Products Liability

We will indemnify You in respect of all sums insured that You become legally liable to pay as damages and Cost and Expenses in respect of

- (1) accidental Bodily Injury to any person other than an Employee
- (2) accidental loss or destruction of or damage to material property not belonging to You or under Your charge or control
- (3) accidental obstruction, trespass, nuisance or interference with any right of way, air, light or water
- (4) wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy

occurring in the course of the Business or caused by Products Supplied during the Period of Insurance and within the Territorial Limits.

The maximum We will pay is as follows:

Indemnity Limits

a) Public Liability

We will pay damages and or claimants costs fees and expenses up to the limit of indemnity shown in the schedule in respect of any one claim against you or series of claims arising out of any one occurrence.

b) Products Liability

We will pay damages and or claimants costs fees and expenses up to the limit of indemnity shown in the schedule in respect of any one occurrence or series of occurrences arising from one originating cause but under this section the limit applies to the total amount of damages and or claimants costs fees and expenses payable in respect of all losses occurring during the period of insurance

Clauses applicable to Part B Public and Products Liability

(1) Defective Premises

We will indemnify You in respect of Bodily Injury or loss or damage to property which You may incur as owner under the Defective Premises Act 1972 in connection with any premises which have been disposed of by You and which prior to disposal were occupied by the You in connection with the Business.

We will not indemnify You in respect of

- (a) the cost of rectifying any defect or alleged defect in such premises.
- (b) Bodily Injury or loss or damage happening prior to disposal
- (c) any liability for which You are entitled to indemnity under any other policy of insurance

(2) Legal Expenses Arising from Part 2 of the Consumer Protection Act

We will indemnify You in respect of legal fees and expenses incurred with Our written consent in defending criminal proceedings, including appeals, arising from any breach of Part 2 of the Consumer Protection Act 1987.

We will not indemnify You

- (a) unless the proceedings relate to an offence alleged to have been committed during the Period of Insurance in the course of the Business
- (b) in respect of
 - (i) fines or penalties
 - (ii) costs and expenses insured by any other policy

(3) Liability for Hired or Rented Premises

We will indemnify You in respect of Your legal liability as a result of Damage to premises (including fixtures and fittings) within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands which You hire, rent and occupy in connection with the Business.

We will not indemnify You in respect of

- (a) the first £250 of any claim caused other than by fire or explosion
- (b) liability imposed on You solely by reason of the terms of the hiring or renting agreement
- (c) legal liability as a result of Damage against which the hiring or renting agreement specifies that insurance is to be taken out by You on Your own behalf

(4) Motor Contingent Liability

We will indemnify You against legal liability in respect of Bodily Injury or Damage arising out of the use in connection with Your Business of any motor vehicle, not owned or provided by You in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

We will not indemnify You

- (a) in respect of Damage to the vehicle or goods carried in or on the vehicle
- (b) while the vehicle is being driven by
 - (i) You
 - (ii) a person who to Your knowledge or the knowledge of Your representatives does not hold a licence to drive the vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- (c) if indemnity is provided by another insurance.

(5) Overseas Personal Liability

We will indemnify You and, if You request, any of Your directors, partners or any Employees or their spouse against legal liability incurred in a personal capacity while temporarily outside Great Britain, Northern Ireland, the Isle of Man or the Channel Islands in connection with the Business.

We will not indemnify You for liability

- (a) arising out of the ownership or occupation of land or buildings

- (b) arising from the carrying on of any trade or profession which is not in connection with the Business
- (c) arising from the ownership, possession or use of wild animals, firearms, mechanically propelled vehicles, aircraft or watercraft
- (d) in respect of which indemnity is provided by another insurance policy.

Exclusions applicable to Part B Public and Products Liability

- (1) We will not indemnify any person entitled to indemnity in respect of legal liability as a result of
- (a) Bodily Injury to an Employee, partner or proprietor
 - (b) the ownership, possession or use by or on Your behalf any craft (air or waterborne) or mechanically-propelled vehicles (including power assisted cycles) other than mechanically-propelled garden implements used within the grounds of the Premises other than in the circumstances defined in Clause (4) Motor Contingent Liability
 - (c) Damage to property
 - (i) belonging to You
 - (ii) which is leased, let, rented hired or lent to You
 - (iii) which is held in trust by You or in Your custody or control or in the custody and control of any other party who is carrying out work on Your behalf other than in the circumstances defined in Clause (3) Liability for Hired or Rented Premises
 - (d) the costs of remedying any defect or alleged defect in land or premises sold or disposed of by You or of any reduction in value other than in the circumstances defined in Clause (1) Defective Premises
 - (e) lack of care or skill in the giving of professional or other advice or treatment for a fee in connection with the Business (other than first aid treatment).
 - (f) Damage to or cost incurred by anyone in repairing, removing, replacing, reapplying, rectifying or reinstating Products Supplied where liability arises from a defect in or the unsuitability of such Products Supplied (other than Products Supplied under a separate contract)
 - (g) (i) pollution or contamination of Buildings or other structures or of water or land or the atmosphere and
 - (ii) Bodily Injury or Damage to property directly or indirectly caused by such pollution or contamination other than caused by a sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the Period of Insurance. All pollution or contamination which arises out of one incident will be deemed to have occurred at the time such incident takes place.
 - (h) work in or on and travel to, from or within or Products Supplied to any offshore accommodation, exploration, drilling or production rig or platform or support vessel
 - (i) Bodily Injury or Damage to property arising from products other than Products Supplied
 - (j) work away from the Premises other than commercial duties, collection or delivery
 - (k) Bodily Injury or Damage to property caused by or in connection with anything sold or supplied by You, which to Your knowledge is directly or indirectly exported to the United States of America (or any territory within its jurisdiction) or Canada
- (2) We will not indemnify any person entitled to indemnity in respect of
- (a) recalling, modifying or making refunds in respect of Products Supplied
 - (b) liquidated damages, penalty clauses, fines or aggravated, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages
 - (c) liability imposed on You solely by reason of the terms or any contract conditions or agreement in connection with Products Supplied

Exclusions applicable to Parts A - Employers Liability and B- Public and Products Liability

We will not indemnify you in respect of liability arising from or in any way related to Asbestos or asbestos fibres or any commodity article or thing containing asbestos or asbestos fibres or the cost of removing nullifying or cleaning up asbestos fibres or any commodity article or thing containing asbestos or asbestos fibres.

In respect of Part A this exclusion shall only apply in excess of £5,000,000 any one occurrence.

Additional Coverage applicable to Part A Employers' Liability and Part B Public and Products Liability

(1) Additional Activities

The definition of Business extends to include

- (a) the provision and management of canteen, sports, social, welfare or educational organisations for the benefit of Employees and fire, security, first aid, medical and ambulance services
- (b) private work undertaken with Your prior consent by Employees for any of Your directors or senior officials

(2) Additional Persons Insured

- (a) in the event of the death of any person entitled to indemnity under this Section We will indemnify in the terms of this Policy the deceased's legal personal representatives but only in respect of liability incurred by such deceased person
- (b) at Your request We will indemnify
 - (i) any principal in respect of liability arising out of the performance by You of any agreement entered into by You with the principal to the extent required by such agreement
 - (ii) any of Your directors or Employees in respect of liability arising in connection with the Business against legal liability to the extent that You would have been entitled to indemnity if the claim had been made against You
- (c) at Your request We will indemnify
 - (i) any officers, committees or member of Your canteen, social, sports, educational and welfare organisations, first aid, fire, security medical and ambulance services in their respective capacities as such
 - (ii) any of Your directors or senior officials in respect of private work undertaken by any Employee for such director or senior official provided that each person shall as though they were You observe, fulfil and is subject to the terms and conditions of this Policy as far as they can apply

We will retain sole control of all claims and the maximum We will pay will not exceed the Limit of Indemnity regardless of the number of parties claiming to be indemnified.

(3) Compensation for Court Attendance

We will compensate You if at Our request any director, partner or Employee is attending court as a witness in connection with a claim for which You are entitled to indemnity.

The maximum We will pay is

- (a) for any of Your directors or partners £250 per day
- (b) for any Employee £150 per day

(4) Cross Liabilities

If more than one Insured is referred to in the Policy, this Section shall apply separately to each one as if a separate Policy had been issued to each.

The total amount payable will not exceed the Limit of Indemnity regardless of the number of parties claiming to be indemnified.

(5) Legal Expenses Arising from Health and Safety Legislation

We will indemnify You and, at Your request, any director, partner, proprietor or Employee in respect of

- (a) legal fees and expenses in defending proceedings, including appeals
- (b) prosecution costs awarded against You or any director, partner, proprietor or Employee

arising from any health and safety inquiry or criminal proceedings in respect of any breach of health and safety legislation of Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

We will not indemnify You

- (a) unless the proceedings relate to an actual or alleged act, omission or incident committed during the Period of Insurance within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands in the course of the Business
- (b) in respect of
 - (i) fines or penalties
 - (ii) costs and expenses insured by any other policy
- (c) proceedings resulting from any deliberate act or omission by any party claiming to be indemnified
- (d) proceedings relating to the health and safety of any person other than an Employee in respect of Part A Employers' Liability
- (e) proceedings relating to the health and safety of Employees in respect of Part B Public and Products Liability

Endorsements and Special Conditions

This Section is subject to any Endorsements and Special Conditions stated in the Policy as applying.

Policy Exclusions

(1) War and Nuclear Risks

This Policy does not indemnify You or any person entitled to indemnity, other than in respect of claims admissible under Legal Liabilities Section – Part A Employers' Liability, for any Damage consequence or legal liability of whatsoever nature directly or indirectly caused by or arising from any of the following

- (a) war, invasion, act of foreign enemy, hostilities or a warlike operation or operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to an uprising, military rising, insurrection, rebellion, revolution, military or usurped power
- (b) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- (c) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component

(2) Requisition or Confiscation of Property

This Policy does not indemnify You or any person entitled to indemnity in respect of nationalisation, confiscation, requisition, seizure or destruction by the Government, any public authority or any lawfully constituted authority

(3) Pressure Waves

This Policy does not cover You in respect of Damage directly caused by pressure waves from aircraft or other aerial devices travelling at sonic or supersonic speeds.

(4) Heat Process

This Policy does not cover You in respect of Damage to Property Insured due to its undergoing any process necessarily involving application of heat

(5) Terrorism Exclusion

Notwithstanding any provision to the contrary within the Policy it is agreed this Policy excludes Damage, loss destruction, cost or expenses of whatsoever nature resulting directly or indirectly from or in connection with any of the following, regardless of any other contributory cause or event contributing concurrently or in any sequence to the loss

- (a) Terrorism
- (b) Riot and Civil commotion in Northern Ireland but this shall only apply to the Property Damage All Risks Section and Business Interruption Section when insured by this Policy
- (c) Damage, loss, destruction, cost or expenses of whatsoever nature resulting directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism or Riot and Civil commotion in Northern Ireland

Except as stated in the **Special Provision – Terrorism** below an act of Terrorism means an act including but not limited to the use of force or violence and/or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear

In any action suit or other proceedings where We allege that under the Policy Exclusion (5) any Damage, loss, destruction, cost or expenses is not covered by this policy the burden of proving the contrary shall be upon You

Special Provisions - Terrorism

Subject otherwise to the terms, conditions and exceptions of the Policy

- (a) When any of the following Section is insured by this Policy

Legal Liabilities Section – Part A Employers' Liability

the exclusions in 5(a) and 5(c) above shall apply to Employers' Liability but the Limit of Indemnity for the purposes of Special Provision (a) - Terrorism is limited to £5,000,000 including costs and expenses

(6) Data Recognition

This Policy does not cover any claim which arises directly or indirectly from or consists of the failure or inability of any computer or other equipment, data processing service product, microchip, micro processor, integrated circuit, embedded chip or similar device, computer software program or process or any other electronic system or any design or advice in connection with any of the following circumstances irrespective of ownership, possession or use and whether occurring before, during or after the Year 2000

- (a) to correctly recognise any date as its true calendar date
- (b) to capture, save or retain and/or correctly to manipulate, interpret or process any data or information or command or instruction, as a result of treating any date other than as its true calendar date
- (c) to capture, save or retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data, or the inability to capture, save, retain or correctly to process such data on or after any date

but We will not exclude any claim for subsequent loss or destruction of or Damage to any property or consequential loss which itself results from a Defined Peril arising under any of the following Sections, but only to the extent that such claim would otherwise be insured under that Section

- (1) Property Damage All Risks Section
- (2) Business Interruption Section

This Policy Exclusion does not apply to Legal Liabilities Section – Part A Employers' Liability

(7) E- Risks

This Policy Exclusion does not apply to Legal Liabilities Section – Part A Employers' Liability or Part B Public and Products Liability

The Policy does not cover

- (1) Damage to any Computer Equipment (as defined below) consisting of or caused directly or indirectly by
 - (a) programming or operator error whether by You or any other person
 - (b) Virus or Similar Mechanism (as defined below)
 - (c) Hacking (as defined below)
 - (d) malicious persons
 - (e) failure of external networksunless in respect of (a) – (c) above, such Damage results from a concurrent or subsequent cause not excluded by this or any other policy exception or exclusion
- (2) any financial loss or expense of whatsoever nature, including but not limited to business interruption, resulting directly or indirectly from the type of Damage described in paragraph 1 of this Exclusion
 - unless in respect of (1)(a) – (1)(c) above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exception or exclusion
- (3) Damage to any property other than Computer Equipment where it arises directly or indirectly out of Damage to any Computer Equipment of the type described in paragraph 1 of this Exclusion
 - unless in respect of (1)(a) – (1)(c) above, resulting from a concurrent or subsequent cause not excluded by this or any other policy exception or exclusion
- (4) Damage to either Computer Equipment or any other property where it consists of or arises directly or indirectly out of
 - (a) the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotions, or malicious persons

- (b) the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software due to any cause not included in (4) (a) above
- (c) any misinterpretation use or misuse of information on computer systems or other records, programs or software

unless in respect of (4) (b) and (4) (c) above, such Damage results from a concurrent or subsequent cause not excluded by this or any other policy exception or exclusion

- (5) any financial loss or expense of whatsoever nature, including but not limited to business interruption, where it arises directly or indirectly from the type of Damage described in paragraphs (3) and (4) of this Exclusion

unless, in respect of (3), (4) (b) and (4) (c) above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exception or exclusion.

For the purpose of this Exclusion the following Definitions apply

Computer Equipment

Computer equipment, component, system or item which processes, stores, transmits or retrieves data, or any part thereof, whether Your property or not, whether tangible or intangible and including without limitation any information, program or software.

Virus or Similar Mechanism

Any program code, programming instruction or other set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely effect computer programs, data files or operations (whether involving self replication or not) including but not limited to 'Trojan Horses', 'Worms' or 'Logic Bombs'

Hacking

Unauthorised access to any Computer or Computer Equipment, component, system or item, whether Your property or not, which processes, stores, transmits or retrieves data.

Special Conditions

The following Special Conditions should be read in conjunction with other Special Conditions which may apply to a specific Section of the Policy.

The following Special Conditions apply

(1) Notice of Unoccupancy

It is a Special Condition to Our liability in respect of Damage that We must be notified in writing immediately any Premises becomes unoccupied and a suitable extra premium paid if required and/or amended Policy Conditions applied.

Unoccupancy within the Policy means when the Premises are empty or not in use for a period greater than 21 consecutive days.

Additionally, should We agree to insure the Premises whilst unoccupied You must comply with the Unoccupied Premises – Security and Inspection Condition below unless We advise otherwise in writing.

Unoccupied Premises – Security and Inspection Condition

Whilst any Premises are empty or not in use and has been accepted by Us as an unoccupied Premises You shall in respect of such Premises, except as otherwise agreed by Us in writing, ensure that

- (a) main supplies are kept shut off at the switch or stopcock where the supplies enter the Building(s)
- (b) if it is agreed that water mains supplies are to be kept shut off then all water apparatus must be drained
- (c) all external doors are kept securely locked
- (d) all ground floor external windows and external glazed or part glazed doors and any other doors, windows or openings specified by Us are kept securely boarded up in accordance with the materials and requirements specified by Us
- (e) the Building and all yards and external areas immediately surrounding the Building are kept free of all fuel and waste materials
- (f) all letter boxes are securely fixed in the closed position

You or Your agent shall inspect the Building at least once a week to check that the conditions are observed and maintain a record of Your inspections.

If there is any breach of the security of the Building or any acts of vandalism or any evidence of unlawful entry or attempted entry to the Building You will immediately carry out the necessary work to satisfy the requirements above and notify Us.

(2) Protections

(a) Security Levels

It is a Special Condition to Our liability in respect of Damage caused by theft or attempted theft that whenever the Premises are closed for Business or left unattended all existing security devices provided to protect the Premises are properly fitted and put into full operation.

Premises closed for Business means outside the normal working hours of Your Business and any other period during which You or any Employee, is on the Premises in connection with the Business.

Any additional security devices specified below shall be installed at the Premises within 30 days of the inception of Your Policy, unless otherwise agreed by Us.

(b) Vehicle Security Requirements

In respect of Goods in Transit it is a Special Condition to Our liability in respect of Damage caused by theft or attempted theft to Property Insured (other than Money) or goods held in trust for which You are responsible that the Vehicle Security Requirements are complied with as stated in the Policy whenever a vehicle or conveyance is left unattended.

(c) Fire Protection Devices

In the event any automatic sprinklers or automatic fire alarms are installed the Fire Protection Devices Special Condition applies.

(3) Security Levels

Security - Level 1 (applicable to all Insured)

Minimum Standards

It is a Special Condition to Our liability in respect of Damage caused by theft or attempted theft (including loss of Money) involving entry to or exit from the Premises by forcible and violent means that

(1) final exit doors must be secured as follows:

- (a) by mortice deadlock having five or more levers and conforming to BS3621 with a matching boxed striking plate or
- (b) a deadlocking rim latch conforming to BS3621 which must be keyed in to the deadlock position when the Premises are closed for Business or left unattended or
- (c) by integral cylinder key operated mortice deadlocks in respect of aluminium or UPVC framed doors

(2) all other external doors and internal doors leading to common areas or other premises, must be secured by the means set out in (1) above, or by two key operated security bolts for doors fitted at the top and bottom of the door

(3) all opening windows or rooflights accessible from the ground or via roofs, pipework or other structures must be secured by key operated locking devices or screwed permanently shut

(4) any security measures stipulated or agreed by Us in writing are implemented and in full and effective working order.

Any door or window officially designated a fire exit by the Fire Authority is excluded from these requirements. These are to be secured internally by panic bolts or fire exit bolts (capable of opening at all times). Any additional devices must be approved by the local Fire Prevention Officer.

Security - Level 2 (as applicable in Policy)

Bars, Grilles and Shutters

It is a Special Condition to Our liability that in respect of theft or attempted theft that whenever the Premises are closed for Business, the Premises are secured at all access points with the doors protected by steel shutters and/or the shopfront (if applicable) protected by grilles and the windows protected by bars or steel shutters as defined below.

Metal Roller Shutter Doors for Doors and/or Windows

All external doors and/or accessible windows, if not protected by bars, are to be protected by proprietary metal roller shutter doors.

Where these doors are internally operated

- (a) manual operating chains are to be secured to a wall bracket by a padlock to an acceptable standard
- (b) electrically operated doors to be isolated with a lockable isolation switch secured by a padlock to an acceptable standard

Protection of Shopfront with Grilles

All shopfronts are to be protected by external steel grilles, or where We agree otherwise, internal aluminium or steel grilles. These must be locked into position whenever the Premises are closed for business using padlocks to an acceptable standard.

Before proceeding with the installation of external grilles permission must be sought and obtained from the Local Authority.

Copies of the proposed grille specification must be forwarded to Us prior to any order being placed.

Protection of Windows with Bars

Windows are to be protected internally/externally by security bar frames made from solid steel bars (not tubes) with a minimum diameter of 19mm and a maximum of 125mm centres. The bars must be welded to or pass through tie bars of flat iron or steel (dimensions 6mm thick x 40mm wide). The distance between the tie bars must not exceed 600mm.

The tie bars must be secured to the wall surrounding the window at a minimum of 4 points by expansion bolts of at least M8 size which penetrate the masonry or brickwork by at least 60mm. Bolt holes must be set back at least 60 mm from the edge of the window opening. If the bars are fixed externally the heads of the bolts must be welded to the tie bars to prevent them being undone.

An alternative method of fixing may be acceptable but must be approved by Us prior to installation.

Security – Level 3 (as applicable in Policy)

Intruder Alarm

It is a Special Condition to Our liability in respect of Damage caused by theft or attempted theft that

whenever the Premises are closed for Business or left unattended the Alarmed Premises are protected by the Intruder Alarm System

(2) the Intruder Alarm System shall be maintained in full and efficient working order under a contract as per BS4737 or PD 6662:2004 by a company listed and approved by the National Approved Council for Security Systems (NACOSS) or the Security Systems and Alarms Inspection Board (SSAIB) to provide both corrective and preventative maintenance with the installing company or such other company, as agreed with Us

Where remote alarm signalling is required the signal transmission must be transmitted to an alarm receiving centre operated by a company accredited and operating to a Quality Management System in accordance with EN ISO 9000.

- (3) no alteration to, or substitution of
- (a) any part of the Intruder Alarm System or signalling system
 - (b) the maintenance contract
 - (c) the structure of the Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System
 - (d) the procedures agreed with Us for police or any other response to any activation of the Intruder Alarm System

shall be made without Our written agreement

- (4) the Alarmed Premises shall not be left unattended without Our agreement
- (a) unless the Intruder Alarm System is set in its entirety with the means of communication used to transmit signals (including both alarm transmission systems for dual signalling systems) in full operation
 - (b) if the police have withdrawn their response to alarm activations
- (5) You shall maintain secrecy of codes for the operation of the Intruder Alarm System and details of such codes and all keys to the Intruder Alarm System are removed from the Premises when the Premises are left unattended
- (6) You shall appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company who are contracted to maintain the alarm and either the police or the alarm receiving centre
- (7) when the Intruder Alarm System has been set, and notice is given that it has been activated or the means of communication have been interrupted (including one or both alarm transmission systems in respect of dual signalling systems) a Keyholder must attend the premises within 20 minutes following such notice and must remain there until the requirements of paragraph 4 have been complied with.

This must be done unless We agree alternative procedures in writing

- (8) if You receive notification
- (a) that police response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
 - (b) from a local authority or magistrate imposing any requirements for abatement of a nuisance
 - (c) from the installing company or another company as agreed by Us that the Intruder Alarm System cannot be returned to, or maintained in, full working order

then We must be advised as soon as possible and in any event no later than 11.00am on Our next working day and You must comply with any subsequent stipulated requirements.

Definitions

The following definitions apply to this Special Condition and shall keep the same meaning wherever they appear

Alarmed Premises

The Premises or those portions of the Premises protected by the Intruder Alarm System.

Intruder Alarm System

The component parts detailed in the alarm specification including the means of communication used to transmit signals. The specification will be as agreed by Us.

Keyholder

You or any person or key holding company authorised by You who is available at all times to accept notification of faults or alarm signals to the Intruder Alarm System, attend and allow access to the Premises.

(4) Vehicle Security Requirements (as applicable as stated in the Policy)

Vehicle Security Requirement – Level 1

Locked Car Clause

It is a Special Condition to Our liability that in respect of theft or attempted theft that whenever a vehicle, trailer or semi-trailer is left unattended all points of access are securely locked and if it is possible the Property Insured is hidden from view.

Vehicle Security Requirement – Level 2

Installation of Immobiliser

It is a Special Condition to Our liability that in respect of theft or attempted theft that whenever a vehicle, trailer or semi-trailer is left unattended any immobiliser that has been installed in the vehicle is activated.

Vehicle Security Requirement – Level 3

Overnight Garaging

It is a Special Condition to Our liability that in respect of theft or attempted theft that whenever any vehicle, trailer or semi-trailer is left unattended between 19.00 and 07.00 that such vehicle is securely locked at all points of access and is garaged in enclosed premises which are securely locked or have a watchman in constant attendance.

(5) Fire Protection Devices (as applicable)

In respect of any automatic sprinkler or automatic fire alarm installation(s) in the Premises You shall, so far as it is Your responsibility, take all reasonable steps to

- (a) maintain the installation(s) including the automatic external alarm signal in efficient condition
- (b) maintain ready access to the water supply control facilities

When any changes, repairs, or alterations to the installation(s) are proposed, written notice of these is to be given to Us and Our prior agreement obtained in writing.

You shall carry out the routine tests required by Us and remedy promptly any defect revealed by such tests.

If alterations become necessary to any automatic sprinkler installation We may suspend cover for Damage by the accidental escape of water from the installation until the alterations or repairs have been completed to Our satisfaction.

Policy Conditions

Each Section of the Policy contains Conditions. They must be read in conjunction with the following Policy Conditions.

(1) Alteration of Risk

The Policy is voidable where there has been any material alteration to the risk after the commencement of this insurance

- (a) which increases the risk of loss, destruction, damage, accident or injury, or
- (b) where Your interest ceases except by will or operation of law

unless We have accepted the alteration

except that workmen are allowed in and about the Premises for the purpose of carrying out minor alterations, decoration, repairs, general maintenance and the like.

(2) Arbitration

If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator who will be jointly appointed by the parties in accordance with the statutory provisions.

An award made by the arbitrator will be a condition to a right of legal action against Us.

(3) Cancellation

The policy may be cancelled

(a) by You within a period which begins fourteen days from Your receipt of the Policy (this is referred to as the 'cooling off period'). You should exercise this right by informing Brighter Business that You wish to do so. The Policy and Employers' Liability Certificate(s) will be null and void ab initio, meaning We are not providing cover under any of the Sections of the Policy for any period of time.

(b) by You during the period of the Policy, however, the amount of the refund (if any) due will depend on when the cancellation takes place, the circumstances and whether a claim has been intimated or made.

(c) by Us giving You thirty days written notice by email or recorded delivery to Your last known address and You will be entitled to a proportionate part of the premium paid for the unexpired period. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due. In the event of cancellation the Policy and Employers' Liability Certificate(s) will be null and void from the date of cancellation.

(d) by Us if You do not pay the premium or instalments by the due date and the cancellation will take place from the date the payment was due. We will not refund any instalments paid and in the event of any claims made will seek the full premium due for the Period of Insurance.

(4) Fraud

If a claim is fraudulent in any respect or if fraudulent means are used by You or by anyone acting on Your behalf to obtain any benefit under this Policy or if any loss, destruction, damage, injury or accident is caused by Your act or with Your knowledge or assistance all benefit under this Policy shall be forfeited.

(5) Index Linking

(a) Renewal

Where it states in the Policy that index linking applies, the amounts insured will be adjusted in accordance with movements in the following indices at the subsequent renewal date. If any of these indices below are unavailable alternative indices will be sought.

- (i) any Building
The General Building Cost Index issued by the Building Cost Information Service of the Royal Institution of Chartered Surveyors
- (ii) Contents, Computer Equipment, fixtures and fittings or any other items
The Retail Price Index issued by the Department of Trade and Industry.

(b) Claims

These adjustments will continue during the

- (i) Period of Insurance
- (ii) period of repair, replacement or reinstatement provided that such work is carried out and completed without undue delay.

(6) Jurisdiction

Unless otherwise agreed by You and Us this Policy shall be solely subject to English Law and any arbitration under the Arbitration Policy Condition shall be held in Great Britain.

(7) Other Insurances

(a) Applicable to Legal Liabilities Section – Part A Employers' Liability and Part B Public and Products Liability and Professional Indemnity Section

If the insurance provided by this Section is also covered by another policy (or would be but for the existence of this Section), We will only indemnify You in respect of any excess beyond the amount which would be payable under such other insurance had these sections not been effected.

(b) Applicable to Legal Expenses Section

We will not pay any claim covered under any other policy, or any claim that would have been covered by any other policy if this Policy did not exist.

(c) Applicable to all other Sections insured by this Policy

- (i) where any loss, destruction, damage or liability covered by the Policy is also covered by another policy, or would be but for the existence of this Policy, We will only pay a rateable share of the loss
- (ii) if any such other insurance is subject to a condition of average or similar condition and this Policy is not, this Policy will become subject to the same condition of average in like manner
- (iii) if the Property Insured covered by the other insurance is subject to a provision excluding proportional payment in whole or in part, the payment We make will be limited to the proportion of Damage as the sum insured bears to the value of the property

(8) Non Disclosure, Misrepresentation or Misdescription

The Policy is voidable in the event of misrepresentation, misdescription or non-disclosure of any material fact.

(9) Reasonable Precaution

You will

- (a) maintain the Premises, Contents, machinery, plant and equipment in a satisfactory state of repair
- (b) take all reasonable precautions to prevent
 - (i) Damage to Property Insured
 - (ii) accident or injury to any person or loss, destruction or damage to their property
- (c) comply with all legal requirements and safety regulations and conduct the Business in a lawful manner
- (d) keep books with a complete record of purchases and sales.

(10) Reinstatement

If any property is to be reinstated or replaced by Us, You will at Your own expense provide all plans, documents, books and information as may reasonably be required.

We will not be obliged to reinstate property exactly but only in a satisfactory manner as circumstances allow.

The maximum amount We will pay in respect of one item is the sum insured as You declared.

(11) Subrogation

If You, or anyone acting on Your behalf, makes a claim under this Policy they must take and permit to be taken all necessary steps for enforcing rights or obtaining relief or indemnity against any other party in Your name before or after any admission of liability or payment made by Us

(12) Time Limit

Not Applicable to Legal Liabilities Section – Part A Employers' Liability and Part B Public and Products Liability

In no case whatsoever shall We be liable in respect of any claim under the Policy after the expiration of twelve months from the date of the Damage or in respect of Damage within the Business Interruption Section of the Policy twelve months after the expiration of the Indemnity Period, whichever is the later

Unless the claim is the subject of pending action or arbitration

Claims Conditions

(1) Making a Claim

In the event of any circumstance which may give rise to a claim You will

- (a) notify Us immediately
- (b) deliver to Us, as We may require, a written claim containing as much information as possible concerning the incident, loss, destruction, damage, accident or injury, including the amount of the claim, within
 - (i) 7 days in the case of Damage caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons
 - (ii) no later than 30 days after the expiry of the Indemnity Period in respect of claims against Business Interruption unless We extend this time limit
 - (iii) 30 days of the circumstance giving rise to any other claim unless We extend this time limit
- (c) notify the police immediately it becomes evident Damage is caused by malicious persons or thieves
- (d) not admit or repudiate liability, nor offer to settle, compromise, make or promise to make payment without Our written agreement
- (e) inform Us immediately of any impending prosecution inquest or fatal inquiry or civil proceedings and send to Us immediately every relevant document
- (f) take all reasonable action practicable to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss
- (g) produce to Us such books of account or other business books or documents or such other proofs as may reasonably be required by Us for investigating or verifying the claim

(2) Control of Claims

We shall be entitled

- (a) in the event of Damage to the Property Insured to, or for any person authorised by Us, without incurring any liability or diminishing any of Our rights under this policy to
 - (i) enter or take possession of the Building or Premises where the Damage occurred
 - (ii) take possession of, or require to be delivered to Us, Property Insured for all reasonable purposes including salvage
- (b) to any property for the loss of which a claim is paid hereunder and You shall execute all such assignments and assurances of such property as may be reasonably required but You shall not be entitled to abandon any property to Us
- (c) at Our discretion to take over and conduct in Your name the defence or settlement of any claim and to take proceedings at Our own expense and for Our own benefit but in Your name to recover compensation or secure indemnity from any third party in respect of any event insured by this Policy and You shall give all information and assistance required
- (d) to pay You at any time the Limit of Liability or the sum insured or any smaller amount for which a claim can be settled and We shall not be under any further liability in respect of that claim except for payment of costs and expenses prior to the payment of the claim

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