



ACTIVITIES INDUSTRY MUTUAL LIMITED

COVER WORDING

Activities Industry Mutual Limited is a company registered in England and Wales with company number 5372198 and its registered office at 8 Maltings Place, 169 Tower Bridge Road, London, SE1 3JB

Activities Industry Mutual Limited (FRN: 451585) is an appointed representative of Regis Mutual Management Limited which is authorised and regulated by the Financial Conduct Authority, FRN: 479202

Activities Industry Mutual Limited is managed by Regis Mutual Management Limited, a company registered in England and Wales with company number 4194000 and its registered office at 8 Maltings Place, 169 Tower Bridge Road, London, SE1 3J

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Contact details

Claims

If **you** need to report an incident or talk to **us** about a claim please call **us**:

Monday – Friday 9.00am to 5.30pm 01892 888 423

All other times and on bank holidays 01424 850 333

Alternatively, please fill out the form on the website: www.activitiesindustry mutual.co.uk/claims

General enquiries

If **you** want to talk to us about **your** cover please call **us**:

Monday – Friday 9.00am to 5.30pm 01892 888 423

or email **us** at info@activitiesindustry mutual.co.uk

Complaints

If **you** have a complaint about a claim, **your cover** or **our** service **you** can call **us**:

Monday – Friday 9.00am to 5.30pm 0330 2020 919

or email manager@activitiesindustry mutual.co.uk

Correspondence

Activities Industry Mutual Limited

First Floor Offices

Douglas House

Quarry Hill Road

Tonbridge

Kent TN9 2RH

Your cover

Your cover is set out in this Cover Wording and **your Certificate of Entry** and **your Schedule**. Please read all three documents to understand **your cover** and make sure **your cover** includes all the **cover Sections** and parts of **cover Sections you** need.

We provide **cover** for the **Sections you** have chosen shown on **your Schedule**. **Your Certificate of Entry, your Schedule** and this Cover Wording also show the **cover period, cover limits, excesses** and any additional conditions, exclusions, warranties or endorsements which apply to **your cover**.

If there are any mistakes in **your Certificate of Entry** or **your Schedule**, or if any information is missing, please let **us** know as soon as possible.

All parts of this Cover Wording that are not **cover Sections** and are relevant to the **cover Sections you** have chosen apply to **your cover**.

The **cover we** give is discretionary, which means that the decision whether or not to agree a claim, and if it is accepted the amount paid, is at the discretion of **our** Board of Directors. The Board also has discretionary power to pay a claim for something not included in, or specifically excluded from, any part of **your cover**.

In addition to the **cover** provided by **us** under Section 8 Employers' liability cover and Employers' liability defence costs, **you** have employers' liability insurance provided by the **Insurer** which means that **you** comply with **your** legal obligations to **your** employees under the Employers' Liability (Compulsory Insurance) Act 1969. **We** will send **you** a certificate of employer's liability insurance issue by the **Insurer**,

If **you** need any more information, or any of the **cover** explained, please contact **us** and **we** will be happy to help.

Cooling off period and your right to cancel

You can cancel this **cover** at any time in the first twenty-one (21) days of any **cover period** by writing to **us** or emailing **us**. If **you** have not claimed, and nothing has happened which could lead to a claim, **we** will pay back **your contribution** paid for that **cover period**.

You can cancel at any other time by giving **us** thirty (30) days' notice in writing. If **you** have not claimed, and nothing has happened which could lead to a claim, **we** will pay back any **contribution** paid for the **cover period** after the cancellation date.

Claims

If **you** need to make a claim, please check **your Schedule** and this Cover Wording first to see if they include the cause of the **damage**, theft, loss, injury or death and if an **excess** applies.

What you must do

Your property and business interruption

After any **damage**, theft, loss, injury or death, **you** must take all reasonable steps to prevent more **damage**, theft, loss, injury or death. **You** must carry out emergency repairs to prevent more **damage**, theft, loss, injury or death, and keep the invoice(s). It is helpful if **you** take photographs of any **damage** before emergency repairs are carried out.

Claims against you, a director, partner or an employee

If someone claims or threatens to make a claim against **you**, a **director**, **partner** or an **employee** for death or **injury** it is very important that **you** tell **us** as soon as **you** know about it. **You** must also give **us** full details as soon as possible. **You** can call **us** or send the details by post or email.

How to tell us about a claim

You can

- get a claim form online at <https://www.activitiesindustry mutual.co.uk/claims/>
- report a claim by telephone
 - Monday to Friday 9.00am to 5.30pm **01892 888423**
 - at all other times and on bank holidays **01424 850 333**

If **you** make a claim by telephone, **we** will ask **you** to explain what has happened and how and when it happened.

Assistance with your claim

Please email or telephone **us** if **you** need any help filling in the online claim form or if **you** have any queries about **your** claim.

Supporting documents

When **you** make a claim, **we** will ask **you** to give **us** documents to support the claim. It is a good idea to keep receipts, valuations, photographs, instruction booklets and guarantee documents as these will help to show **you** own the lost or **damaged** items and their value.

How this Cover Wording works

Words in bold

Other than in the headings, words in bold have specific meanings which are set out in the General Definitions Section.

Navigation

Each **Section** sets out the details of **your cover**, any limitations or exclusions and any special conditions for that **Section**.

Cover is provided only if the **Section** is shown in **your Schedule** as included in **your cover** and is subject to the terms, conditions, limitations and exclusions of the **cover**.

Certain terms apply to the whole **cover** and they are set out in:

- General Exclusions;
- General Conditions;
- Claims conditions; and
- General Definitions and Interpretation.

The Property Related Exclusions apply to **Sections 1 to 7**.

The sums covered, cover limits and sub-limits are set out in **your Certificate of Entry, your Schedule** and this Cover Wording and operate in line with the relevant provisions in the General Conditions, unless expressly stated otherwise elsewhere in **your cover** documents.

Cover limits

The **cover limits** shown below apply to **your cover** unless **your Schedule** shows a different figure. Other **cover limits** are also shown in **your Schedule**.

Definition

occurrence

Any one event or a series of events resulting from or attributable to a common cause.

Section 1 Property	
Costs and expenses cover	Cover limit
Criminal acts reward costs	£50,000 any one occurrence
Decontamination and/or decommissioning	£10,000 any one occurrence and in any cover period
Energy performance and sustainable buildings	£25,000 any one occurrence
Fire extinguishment expenses and emergency services	£50,000 any one occurrence
Flood resilience	£250,000 any one occurrence
Temporary protection and expediting expenses	10% of the total sum covered or £50,000, whichever is less, any one occurrence
Trace and access	£10,000 any one occurrence
Section 1 extensions	Cover limit
All risks	The amount shown on your Schedule any one occurrence
Buildings in the course of construction or alteration	£100,000 any one occurrence
Capital additions	Buildings: 10% of the sum covered or £1,000,000, whichever is less, any one premises and in any cover period
Deterioration of stock	The amount shown on your Schedule any one occurrence
Glass, glass surrounds and washroom facilities	£50,000 any one occurrence
Damage to lettering, painting, embossing, silvering, or other ornamental work on fixed glass	£1,000 any one occurrence
Repair or replacement of window frames, framework or security fittings	£500 any one occurrence
Leased buildings difference in conditions/difference in limits	£500,000 any one occurrence
Lock replacement	£2,500 any one occurrence
Metered water or gas	£25,000 any one occurrence
Unauthorised use of electricity, gas or water	£25,000 any one occurrence
Property temporarily at other locations	10% of the total sum covered or £250,000, whichever is less, any one occurrence
Property at exhibitions and fairs	£50,000 any one occurrence

Theft damage to buildings not included in your cover	£50,000 any one occurrence
Undamaged tenant's improvements	£50,000 any one occurrence
Valuables	£5,000 any one occurrence
Other items	Cover limit
Computer systems records	£25,000 or 10% of the cover limit for computers , whichever is less, any one occurrence
Documents	£10,000 any one occurrence
Errors and omissions	£100,000 any one occurrence
Personal money and stamps	£1,000 any one occurrence
Personal belongings	£1,000 per person, any one occurrence
Replanting trees, shrubs, laying turf used as landscaping at the premises	£25,000 any one occurrence
Wines and spirits , cigarettes and tobacco	£750 any one occurrence
Section 2 Business Interruption	
Item	Cover limit
Denial of access	If you have chosen cover for loss of gross revenue , that is shown on your Schedule 20% of annual gross profit up to £500,000 any one occurrence
Denial of access (non-damage)	£100,000 any one occurrence and in the cover period
Additional increased cost of working	30% of annual gross profit up to £1,000,000 any one occurrence
Outstanding debit balances	£500,000 any one occurrence and in the cover period
Computer breakdown (optional)	£50,000 any one occurrence
Customers' and suppliers' premises	
(i) Specified customers and suppliers	(i) 10% of annual gross profit up to £2,500,000 any one occurrence
(ii) Unspecified customers and suppliers	(ii) 5% of annual gross profit up to £500,000 any one occurrence
Damage to property at contract sites	£25,000 any one occurrence and in the cover period
Exhibitions	£15,000 any one occurrence and in the cover period
Inter-group dependency	£25,000 any one occurrence and in the cover period
Loss of attraction	£25,000 any one occurrence and in the cover period
Notifiable diseases , food or drink poisoning, vermin or pests, defective drains and murder or suicide	20% of annual gross profit up to £250,000 any one occurrence
Rent receivable	As shown on your Schedule
Storage locations	5% of annual gross profit up to £1,000,000 any one occurrence

Transit	£25,000 any one occurrence
Utilities supply	
(i) Land based utility premises	(i) 20% of annual gross profit up to £1,000,000 any one occurrence and in the cover period
(ii) Utilities supply failure at your premises	(ii) £25,000 any one occurrence and in the cover period
Section 3 Money and Assault	
Item	Cover limit
(i) Non-negotiable money	(i) £250,000 any one occurrence
(ii) Negotiable money in your home or the home of a partner, director or authorised employee	(ii) £2,000 any one occurrence
In transit	
(i) Negotiable money in transit with a professional carrier of money	(i) £100,000 any one occurrence
(ii) Non-negotiable money in transit	(ii)
a. With you or an authorised partner, director or employee	a. £25,000 any one occurrence
b. With a professional carrier of money	b. £250,000 any one occurrence
Clothing and personal effects	£250 each person any one occurrence
Damage to a safe, strongroom, bag, case or waistcoat used to carry money	Its value at the time of the loss up to £25,000 per item any one occurrence
Assault - benefits	
(i) Death	(i) £10,000
(ii) Loss of limb	(ii) £5,000
(iii) Total loss of sight	(iii) £5,000
(iv) Permanent total disablement	(iv) £10,000
(v) Temporary total disablement	(v) £100 a week up to 104 weeks
Section 4 Goods in Transit	
Item	Cover limit
(i) Any one loss, event or occurrence	(i) £5,000
but	
a. any one consignment in a vehicle you own or operate	a. £5,000
b. any one consignment in a vehicle you do not own or operate, or by rail	b. £10,000
c. any one package in the post	c. £1,000
(ii) Transfer expenses	(ii) £1,000 any one occurrence
(iii) Employees' personal effects	(iii) £500 any one occurrence

(iv) Ropes/sheets etc	(iv) £1,000 any one occurrence
Section 5 Loss of Licence	
Item	Cover limit
Appeal costs	£25,000 any one claim
Section 8 Employers' Liability	
Item	Cover limit
Employers' liability including the claimant's and your costs and expenses All claims apart from terrorism	£10,000,000 each occurrence
Terrorism	£5,000,000 each occurrence
Offshore activities	If included in your cover , the amount shown on your Schedule
Prosecution costs	£1,000,000 any one prosecution and in the cover period
Statutory defence costs	£1,000,000 any one prosecution and in the cover period
Section 9 Public, Products and Pollution Liability	
Item	Cover limit
Public liability	£5,000,000 each occurrence
Products liability	£5,000,000 each occurrence and in the cover period
Pollution liability	£5,000,000 each incident and in the cover period
Environmental statutory liability including defence costs	£1,000,000 any one prosecution and in the cover period
Professional indemnity	£100,000 any one occurrence and in the cover period or as otherwise shown on your Schedule
Loss of or damage to documents	£25,000 any one loss
Prosecution costs	£1,000,000 any one prosecution and in the cover period
Statutory defence costs	£1,000,000 any one prosecution and in the cover period
Sexual abuse	£500,000 or the sub-limit shown on your Schedule any one occurrence
Defence costs	
Witnesses	
You, directors and partners	£500
Employees for each day in court	£250

Section 1 - Property

Property cover

We may pay **you** in accordance with the terms of this **Section** for accidental **damage** occurring during the **cover period** to the **property covered** at the **premises** within the **territorial limits**.

Costs and expenses cover

We may pay **you** for the following costs and expenses that may be incurred as a result of **damage** (or, if stated below, impending **damage**), unless **your Schedule** shows they are not included **in your cover**.

1. Architects', surveyors', consulting engineers' and other fees

Subject to **our** prior written consent, fees of architects, surveyors, consulting engineers and other fees for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the **reinstatement** of loss after **damage**.

Exclusion

We do not give **cover** for any fees incurred in preparing any claim made under this **cover**.

2. Criminal acts reward costs

Reasonable expenses **you** incur in paying rewards for information leading to a successful conviction or for information where the police believe that such information will secure a conviction following **damage** to **property covered** we agree to pay for caused by criminal acts.

3. Debris removal

Costs necessarily incurred by **you** in:

- a) removing debris from the **damaged** property site and the area within two hundred and fifty (250) metres of the perimeter of the **damaged** property site;
- b) disposal of electronic **property covered** which has suffered **damage**, in accordance with the Waste Electrical and Electronic Equipment (Amendment) Regulations 2009;
- c) cleaning or clearing debris from the drains, the sewers and/or the gutters of the **damaged** property site and the area within two hundred and fifty (250) metres of the perimeter of the **damaged** property site;
- d) dismantling and/or demolishing, or shoring up, propping and/or fencing the portion(s) of the **property covered** that has **been damaged**;
- e) removing debris from plant and machinery, whether or not such plant and machinery has been **damaged**;
- f) removing stock debris.

We do not give **cover** for any cost and expenses:

- i) of temporary boarding up of windows as part of a claim for breakage of glass;
- ii) relating to debris not attributable to **damage** to **property covered**.

4. Decontamination and/or decommissioning

If **we** have given **our** prior written consent, expenses necessarily incurred by **you** in decontamination and/or decommissioning of **property covered** caused by **damage**, whether the **property covered** has been **damaged** or not.

We do not give **cover** for:

- a) any costs and expenses incurred in removing debris; or
- b) any costs and expenses arising from **pollution** or **contamination** not **covered** under this **Section**.

5. Energy performance and sustainable buildings

If **we** have given **our** prior written consent, the additional cost of **reinstatement** incurred:

- a) to conform with the recommendation report contained in the current Energy Performance Certificate issued by an assessor accredited by the Department for Communities and Local Government (or any authority that may subsequently succeed or replace that Department), held by **you** in respect of the **damaged buildings**;

- b) to reinstate the **damaged buildings** to a standard above the minimum required under any Act of Parliament or with bye-laws of any municipal or local authority or applicable European Union directive where such standard would otherwise result in a recommendation for improvement to be made in a subsequent Energy Performance Certificate assessment in each case arising from the use of alternative materials or sources of materials in accordance with the principles of the Building Research Establishment environmental assessment method and rating system for buildings (BREEAM) core standards.

We do not give **cover** for:

- i) work to any undamaged portions of the **buildings**;
- ii) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the **buildings** or by their owner in respect of changes to the **buildings** by the application of this clause;
- iii) any costs incurred:
 - I) in respect of **damage** occurring prior to inception of this **cover**;
 - II) in respect of **damage** not included in **your cover** under this **Section**;
- iv) if the amount **we** may pay in respect of any of the **buildings** apart from this clause is reduced by the application of any of the terms and conditions of this **cover** or this clause, then the most **we** may pay under this clause in respect of such **buildings** will be reduced in like proportion.

6. Fire extinguishment expenses and emergency services damage

- a) Extinguishment expenses necessarily incurred by the **you** in order to minimise **damage**;
- b) expenses incurred in recharging or repairing **damage** to any gas or sprinkler fire extinguishment system;
- c) **damage** to lawns, gardens, playing surfaces and landscaped areas, car parks, private roads and pathways at the **premises** caused by emergency service vehicles while attending an incident involving **damage** for which **we** have accepted a claim under this **Section**;
- d) fire brigade charges arising from **damage**; and
- e) costs and expenses reasonably incurred by **you** to upgrade or improve any gas or sprinkler fire extinguishment rendered necessary to comply with any regulations introduced after the installation of the original system following an incident involving **damage** for which **we** have accepted a claim under this **Section**.

7. Flood resilience

The costs incurred with **our** prior written consent in:

- a) the utilisation of materials with improved water resilience in the repair or **reinstatement** of the **buildings**; and
- b) the relocation within the same building of replacement landlord's fixtures and fittings to an area less exposed to **damage** by water arising from **flood** and **storm**, as long as such perils are included in **your cover**.

8. Legislation and public authorities

If **we** agree **your** claim for **damage** under this **Section**, the additional cost of **reinstatement** of the **damaged buildings** and **machinery, plant and all other contents**, which may be incurred solely to comply with building or other regulations under or framed in pursuance of any Act of Parliament or with bye-laws of any municipal or local authority or European Union directive, provided that:

- a) the amount **we** may pay under this clause will not include the cost incurred in complying with any such regulations, bye-laws or directive:
 - i) in respect of **damage** occurring prior to the commencement of the **cover period** stated in **your Schedule**;
 - ii) in respect of **damage** not included in **your cover** under this **Section**; or
 - iii) under which notice has been served upon **you** prior to the happening of the **damage**;

- b) the amount **we** may pay under this clause will not include:
 - i) the additional cost that would have been required to make good the property **damaged** to a condition equal to its condition when new had the necessity to comply with any of those regulations, bye-laws or directives not arisen;
 - ii) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the **property covered** or by their owner by reason of compliance with any of those regulations, bye-laws or directives;
- c) if the amount **we** may pay in respect of any item of **property covered** apart from this clause is reduced by the application of any of the terms and conditions of this **cover**, then the most **we** may pay under this clause in respect of any such **property covered** will be reduced in like proportion;
- d) **we** do not give **cover** under this clause for additional costs attributable to a failure by **you** to commence and carry out the work of **reinstatement** as soon as reasonably practicable (which may be carried out upon another site and in any manner suitable to **your** requirements subject to the **amount we may pay** not being thereby increased);
- e) the total amount recoverable under this clause in respect of undamaged portions of **property covered** other than foundations, will not exceed fifteen per cent (15%) of the total amount it would have cost had the **building** which was **damaged**, or the item of **machinery, plant and all other contents** which was **damaged**, been totally destroyed.

9. Rent payable

- a) The actual **rent** payable for the unexpired term of the lease or until such time that the **building** is repaired to a condition fit for habitation should the **building** be wholly untenable or unusable; or
- b) the proportion of the **rent** applicable to the untenable or unusable part of the **building** that would otherwise be occupied by **you** should the **building** be partially untenable or unusable provided that:
 - i) **rent** is specified as **covered** in **your Schedule**; and
 - ii) any **building** which is leased or rented by **you** becomes untenable or unusable following **damage**; and
 - iii) the lease or rental agreement requires continuation of the **rent**;
 - iv) the most **we** may pay for **rent** is for the **maximum indemnity period** stated in **your Schedule** from the date of the **damage** to the **building**.

10. Temporary protection and expediting expenses

The reasonable and necessary costs incurred to:

- a) temporarily protect or preserve **property covered** in order to avoid or prevent immediately impending **damage covered** under this **cover**;
- b) board up windows and doors following breakage of glass; and
- c) expedite permanent or temporary repairs to or replacement of **property covered** following **damage covered** under this **Section**.

Temporary protection and expediting expenses do not include:

- i) expense which may be payable elsewhere under this **cover**; or
- ii) the cost of permanent repair or replacement.

11. Trace and access

The costs necessarily and reasonably incurred in locating the source of any escape of water from any fixed water services or heating installation, or escape of fuel oil, which causes **damage we** agree to pay for, including the repair to walls, floors or ceilings necessary as a direct result of the location work, except that **we** do not **cover** the cost of repairs to any fixed water services or heating installation.

Section 1 extensions

We may pay **you** for the following, unless **your Schedule** shows they are not included in **your cover**.

1. All risks specified items

Damage to property covered that is specified in **your Schedule** including when it is away from the **premises** in the **territorial limits** as shown on **your Schedule**, except that **we** do not give **cover** for **damage** away from the **premises** caused by theft or attempted theft unless:

- a) the theft or attempted theft takes place from an area that is locked and secured at all points of access; or
- b) the theft or attempted theft takes place from a motor vehicle belonging to **you** or under **your** control and:
 - i) the specified **property covered** is in the locked boot of or out of sight within the motor vehicle which shall have been locked at all points of access, and the theft or attempted theft involves forcible and violent entry into the motor vehicle; and
 - ii) if the value of the specified **property covered** exceeds £10,000, the motor vehicle is fitted with an immobiliser brought into operation whenever the motor vehicle is left unattended.

2. Buildings in the course of construction or alteration

Damage to:

- a) materials in connection with such work from the time they are delivered to the site at the **premises**;
- b) existing **building** or structure at the **premises** specified in the contract as affected by the works where works carried out at the **premises** are subject to Insurance Option C of Schedule 3 the Joint Contracts Tribunal (JCT) Standard Building Contract 2011 (Insurance by the Employer of Existing Structures and Works in or Extensions to them), or any similar contract conditions, but only to the extent and for the **perils** for which **you** have accepted responsibility under such contract provided that such perils are not excluded by this **cover**.

We shall be entitled to charge an appropriate additional **contribution** pro rata for the period of the contract and **you** shall pay such additional **contribution** **we** ask for.

For the purposes of this clause, all parties named in the contract for works are deemed to be jointly **covered**.

3. Capital additions

Damage to:

- a) any newly acquired **property** automatically upon acquisition (other than **stock and materials in trade**) of a kind not excluded under this **cover** at the **premises** insofar as it is not otherwise covered or insured; and
- b) any alterations, additions and improvements to **buildings** during the **cover period** subject to the following terms:
 - i) the most **we** may pay under this capital additions clause will not exceed the **sub-limit** for this clause which will be in addition to the **sums covered**;
 - ii) **you** must give **us** particulars of such newly acquired **property** and any alterations, additions and improvements at the expiry date of the **cover period** or, if the **cover period** is greater than twelve (12) months, at each twelve (12) months anniversary of the commencement of the **cover period** and to retrospectively **cover** the newly acquired, altered, added or improved **property** from the date **you** acquired the **property**;
 - iii) **we** shall be entitled to charge an appropriate additional **contribution** pro rata from the date of acquisition of the newly acquired, altered, added or improved **property** and **you** shall pay such additional **contribution** **we** ask for;
 - iv) **we** may vary the terms of **your cover** in respect of such newly acquired, altered, added or improved **property**, such variation to take effect not less than seven (7) days after it is notified to **you**;
 - v) **we** do not give **cover** for any appreciation in value that may accrue to any **buildings** following any alterations, additions and improvements;

- vi) if **you** acquire **property** of a value that is more than the **sub-limit** for capital additions, then this will be a material alteration subject to the General Condition applying to material changes. **You** must notify **us** and seek **cover** for the material alteration, if **you** require **cover** for it.

4. Deterioration of stock

Damage by deterioration or putrefaction to **stock and materials in trade** whilst contained within refrigerating units or any other temperature-controlled environment caused by:

- a) **change of temperature**; or
- b) **contamination** caused by sudden and unforeseen leakage of refrigerant or refrigerant fumes from the unit

subject to the following terms:

- i) the event giving rise to such deterioration, putrefaction or **contamination** occurs during the **cover period**; and
- ii) **we** do not give **cover** for:
 - I) **damage** involving refrigerating units or temperature control apparatus which is more than fifteen (15) years old when **damage** occurs, unless specifically agreed by **us** in writing;
 - II) **damage** involving refrigerating units or temperature control apparatus which is more than five (5) years old when **damage** occurs in respect of which there is no planned maintenance programme in place for the regular servicing of the refrigerating unit or temperature control apparatus by the manufacturer or a competent engineer;
- iii) **we** do not **cover damage** caused by:
 - I) a cessation of electrical supply arising from **your** deliberate act, unless performed for the sole purpose of safeguarding life, property or protecting any part of the utility undertaking systems;
 - II) a cessation of electrical supply arising from any scheme of rationing not necessitated solely by **damage** to the utility undertaking's generating or supply equipment;
 - III) wear and tear, deterioration or gradually developing flaws or defects in the unit or incorrect setting of thermostats or automatic controls.

5. Glass, glass surrounds and washroom facilities

Reasonable expenses for which **you** are legally responsible and unable to recover from any other party and which **you** incur with **our** prior consent, such consent not to be unreasonably withheld, for the cost of:

- a) boarding up where necessary before the replacement of **damaged** glass;
- b) the replacement or **reinstatement** of frames or glass supports which arises from the **damage**;
- c) the **reinstatement** of intruder alarm protection equipment if the **damage** includes breakage of the glass to which it is fixed;
- d) the contents of display windows and cabinets if the **damage** includes breakage of such display windows and cabinets;
- e) if not covered or insured elsewhere, replacement or repair to lettering or other ornamental work; and the removal or replacement of fixtures and fittings in order to replace the glass as a result of the breakage.

6. Leased premises difference in conditions/difference in limits (DIC/DIL)

Where **buildings** are leased to or rented by **you** and separate covers or insurances are placed elsewhere in respect of such **buildings** under lease or rental agreements or otherwise:

- a) any amount in excess of the amounts recoverable under the separate covers or insurances, but not exceeding the difference between the amounts recoverable under the separate covers or insurance and the amounts that (but for such amounts recoverable under the other cover or insurance) may have been payable under this **cover**;
- b) any difference in conditions between the separate covers or insurances and those contained within this **cover**

following **damage** that is **covered** by this **Section**, except for any amount recoverable under the public or general liability cover or policy.

7. Lock replacement

The reasonable cost of replacing external locks or safe or strong room locks at the **premises** following **damage** to the keys to the **premises**:

- a) either at:
 - i) the **premises**; or
 - ii) at **your** home or at the home of **your** partner, director or authorised **employee**;
- b) or following a hold-up while the keys are in **your** personal custody or that of any authorised partner, director or **employee**.

8. Metered water or gas

Any charges **you** are legally responsible for and unable to recover from any other party, in respect of loss of metered water or gas, provided that:

- a) loss of water or gas is due to **damage** at the **premises** which **we** agree to pay for under this **Section**;
- b) the lost water or gas is measured by the utility meter;
- c) the amount **we** may pay shall be ascertained by comparing the **trend adjusted** usage on the suppliers' account for the ninety (90) days immediately after the **damage** with the same ninety (90) day period in the previous year;
- d) the **cover** provided by this extension shall not apply to **unoccupied buildings**; and
- e) the most **we** may pay respect of any one (1) **premises** is limited to such excess water or gas charges duly demanded by the utility undertaking in consequence of **damage** up to the **sub-limit** for this clause.

9. Unauthorised use of electricity, gas or water

The cost of metered electricity, gas or water for which **you** are legally responsible arising from its unauthorised use by persons taking possession of or occupying the **premises** without **your** authority provided that **you** shall take all practical steps to terminate such unauthorised use as soon as it is discovered.

This extension excludes and **we** do not **cover** the cost of metered electricity, gas or water arising from possession of or occupying **unoccupied premises**.

10. Property temporarily at other locations

Damage to machinery plant and all other contents or stock and materials in trade or buildings, but not **property covered** that is specified under the All risks specified items extension shown in **your Schedule**, while temporarily removed away from the **premises**, provided that:

- a) **cover** for such items is included under this **Section** while at the **premises**;
- b) **we** will not consider claims for **damage**:
 - i) caused by or arising during **transit**;
 - ii) recoverable under any insurance or in any other way including from any third party;
 - iii) caused by theft or attempted theft from a building unless the theft or attempt theft involves entry to or exit from the building by violent and forcible means or arises from robbery or attempted robbery;
 - iv) to property of others held by **you** in trust;
 - v) to watches, tobacco, cigars, cigarettes, **wines and spirits**, audio equipment, radios, televisions, video equipment, laptop and tablet computers, telephones and smartphones, and pictures;
 - vi) to property removed outside the **territorial limits**.

11. Property at exhibitions and trade fairs

Damage to property covered while at exhibitions and trade fairs, including **transit** anywhere in the European Union (including air and sea **transit** within the European Union territories on recognised passenger and freight carriage routes unless more specifically covered or insured), except that **we** do not **cover damage**:

- a) to watches, tobacco, cigars, cigarettes, **wines and spirits**, audio equipment, radios, televisions, video equipment, laptop and tablet computers, telephones and smartphones, and pictures;
- b) caused by theft or pilferage by an **employee** either as a principal or accessory;

- c) caused by theft or attempted theft, but this exclusion will not apply where the theft or attempted theft takes place from a building or a motor vehicle and the theft or attempted theft meets the following conditions:
 - i) if the theft or attempted theft takes place from a building, the theft or attempted theft must involve entry to or exit from the building by violent and forcible means, or must arise from robbery or attempted robbery; or
 - ii) if the theft or attempted theft takes place from a motor vehicle belonging to **you** or under **your** control the vehicle must be:
 - I) occupied by **you** or **your employee**; or
 - II) if unattended, all doors windows and other means of entry must be closed and locked and all keys must be removed to a place of safety; and
 - III) if left unattended between the hours of 9pm and 6am, parked in a securely locked building or garage or in a security compound that is permanently manned and protected by a controlled security barrier, or the vehicle must be fitted with an immobiliser and brought into operation; and
- d) resulting directly from defective packing faulty assembly or dismantling;
- e) recoverable under any insurance or in any other way.

12. Theft damage to buildings not included in your cover

Damage to buildings by thieves where **you** are responsible for the cost of **damage to buildings** that are not included in this **cover**.

13. Trees, shrubs and plants

The cost to replant trees, shrubs, plants and turf used as landscaping at the **premises** following **damage** caused by fire, lightning, explosion, aircraft or other aerial devices or articles falling from them, to the same appearance when first planted, but **we** do not **cover** any cost arising from the failure of these items to germinate or become established.

14. Undamaged tenants' improvements

If **damage we** agree to pay for under this **Section** directly results in a lease or tenancy agreement being terminated, **your** legal liability to reimburse **your** tenants for their undamaged improvements which are no longer available to such tenants following the **damage**.

15. Valuables

Damage to gold, silver, jewellery, precious stones, works of art, rare books, sculptures, curios and collections included within the declared value for **machinery, plant and all other contents**.

Section 1 exclusions and limitations

In addition to the limitations and exclusions in the Property Related Exclusions and General Exclusions, **we** do not give **cover** for the following.

1. Consequential loss

Any form of indirect or consequential loss except as specifically included with this **Section**.

2. Excluded property

- a) **Damage** to the following property unless specified to the contrary in **your Schedule**:
 - i) **property covered** while it is being used for an activity provided by the **business** for the purpose for which it was intended, unless **we** agree otherwise;
 - ii) livestock, bloodstock, fishstock, growing crops or trees;
 - iii) **watercraft** or aircraft or other aerial or spatial devices (including drones);
 - iv) motor vehicles and their contents, accessories, caravans or trailers except for such vehicles that are not licensed for road use;
 - v) any item of **hired-in plant and equipment** unless shown in **your Schedule** as included in **your cover**;
 - vi) money, bullion, foreign coins, counterfeit or substitute money;
 - vii) land, piers, jetties, bridges, culverts or excavations;

- viii) property in the course of erection or installation except as specifically covered in the Buildings in course of construction or alteration extension;
 - ix) **property in transit** except as specifically **covered** in the Property at exhibitions and fairs extension;
 - x) explosives; and
 - xi) gold, silver, jewellery, precious stones, works of art, rare books, sculptures, curios and collections except as specifically covered by the Valuables extension;
- b) moveable property in the open, gates or fences, unless the **damage** is caused by fire, lightning, aircraft, explosion, earthquake, riot, civil commotion, malicious persons or impact.

3. Property covered or insured elsewhere

Damage to any **property covered**, or costs and expenses in respect of such **damage**, which is otherwise more specifically covered under any insurance or other indemnity, irrespective of whether or not a claim has been made under such insurance or indemnity. To the extent this clause applies the General Condition applying to other cover or insurance will not apply.

4. Unoccupied buildings

Damage in respect of **buildings** which are or become **unoccupied** during the **cover period**:

- a) caused by:
 - i) escaping water from any pipe, tank, water system or sprinkler installation;
 - ii) malicious damage or vandalism (but not excluding **damage** by fire or explosion);
 - iii) damage by theft or attempted theft;
- b) to glass, glass surrounds and washroom facilities.

5. Unprotected property

Damage by fire or theft subsequent to **you** receiving written notification from:

- a) the maintenance contractors that the maintenance is suspended; or
- b) the relevant police service that alarm signals from the **premises** will no longer be answered where such **premises** are fitted with an approved intruder alarm equipped with a unique reference number unless expressly agreed in writing by **us**.

Other terms and conditions for Section 1

1. Basis of settlement

If **property covered** under this **Section** is **damaged**, the amount **we** may pay shall be calculated as follows:

- a) for **stock and materials in trade** that is unsold, the cost of production including raw materials and the labour expended to restore the stock to the position that as closely as possible existed prior to the **damage**;
- b) for raw materials, supplies and other merchandise not manufactured by **you**:
 - i) if repaired or replaced, the actual expenditure reasonably incurred in repairing or replacing the **damaged** or destroyed property; or
 - ii) if not repaired or replaced, the **actual value**;
- c) for **documents**, the value blank plus the cost of copying information from back-up or from originals of a previous generation. These costs will not include research, engineering or any costs of restoring or recreating lost information;
- d) for gold, silver, jewellery, precious stones, works of art, rare books, sculptures, curios and collections where included in this **cover**, the lesser of:
 - i) the reasonable and necessary cost to repair or restore such property to the physical condition that existed on the date of loss;
 - ii) the cost to replace the article;
 - iii) the value, if any, stated in **your Schedule for** the specific article;

- e) for **electronic data**, the cost to repair, replace or restore the medium containing such **electronic data** to the condition that existed immediately prior to the **damage**, including the cost of reproducing any **electronic data** contained thereon, providing such medium is repaired, replaced or restored. Such cost of reproduction shall include all reasonable and necessary amounts incurred by **you** in recreating, gathering and assembling such **electronic data**. If the medium is not repaired, replaced or restored, the basis of valuation shall be the cost of the blank media;
- f) for **employees'**, partners', directors' or visitors' property, the cost of repairing or replacing the item(s) as new, whichever is the lesser;
- g) for motor vehicles or motor chassis the **actual value**;
- h) for **buildings** awaiting demolition, the cost of removing debris which is incurred by **you** solely as a result of the **damage**;
- i) for all other **property covered**:
 - i) where the **property covered** is destroyed, the rebuilding of the property if a **building**, or, in the case of other property, its replacement by similar property, in either case in a condition equal to but not better or more extensive than its condition when new;
 - ii) where the **property covered** is **damaged**, the repair of the **damage** and the restoration of the **damaged** portion of the property to a condition substantially the same as, but not better or more extensive than, its condition when new.

2. Basis of settlement conditions

- a) If **you** elect and **we** agree not to repair or reinstate any **property covered**, then the most **we** may pay shall be limited to the **actual value** of the **damaged property covered**, however settlement on this basis shall be at **our** sole discretion.
- b) If **we** agree to reinstate or replace any **property covered**, **you** will, at **your** own expense, produce and give to **us** all such plans, documents, books and information as **we** may require.
- c) **We** will not be bound to reinstate exactly or completely but only as circumstances permit, and in a reasonably sufficient manner, and will not consider a claim in respect of any item of the **property covered** for more than the applicable **sum covered** or **sub-limit**.
- d) If at the time of any **damage** to any **property covered**, such property is covered by any other cover or insurance effected by **you** or on **your** behalf but is not on the identical basis of **reinstatement** to the terms of this clause, then **we** will not consider a claim for payment of any amount in excess of the amount that may have been payable if this condition had not been incorporated. To the extent this clause applies the General Condition applying to other cover or insurance will not apply.
- e) The work of **reinstatement** must be commenced and carried out as soon as reasonably practicable, otherwise the most **we** may pay will be the amount which may have been payable under this **Section** had **reinstatement** been carried out as soon as reasonably practicable.
- f) The most **we** may pay is the amount that would have been payable under this **Section** if this condition had not been incorporated until such time as the cost of **reinstatement** has actually been incurred.

3. Day one (1) basis – non adjustable

- a) For each item of **property covered** specified as 'Day one (1) operative' in **your Schedule**, **we** agree to calculate the **contribution** upon the **declared value** provided that, at inception of this **cover** and the commencement of each subsequent **cover period**, **you** notifies **us** of the **declared value** of each such item (in the absence of such a notification, the last amount declared by **you** will be taken as the **declared value** for the ensuing **cover period**).
- b) Where by reason of any provision of the Basis of Settlement conditions no payment is to be made beyond the amount that would have been payable if these conditions had not been incorporated, the **sum(s) covered** will be deemed to be the **declared value(s)**.

4. Inadequate sum covered

Each item of **property covered** is, to the extent specified in **your Schedule** as being **covered** on a **sum covered** basis, subject to the following conditions of average.

a) **Eighty five per cent (85%) average**

If at the time of **reinstatement** the sum representing eighty five per cent (85%) of the cost that may have been incurred in **reinstatement**, if the whole of the item of **property covered** had been destroyed, exceeds the **sum covered** thereon at the commencement of any **damage** to such **property covered**, then **you** will be considered as being **your** own insurer for the difference between the **sum covered** and the sum representing the cost of **reinstatement** of the whole of the **property covered** and will bear a rateable proportion of the loss accordingly.

b) **Day one (1) basis average**

Where **property covered** is specified as **covered** on a day one (1) basis then if at the time of loss the **declared value** of the **property covered** is less than the cost of **reinstatement** at inception of the **cover period**, then the most **we** may pay will be limited to that proportion which the **declared value** bears to the cost of **reinstatement**.

c) **Standard inadequate sum covered condition**

For **stock and materials in trade, documents, electronic data**, motor vehicles and chassis or any **property covered** that has the **actual value** applied, then each item of property is **covered** on a **sum covered** basis and is declared to be separately subject to average that is, if at the commencement of any **damage**, the value of **property covered** is collectively of greater value than the **sum covered**, then **you** will be considered as being **your** own insurer for the difference and will bear a rateable proportion of the loss accordingly.

5. Claim discharge

Your or **your** personal representatives' receipt of the final adjusted claim settlement under this **Section** will discharge **us**.

6. Compromised settlements

If **you** compromise with **us** any claim under this **Section**, where more than one (1) party has an interest in the **property covered**, the payment made pursuant to such compromise will represent the total amount **we** may pay in respect of that **property covered** for the interests of all parties **covered** by this **Section**.

7. Contract price

In respect of **goods** sold, but not delivered, for which **you** are responsible under a contract of sale, if the contract of sale is cancelled wholly or in part by reason of the **damage**, the **amount we** may pay will be based on the contract price of the **goods** and, if the **sum covered** is not for the full value, the value of all **goods** to which this clause would in the event of **damage** be applicable will be ascertained on the same basis.

8. Contracting purchaser

If at the time of **damage** to any **building** included in **your cover** under this **Section** **you** have contracted to sell **your** interest in such **building** and the purchase has not been but is completed later, the purchaser will be entitled (on completion of the purchase, and then only so far as the property is not otherwise covered or insured by or on behalf of the purchaser against such **damage**) to the benefit of this **Section** insofar as it relates to such **damage**, without prejudice to **your** rights and obligations or **our** rights under this **Section** up to the date of completion or, if earlier, the date on which **cover** under this **Section** ends.

9. Designation

For the purpose of determining where necessary the heading under which any property is **covered**, it is agreed to accept the designation under which such property has been entered in **your** books.

10. Errors and omissions

You shall not be prejudiced by an unintentional and/or inadvertent omission, error or incorrect description in respect of the **property covered**, provided that:

- a) notice is given to **us** as soon as practical upon discovery of any such error or omission; and
- b) **you** pay any extra **contribution** on all such property from the inception of this **cover** or from the date of **your** interest in such property is acquired, if the property in question is erected or purchased after the inception of this **cover** that **we** require; and
- c) this clause shall not be construed to cover any **property covered** or cause that would otherwise be excluded by this **cover**.

11. Involuntary betterment

Where **property covered** is **damaged** and requires replacement and similar property is not obtainable, and if **we** agree **your** claim **we** also agree:

- a) to accept, without deduction for betterment, replacement property which is as similar as possible and which is capable of performing the same function; and
- b) to pay the cost of purchasing and installing technologically current equipment which is necessitated by incompatibility between:
 - i) the equipment installed to replace **damaged** equipment; and
 - ii) undamaged existing equipment at the same or interdependent location.

The most **we** may pay will be the amount sufficient to enable **you** to resume operations in substantially the same manner as before the **damage**.

12. Other parties

The interest of such other parties including, as the case may be, lessors, mortgagees, banks and hire purchase companies is noted in this **cover** but only to the extent of their financial interest in the **property covered**.

If **you** make a claim under this **Section**:

- a) **you** will immediately declare to **us** the names of such interested parties; and
- b) **we** will consult with such declared interested parties as regards the manner and method of any payment **we** may agree to make so as to protect the direct financial interests of such parties.

We will not agree to make any payment to such interested parties unless their interest has been declared to **us** in accordance with this clause.

13. Pairs and set settlement basis

This **cover** shall include the resulting reduction in value of the remaining undamaged components or parts of products customarily sold as individual units or sold as pairs, sets or lots or ranges of sizes or colours.

14. Stock declaration

In respect of **stock and materials in trade** and any item of stock more specifically **covered** where the stock declaration condition is stated as 'operative' in **your Schedule**, this **cover** is subject to the following special provisions:

- a) the first and annual **contributions** are provisional and are subject to adjustment as described below;
- b) declarations of the value of **such stock and materials in trade** on the last day of each month or of each quarter (whichever period has been agreed) shall be made in writing by **you** to **us** within thirty (30) days of the close of the said period. If no declaration is given, **you** will be deemed to have declared the maximum **sum covered** as the value;
- c) on the expiry of each **cover period** the actual **contribution** payable will be calculated at the rate agreed upon the average **sum covered**, i.e. the total of the **sums covered** declared divided by the number of declarations. If the **contribution** due is greater than the provisional **contribution**, **you** will pay the difference or if it is less, the difference will be repaid to **you**;
- d) in consideration of the **cover** not being reduced by the amount of any loss, **you** will pay such extra **contribution we** ask for.

15. Subrogation waiver

If **we** agree a claim arising under this **Section**, **we** agree to waive any rights, remedies or relief to which **we** might become entitled by **subrogation** against:

- a) any company standing in the relation of parent to subsidiary (or subsidiary to parent) to **you** as defined in the Companies Act 2006 or Companies (N.I.) Order 2006, as appropriate, current at the time of the loss; and
- b) any company that is a subsidiary of a parent company of which **you** are itself a subsidiary, in each case within the meaning of the Companies Act 2006 or Companies (N.I.) Order 2006, as appropriate, current at the time of the loss.

16. VAT clause – United Kingdom only

In respect of **property covered** in the **United Kingdom**, this **cover** is extended to include the cost of **VAT** paid by **you** (including self-supply value added tax where appropriate) which is not subsequently recoverable following **damage** to the **property covered** provided that:

- a) **your** liability for such tax arose solely as a result of the **reinstatement** and/or repair of the **property covered** following **damage**;
- b) **we** have paid and or have agreed to pay for such **damage**;
- c) if any payment made by **us** in respect of the **reinstatement** and/or repair of such **damage** shall be less than the actual cost of the **reinstatement** and/or repair, any payment under this clause resulting from the **damage** shall be reduced in like proportion;
- d) **your** liability for such tax does not arise from the replacement premises having greater floor area than and/or being better and/or more extensive than the **damaged premises**;
- e) where an option to **reinstatement** on another site is exercised, the most **we** may pay is the amount of **VAT** that would have been payable had the **premises** been rebuilt on their original site;
- f) **we** do not give **cover** for amounts payable by **you** as penalties and/or interest for non-payment and/or late payment of tax; and
- g) terms to the contrary elsewhere in this **cover** are over-ridden as follows in respect of those items to which this clause applies:
 - i) for the purposes of the Other terms and conditions for Section 1 clause 1 Basis of settlement and Costs and expenses cover clause 9 Rent payable, **reinstatement** costs and **rent** shall be exclusive of **VAT**; and
 - ii) the most **we** may pay may exceed the **sum covered** by an individual item on **buildings** or **rent** or in the whole the total **sum covered** where such excess is solely in respect of **VAT**.

17. Workmen

You shall be entitled to employ workmen to carry out alterations, repair, decoration, plant installation, general maintenance and the like at the **premises** as required.

Section 1 special conditions

You must comply with each and every one of the following special conditions.

If **you** cannot satisfy **us** that a special condition was complied with in each and every respect, **we** will not consider any claim under this **Section** which might potentially have been avoided or reduced by compliance, unless **you** establish that non-compliance could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

1. Hot work permit

Where work involving use of a naked flame or other heat source or oxyacetylene, electric arc or similar welding, cutting, grinding or other spark emitting equipment by any person (whether a third party contractor, an **employee** or other) is carried out at the **premises**:

- a) a hot work permit in the form set out in Loss Prevention Recommendation RC7 published by the Fire Protection Association (FPA) or **our** Hot Work Permit or such similar permit or documentation, must be completed jointly by the person responsible for carrying out the work and **your** safety officer (or nominated person) before such work commences; and
- b) the precautions and systems of work shown on the designated hot work permit must be complied with at each stage of the work.

This clause shall not apply where such work is an integral part of **your** trade processes.

2. Fire and security

- a) **You** shall ensure that:
 - i) All systems, appliances and extinguishers that are installed for the protection of the **premises** are:
 - I) installed in accordance with the manufacturer's specification;
 - II) not altered, varied or affected by any structural alteration to the **premises** without **our** prior written consent;

- III) in full and efficient working order at all times;
- IV) regularly serviced either under the manufacturer's maintenance contract or an NSI or LPCB approved contractor in accordance with the manufacturer's specifications and any other maintenance **we** may require;
- ii) the fire alarm is tested at least weekly and continually set in active mode;
- iii) the intruder alarm is tested and fully set whenever the alarmed portion of the **premises** are closed for business or not attended by **you** or any competent adult authorised by **you** to be responsible for the security of the **premises**;
- iv) the sprinkler system and its water supplies are inspected and tested weekly to ascertain they are in working order and that control valves are in the fully open position and, if required by **us**, the water supply is tested for adequacy quarterly or half yearly;
- v) the fire extinguishers are inspected regularly to ensure effective operation;
- vi) the particulars of the tests described above shall be recorded and any defect whether revealed by such tests or otherwise will be remedied promptly;
- vii) **you** notify **us** as soon as reasonably practicable:
 - I) upon discovery of any defects that arise in the alarm system, that such defects are remedied as soon as is practicable and that **you** tell **us** in writing once alarm system is fully operational;
 - II) of any withdrawal, disconnection or failure of or downgrading of any civil authority response to the alarm system likely to leave any area unprotected;
- viii) there are available keyholders notified to all appropriate services;
- ix) all reasonable steps are taken to ensure that the sprinkler system is protected from frost insofar as **your** responsibility extends to maintaining the installation;
- x) there is a training programme for all staff to ensure familiarity with the operation of fire extinguishing appliances is established, maintained and documented;

The provisions of a)(i) and (ii) above will not deprive **you** of the **cover** provided by this **Section** if any defect in the said systems is due to circumstances beyond **your** control which arise after the systems have been properly set.

- b) **We** do not give **cover** for **damage** by fire or theft subsequent to **you receiving** written notification from:
 - i) the maintenance contractors that the maintenance is suspended; or
 - ii) the relevant police service that alarm signals from the **premises** will no longer be answered where such **premises** are fitted with an approved intruder alarm equipped with a unique reference number.

unless expressly agreed in writing by **us**.

3. Unoccupied buildings

In respect of **unoccupied buildings**, **you** shall:

- a) give notice to **us** if a **building** becomes **unoccupied** and if an **unoccupied building** or portion of an **unoccupied building** is again occupied; and
- b) pay any extra **contribution we** may ask for to provide **cover** in respect of such **unoccupied buildings**; and
- c) ensure that:
 - i) all mains services except those connected to automatic fire alarm or intruder alarm installations are turned off at the mains and water tanks drained to prevent **damage** caused by escaping water from any pipe, tank, water system or automatic sprinkler installation; and
 - ii) all combustible materials not forming part of the landlord's fixtures and fittings are removed from inside and outside the **buildings** in respect of **damage** by fire; and
 - iii) all ground floor windows and letterboxes are securely boarded over, and
 - iv) any automatic fire and intruder alarm systems are maintained and kept fully operational and all reasonable precautions are taken to secure the **buildings** against unauthorised entry; and

- v) the **buildings** are inspected thoroughly both internally and externally at least once every fourteen (14) consecutive days (unless otherwise notified in writing by **us**) by **you, your employees** or authorised representatives and a record is maintained of such inspections and all defects in maintenance and security are rectified immediately.

Notwithstanding compliance with conditions above, this **cover** remains subject to exclusion 4 of this **Section** Unoccupied buildings.

Section 2 – Business Interruption

Business Interruption cover

We may pay **you** in accordance with the terms of this **Section** for each item shown in **your Schedule** as included in **your cover**, for loss caused by the interruption of or interference with the **business** resulting directly from accidental **damage** occurring during the **cover period** to property used by **you** at the **premises** within the **territorial limits**, provided that:

- a) at the time the **damage** occurs there is in force in respect of the **damage** either:
 - i) **cover** under Section 1 Property;
 - ii) an insurance policy covering **your** interest in the property at the **premises** against such **damage** and such property is of a type and kind not excluded by this **Section**;
- b) at the time the **damage** occurs **you** have claimed under this **cover** under Section 1 Property or the policy referred to at a) ii) above and **we** have agreed or paid **your** claim, or the relevant insurer has paid such claim in full or admitted liability for such claim, or **we** or they would have done so but for the operation of a proviso in this **cover** excluding **cover** or the insurance policy excluding liability for losses below a specified amount.

Losses, Costs and Expenses

We may pay **you** for the following losses, costs and expenses, unless **your Schedule** shows they are not included in **your cover**.

1. Gross profit/estimated gross profit

- a) Loss caused by a reduction in **gross revenue** and/or an **increased cost of working**. The most **we** may pay will be:
 - i) in respect of reduction in **gross profit**: the sum produced by applying the **rate of gross profit** to the amount by which the **gross revenue** during the **indemnity period** will, in consequence of the **damage**, fall short of the **standard gross revenue**;
 - ii) **increased cost of working**, but not exceeding the sum produced by applying the **rate of gross profit** to the amount of reduction reasonably anticipated at the time the expenditure was incurred;
 - iii) minus regardless of whether the calculation is based on the reduction of **gross revenue** or **increased cost of working**, any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross profit** as may cease or be reduced in consequence of the **damage**.
- b) If the **sum covered** in respect of **gross profit** is less than the sum produced by applying the **rate of gross profit** to the **standard gross revenue** (or to a proportionately increased multiple where the **maximum indemnity period** exceeds twelve (12) months), the most **we** may pay will be proportionately reduced.
- c) If any **specified working expenses** of the **business** deducted in arriving at the **gross profit** are not included in **your cover** under this **Section** then in computing the amount recoverable as **increased cost of working**, the amount of additional expenditure that will be taken into account will be reduced by the proportion that the **gross profit** bears to the sum of the **gross profit** and the **specified working expenses**.

2. Gross revenue/estimated gross revenue

- a) Loss of **gross revenue/estimated gross revenue** and **increased cost of working**. The most **we** may pay will be:
 - i) in respect of the reduction in **gross revenue**: the amount by which the **gross revenue** during the **indemnity period** will, in consequence of the **damage**, fall short of the **standard gross revenue**;
 - ii) **increased cost of working**, but not exceeding the amount of reduction reasonably anticipated at the time the expenditure was incurred;

- iii) minus regardless of whether the calculation is based on the reduction in **revenue** or the **increased cost of working** any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross revenue** as may cease or be reduced in consequence of the **damage**;
- b) If the **sum covered** in respect of **gross revenue** is less than the **standard gross revenue** (or a proportionately increased multiple where the **maximum indemnity period** exceeds twelve (12) months), the most **we** may pay will be proportionately reduced.

3. Additional cost of working

The additional expenditure necessarily and reasonably incurred by **you** for the sole purpose of avoiding or diminishing the reduction in **gross revenue** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage**.

4. Additional increased cost of working

The additional expenditure necessarily and reasonably incurred during the **indemnity period** in consequence of the **damage** for:

- a) preventing or minimising a reduction in **gross revenue**; and/or
- b) resuming or maintaining normal **business** operations. Provided that the amount **we** may pay shall be:
 - i) in addition to the amount **we** may pay in respect of **increased cost of working** pursuant to clause 1 Gross profit/estimated gross profit, clause 2 Gross revenue/estimated gross revenue clause and clause 5 Rent receivable;
 - ii) in addition to the **sums covered** but shall not exceed the **sub-limit** on additional **increased cost of working**.

5. Rent receivable

- a) Loss of **rent receivable** and additional expenditure. The most **we** may pay for this item will be:
 - i) in respect of loss of **rent receivable**: the amount by which, in consequence of the **damage**, the **rent receivable** during the **indemnity period** falls short of the **standard rent receivable**;
 - ii) **increased cost of working**, but not exceeding the amount of reduction reasonably anticipated at the time the expenditure was incurred;
 - iii) minus any sum saved during the **indemnity period** in respect of such of the expenses and charges payable out of **rent receivable** as may cease or be reduced in consequence of the **damage**;
- b) If the **sum covered** in respect of **rent receivable** is less than the **standard rent receivable** (or a proportionately increased multiple where the **maximum indemnity period** exceeds twelve (12) months), the most **we** may pay will be proportionately reduced.

6. Outstanding debit balances

- a) If any records of accounts receivable used by **you** at the **premises** for the purpose of the **business** are **damaged** during the **cover period** and in consequence income is lost resulting from **your** inability to trace or establish **your outstanding debit balances** then **we** may pay for the loss of income resulting from **your** inability to trace or establish **your outstanding debit balances** as a direct result of **damage**.
- b) If at the time of any **damage** the **sum covered** for **outstanding debit balances** is less than the actual balances, the most **we** may pay will be proportionately reduced.
- c) In addition, **we** may pay expenses incurred with **our** consent in tracing and establishing customers' debit balances after the **damage**.
- d) After payment of any claim hereunder, all amounts recovered by **you** on accounts receivable for which **you** have been indemnified for **outstanding debit balances** will belong and be paid immediately to **us** by **you** up to the total amount of loss paid by **us**.

Additional costs and expenses cover

We may pay **you** the following additional costs and expenses that may be incurred following **damage**, unless **your Schedule** shows they are not included in **your cover**.

1. Professional accountants

- a) Any particulars or details contained in **your** books of account or other **business** books or documents which may be required by **us** for the purpose of investigating or verifying any claim made under this **cover** may be produced by professional accountants if at the time they are regularly acting as such for **you** and their report will be the basis for evidence of the particulars and details to which such report relates, unless any such contradictory circumstance or evidence is apparent in which case the onus to prove the loss shall be upon **you**.
- b) We may pay for the reasonable charges payable by **you** to **your** professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by **us** and reporting that such particulars or details are in accordance with **your** books of account or other **business** books or documents.

Section 2 extensions

We may pay for the following, unless **your Schedule** shows they are not included in **your cover**:

1. Customers' and suppliers' premises

Loss resulting from interruption of or interference with the **business** as **covered** by this **Section** resulting from **damage** to property of a kind not excluded by this **Section** at the premises of **your** direct customers and direct suppliers except that **we** do not give **cover** under this extension for:

- a) loss resulting from **damage** to the premises and/or transmission and distribution lines, pipes, cables and masts of **your** electricity, gas, water or telecommunications services providers;
- b) loss resulting from **damage** to:
 - i) premises of unspecified customers and unspecified suppliers outside the **United Kingdom**;
 - ii) premises of specified customers and specified suppliers outside the **United Kingdom** by any cause other than direct physical **damage** by fire, lightning, explosion or aircraft impact (or the impact of articles dropped from aircraft);
- c) any amount in excess of the greater of either:
 - i) the respective percentage of the **gross profit** or **gross revenue** (where stated in **your Schedule**) in respect of each customer and supplier in respect of any one (1) occurrence; or
 - ii) the appropriate **sub-limit** for any one (1) occurrence.

Provided that the **maximum indemnity period** shall not exceed twelve (12) months.

2. Damage to property at contract sites

Loss resulting from interruption of or interference with the **business** as **covered** by this **Section** caused by **damage** to property away from **premises** (but within the **territorial limits**) where **you** are carrying out work as part of the **business**. Provided that the **maximum indemnity period** shall not exceed twelve (12) months.

3. Denial of access

Loss resulting from interruption of or interference with the **business** as **covered** by this **Section** caused by **damage** to property within one thousand (1,000) metres of the perimeter of the **premises** which physically prevents or hinders the use of the **premises** or access to them, whether the **premises** or **property covered** in the **premises** shall be **damaged** or not. Provided that the **maximum indemnity period** shall not exceed twelve (12) months.

4. Denial of access (non-damage)

We may pay **you** for loss resulting from interruption of or interference with the **business** in consequence of:

- a) action by the Police Authority or any Local Authority following danger or disturbance in the vicinity of 250 metres of the perimeter of the **premises** which hinders the use of the **premises**; and
- b) the said **premises** containing or being thought to contain a harmful device provided **you** inform the Police Authority immediately of the presence or suspected presence of the harmful device.

In respect of clauses a) and b):

- i) the **maximum indemnity period** shall not exceed three (3) months;
- ii) **we** do not give **cover** for loss resulting from the first forty eight (48) hours of each and every such interruption or interference; and
- iii) the most **we** way pay is the **sub-limit** for this extension or in the **cover period**.

We do not give **cover** under this extension for:

- i) **damage** to the property of **your** electricity, gas, water or telecommunication services provided which prevents or hinders the supply of such services to the **premises**;
- ii) loss:
 - I. arising from any cause within **your** control; or
 - II. as result of physical **damage** to property;
- iii) **damage** or loss resulting from incidents of disease, epidemic or pandemic, including but not limited to:
 - a) notifiable diseases under the Health Protection (Notification) Regulations 2010;
 - b) any coronavirus (or similar or equivalent virus in the future);
 - c) any mutation or variation of b) above;
 - d) any coronavirus disease (or similar or equivalent disease in the future);
 - e) any epidemic or pandemic which poses a threat to human health or human welfare whether officially declared an epidemic or pandemic or not; or
 - f) any fear or threat of b), c), d) or e) above.

5. Exhibitions

Loss resulting from interruption of or interference with the **business** as **covered** by this **Section** caused by **damage covered** under Section 1 Property to property used by **you** whilst at any exhibition anywhere within the European Union. Provided that the **maximum indemnity period** shall not exceed twelve (12) months.

6. Inter-group dependency

Loss resulting from interruption of or interference with the **business** as **covered** by this **Section** resulting from **damage** to:

- a) **buildings** or other property included in **your cover** that cause interruption to or interference with the **business** at another **premises** included in **your cover**; or
- b) **your buildings** or other property (or **buildings** or other property of **your** holding company) where the **buildings** or property are not included in **your cover** provided that:
 - i) such **buildings** and/or property are situated within the **territorial limits**;
 - ii) the most **we** may pay is the **sub-limit**; and
 - iii) the **maximum indemnity period** shall not exceed twelve (12) months.

7. Loss of attraction

Loss as **covered** by this **Section** in consequence of diminution of attraction to the **premises** following **damage** to property occurring at any other site within a one (1) mile radius of any of the **premises**, provided that **we** will not consider claims for loss relating to the first forty eight (48) hours of each and every interruption or interference and the **maximum indemnity period** shall not exceed three (3) months.

8. Notifiable disease, murder or suicide, food or drink poisoning

Loss resulting from interruption of or interference with the **business** as **covered** by this **Section** in consequence of any of the following events:

- a) an occurrence of a **notifiable disease**:
 - i) at the **premises**; or
 - ii) attributable to food or drink supplied from the **premises**;
- b) the discovery of any organism at the **premises** likely to result in the occurrence of a **notifiable disease**;
- c) the discovery of vermin or pests at the **premises**;
- d) an accident causing defects in the drains or other sanitary arrangements at the **premises**;
- e) an occurrence of murder or suicide at the **premises**;

provided that:

- i) the **cover** under this **Section** is only for loss arising at those **premises** which are directly subject to the incident;
- ii) the **cover** under this **Section** is only for loss where the incident causes restrictions on the use of the **premises** on the order or advice of a Local or Government Authority
- iii) **we** will not consider any claims for any costs incurred in cleaning, repair, replacement, recall or checking of property
- iv) the most **we** may pay is the **sub-limit** shown on **your Schedule**;
- v) the **maximum indemnity period** shall not exceed three (3) months; and
- vi) **we** do not **cover** loss for the first forty-eight (48) hours of each and every such interruption or interference at the **premises**.

9. Storage locations

Loss resulting from interruption of or interference with the **business** as **covered** by this **Section** resulting from **damage** to property of a kind not excluded by this **Section** at premises **you** do not own or occupy but **you** use for storage.

We do not give **cover** for:

- a) **damage** at storage locations outside the **United Kingdom**;
 - b) **damage** at the premises of **your** customers and suppliers.
- The **maximum indemnity period** shall not exceed three (3) months.

10. Transit

Loss resulting from interruption of or interference with the **business** as **covered** by this **Section** resulting from **damage covered** by Section 4 Goods in Transit (whether shown as **covered** in **your Schedule** or not) to **goods** whilst in **transit**. Provided that the **maximum indemnity period** shall not exceed three (3) months

11. Utilities supply

Loss resulting from interruption of or interference with the **business** as **covered** by this **Section** caused by:

- a) **damage** to any:
 - i) generating station or sub-station of the electricity supply undertaking;
 - ii) land-based premises of the gas supply undertaking or of any natural gas producer linked directly with that supplier;
 - iii) water works or pumping station of the water supply undertaking; or
 - iv) land-based premises of the telecommunications undertaking; from which **you** obtain electricity, gas, water or telecommunication services;
- b) failure at the **premises** of:
 - i) the terminal ends of the electricity supply utility service feeders;
 - ii) the supply of gas at the supply utility meters;
 - iii) the supply of water at the supply utility main stopcock; or
 - iv) the supply of telecommunication services at the incoming line terminal or receivers.

The **maximum indemnity period** shall not exceed twelve (12) months in respect of clause a) and three (3) months in respect of clause b).

We do not give **cover** under this clause or elsewhere under this **cover** for interruption or interference with the **business** caused by **damage**:

- I) resulting from the deliberate act of any supply utility undertaking or the exercise by any such utility undertaking of its power to withhold or restrict supply or services;
- II) resulting from strikes or any labour or trade dispute;
- III) resulting from drought;
- IV) from any other atmospheric or weather conditions, but not excluding **accidental** failure due to **damage** to supply utility equipment caused by such conditions;
- V) to, or failure of, any satellite; or
- VI) where the period of interruption or interference is less than twenty four (24) hours.

Section 2 exclusions and limitations

In addition to the limitations and exclusions in the Property Related Exclusions and General Exclusions, **we** do not give **cover** for the following.

1. Excluded property

Interruption or interference with the **business** caused by or resulting from **damage** to property excluded (or of a type or kind excluded) from the **cover** provided by Section 1 Property.

2. Unoccupied buildings

Interruption or interference with the **business** caused by or resulting from **damage** to, or in connection with **unoccupied buildings** unless such **damage** is **covered** by Section 1 Property.

3. Other loss recoverable

Any loss where payment has been made in respect of **covered** costs or expenses under any other **Section**.

4. Off premises damage

Any loss caused by:

- a) acts of any civil, government or military authority caused by or following:
 - i) conflagration;
 - ii) **storm**;
 - iii) earthquake;
 - iv) explosion;
 - v) impact by aircraft or other aerial or spatial device;
 - vi) **flood**;
 - vii) actual or suspected presence of any radioactive or toxic material (including “dirty bombs”); or
 - viii) suspect packages;
- b) damage to
 - i) any property in the vicinity of the **premises** or **property covered**;
 - ii) the property of **your** electricity, gas, water or telecommunications supplier;
 - iii) the property of any party in the supply chain to **you**;
 - iv) the property of any party in the distribution chain from **you**;
 - v) any location not owned or occupied by **you** but where **property covered** is stored;

other than to the extent provided in the various extensions contained in this **Section** or as may be added by endorsement.

Other terms and conditions for Section 2

1. Alternative trading

If during the **indemnity period** goods are sold or services rendered elsewhere than at the **premises** for the benefit of the **business**, either by **you** or by others on **your** behalf, the amount **you** receive in respect of such sales or services will be brought into account in calculating the **gross revenue** during the **indemnity period**.

2. Declaration linked condition (adjustable contribution and coverable sums)

In respect of **sums covered** specified as ‘declaration linked condition operative’ in **your Schedule**:

- a) **you** will prior to each renewal tell **us** the **estimated gross profit** or **estimated gross revenue** to be **covered**. Such amounts are to be calculated on the basis of the respective amounts for the financial year most nearly concurrent with the ensuing **cover period**;
- b) the first and annual **contributions** in respect of **estimated gross profit** or **estimated gross revenue** as **covered** by this **Section** are provisional and calculated on the basis of the **estimated gross profit** or **estimated gross revenue**;
- c) **You** will give **us** not later than six (6) months after the expiry of each **cover period** a declaration certified by **your** professional accountants of the **gross profit** or **gross revenue** earned during the financial year most nearly concurrent with the **cover period**;

- d) if at or prior to the date of the certified declaration **you** give **us**, **you** have a claim for loss of **gross profit** or **gross revenue**, the amount of **gross profit** or **gross revenue** certified in such declaration will be deemed by **us** for the purpose of the **contribution** calculation to have been increased by the amount by which the **gross profit** or **gross revenue** was reduced in consequence of the **damage** during the financial year;
- e) if the amount of **gross profit** or **gross revenue** certified in the declaration (adjusted as provided above and proportionately increased where the **maximum indemnity period** exceeds twelve (12) months) is less than the **estimated gross profit** or **estimated gross revenue** as **covered** for the relative **cover period** **we** will allow a pro rata return of the **contribution** paid on the **estimated gross profit** or **estimated gross revenue**, but not exceeding fifty per cent (50%) of such **contribution**;
- f) if the amount of **gross profit** or **gross revenue** certified in the declaration (adjusted as provided above and proportionately increased where the **maximum indemnity period** exceeds twelve (12) months) is greater than the **estimated gross profit** or **estimated gross revenue** as **covered** for the relative **cover period**, **you** will pay a pro rata extra **contribution** on the **estimated gross profit** or **estimated gross revenue** as **covered**;
- g) the most **we** may pay:
 - i) in respect of **gross profit** or **gross revenue** is the percentage uplift shown in **your Schedule** applied to the **estimated gross profit** or **estimated gross revenue**; or for each other item one hundred per cent (100%) of the sum stated in **your Schedule**; or
 - ii) for all items **covered** by this **Section** the sum of the percentage uplift applied to each item of **estimated gross profit** or **estimated gross revenue** and one hundred per cent (100%) of the **sums covered** for all other items specified;
- h) the averaging provisions in clause 1 Gross profit/estimated gross profit and clause 2 Gross revenue/estimated gross revenue are deleted and of no effect.

3. Delayed loss

In adjusting any loss, **we** will take into account and make an equitable allowance if any reduction in **gross revenue** due to the **damage** is postponed by reason of the **gross revenue** being temporarily maintained from accumulated stocks of finished goods.

4. Departmental

If the **business** is conducted in departments and the independent trading results of each department are ascertainable and can be distinguished from each other, the provisions of this **Section** will apply separately to each department affected by the **damage** except that, if the **sum covered** is less than the aggregate of the sums of the **gross profit** or **gross revenue** as stated in **your Schedule** for each department of the **business** (whether affected by the **damage** or not), the most **we** may pay will be reduced pro rata accordingly.

5. Payments on account

If **you** ask **us**, **we** may make payments to **you** monthly on account during the **indemnity period**, provided always that:

- a) the aggregate amount of such payments shall not exceed the **sum covered** for the item for which the claim is being paid; and
- b) if the total adjusted loss under this **Section** differs from the quantum of the payments made under this clause then **you** and **we** mutually agree to pay or return the difference accordingly.

6. Refund of contribution

If the **gross profit** or **gross revenue** during the financial year most nearly concurrent with any **cover period** is less than the **sum covered**, a pro rata return of **contribution** will be made in respect of the difference provided that the **gross profit** or **gross revenue** earned is certified by **your** professional accountants (and proportionately increased if the **indemnity period** exceeds twelve (12) months). In any event, the return of **contribution** will not exceed fifty per cent (50%) of the **contribution** paid on such **sum covered** for such **cover period**.

7. Salvage sale

If following **damage** giving rise to a claim under this **Section**, **you** hold a salvage sale during the **indemnity period**, the reduction in **gross revenue** provision of clause 1 Gross profit/estimated gross profit will for the purpose of such claim read as follows:

‘In respect of reduction in **gross revenue**: the sum produced by applying the **rate of gross profit** to the amount by which the **gross revenue** during the **indemnity period** (less the **gross revenue** for the period of the sale) in consequence of the **damage** falls short of the **standard gross revenue** from which will be deducted the **gross profit** actually earned during the period of the salvage sale.’

8. Subrogation waiver

If there is a claim under this **Section**, **we** agree to waive any rights, remedies or relief to which **we** might become entitled by **subrogation** against:

- a) any company standing in the relation of parent to subsidiary (or subsidiary to parent) to **you** as defined in the Companies Act 2006, Companies (N.I.) Order 2006 or similar legislation in other countries defined in the **territorial limits**, as appropriate, current at the time of the **damage**;
- b) any company which is a subsidiary of a parent company of which **you** are a subsidiary, in each case within the meaning of the Companies Act 2006; Companies (N.I.) Order 2006 or similar legislation in other countries defined in the **territorial limits**, as appropriate, current at the time of the **damage**.

9. VAT and tax adjustments

To the extent that you are registered for **VAT**, all terms in this **Section** will be calculated exclusive of **VAT**. Any accounting adjustments implemented in current cost accounting will be disregarded.

Section 2 special condition - Outstanding debit balances

You must comply with the following special condition in respect of a claim under this **Section** for **outstanding debit balances**.

If **you** cannot satisfy **us** that this condition was complied with in each and every respect, **we** will not consider any claim under this **Section** for outstanding debit balances which might potentially have been avoided or reduced by compliance, unless **you** establish that non-compliance could not have increased the risk of the loss in the circumstances which actually occurred.

Outstanding debit balances

In respect of the ‘Outstanding debit balance’ **cover** of this **Section**:

- a) all paper records and books of accounts containing customers’ accounts are kept in fire resistant cabinet or safe when not in use;
- b) all electronic records are backed up at least weekly to disks which are stored off site or to a cloud based computer service.

Section 3 – Money and Assault

Money cover

1. Money Losses

We may pay **you** in accordance with the terms of this **Section** for accidental **damage** to **money** belonging to **you**, or for which **you** are legally responsible, which occurs within the **territorial limits** during the **cover period**:

- a) to **non-negotiable money**;
- b) to **negotiable money**:
 - i) in the **buildings** outside **your** business hours and not contained in a locked safe or strongroom;
 - ii) in the **buildings** outside **your** business hours and contained in an unspecified locked safe or strongroom;
 - iii) in the **buildings** outside **your** business hours and contained in a specified locked safe or strongroom;
 - iv) in the **buildings** during **your** business hours;
 - v) in **your** private residence or, if authorised by **you**, in the private residence of any **your** partners, directors or **employees**; or
 - vi) in **transit**.

2. Assault cover

If a **covered person** is assaulted due to a theft or attempted theft of **money**, we may pay **you** the **benefits** for assault in accordance with the terms of this **Section** provided that:

- a) the assault occurs within the **territorial limits**;
- b) the assault occurs during the **cover period**;
- c) for each category of **bodily injury** to the **covered person**, the most we may pay is the amount of the **benefits** stated in **your Schedule**;
- d) death, **loss of limb** (including irrecoverable loss of use), **total loss of sight** in one or both eyes, **permanent total disablement** or **temporary total disablement** occurs within twenty four (24) months from the date of the assault;
- e) the amount of compensation payable will not exceed eighty per cent (80%) of the **covered person's** normal gross weekly earnings.

Additional costs and expenses cover

Following **damage** to **money** or an assault we agree to pay for under this **Section**, we may also pay the following.

1. Clothing or personal effects

If **you** ask **us**, the cost incurred by the **covered person** to repair or replace with like kind and quality any of their clothing or personal effects **damaged** directly due to any theft or attempted theft of **money**, such amount to be paid directly to the **covered person**.

2. Damage to safes

The cost incurred by **you** to repair or replace with like kind and quality any safe, strongroom, bag, case or waistcoat used for the carriage of **money** or franking machine that is **damaged** during the theft or attempted theft of **money**.

Section 3 exclusions and limitations

In addition to the limitations and exclusions in the Property Related Exclusions and General Exclusions, we do not give **cover** for the following.

1. Consequential loss

Damage other than the **damage** expressly and specifically **covered** under this **Section**.

2. Dishonesty

Damage which is in any way caused or facilitated by or in collusion with any of **your** directors, partners or **employees** but this exclusion does not apply where the dishonesty is reported to **us** within fourteen (14) days of the **damage**.

3. Unattended Vehicles

Damage to money contained in any unattended vehicle.

4. Coin operated machines

Damage to money contained in coin operated gaming or vending devices/machines.

5. Errors

Damage to money occasioned by errors or omissions.

6. Non-specific loss or damage

Damage to money except as specifically stated as being **covered** in this **Section** or **your Schedule**.

7. Security carrier

Damage to money recoverable from a specialist security carrier.

8. Multiple benefits from assault

The payment of more than one item of **benefit** to any one **covered person**.

Section 3 special conditions

You must comply with each and every one of the following special conditions.

If **you** cannot satisfy **us** that such a condition was complied with in each and every respect, **we** will not consider any claim under this **Section** which might potentially have been avoided or reduced by compliance, unless **you** establish that non-compliance could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

1. Carryings

Where the value of **money** in **transit** as described in **your Schedule** exceeds £2,500 **you** will arrange for the **money** to be accompanied as follows:

- a) over £2,500 and up to £5,000 - at least two (2) able bodied adults;
- b) over £5,000 and up to £10,000 - at least three (3) able bodied adults;
- c) over £10,000 and up to £15,000 - at least four (4) able bodied adults;
- d) over £15,000 - by a professional security company.

2. Alarm systems

- a) **You** must ensure that:
 - i) any alarm system that is installed for the protection of the **premises** is:
 - I) installed in accordance with the manufacturer's specification;
 - II) not altered, varied or affected by any structural alteration to the **premises** without **our** prior written consent;
 - III) in full and efficient working order at all times;
 - IV) regularly serviced either under the manufacturer's maintenance contract or an NSI or LPCB approved contractor and in accordance with the manufacturer's specifications and any other maintenance requirements **we** ask **you** to do;
 - V) tested and fully set whenever the alarmed portion of the **premises** is closed for business or not attended by **you** or any competent adult authorised by **you** to be responsible for the security of the **premises**;
 - ii) **you** tell **us** as soon as reasonably practicable:
 - I) upon discovery of any defects that arise in the alarm system, that such defects are remedied as soon as is practicable and that **we** are advised in writing once alarm system is fully operational;
 - II) of any withdrawal, disconnection or failure of or downgrading of any civil authority response to the alarm system likely to leave any area unprotected;

- iii) has available keyholders notified to all appropriate services;
- iv) any safe containing **money** is securely locked and all keys or combination numbers to that safe are kept in a secure place away from the **building** or portion of the **building** containing the safe;

The provisions of (i) and (ii) above will not apply if any defect in the said systems is due to circumstances beyond **your** control which arise after the systems have been properly set;

- b) **We** do not give **cover** for **damage** subsequent to **you** receiving written notification from:
 - i) the maintenance contractors that the maintenance is suspended; or
 - ii) the relevant police service that alarm signals from the **premises** will no longer be answered where such **premises** are fitted with an approved intruder alarm equipped with a unique reference number.

Section 4 – Goods in Transit

Goods in transit cover

We may pay you in accordance with the terms of this Section for accidental **damage to goods in transit** provided that **damage** occurs:

- a) during the **cover period**; and
- b) within the **territorial limits**.

Transfer expenses

If the vehicle carrying the **goods** is involved in fire, explosion, collision or overturning, **we** may pay **you** for the costs and expenses reasonably and necessarily incurred by **you** for the costs incurred for:

- a) transferring the **goods in transit** to another vehicle;
- b) reloading onto the original vehicle for onward delivery or return to the point of origin; or
- c) the removal of debris of the **goods** (but not the vehicle, the trailer or any part of the vehicle or trailer).

Section 4 extensions

We may pay you for the following.

1. Employees' effects

The **actual value** of **employees'** personal property if **damaged** by fire, explosion, theft, collision or overturning of the carrying vehicle, when the **employee** is accompanying **goods in transit**.

2. Ropes/sheets

Damage to ropes, sheets, tarpaulins, trolleys and the like while in **transit**.

Section 4 exclusions and limitations

In addition to the limitations and exclusions in the Property Related Exclusions and General Exclusions, **we** do not give **cover** for the following.

1. Animals

Damage to animals, bloodstock, livestock or fishstock.

2. Food, change in temperature

Deterioration of **goods** conveyed in a refrigerated, frozen, chilled or insulated condition, which results from variation in temperature unless as a result of an **accident** to the conveying vehicle.

3. Consequential loss

Damage other than the **damage** expressly and specifically **covered** under this Section.

4. Dangerous goods

Damage caused by or in respect of **goods** that are subject to the Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations 2009.

5. Fragile articles

Breakage of clocks, scientific instruments, china, glass, marble, earthenware, articles of value or the like unless consequent upon an **accident** in which the carrying vehicle, vessel or aircraft is **damaged**.

6. Inadequate packing or insufficient labelling

Damage caused by or attributable to defective or inadequate packing or stacking or protection against climatic conditions (other than by lightning) or incorrect and insufficient addressing of any parcel or package.

7. Theft

Theft or attempted theft:

- a) from an unattended vehicle under **your** control unless:
 - l) while during the work day, shift period or during a break taken during the **transit**:

- II) all doors have been securely locked and all windows and other openings securely and adequately fastened;
 - III) any immobiliser and any alarm fitted to the said vehicle is correctly set to operate; and
 - IV) all keys are removed unless the vehicle is being operated as a tool of trade and such operation requires that the keys remain in the ignition so to provide power;
- b) after the last **transit** of the work day or shift unless:
 - i) all keys are removed until collected by the driver for the next **transit**; and
 - ii) the vehicle is housed in a securely locked building of substantial construction or a compound which has secure walls and/or fences and securely locked gates;
 - c) of **goods** carried in or on open sided/curtained vehicles, or on any vehicle that cannot be secured.

8. Open sided/curtained vehicles and trailers

- (a) Malicious **damage** or vandalism of **goods** carried in or on open-topped, soft-topped, open sided/curtained vehicles or trailers, or on any vehicle or trailer that cannot be secured.
- (b) Unattended trailers unless secured by a hitch lock or wheel clamp.

9. Valuables, cigarettes and alcohol, electronics, documents and records

Damage of or to jewellery, clocks, watches, precious stones, bullion, furs or curiosities, precious metals, works of art or rare books, tobacco, cigarettes, alcohol, audio, video or computer disks (whether blank or encoded with content), digital music players, video equipment, mobile phones, tablet computers, cameras, computer games equipment, televisions, **documents**, manuscripts or **electronic data**.

Other terms and conditions for Section 4

1. Average

If at the time of the commencement of any **damage** the total value of the **goods** in **transit** in or upon any vehicle, vessel or aircraft exceeds the **sum covered**, then the most **we** may pay will be proportionately reduced.

2. Basis of settlement

We may at **our** option repair, reinstate or replace the **goods** in **transit** or any part of them on the same basis as the Basis of Settlement clause contained in Section 1 Property, except that the Average clause in this **Section** will apply in respect of losses paid under this **Section**.

If **you** elect, and **we** agree not to repair or reinstate any **goods** in **transit**, then the most **we** may pay will be the **actual value** of the **damaged goods** in **transit**, however settlement on this basis shall be at **our** sole discretion.

3. Reasonable precautions

You must take all reasonable precautions in maintaining vehicles under **your** control in an efficient and roadworthy condition and ensure the suitability of the vehicles for the purpose used, employing competent and honest persons who can be entrusted with the **goods** in **transit**, and with packaging, labelling and addressing the **goods** in **transit**.

Section 5 – Loss of Licence

Loss of licence cover

If a **licence** is:

- a) temporarily or permanently withdrawn by the appropriate **licensing authority** whether by way of suspension, forfeiture, revocation or otherwise (referred to in this **Section** as ‘withdrawn’ or ‘withdrawal’); or
- b) refused renewal by the appropriate **licensing authority** at the time of renewal;

we may pay **you** in accordance with the terms of this **Section** for the depreciation in value of **your** interest in the **premises** or alternatively the **business**, provided that the:

- i) cause giving rise to such withdrawal of or refusal to renew the **licence** occurs during the **cover period**;
- ii) withdrawal of or refusal to renew the **licence** is due to causes beyond **your** control.

Additional loss of licence costs and expenses cover

We may pay for legal costs and expenses incurred with **our** written consent in connection with any appeal against the withdrawal of or refusal to renew the **licence** provided that if **you** win the appeal, **you** agree to reimburse **us** for such costs from any amount **you** may receive in compensation for the withdrawal or refusal to renew.

Extended loss of licence cover

If within twelve (12) months of permanent withdrawal of **licence** the **business** or the **premises** are sold for a lesser sum than the initial amount **we** paid for such permanent loss of **licence** then **we** may pay **you** an additional amount for the difference between the initial settlement and the amount of the subsequent sale value, provided **you** satisfy **us** that the sale value was the full market value of the **business** or **premises** sold.

Section 5 exclusions and limitations

In addition to the limitations and exclusions in the General Exclusions and Property Related Exclusions, **we** do not **give cover** for:

1. Alteration of law

any withdrawal arising from the alteration of the law governing the grant, renewal, transfer, surrender, forfeiture, revocation, suspension or withdrawal of the **licence** after the commencement of the **cover period**, unless **we** confirm in writing that this **cover** will continue to apply after such alteration in so far as the prevailing law permits.

2. Compensation by statute

any loss for which **you** are entitled to obtain compensation under the provision of any statute following refusal to renew the **licence**.

3. Incapacity of licence holder

- a) the death or insolvency of the **licence** holder;
- b) the **licence** holder being declared mentally incapable; or
- c) the loss of any **licence** issued to the **designated premises supervisor** in a personal capacity or the **designated premises supervisor** being dismissed or otherwise unable to fulfil that role.

4. Negligent acts

withdrawal or non-renewal of the **licence** occasioned, wholly or in part, by:

- a) any act(s) or omission(s) (intentional or otherwise) undertaken by **you** or those acting on **your** behalf for the purpose of securing the loss or lapsing of the **licence**; or
- b) **your** failure to take all reasonable and necessary action to maintain the **licence** in force.

5. Planning and other control regulations

withdrawal or non-renewal of the **licence** as a result of:

- a) actual or proposed compulsory acquisition of the **premises**;

- b) any town or country planning improvement or redevelopment or connected redistribution of licences;
- c) failure to comply with any direction or requirement of **licensing authorities** or any other like authority unless **you** can demonstrate to **our** satisfaction that such direction or requirement is unreasonable, it being understood that the final decision as to what constitutes unreasonable shall be at **our** sole discretion;
- d) failure to maintain the **premises** in good sanitary and general repair;
- e) alteration to the **premises** or the **business** that requires the consent of the **licensing authorities** or any other authority without the consent of the appropriate authority; or
- f) the failure by **you** and/or the **designated premises supervisor** to notify and/or obtain the consent of the **licensing authorities** to any changes to the services or activities provided at the **premises** that requires such notification and consent.

Other terms and conditions for Section 5

1. Basis of Settlement

If **you** make a claim under this **Section** the amount **we** may agree to pay shall be calculated as follows:

- a) in respect of the depreciation in the value of **your** interest in the **premises**, the difference between the value of the **premises** prior to the forfeiture, revocation or non-renewal of the **licence** and the value of the **premises** after forfeiture, revocation or non-renewal, as determined by a RICS accredited surveyor nominated, approved or appointed by **us**;
- b) in respect of the depreciation in the value of **your** interest in the **business**, the difference between the value of the **business** prior to the forfeiture, revocation or non-renewal of the **licence** and the value of the **business** forfeiture, revocation or non-renewal, based upon **your** books and records and certified by a chartered accountant nominated, approved or appointed by **us**; and
- c) in respect of loss of **income**, the amount by which the **income** during the **indemnity period** falls short of the **income** during the equivalent period immediately before the withdrawal or refusal to renew the **licence** and/or any reasonable additional expenditure incurred in maintaining the **income** during the **indemnity period** but
 - i) not more than the quantum of the loss of **income** so avoided; less
 - ii) any amount saved during the **indemnity period** in respect of reduced expenses due to loss of the **licence**.

In adjusting the amount payable under this clause, all variations or special circumstances affecting the **business** shall be taken into account in order that the amount paid shall represent as closely as practicable the results which would have been expected if loss or refusal to renew the **licence** had not occurred.

If the event occurs in the first trading year the payment under this clause shall be based on the trading figures immediately before the loss or refusal to renew the **licence**.

2. Withdrawal or refusal to renew licence

If there is a withdrawal or refusal to renew the **licence**, **you** must:

- a) give **us** such access to the **premises** and **your** books as **we** may require to quantify the amount **we** may agree to pay under this **Section**;
- b) give **us** all necessary assistance **we** may require to appeal against such forfeiture, suspension, withdrawal, lapsing or refusal to renew the **licence**; and
- c) if required by **us**, apply for the grant of a new **licence** for the same or for alternative **premises** to enable the continuance of the **business** or of a similar **business**.

3. Licenses, visas and permits

You must ensure that **you** hold all necessary licenses, visas and permits and where **you** are responsible for the recruitment of **employees**, such licenses, visas and permits are obtained for any staff employed on the **premises**.

4. Replacement staff

You must ensure that in the event of death, bankruptcy, incapacity, desertion of the **premises** or conviction for any offence (where such convictions affect the character or reputation of the convicted person) of the **designated premises supervisor** tenant, manager, occupier or **licence** holder, **you** procure a suitable person to replace them, such replacement being acceptable to the **licensing authorities** or any other like authority governing transfer of the **licence**.

Section 6 - Watercraft

Watercraft cover

We may pay **you** in accordance with the terms of this **Section** for accidental **damage** occurring during the **cover period** to **watercraft you** own or are responsible for while ashore or afloat or being lifted, hauled, launched, transported, towed or in storage or being repaired or overhauled

- (a) within the **territorial limits** including inland waterways;
- (a) in territorial waters around the coast of the **territorial limits** up to a distance of (15) fifteen kilometres.

Section 6 exclusions and limitations

In addition to the limitations and exclusions in the Property Related Exclusions and General Exclusions, **we** do not give **cover** for:

1. Electrical equipment

damage to electrical equipment unless directly caused by a sudden, identifiable, unintended and unexpected occurrence at a specific time and place in the **cover period**.

2. Excluded property

damage to the following property:

- i) **watercraft** more than twenty two (22) metres in length;
- ii) motor boats and jet skis designed to travel at more than seventeen (17) knots or thirty (30) kilometres an hour;
- iii) consumable stores;
- iv) moorings;
- v) masts, spars and fittings, sails and standing or running rigging while racing;
- vi) water skis, diving equipment and fishing gear;
- vii) trailers; and
- viii) partners', directors', **employees**', customers' or visitors' **personal belongings**.

3. Sails

sails split by wind or water and sails blown away.

4. Theft

- a) **damage** caused by theft or attempted theft of **watercraft**:
 - i) from a building unless it involves entry to or exit from the building by forcible and violent means;
 - i) unless it involves actual or threatened assault or violence or the use of force against **you, your** partner, director, **employee**, customer or visitor;
 - ii) while it is on an unattended trailer unless the trailer has been securely fastened with a lockable wheel clamp or hitchlock covering the bolts securing the tow hitch to the trailer chassis;
 - iii) while it is on or attached to an unattended vehicle unless the **watercraft** is securely fastened by a lockable anti-theft device.
- b) **damage** caused by theft or attempted theft of outboard motors:
 - i) from a building unless it involves entry to or exit from the building by forcible and violent means;
 - ii) unless it involves actual or threatened assault or violence or the use of force against **you, your** partner, director, **employee**, customer or visitor;
 - iii) attached to **watercraft** unless securely fastened by a lockable anti-theft device which prevents retaining bolts and clamps from being undone as well as its usual means of attachment;
- c) **damage** caused by theft or attempted theft of gear and equipment fixed to the outside of **watercraft**:
 - i) unless it involves entry to or exit from the **watercraft** by forcible and violent means;
 - ii) unless it involves assault or violence, threatened assault or violence or the use of force against **you, your** partner, director, **employee**, customer or visitor;
- d) **damage** caused by theft or attempted theft of gear and equipment inside **watercraft**:
 - i) unless it involves entry to or exit from the **watercraft** or a building by force or a violent act;
 - ii) unless it involves assault or threatened assault or violence or the use of force against **you, your** partner, director, **employee**, customer or visitor.

5. Underwater and floating objects

damage to jet drives or propulsion units cause by or consisting of an underwater or floating object being ingested.

6. Unseaworthiness

damage caused by or resulting from the failure to maintain the **property covered** in a seaworthy condition.

Section 7 – Dishonesty of Employees

Dishonesty of employees cover

We may pay **you** in accordance with the terms of this **Section** for **theft** of **money** or property belonging to **you** or for which **you** are legally responsible by an **employee** committed during the **cover period** within the **territorial limits**, provided that **theft** of **money** is discovered no later than thirty (30) days and any other **theft** is discovered not later than twenty four (24) months after the termination of:

- a) **cover** under this **Section**;
- b) **cover** in respect of an **employee** specified by name or position;
- c) the employment of any **employee**

whichever occurs first.

Additional costs and expenses cover

We may pay **you** for the following costs and expenses that may be incurred following a loss under this **Section**.

1. Auditors fees

Auditors fees incurred with **our** written consent solely to substantiate the amount of a loss, provided that **we** have agreed to pay **your** claim for the loss under this **Section**.

2. Cost of re-writing software

The reasonable cost **you** incur in re-writing or amending **electronic data** where such re-writing or amending is necessary to revise security controls following the use of **computer equipment** for **theft** the subject of a loss **we** have agreed to pay under this **Section**.

Section 7 extension

We may pay **you** for the following:

1. Previous indemnity

If this **cover** immediately supersedes a fidelity indemnity (on a discretionary basis or otherwise) effected by **you** (the 'superseded indemnity') **we** may pay **you** for any loss discovered during the continuation of this **cover** but committed during the continuation of the superseded indemnity if the loss is not recoverable under the superseded indemnity solely because the period allowed for discovery has expired, provided that:

- a) such indemnity had been continuously in force from the time of the loss until inception of this **cover**;
- b) the loss would have been **covered** by this **cover** had it been in force at the time of the loss;
- c) the loss is discovered within twenty four (24) months of the superseded indemnity; and
- d) the most **we** may pay is the lesser of the:
 - i) amount recoverable under the indemnity in force at the time of the loss; or
 - ii) **cover limit** for this **Section** which would have applied to the loss

and the most **we may** pay in respect of any one loss continuing through both the term of the superseded indemnity and the continuation of this **cover** shall not exceed the applicable **cover limit** for this **Section**.

Section 7 exclusions and limitations

In addition to the limitations and exclusions in the Property Related Exclusions and General Exclusions, **we** do not give **cover** for any loss:

1. Continued use of an employee

where **you** continue to entrust an **employee** with **money** or goods after discovering any circumstance that casts any material doubts on the integrity of that **employee**.

2. Employees of legacy companies

caused by the acts of any **employee** of any firm or firms which **you** merge with or acquire during the **cover period** unless **we** have agreed to include them and **you** have paid and any additional **contribution** **we** ask for.

Other terms and conditions for Section 7

1. Theft

- a) Immediately following **your** discovery of any act of **theft** by an **employee** all **cover** for further acts of **theft** by that **employee** shall cease.
- b) Any **money** of the **employee** in **your** hands upon discovery of any loss and any **money** which but for the **employee's theft** would have been due to the **employee** from **you** shall be deducted from the amount of the loss before a claim is made under this **Section**, if lawful to do so.
- c) Any further **monies** which are recovered less any costs incurred in recovery shall accrue:
 - i) if **your** loss is more than the **cover limit**, firstly to **your** benefit to reduce or extinguish the amount of **your** loss (but not the **excess**); then
 - ii) to **our** benefit to the extent of the loss **we** have paid or agreed to pay; and finally
 - iii) to **your** benefit where the **excess** had been deducted from sums paid.

Section 7 special conditions

You must operate or bring into force the minimum standards listed below and not make any change to these unless **you** tell **us** and **we** give written approval.

If **you** cannot satisfy **us** that a special condition was complied with in each and every respect, **we** will not consider any claim for any loss under this **Section** which might potentially have been avoided or reduced by compliance, unless **you** establish that non-compliance could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

1. Annual holiday entitlement

Every **employee** who is or becomes responsible for **money**, goods, accounts, computer operations or computer programming shall be required to take an uninterrupted holiday of at least two (2) weeks in each calendar year, during which they perform no duties and are required to stay away from their place of work.

2. Auditors

- a) **Your** accounts including all **subsidiary companies** shall be examined by external auditors every twelve (12) months.
- b) All recommendations or alternative/additional actions acceptable to the auditors shall be implemented without delay.

3. Cash and petty cash

Cash in hand and petty cash must be checked independently of **employees** responsible at least monthly and without warning every six (6) months.

4. Cash receipts

Employees receiving cash and cheques in the course of their duties shall be required to remit all monies received and/or bank in full on the day of receipt or next banking day unless **we** agree otherwise.

5. Cheque signing

All cheques or other bank instruments drawn for more than £10,000 must have two (2) manually applied signatures added after the amount has been inserted. **You** must advise **your** bankers accordingly.

6. Computer security

- a) Security checks will be built into all computer functions with reconciliations made as necessary.
- b) Responsibilities for authorisation by transactions, processing of transactions and handling of output shall be exercised by different **employees**.

7. Ordering goods

Different **employees** acting independently shall be responsible for the ordering of stock and materials, the recording of receipt of such and authorising payment for them.

8. Payroll

- a) The cast of the payroll will be subject to an independent check before payment to ensure that the total amount drawn is correct.

- b) At least quarterly and independently of persons responsible for the payroll, the payroll will be checked to minimise the possibility that fictitious names and enhanced payments have been included.

9. References

- a) No **employee** shall be given responsibility for **money**, goods, accounts, computer operations or computer programming unless **you** have first obtained satisfactory references to confirm their honesty or has otherwise satisfied the requirements of this clause.
- b) Such references shall be obtained directly from former employers for the three (3) years immediately preceding engagement and before the **employee** is entrusted without supervision.
- c) References need not be obtained in respect of **employees** who have satisfactorily and continuously served **you** for at least one (1) year in another capacity before being entrusted with the duties referred to above.
- d) In respect of **employees** joining directly from school or government sponsored youth training schemes, one character reference shall be obtained.
- e) A written record of any oral reference shall be made at the time it is obtained.
- f) **You** will keep the original copy of each written reference and the record of any oral reference and allow **us** to inspect it if **we** ask.

10. Statements of account

- a) Statements of account of all amounts due will be issued at least monthly and direct to customers independently of **employees** receiving or collecting monies.
- b) If an account becomes three (3) months overdue, management shall promptly investigate the reasons for late payment.

11. Stocktaking

There will be a physical check on all stock and materials held against verified stock records independent of **employees** responsible at intervals of not more than twelve (12) months.

Property Related Exclusions (Applying to Sections 1 to 7)

Sections 1 to 7 (Property to Dishonesty of Employees) exclude any **bodily injury, damage, claim, loss, liability, defence costs** or any other sums whatsoever arising out of or in respect of the following exclusions, except where it is stated expressly that an exclusion will not apply.

1. Aircraft travelling at supersonic speeds

Pressure waves caused by aircraft, other aerial or spatial device travelling at sonic or supersonic speeds but this shall not exclude subsequent loss resulting from an ensuing cause which is not otherwise excluded.

2. Boiler explosion and failure

- a) Explosion, failure or collapse of a boiler (but not a boiler or economiser used for domestic purposes only) economiser or other vessel, machine, apparatus or pipe work at the **premises** in which internal pressure is due to steam only belonging to, or under **your** control.
- b) Joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels of any range of steam, and feed piping connected with them; but this clause will not apply to any subsequent loss resulting from an ensuing cause which is not otherwise excluded.

3. Electrical or mechanical breakdown

Electrical or mechanical breakdown or failure including but not limited to overrunning, overheating or short-circuiting, but this clause will not apply to any subsequent loss resulting from an ensuing cause which is not otherwise excluded.

4. Faulty workmanship

Defective design, latent defect, the use of defective materials, the misapplication of tools, faulty workmanship or other inherent flaw but this shall not exclude subsequent loss resulting from an ensuing cause which is not otherwise excluded.

5. Fines, penalties or damages for breach of contract

Fines or damages for breach of contract for late or non-completion of orders or any penalties of whatsoever nature.

6. Frost

Frost or freezing but this shall not exclude subsequent loss resulting from an ensuing cause which is not otherwise excluded.

7. Gradual change

Corrosion, gradual change or deterioration, **change of temperature** (except as provided for by the extension 4 Deterioration of stock in Section 1 Property), change of colour, texture or finish or inherent vice, rust, shrinkage, evaporation, dampness, dry rot or wet rot, dryness, infestation, insects or vermin but this shall not exclude subsequent loss resulting from an ensuing cause which is not otherwise excluded.

8. Interest

Interest on the amount of any claim under this **cover** for any reason whatsoever.

9. Marine impact

Impact with any **property covered** by any waterborne vessel or craft.

10. Marine insurance cover

Damage regarding import shipments until fully discharged or until marine insurance has ceased to cover, whichever last occurs.

11. Micro-organism risks

Mould, mildew, fungus, spores, viral or bacterial pathogen or other microorganism of any type, nature, or description, including but not limited to any such substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless whether there is any:

- a) **damage to property covered** whether or not contributing concurrently or in any sequence;
- b) loss of use, occupancy, or functionality; or

- c) action required, including but not limited to repair, replacement, removal, clean-up, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

This exclusion does not apply to the **cover** provided by extension 8 Notifiable disease, murder or suicide, food or drink poisoning under Section 2 Business Interruption.

12. Molten metal or glass

Freezing, solidification or inadvertent escape of molten materials but this shall not exclude subsequent loss resulting from an ensuing cause which is not otherwise excluded.

13. Non-specific loss or damage

Any loss whatsoever:

- a) caused by or resulting from disappearance or which is not identifiable by **you** with a specific occurrence or which is unexplained;
- b) revealed only during an inventory or stocktaking; or
- c) caused by or arising from misfiling or misplacing of property, information or **data**.

14. Pollution or Contamination

Pollution or **contamination**, including the cost of removing nullifying or cleaning-up seeping, polluting or contaminating substances.

This exclusion does not apply to the **cover** provided by Section 1 Property and Section 2 Business Interruption in respect of:

- a) **pollution** or **contamination** which itself results from a defined peril;
- b) **damage**, or loss or interruption or interference caused by:
 - i) **pollution** or **contamination** which itself results from a defined peril;
 - ii) a defined peril which itself results from **pollution** or **contamination**;

and for the purpose of this exclusion, 'defined peril' means fire, lightning, explosion, earthquake, aircraft or other aerial device or satellite or missile or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, **flood**, **storm**, escape of water from any tank or pipe sprinkler leakage, theft or impact by any vehicle or animal provided that **cover** for such defined perils is otherwise included under Section 1 Property.

15. Processing

Any loss whatsoever caused by the **property covered**:

- a) undergoing any process including but not limited to, cleaning, repairing, restoring, renovating, testing, commissioning or packaging;
- b) itself undergoing any heating process or any process involving the application of heat; but this shall not exclude subsequent loss resulting from an ensuing cause which is not otherwise excluded.

16. Pyrotechnics

The use of pyrotechnics by **you** or any person using pyrotechnics on the **premises** with **your** consent.

17. Riot in Northern Ireland

Any loss whatsoever occurring in Northern Ireland caused by or happening through or in consequence directly or indirectly of riot or civil commotion or any unlawful association as defined by the Northern Ireland (Emergency Provisions) Act 1973.

18. Subsidence, heave, landslip or collapse

- a) Subsidence, heave, landslip or collapse in respect of **buildings** caused by:
 - i) the bedding down of new structures, by settlement;
 - ii) coastal or river erosion;
 - iii) by the movement of reclaimed or made up ground or of any building erected on a mining site;
- b) **damage** to **buildings** by subsidence or collapse of the **building** or any part of it whilst in the course of erection or undergoing demolition, structural alterations or structural repairs;
- c) **damage** to **buildings** caused by subsidence or collapse which commenced and of which **you** were aware before **we** agreed to give **you** this **cover**;
- d) **damage** to **buildings** caused by the **buildings'** own collapse or cracking, unless such **damage** results from a cause which is not otherwise excluded;

- e) in respect of walls, gates, fences, roads, yards, forecourts, patios, pavements, footpaths and similar hard surfaced areas unless **covered** under Section 1 Property and a **building covered** by that **Section** suffers **damage** by the same cause at the same time.

This exclusion shall not apply to subsidence or collapse caused by fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe.

19. Theft and fraud

- a) Theft or attempted theft unless involving entry to or exit from **buildings** at the **premises** by forcible and violent means or by violence or threat of violence to **you** or any of **your employees** or any other person who are lawfully present on the **premises** provided that this exclusion will not apply to:
- i) **damage to buildings**;
 - ii) Section 1 Property, extension 1, All risks specified items if shown on **your Schedule** as included in **your cover**;
 - iii) Section 1 Property, extension 7 Lock replacement
 - iv) loss or **damage covered** by Section 3 Money and Assault, Section 4 Goods in Transit, Section 6 Watercraft or Section 7 Dishonesty of Employees if shown in **your Schedule** as included in **your cover**;
 - v) **damage** resulting from any ensuing cause which is not otherwise excluded.
- b) Dishonesty of **your employees**, but this will not exclude:
- i) theft or attempted theft as defined above; or
 - ii) loss **covered** by Section 7 Dishonesty of Employees if shown in **your Schedule** as included in **your cover**.
- c) Any fraudulent or dishonest accessing, extraction, distortion, misappropriation or corruption of information or data, contained in any computer or **electronic data** equipment or system including **phishing**.
- d) For the purpose of this **cover**, any entry to or exit from or through an internal door, office, cage, compartment or store within the **buildings** will not amount to forcible or violent entry unless the internal door, office, cage, compartment or store is the sole part of the **buildings you** occupy.

20. Value of information

Any amount pertaining to the value of information on **documents** or **electronic data** to **you** or any other party, even if such data cannot be recreated, gathered or assembled.

21. Water table level

Change in water table level but this shall not exclude subsequent loss resulting from an ensuing cause which is not otherwise excluded. For the purpose of this exclusion water table level means the vertical distance from the surface of the earth to underground water being the surface at which the soil or rocks are permanently saturated with water.

22. Wear and tear

Wear and tear, marring, scratching or denting but this shall not exclude subsequent loss resulting from an ensuing cause which is not otherwise excluded.

Section 8 - Employers' Liability

In addition to the **cover we** provide under this **Section**, under the Employers' liability and Employers' liability defence costs clauses, **you** also have employers' liability insurance from the **Insurer** shown on **your** Certificate of Employers' Liability Insurance. For the insurance "**we**" and "**our**" means the **Insurer** and where those clauses say "may pay" it means "will pay"

Employers' liability cover

We may pay **you** in accordance with the terms of this **Section** for all sums that **you** become legally liable to pay as damages or compensation, including claimant costs recoverable from **you**, in respect of **bodily injury** caused during the **cover period** and sustained by an **employee** arising out of and in the course of their employment by **you** in the **business** within the **United Kingdom**.

Cover will extend to employment undertaken temporarily outside the **United Kingdom** by any **employee** who is intending to return to the **United Kingdom** following a period of overseas employment not intended or planned to exceed twelve (12) months. **Cover** will only extend to any **employee** temporarily in **North America** if employed in clerical, promotional, sales conference attendance and other similar non-manual work undertaken in **North America**.

Employers' liability defence costs

Following any event which is or may be the subject of a payment under this **cover** under the Employers' Liability cover clause above, whether or not **bodily injury** has occurred, **we** may pay **you** for **defence costs**.

Section 8 extensions

The Employers' Liability **cover** and Employers' Liability defence costs **cover** are extended to include the following.

1. Contractual liability

Where any contract or agreement **you** have entered into so requires, **we** may pay **you** the amount of **your** liability assumed by virtue of such contract or agreement but only so far as concerns **your** liability as defined in this **Section** to **your employees** provided that the terms and conditions of this **cover** will apply as far as may be practicable.

2. Cross liabilities

If the **Member** comprises more than one legal entity, **we** may provide **cover** under this **Section** to each entity in the same way and to the same extent as if separate **cover** had been given to each of them, but the most **we** may pay to all the entities is the applicable **cover limit** or **sub-limit**.

3. Data protection

We may pay **you** for **your** liability to pay and, if **you** ask us, any **employee** in respect of their liability to pay:

- a) any valid compensation, including any associated **defence costs**, in respect of material or non-material damage and distress under Article 82 of the General Data Protection Regulation ('GDPR') and section 168 of the Data Protection Act 2018 ("DPA") or any equivalent provision under any subsequent amending or replacement legislation or regulations, first occurring during the **cover period** and resulting in a **claim** or **claims** brought by any **employee** and notified to **you** during the **cover period**; and
- b) **defence costs** in relation to a prosecution commenced during the **cover period** under the DPA or the GDPR or any subsequent amending or replacement legislation or regulations and incurred with **our** prior written consent.

This extension shall not apply in respect of:

- a) the cost of replacing, reinstating, rectifying or erasing any personal data;
- b) any cost relating to the investigation of a data breach, or any obligation to report a data breach to the Information Commissioner's Office or any other supervisory authority or other regulator or to data subjects;

- c) liability caused by or arising from a deliberate act by or omission of any party entitled to make a claim under this **cover**, the effect of which would knowingly result in liability under the DPA or the GDPR or any subsequent amending or replacement legislation or regulations;
- d) **claims** which arise out of circumstances that are notified to any previous provider of risk cover or known to **you** at inception of the **cover** under this **Section**;
- e) liability for which indemnity is provided under any insurance apart from the insurance provided by the **Insurer**; or
- f) **claims** or prosecutions brought outside the Courts of the **United Kingdom**.

4. Indemnity to covered persons

If **you** ask **us**, **we** may separately indemnify each **covered person** provided that:

- a) **you** would have been entitled to claim under this **Section** of the **cover** had the **claim** or suit been made against the **you**;
- b) **we** have the sole conduct and control of any **claim** as far as may be practical;
- c) the **covered person** shall, as though they were the **Member**, observe, fulfil and be subject to the terms and conditions of this **cover** in so far as they can apply; and
- d) if **we** agree to pay a claim under this clause that shall in no way operate to increase the **cover limit** or any applicable **sub-limit**.

5. Medical treatment

We may pay **you** and if **you** ask **us** any qualified medical practitioner or **healthcare practitioner** employed by **you** in respect of liability to any person under a contract of service or apprenticeship with **you** resulting from treatment given provided that:

- a) any such qualified medical practitioner or **healthcare practitioner** shall, as though they were the **Member**, be subject to the terms of this **cover** in so far as they can apply; and
- b) the **cover** under this clause shall not apply where there is at the time of any **claim** any valid or collectible insurance available to the qualified medical practitioner or **healthcare practitioner** nor shall this **cover** contribute to any **claim** with any valid or collectible insurance.

6. Offshore activities

If shown on **your Schedule** as included in **your cover**, **we** may pay **you** for **your** liability to an **employee** for **bodily injury** caused by visits, work or activities undertaken **offshore**.

7. Indemnity to principals

We may pay any party whom under contract or agreement **you** have agreed to indemnify but only to the extent required by such contract or agreement and only to the extent that liability arises solely out of the work performed for such party by **you** or on **your** behalf and provided that:

- a) such party shall, as though they were the **Member**, observe, fulfil and be subject to the terms and conditions of this **cover** in so far as they can apply; and
- b) **cover** under this clause shall in no way operate to increase the **cover limit** or any applicable **sub-limit**.

For the avoidance of doubt, this extension applies only to the extent of the **cover** provided to **you** by this **Section**.

8. Statutory defence costs including Health and Safety at Work, etc. Act 1974

We may pay **you**, and if **you** ask **us**, any **covered person**, in respect of **defence costs** reasonably incurred with **our** prior consent in defending:

- a) any alleged breach of statutory duty (including any prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974, Health and Safety at Work (Northern Ireland) Order 1978 or similar legislation in the Isle of Man or the Channel Islands) or criminal proceedings brought;
- b) any alleged breach of statutory duty under the Protection from Harassment Act 1997; or
- c) allegations (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide made against **you** or a **covered person**,

provided that the prosecution or proceedings relate to:

- i) an offence alleged to have been committed during the **cover period** and in the course of the **business**; and
- ii) a potential claim for **bodily injury to employees** including their health, safety and welfare which may be the subject of a claim under this **Section**.

We may also pay **you** for:

- a) **defence costs** of appeal including appeal against improvement and prohibition notices incurred with **our** prior consent; and
- b) prosecution costs awarded against **you**.

We do not give **cover** for any amount:

- a) for which **you** or any **covered person** is entitled to an indemnity by any legal expenses, motor or employment protection policy;
- b) in respect of allegations provided by this clause (statutory defence costs), in excess of a **sub-limit** stated in **your Schedule**, any one claim or series of claims arising out of the same prosecution or proceedings;
- c) in respect of allegations of manslaughter, corporate manslaughter or corporate homicide (manslaughter defence costs), in excess of a **sub-limit** stated in **your Schedule**, any one claim or series of claims arising out of the same prosecution or proceedings; or
- d) in respect of prosecution costs (prosecution costs) in excess of a **sub-limit** stated in **your Schedule**, any one claim or series of claims arising out of the same prosecution or proceedings.

9. Unsatisfied court judgments

If a judgment for damages is obtained during the **cover period**:

- a) by any **employee** or the personal representatives of any **employee** in respect of **bodily injury** to such **employee** that arises out of and in the course of their employment by **you** in the **business**, against any person operating from premises in the European Economic Area;
- b) which remains unsatisfied in whole or in part six (6) months after the date of such judgment; and
- c) in any court of law except for **North American jurisdiction**;

then if **you** ask **us**, **we** may pay the amount of damages or costs awarded to the **employee** or the personal representatives of the **employee** to the extent that they remain unsatisfied provided that:

- i) there is no appeal outstanding;
- ii) the judgment relates to **bodily injury** which would otherwise be the subject of a claim under this **Section**; and
- iii) **we** will be entitled to take over and prosecute for **our** own benefit any claim against any other person, and **you**, the **employee** or the personal representatives of the **employee** will give **us** all the information and assistance **we** may require.

10. War and terrorism

We may pay **you** for liability to an **employee** arising from or caused by an act of **war** or **terrorism**. To the extent this clause applies, the General Exclusion applying to **war** and **terrorism** will not apply.

11. Subrogation waiver

In respect of contracts or agreements which impose upon **you** conditions waiving **your** rights to recover from any other party, **we** agrees to the extent required by such contract or agreement to waive any rights of **subrogation** to which **we** might otherwise have been entitled in such circumstances in respect of any payments which **we** may make under this **Section** of the **cover**.

Further, if **you** ask **us**, **we** will waive all rights of **subrogation** against **your** subsidiary or from a subsidiary against the parent.

Section 8 exclusions and limitations

In addition to the limitations and exclusions in the General Exclusions, **we** do not give **cover** for any **claim**, loss, liability, **defence costs** or any other sums whatsoever arising out of or in respect of:

1. Data Protection liabilities

Liability which arises under the Data Protection Act 2018 ('DPA'), or the General Data Protection Regulation ('GDPR') or any subsequent amending legislation or regulations other than as provided for by extension 3 Data protection.

2. Employment practice disputes

Employment practice disputes directly or indirectly related to employment or prospective employment of any person or persons by **you**, but this exclusion shall not apply in respect of compensatory damages for **bodily injury** for which cover is required by the Employers' Liability (Compulsory insurance) Regulations 1998.

3. Fees for intervention

Any payments raised under the Health and Safety (Fees) Regulations 2012 relating to 'fees for intervention'.

4. Fines and penalties

Payment of any fines or penalties imposed or ordered to be paid.

5. North American jurisdiction

Any judgment, award, payment or settlement made in respect of any **North American jurisdiction**:

- a) in favour of any party incorporated, domiciled or resident in **North America**; or
- b) in excess of a **cover limit**, which shall be inclusive of any **defence costs we** may agree to pay; or
- c) consisting of punitive, multiple or exemplary damages.

6. Offshore

Liability which arises directly or indirectly out of or caused by visits, work or activities undertaken **offshore** except that this exclusion shall not apply in respect of and to the extent of the **cover** under the Offshore activities extension.

7. Road traffic legislation

Bodily injury sustained by an **employee** when the **employee** is:

- a) being carried in or upon a vehicle; or
 - b) entering or getting onto or alighting from a vehicle;
- in circumstances where insurance or security is required to be effected by **you** to comply with legislation relating to compulsory insurance against civil liability in respect of the use of motor vehicles.

8. Statutory defence costs

Defence costs arising out of or in respect of any alleged breach of statutory duty or any allegation of manslaughter, corporate manslaughter or corporate homicide except as stated as **covered** in extension 8 Statutory defence costs including Health and Safety at Work, etc. Act 1974.

9. Workman's compensation or social security payment

Any obligation for which **you** or **we** may be held liable under any workers' compensation law, legislation, regulation or policies or obligation to maintain healthcare, social security or similar funding but this exclusion will not apply to payments required to be made to the Compensation Recovery Unit or its successor.

Other terms and conditions for Section 8

1. Conflict of interest

If there is a conflict of interest between **you** and any **covered person** claiming under this **Section**, separate representation will be arranged for each party.

Section 9 – Public, Products and Pollution Liability

Public, products and pollution liability cover

We may pay **you** in accordance with the terms of this **Section** against legal liability to pay damages or compensation, including claimant costs recoverable from **you** as a result of **personal injury, damage, denial of access** or nuisance:

- a) that happens during the **cover period** and arises out of and in connection with the **business** (including arising out of or from or in connection with **your products**) but excluding legal liability arising out of or from **pollution**; and
- b) that commences during the **cover period** arising out of or from **pollution**, provided that such **pollution**:
 - i) arises solely out of the course of the **business**; and
 - ii) is the direct result of a sudden, specific and identifiable event occurring during the **cover period**.

Public, products and pollution liability defence costs cover

1. North American jurisdiction

Where any clause or endorsement to this **Section** provides **cover** for a **North American jurisdiction**, **we** may pay **you** for **defence costs** which are included in and are not additional to the **cover limit**.

2. All other jurisdictions

- a) For **claims** outside a **North American jurisdiction**, **we** may pay **you** for **defence costs** which are in addition to and do not count towards the **cover limit**.
- b) Where **we** agree to make a payment exceeding the **cover limit** to dispose of a **claim**, the most **we** may pay for **defence costs** shall be limited to such proportion of the said **defence costs** as the **cover limit** bears to the total amount paid to dispose of the **claim**.

Section 9 extensions

The Public, products and pollution liability **cover** and the Public, products and pollution liability defence costs **cover** in this **Section** are extended to include the following, unless **your Schedule** shows they are not included in **your cover**:

1. Contractual liability

Subject always to exclusion 17 North American jurisdiction and exclusion 18 North American territory, where any contract or agreement **you** have entered into so requires, **we** may pay **you** the amount of **your** liability arising from obligations undertaken by **you** by virtue of such contract or agreement but only to the extent of the discretionary indemnity defined in the other clauses of this **Section** provided that the terms and conditions of this **cover** will apply as far as may be practicable.

2. Cross liabilities

If the **Member** comprises more than one legal entity, **we** may provide **cover** under this **Section** to each entity in the same way and to the same extent as if separate **cover** had been given to each of them, but the most **we** may pay to all the entities is the applicable **cover limit** or **sub-limit**.

3. Data protection

We may pay **you** for **your** liability to pay, and, if **you** ask **us**, any director, partner or **employee** in respect of their liability to pay:

- a) any valid compensation, including any associated **defence costs**, in respect of material or non-material damage and distress under Article 82 of the General DataProtection Regulation ('GDPR') and section 168 of the Data Protection Act 2018 ("DPA") or any equivalent provision under any subsequent amending or replacement legislation or regulations first occurring during the **cover period** and resulting in a **claim** or **claims** brought by any person not being a director, partner or **employee** and notified to **us** during the **cover period**; and
- b) **defence costs** in relation to a prosecution commenced during the **cover period** under the DPA or the GDPR, or any subsequent amending or replacement legislation or and incurred with **our** prior written consent;

This extension shall not apply in respect of:

- a) the cost of replacing, reinstating, rectifying or erasing any personal data;
- b) any cost relating to the investigation of a data breach, or any obligation to report a data breach to the Information Commissioner's Office or any other supervisory authority or other regulator or to data subjects;
- c) liability caused by or arising from a deliberate act by or omission of any party entitled to claim under this **cover**, the effect of which would knowingly result in liability under the DPA or the GDPR or any subsequent amending or replacement legislation or regulations;
- d) **claims** which arise out of circumstances that are notified to any previous insurer or known to **you** at inception of this **cover**;
- e) liability for which indemnity is provided under any insurance; or
- f) **claims** or prosecutions brought outside the Courts of the **United Kingdom**.

The most **we** may pay during the **cover period** in respect of all claims under this extension shall not exceed the **sub-limit** for this extension and , shall be inclusive of all **defence costs** and shall be part of and not in addition to the **cover limit** specified in **your Schedule**.

4. Defective Premises Act 1972

We may pay **you** for liability **you** incur by virtue of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises Act (Northern Ireland) Order 1975 or any amendment to the Act or Order in connection with premises that have been disposed of by **you**, but **we** do not give **cover** for the cost of remedying any defect or alleged defect in such premises.

5. Environmental statutory liability

We may pay **you** for all sums, including statutory debts, that **you** are legally liable to pay or legally obliged to incur for remediation in respect of environmental **damage** where such liability arises under an environmental protection directive, statute or statutory instrument, provided that:

- a) **your** liability arises from **pollution** occurring during the course of **business**, within a state of the European Union and is caused by a sudden, identifiable, unintended and unexpected incident that takes place in its entirety at a specific moment in time and place during the **cover period**;
 - b) **the cover** by this extension excludes any sum incurred in respect of:
 - i) **preventative costs** for prevention of imminent threat of environmental **damage**;
 - ii) primary, complementary or compensatory remediation for **damage**; or
 - iii) the removal of any significant risk of an adverse effect on human health;
- to or on **your** land, premises, watercourse or body of water whether owned, leased, hired, tenanted or otherwise in **your** care, custody or control;
- c) **the cover** by this extension excludes any sum incurred in achieving any improvement or alteration in the condition of the land, the atmosphere or any watercourse or body of water beyond that required under any relevant and applicable law or statutory enactment at the time remediation commences; and

provided also that the exclusion in proviso b)(i) above shall not apply to **preventative costs** that are incurred with **our** written consent that must be obtained prior to each claim, where a **pollution** event is taking place or has occurred and such **preventative costs** relate solely to halt or limit further **pollution** to third party property except that **we** do not give **cover** for **preventative costs** relating to **your** own land, premises, watercourse or body of water.

6. Indemnity to covered persons

If **you** ask **us**, **we** may separately indemnify each **covered person** provided that:

- a) **you would** have been entitled to claim under this **Section** had the **claim** or suit been made against **you**;
- b) **we** have the sole conduct and control of any **claim**;
- c) the **covered person** shall as though they were the **Member** observe, fulfil and be subject to the terms and conditions of this **cover** in so far as they can apply;

- d) if **we** agree to pay a claim under this clause that shall in no way operate to increase the **cover limit** or any applicable **sub-limit**.

7. Local Democracy, Economic Development and Construction Act 2009

We may pay **you** and, if **you** ask **us**, any **covered person** in respect of liability which **you** may incur in respect of any **claim(s)** against **you** for claimants' costs and expenses arising from any decision by an adjudicator appointed to resolve a dispute in accordance with the Scheme for Construction Contracts as contained in the Local Democracy, Economic Development and Construction Act 2009 (formerly Housing Grants, Construction and Regeneration Act 1996) or an adjudication clause or rules contained in a contract, to the extent that such **claim** is made in respect of liability or alleged liability **covered** by the Public, products and pollution liability **cover** clause.

8. Member to Member liabilities

We may pay up to the **cover limit** for **your** legal liability to pay damages or compensation, including claimant costs recoverable from **you** if, during the **cover period**, **you**:

- (a) accidentally cause **bodily injury** to another **Member's employee**;
- (b) accidentally **damage** another **Member's** property.

Following any event which is or may be the subject of a payment under this clause, whether or not **bodily injury or damage** has occurred, **we** may pay **you** for **defence costs**.

We do not give **cover** under this clause for anything **we** do not give **cover** for under this **Section**.

9. Motor liability

To the extent this extension applies, exclusion 21 Ownership or use of mechanically propelled vehicles will not apply. **We** may pay **you** and if **you** ask **us** and any **covered person** in respect of liability arising out of or from:

- a) the use or movement of any mechanically propelled vehicle as a tool or plant;
- b) the loading or unloading of any mechanically propelled vehicle or trailer when carried out beyond the limits of any carriageway or thoroughfare but this extension shall not apply to **damage** to any property being loaded or unloaded;
- c) the movement of any mechanically propelled vehicle not owned, hired or borrowed by or leased to **you** or any **covered person** on or under any **premises** occupied by **you** where such vehicle is causing an obstruction and interfering with the performance of the **business**;
- d) **damage** to visitors' or **employees'** mechanically propelled vehicle (including contents and/or accessories) while parked within any car park for which **you** are responsible or on any **premises** occupied by **you** provided that:
 - i) such vehicle is not lent or hired to **you**;
 - ii) the **damage** to an **employee's** vehicle does not arise out of the maintenance, operation or use of a vehicle by that **employee**;
- e) the unauthorised use of any mechanically propelled vehicle by any person in **your** employment provided that **you** shall have taken all reasonable precautions to ensure that **your employees** are made aware of and comply with restrictions applicable to the use of the vehicle;

except always that **we** do not give **cover** for liability:

- i) for which indemnity is provided by any motor insurance or fleet insurance policy held in **your** name; or
- ii) for which insurance is necessary to comply with the Road Traffic Act 1988 as amended by The Motor Vehicles (Compulsory Insurance) Regulations 1992 or any alteration to such regulations or any similar legislation applying to Northern Ireland, the Isle of Man or the Channel Islands or to any other territory consequent on the Third Council Directive 90/232/EEC of 14/05/1990 relating to insurance against civil liability in respect of the use of motor vehicles or similar legislation in any country outside the European Union.

10. Motor contingent liability

To the extent this extension applies, exclusion 21 Ownership or use of mechanically propelled vehicles will not apply. **We** may pay **you** in respect of liability arising out of or from the operation or use of any mechanically propelled vehicle **you** do not own, hire, borrow or lease which is used in the course of **business** provided that **we** do not give **cover** for:

- a) **damage** to such vehicle or to property carried in or on the vehicle;
- b) **bodily injury** or **damage** arising while such vehicle is being driven by;
 - i) any **covered person** other than an **employee**; or
 - ii) any person who to **your** knowledge or the knowledge of any of **your** directors, officers or managers does not hold a licence to drive such vehicle;
- c) **bodily injury** or **damage** caused or arising while such vehicle is:
 - i) engaged in racing, pace-making, reliability trials or speed testing;
 - ii) being used outside the European Union.

11. Indemnity to principals

We may pay any party whom under contract or agreement **you** have agreed to indemnify but only to the extent required by such contract or agreement and only to the extent that liability arises solely out of the work performed for such party by **you** or on **your** behalf and provided that:

- a) such party shall, as though they were the **Member**, observe, fulfil and be subject to the terms and conditions of this **cover** in so far as they can apply; and
- b) **cover** under this clause shall in no way operate to increase the **cover limit** or any applicable **sub-limit**.

For the avoidance of doubt, this extension applies only to the extent of the **cover** provided to **you** by this **Section**.

12. Professional indemnity

Professional indemnity cover

We may pay **you** in accordance with the terms of this **Section** for **your** legal liability to pay compensatory damages from any **claim** first made against **you** during the **cover period** and arising out of **your** or **your sub-contractors'** performance of **business services** or **multimedia activities**, and where the **claim** arises out of any actual or alleged:

- a) breach of professional duty, negligent act, negligent error, negligent omission, negligent misstatement or negligent misrepresentation;
- b) defamation or other tort related to disparagement of character, including libel or slander;
- c) any form of invasion, infringement or interference with rights of privacy or publicity; or
- d) infringement of intellectual property rights including but not limited to copyright, design (including in respect of semiconductor topographies i.e. circuit boards), title, slogan, trademark, trade name, trade dress, service mark, service name, domain name or metatag, breach of confidence, breach of moral rights, passing off, plagiarism, piracy or misappropriation of ideas under implied contract, including a breach of a hold harmless or indemnity agreement specified in a written contract for the supply of **business services** or **matter**.

Professional indemnity extensions

We may pay **you** for the following unless **your Schedule** shows that they are not included in **your cover**:

1. Defence costs

Following any event which is or may be the subject of a claim by **you** under this **Section**, **we** may pay **you** for **defence costs**, incurred with **our** prior written consent, provided that if the **cover limit** is exhausted by the payment or settlement of any **claim** or loss the most **we** may pay for **defence costs** in respect of that **claim** or loss is such proportion of those **defence costs** as the **cover limit** available for payment or settlement of that **claim** or loss bears to the total payment (including where applicable claimants' costs) required to dispose of that **claim** or loss.

2. Dishonesty of employees

We may pay **you** for **your** liability imposed by law to pay as a result of any **claim** against **you** during the **cover period** when alleged in conjunction with a **claim covered** under the 'Professional indemnity cover' clause arising directly or indirectly from any dishonest, fraudulent, malicious or criminal act or omission of any of **your employees** excluding partners, directors or principals, but **we** do not give **cover** to any **employee** committing or colluding in the dishonest act, fraud, malicious or illegal act or omission.

3. Loss of or damage to documents

We may pay **you** for costs and expenses reasonably incurred in replacing or restoring **documents** discovered by **you** to be lost, **damaged** or destroyed and, after diligent search, cannot be found, provided that:

- a) the discovery of such loss of **documents** occurred during the **cover period** and is notified to **us** in accordance with the terms of this **cover**;
- b) such **cover** shall be limited to the costs, charges and expenses of whatsoever nature incurred by **you** in replacing and/or restoring such **documents** and any claim for such costs, charges and expenses shall be supported by bills and/or accounts which shall be subject to prior written approval by a competent person nominated by **us** with **your** consent; and
- c) such **cover** shall be limited to the loss of any **documents** which were in the physical custody or control of **you** or any other person to whom **you** entrusted, lodged or deposited such **documents** in the ordinary course of business.

Professional indemnity exclusions and limitations

In addition to the limitations and exclusions in the General Exclusions, **we** do not give **cover** under this extension for any **claim**, loss, liability, **defence costs** or any other sums whatsoever arising out of or in respect of the following

1. Aircraft, watercraft, vehicles or buildings

- a) The ownership, possession or use by **you** or on **your** behalf of any aircraft, watercraft or mechanically propelled vehicle; or
- b) the ownership or possession by **you** or on **your** behalf of any buildings, structures, premises, land or property (mobile or immobile) or that part of any building leased, occupied or rented by **you**.

2. Asbestos

Asbestos or any materials containing asbestos in whatever form or quantity, or in any way involving asbestos or such materials.

3. Associated company

Any **claim** brought or maintained by or on behalf of:

- a) **your** parent or **subsidiary company**;
- b) any firm, partnership or entity in which **you** or any of **your** directors or partners have a financial or executive interest; or
- c) any person who, at the time of the act, error or omission giving rise to the **claim**, is **your** family member unless such a person is acting without **your** prior or indirect solicitation or co-operation (family member means any spouse, domestic partner, parent, parent of a spouse or domestic partner, sibling or child);

provided that this exclusion shall not apply to such **claims** originating from an independent third party.

4. Assumed duty or obligation

Any liability, duty or obligation incurred or assumed by **you** which is not incurred or assumed in the normal conduct of **your business services**.

5. Bodily injury and property damage

Bodily injury and/or **property damage**:

- a) to or of any **employee** whilst in the course of their employment for **you** or on **your** behalf;
- b) **bodily injury** to any person, other than an **employee**, or **damage** of any property (not otherwise covered under b) or c) of extension 12 Professional indemnity cover) including loss of use of any property

provided that this exclusion shall not apply to **claims** arising from breach of professional duty, negligent act, negligent error, negligent omission, negligent misstatement or negligent misrepresentation in the conduct of **your business services**.

6. Contractual liability

Any breach of contract, including but not limited to breach of any express warranty or guarantee, except that this exclusion shall not apply to any liability which **you** would have incurred in the absence of such contract, warranty or guarantee.

7. **Existing claims and circumstances**
 - a) Any **claim** made, threatened or intimated against **you** prior to the **cover period**; or
 - b) **circumstances** notified to any previous provider of risk cover, or to **us** in respect of any previous cover period, or **circumstances** known, or which ought reasonably to have been known, by **you** prior to the **cover period**.
8. **Financial services**
Any regulated activities as defined in the Financial Services and Markets Act 2000, as amended from time to time, but this exclusion shall not apply to the categorisation of authorisation as defined in the Investment Business Regulations and guidance notes published by the Institute of Financial Services or in any equivalent publication which exceeds the requirements for authorisation under the Financial Services and Markets Acts 2000.
9. **Fines, penalties, punitive, multiple or exemplary damages**
 - a) Any fines or penalties; or
 - b) any punitive, multiple or exemplary damages where such have been identified separately within any award of any court or tribunal unless the law permits **us** to agree to pay them.
10. **Insolvency**
An **insolvency event**.
11. **Legislation and regulation**
Your breach of any taxation, competition, restraint of trade or anti-trust legislation or regulation
12. **Liability arising out of employment**
The liability to any **employee**, former **employee** or prospective **employee** in respect of employment related libel, slander, humiliation or defamation, unfair or wrongful dismissal, repudiation or breach of any employment contract or arrangement, termination of a training contract or contract of apprenticeship, harassment, discrimination or like conduct.
13. **Management liability**
If **you** are a limited company, any personal liability incurred by **your** director or officer when:
 - a) acting in that capacity or managing the **business**;
 - b) in breach of their fiduciary duty, other than when performing a **business** activity for a client; or
 - c) making or issuing any statement, representation or information concerning **you** and the **business services** contained in any accounts, reports or financial statements.
14. **Negotiable money**
Damage to negotiable money.
15. **North America**
North American jurisdiction unless **jurisdiction** is stated to include **North America**.
16. **Patent or trade secret**
The infringement of any patent or trade secret.
17. **Pollution**
 - a) **Bodily injury**, sickness, disease or death or loss, **damage** or loss of use of property directly or indirectly caused by **pollution** or **contamination**; and/or
 - b) the cost of removing nullifying or cleaning-up seeping, polluting or contaminating substances.
18. **Products liability**
Any **products**.
19. **Reckless and malicious acts of defamation**
Any defamatory statement that was made recklessly or maliciously by **you**.
20. **Retroactive date**
Any **claim**, liability, loss or **defence costs** arising from any act committed, or alleged to have been committed, prior to the **retroactive date**.
21. **Take-over or merger**
Acts, errors or omissions committed by **you** after the date of any **take-over or merger** unless **we** agree otherwise.

22. Territorial limits

Any act committed outside the **territorial limits** and/or from any **claims** first brought in a court outside the **jurisdiction**.

23. Trading loss and liabilities

- a) **Your** lost profit, mark-up or liability for **VAT** or its equivalent;
- b) **your** trading loss or trading liability including those arising from the loss of any client, account or business; or
- c) **your** decision to notify individuals or procure credit monitoring services following any form of **data breach**.

13. Property in your care, custody and control

We may pay **you** for liability arising out of **damage** to:

- a) personal effects (including vehicles and their contents) of **your employees**, directors, partners, officials, visitors or guests;
- b) premises including landlord's contents, fixtures and fittings not owned by **you** but leased or rented by **you** in the course of **business**, but **we** do not give **cover** for liability:
 - i) which attaches by way of any contract or agreement that would not have attached in the absence of such contract or agreement; or
 - ii) for which indemnity to **you** is provided under any insurance or in any other way;
- c) premises or the contents of premises not belonging to or leased to or rented to **you** or otherwise in **your** custody or control but temporarily occupied by **you** for **work away** at those premises but **we** do not give **cover** for **damage** to that part of the property on which **you** are working and which arises out of such **work away**.

To the extent this extension applies, exclusion 23 Rectification of defective work will not apply.

14. Run off cover for legionella claims made basis

- a) If and to the extent that any policy of insurance in force immediately prior to this **cover** expressly provided cover for legionella on the basis of an indemnity for **claims** made during the period of insurance (**claims** made basis); and
- b) if a **claim** is first made against **you** during the **cover period** in respect of legionella (meaning any discharge, release or escape of legionella or other airborne pathogens from water tanks, water systems, air-conditioning plants, cooling towers and the like)

then **we** may pay **you** in respect of liability for **bodily injury** arising from legionella in respect of the **claim**, provided that the discharge, release or escape of legionella occurred prior to the inception of this **cover** but after the retroactive date stated in the prior policy or if no such date is stated then after 1st January 2010.

15. Sexual abuse

We may pay **you** for compensatory damages and **defence costs** against any civil liability incurred for accidental **bodily injury** resulting from **sexual abuse** where any **claim** is first made against **you** and notified to **us** during the **cover period** and in accordance with the terms of this **cover**, provided that **we** do not give **cover**:

- a) where the act or behaviour that caused **sexual abuse** occurred prior to the **retroactive date**;
- b) where the covered person or any **employee** with specific responsibility for the protection from **sexual abuse** of children or any other vulnerable person intentionally wilfully or deliberately fails to comply with any procedural guidelines established by **you** concerning **sexual abuse**;
- c) for aggravated, exemplary or punitive damages awarded by any court;
- d) directly or indirectly arising out of, or in any way involving any fact or circumstance:
 - i) of which any claim has been made or notice has been given, under any previous cover or insurance (whether by **us** or not); or
 - ii) of which **you** first became aware prior to the **cover period** or which **you** knew or ought reasonably to have known had the potential to give rise to loss, liability or **defence costs**;
- e) to any person who has or has been alleged to have:
 - i) authorised or permitted **sexual abuse**;
 - ii) disregarded knowledge of **sexual abuse**;

- iii) had actual or constructive knowledge of **sexual abuse** and failed to notify a person with specific responsibility for the protection of children or vulnerable adults from **sexual abuse**;
- iv) aided or contributed to or supported **sexual abuse**; or
- v) intentionally or wilfully failed to comply with any procedure regulation or licence designed to protect children or vulnerable adults from **sexual abuse**;
- f) to any of **your** directors, partners or **employees** whom **you** knew or ought to have known on making reasonable enquiries had committed or been cautioned for or convicted of **sexual abuse**;
- g) more than the **sub-limit** for this clause for any one claim which sum shall be inclusive of all **defence costs**, in the aggregate during any one **cover period** irrespective of:
 - i) the number of claimants; or
 - ii) the number of parties and/or entities **we** agree to pay.

We may at any time pay up to the **sub-limit** (less any sums already paid or incurred) or any lesser sum for which at **our** absolute discretion the **claim** can be settled. **We** will then relinquish control of such **claim** and be under no further liability in respect of it.

The period over which such **sexual abuse** or all instances of **sexual abuse** of a series that are causally connected and arise out of an isolated repeated or continuing incidence of **sexual abuse** shall be deemed to have occurred on the date of the first instance of the **sexual abuse**.

Special condition for sexual abuse

You must at all times comply with all statutory and regulatory requirements in force from time to time relating to the employment of people who work with children.

16. Statutory defence costs including Health and Safety at Work, etc. Act 1974

We may pay **you** and, if **you** ask **us**, any **covered person**, in respect of **defence costs** incurred with **our** prior consent in defending:

- a) any alleged breach of statutory duty (including any prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974, Health and Safety at Work (Northern Ireland) Order 1978 or similar legislation in the Isle of Man or the Channel Islands) or criminal proceedings brought;
 - b) any alleged breach of statutory duty under the Protection from Harassment Act 1997; or
 - c) allegations (whether under common law or statute) of manslaughter, corporate manslaughter or corporate homicide made against **you** or any **covered person**,
- provided that the prosecution or proceedings relate to:

- i) an offence alleged to have been committed during the **cover period** and in the course of **business**; and
- ii) a potential claim for **bodily injury** to persons other than **employees** including their health, safety and welfare which may be the subject of a claim under this **Section**.

We may also pay **you** for:

- a) **defence costs** of appeal including appeal against improvement and prohibition notices incurred with **our** prior consent; and
- b) prosecution costs awarded against **you**.

We do not give **cover** for any amount:

- a) for which **you** or any **covered person** is entitled to an indemnity by any legal expenses, motor or employment protection policy;
- b) in respect of allegations provided by this clause (statutory defence costs), in excess of a **sub-limit** stated in **your Schedule**, any one claim or series of claims arising out of the same prosecution or proceedings;
- c) in respect of allegations of manslaughter, corporate manslaughter or corporate homicide (manslaughter defence costs), in excess of a **sub-limit** stated in **your Schedule**, any one claim or series of claims arising out of the same prosecution or proceedings; or
- d) in respect of prosecution costs (prosecution costs) in excess of a **sub-limit** stated in **your Schedule**, any one claim or series of claims arising out of the same prosecution or proceedings.

The following statutes, whilst not exhaustive, are included within the statutes or regulations contemplated for which **defence costs** are **covered** by this clause:

- a) Health and Safety at Work, etc. Act 1974, but only sections 2 to 8;
- b) Health and Safety at Work (Northern Ireland) Order 1978;
- c) The Trade Description Act 1968;
- d) Part II of the Consumer Protection Act 1987;
- e) Part II of the Food Safety Act 1990;
- f) Corporate Manslaughter and Corporate Homicide Act 2007.

17. Subrogation waiver

In respect of contracts or agreements which impose upon **you** conditions waiving **your** rights to recover from any other party, **we** agree to the extent required by such contract or agreement to waive any rights of **subrogation** to which **we** might otherwise have been entitled in such circumstances in respect of any payments which **we** may make under this **Section**.

Further, where requested by **you**, **we** will waive all rights of **subrogation** against **your** subsidiary or from a subsidiary against the parent.

18. Temporary business trips overseas

If **you** ask **us**, **cover** under this **Section** is extended to **you** and any of **your** directors, partners or **employees** of against legal liability as described in Public liability cover above but incurred whilst outside their country of domicile provided that:

- a) legal liability is incurred in a personal capacity whilst undertaking a temporary **business** trip;
- b) such a temporary **business** trip outside their country of domicile does not exceed twelve (12) months; and
- c) such liability does not arise out of the ownership or occupation of land or buildings.

If **you** or such director, partner or **employee** has more than one domicile, "domicile" shall be interpreted as being the country where the person is liable to pay income tax and/or social security fund payments (or similar such tax/payments).

19. Travel operator's liability

We may pay **you** for **your** legal liability as the organiser for **bodily injury** caused by **your**:

- a) **employees** or agents;
- b) suppliers and sub-contractors and their servants and/or agents whilst acting within the scope of their employment

in the course of a package or linked travel arrangement.

Special conditions for travel operator's liability

You:

- a) shall not admit to or assume liability on behalf of the supplier or reach any compromise or settlement with or make any offer or promise to the supplier without **our** prior written consent; and
- b) shall at all times maintain any and all rights of recourse or recovery against the supplier.

Exclusions 4 (Aircraft and watercraft) and 21 (Ownership or use of mechanically propelled vehicles) in the Exclusions and limitations applying to this **Section** do not apply to the **cover** provided under this clause.

Section 9 exclusions and limitations

In addition to the limitations and exclusions in the General Exclusions, **we** do not give **cover** for any **claim**, loss, liability, **defence costs** or any other sums whatsoever arising out of or in respect of the following.

1. Advertising injury

- a) misappropriation of advertising ideas or style of doing business; or
- b) infringement of copyrighted advertising materials, titles or slogans in the course of advertising **your** goods, **products** or services.

2. Advice, design or plans provided for a fee

Advice, design, plans, specifications, formulae, surveys or directions prepared or given by **you** or a **covered person** for a fee but this shall not exclude such liability arising in conjunction with **products** supplied.

3. Aircraft products

Any **product** or part of a **product** which, with **your** knowledge, is intended to be incorporated into the structure, machinery or controls of any aircraft or other aerial device or satellite and is related to the flight safety of the aircraft.

4. Aircraft and watercraft

The ownership, possession or use of any aircraft or other aerial device or satellite, spacecraft or any watercraft other than:

- a) motor barges not exceeding seventy five (75) tons capacity on inland waterways;
- b) hand-propelled craft, sailing vessels and motor launches not exceeding fifteen (15) metres in length and only when operated in inland waterways; and
- c) watercraft not belonging to or chartered by **you** but used by **you** for **business** entertainment provided that:
 - i) such watercraft is primarily owned and operated as a river cruise vessel;
 - ii) such watercraft is insured by the owner or charterer under a policy of marine insurance; and
 - iii) **we** do not give **cover** in respect of liability which attaches by way of any contract or agreement that would not have attached in the absence of such contract or agreement.

5. Asbestos

Any work involving the manufacture, mining, processing, use, installation, storage, removal, stripping out, demolition, disposal, distribution, inspection or testing of or exposure to asbestos, asbestos fibres, asbestos dust or asbestos-containing materials.

6. Costs of recall or guarantee

Expenditure, whether incurred by **you** or others, for the withdrawal, recall, disposal, removal, repair, adjustment, alteration, reconditioning, replacement or reinstatement of any **product** or part of a **product** (or any other product or part of a product of which **your product** forms, or is intended to form, a part or ingredient) and/or financial loss consequent upon the necessity for such withdrawal, recall, disposal, removal, repair, adjustment, alteration, reconditioning, replacement or reinstatement.

7. Data Protection liabilities

Liability which arises under the Data Protection Act 2018, the General Data Protection Regulation or any subsequent amending legislation other than as provided for by extension 3 Data protection.

8. Deliberate acts

- a) **personal injury, damage, denial of access** or nuisance either expected or intended by any of **your** principals, directors or partners but this exclusion does not apply to **personal injury** resulting from the use of reasonable force to protect persons or property;
- b) **defence costs** incurred in proceedings other than in respect of manslaughter, corporate manslaughter or corporate homicide consequent upon any deliberate act or omission by **you** or on behalf of **you** or a **covered person**, if the result of such act or omission could reasonably have been expected to constitute an offence under any legislation.

This exclusion shall not apply if the **personal injury, damage, denial of access** or nuisance is not expected or intended by that party.

9. Electronic data

Liability arising from:

- a) loss, alteration or impairment of or damage to information and/or data in electronic form;
- b) malicious acts of any person carried out by electronic means; and
- c) defamation or harassment carried out by electronic means.

This exclusion shall not apply in respect of:

- a) liability for any ensuing **accidental bodily injury** (save for mental injury or mental disease) or **accidental damage** which is not otherwise excluded; or
- b) liability which arises under the Data Protection Act 2018, the General Data Protection Regulation or any subsequent amending legislation or regulations.

10. Employment practice dispute

Employment practice dispute directly or indirectly related to employment or prospective employment of any person or persons by **you**.

11. Fees for intervention

Any payments raised under the Health and Safety (Fees) Regulations 2012 relating to 'fees for intervention'.

12. Financial loss

Pure economic loss not consequent upon **bodily injury** or **damage**, but this exclusion shall not apply to:

- a) liability for **personal injury**;
- b) **denial of access** or nuisance; or
- c) cover as provided by extension 3 Data protection .

13. Fines, penalties or multiplication of compensatory damages

Any fines, penalties, punitive damages, exemplary damages, aggravated damages, treble damages or any other increase in damages resulting from the multiplication of compensatory damages.

14. Liability from employment

Bodily injury caused to or sustained by any **employee** arising out of or in the course of employment by **you** in the **business**.

15. Liquidated damages

Liquidated damages clauses or penalty clauses or performance warranties in any contract or agreement which **you** or a **covered person** has entered into, save to the extent that liability would have attached in the absence of such clauses or warranties.

16. Materials prior to installation

Damage to materials, parts or equipment provided by **you** in connection with performance of the **work away** but this limitation shall not be applied to **products** previously supplied under any previous contract.

17. North American jurisdiction

North American jurisdiction unless otherwise stipulated in **your Schedule** but this exclusion shall not apply to visits to **North America** in the course of **business** to undertake non-manual work but **we** do not give **cover** for:

- a) any entity based in, operating in or domiciled in North America;
- b) any liability that arises under any agreement or contract that would not arise in the absence of any agreement or contract;
- c) liability arising directly or indirectly from the ownership, maintenance, operation or use of any mechanically propelled vehicle or watercraft; and
- d) liability arising directly or indirectly from **pollution**.

18. North American territory

- a) liability in respect of **personal injury, damage, denial of access** or nuisance occurring within **North America** but this exclusion shall not apply to temporary non-manual visits to **North America** as specified in clause 17 North American jurisdiction; and
- b) liability in respect of or arising from **pollution** occurring within **North America**.

19. Overseas domiciled operations

Your subsidiary companies, branch offices or representatives with power of attorney that are domiciled outside the **United Kingdom**.

20. Owned or previously owned premises

Damage, denial of access or nuisance to land or **premises** (including land or water within or below the boundaries of such land or **premises**) that are presently or were at any time previously owned, leased, hired or tenanted by **you** or otherwise in **your** care, custody or control.

21. Ownership or use of mechanically propelled vehicles

Personal injury, damage, denial of access or nuisance arising out of or from the ownership, maintenance, operation or use of any mechanically propelled vehicle by **you** or on **your** behalf or any **covered person** except that this exclusion shall not apply in respect of and to the extent of the **cover** provided by any expressly stated **cover** extensions in this **Section**.

22. Property in your care, custody and control

Damage to property owned, leased, hired or held in trust by **you** or under hire, purchase or on loan to **you** or held otherwise in **your** care, custody or control except that this exclusion shall not apply in respect of and to the extent of the **cover** provided by any expressly stated **cover** extensions in this **Section**.

23. Rectification of defective work

Damage to, or any expenditure incurred by **you** for the removal, repair, adjustment, alteration, reinstatement, withdrawal, inspection or disposal of, any property (including any part of the property) provided by **you** in connection with performance of **work away** as a result of any defect (suspected or known) in that property or any unsuitability for its intended purpose.

24. Statutory defence costs

Liability for **defence costs** arising out of or in respect of any alleged breach of statutory duty or any allegation of manslaughter, corporate manslaughter or corporate homicide except as stated as **covered** in extension 16 Statutory defence costs including Health and Safety at Work, etc. Act 1974.

25. The product itself

Damage to your product or any part of a **product** arising from its defect or unsuitability and any resulting economic loss or other loss of any kind.

26. Travel operators

Except as expressly provided in clause 19 Travel operator's liability, any liability arising under the Package Travel, Package Holidays and Package Tours Regulations 1992 or any regulations which supersede or replace such regulations relating to European Union Directive 90/314/EEC or any legislation which supersedes or replaces such Directive.

Section 9 special conditions

You must comply with each requirement of the following terms.

Save to the extent that a different remedy is expressly stated below, if **you** cannot satisfy **us** that such a special condition was complied with in each and every respect, **we** will not consider any **claim**, loss, liability, **defence costs** or any other sums whatsoever which might potentially have been avoided or reduced by compliance, unless **you** establish that non-compliance could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

1. Bona fide subcontractors insurance check

Whenever work is undertaken on **your** behalf by subcontractors, **you** must establish and maintain an administrative procedure for obtaining evidence, prior to work commencing and revalidated every twelve (12) months throughout the duration of their contract with **you**, that subcontractors have effected public liability insurance that:

- a) covers the work to be undertaken by the subcontractor;
- b) is subject to a limit of indemnity of not less than £5,000,000; and
- c) includes an 'indemnity to principals' clause.

If **you** do not comply with this condition and such a policy is not in fact in place, **we** may:

- i) reduce the amount which **we** may pay by the amount **we** reasonably assess it would have been reduced, net of any recovery from the subcontractor, if a valid and collectable policy had been in place; or
- ii) not agree to pay for liability attributable to work carried out by the subcontractor.

2. Fork lift truck conditions

- a) All drivers must:
 - i) must be at least eighteen (18) years of age and have completed a training course in the safe use of fork lift trucks through an Accredited Training Provider belonging to one of the accrediting bodies as recognised by the Health & Safety Executive; and
 - ii) complete a refresher course within five (5) years of the initial training programme, and **you** must retain appropriate documentation verifying completion of the courses.
- b) Whenever a fork lift truck is unattended:
 - i) the ignition keys must be removed; or
 - ii) the vehicle otherwise immobilised to prevent unauthorised use. For the purpose of this condition, unattended means that the fork lift truck is out of sight of the driver and/or more than one (1) minute walking distance from the driver to prevent unauthorised use.
- c) The carriage of passengers, unauthorised use or application as a tool in excess of the design capabilities of the vehicle is prohibited at all times.
- d) All drivers must engage all operational safety systems in accordance with the manufacturers' recommendations.

3. Heat away from premises

- a) When using a naked flame or other heat source including but not limited to:
 - i) oxyacetylene;
 - ii) electric arc or similar welding, cutting, grinding or other spark emitting equipment;
 - iii) blow lamps; or
 - iv) otherwise applying heat
 away from the **premises, your** and **your employees** shall take all reasonable precautions to prevent **damage**.
- b) Where the use of heat away from the **premises** involves:
 - i) oxyacetylene;
 - ii) electric arc or similar welding, cutting, grinding or other spark emitting equipment;
 - iii) blow lamps; or
 - iv) otherwise applying heat
 and the work is subcontracted, then **you** shall require the subcontractor to also take all reasonable precautions to prevent **damage**.
- c) The term 'reasonable precautions' shall include but not be limited to the following:
 - A. Before starting work:**
 - i) A person shall be made responsible for fire safety and for ensuring that reasonable precautions are taken;
 - ii) all persons shall be made aware of the location of the site's fire alarms and fire fighting equipment; and
 - iii) the responsible person shall examine all property within a radius of six (6) metres from where the heat is being applied and, where possible, remove all combustible materials or otherwise cover and protect by overlapping sheets or screens of non-combustible material.

B. During the process of work

- i) A person shall work alongside the operator of the equipment to look out for an outbreak of fire and there shall be available for immediate use a hose connected to the nearest hydrant with water turned on and controllable at the nozzle of the hose. If water is not available or unsuitable or provision of such a hose is not practical, then two (2) fully charged fire extinguishers must be available and if used during the process, the heat work must cease until two (2) fully charged fire extinguishers are made available;
- ii) the lighting of equipment shall be in accordance with manufacturer's instructions and no piece of lighted equipment shall be left unattended; and
- iii) gas cylinders not required for immediate use shall be kept at least six (6) metres from where the heat is being applied.

C. After ceasing work

- i) A continuous examination for one (1) hour shall be made of the area within a radius of six (6) metres from where the heat has been applied to ensure that there is no risk of fire.
- d) Where **you** or persons acting on **your** behalf burn debris away from the **premises**, the following precautions must be taken on each occasion:
- i) fires are to be in a cleared area and at a distance of at least ten (10) metres from any property;
 - ii) fire is not to be left unattended at any time;
 - iii) a suitable fire extinguisher is to be kept available for immediate use; and
 - iv) fires are to be extinguished at least one (1) hour prior to leaving site at the end of each working day.

4. Local Democracy, Economic Development and Construction Act 2009

As regards liability or alleged liability in respect of a decision of an adjudicator relating to **claims** made against **you** referred to adjudication in accordance with an adjudication clause contained in a contract ('the Contract') to comply with the Local Democracy, Economic Development and Construction Act 2009, **you** must:

- a) notify **us** within two (2) working days of receipt of any 'notice of intention to adjudicate' or of the service by **you** of any 'notice of intention to adjudicate' in circumstances which will lead to or are likely to lead to a **claim** against **you** being dealt with as a part of the adjudication;
- b) promptly supply **us** with all details relating to any reference to adjudication, including copies of all documents made available to **you** or subsequently provided by **you** to the adjudicator;
- c) allow **us** to appoint advisers and to have conduct of the adjudication as they deem appropriate and to co-operate with **us** in the conduct of the adjudication; any appointments made by **us** shall be at **our** expense but subject always to the application of the **excess** as applicable;
- d) meet any request, direction or timetable of the adjudicator;
- e) satisfy **us** that any liability incurred under an adjudicator's decision for which indemnity is being sought is as a direct result of negligence by **you**;
- f) not to disclose to anyone the existence of this **cover** without **our** consent;
- g) institute legal proceedings or arbitration in accordance with the terms of the original contract to challenge or reopen or stay the enforcement of such adjudicator's decision if reasonably requested to do so by **us** and to allow **us** to appoint appropriate advisers as **we** may deem necessary to have conduct of such proceedings and, if appropriate, any such steps taken by **you** shall be at **your** expense but subject always to the application of the **excess** as applicable;
- h) not agree to accept the decision of the adjudicator as finally determining the dispute without **our** prior consent in writing;
- i) ensure that the adjudication provisions in the Contract shall:
 - i) provide that the adjudicator must be independent of the parties to the dispute;
 - ii) not allow for the adjudicator's decision to finally determine the dispute;
 - iii) not allow the adjudicator to disregard the legal entitlements of the parties in order to reach a decision based on commercial considerations; and

j) ensure that the Contract does not place any conditions upon the timing of commencement of legal or arbitration proceedings (for the sake of clarity, this does not apply to adjudication proceedings). If **you** cannot satisfy **us** that these conditions were complied with in each and every respect, **we** will not consider any **claim**, loss, liability, **defence costs** or any other sums whatsoever arising out of or relating to the adjudication.

5. Reasonable precautions

Your risk manager or senior management shall take all reasonable precautions to prevent a **covered** event or loss arising or continuing and will act in a manner so as not to promote a loss arising or continuing from the deliberate, conscious or intentional disregard by **you** of the need to take reasonable care.

6. Skip hire conditions

- a) In connection with the use, ownership or hiring out of skips, **you** must at all times observe and comply with the requirements of the Roads (Scotland) Act 1984 or the Highways Act 1980 or any other statutes, regulations or local bye-laws and must ensure that:
 - i) each skip is marked with fluorescent markings which must be kept clean;
 - ii) each skip deposited on a highway is equipped to be properly lit during the hours of darkness;
 - iii) no skip is left at or outside any customer's premises or on any working site without delivery being accepted by or on behalf of the customer; and
- b) skips must be hired out under the conditions of hire as advised to **us** and a copy of these conditions must be given to the customer and the contents thereof drawn to the customer's attention prior to or at the time of delivery of the skip.

General Conditions

1. Assignment

Assignment of interest under this **cover** will not bind **us** unless and until **our** Board of Directors has consented to the assignment.

2. Basis of contract

Any reference to 'basis of the contract' in this **cover** or in the proposal form (if any) is of no effect.

3. Cancellation by us

We may at any time during the **cover period** serve written notice on **you** at the address shown in **your Certificate of Entry** cancelling the **cover** with effect from the thirtieth (30th) day after service of the notice. **We** will only cancel **your cover** if **we** have good reason, for example:

- a) a change to **your** circumstances means **we** cannot continue to give **you cover**;
- b) if **you** do not pay **your contribution** after **we** have given to a final date for payment; or
- c) if **you** do not co-operate with **us** or do not give **us** information **we** reasonably ask for.

Such cancellation shall not affect the **cover** or **contribution** attributable to the period prior to cancellation. Upon demand and subject to no claims having been notified under this **cover**, **we** will return to **you** a part of any **contribution** paid in excess of that proportionate to the pre-cancelled portion of the **cover** but subject to any minimum **contribution** that may apply.

Without prejudice to any other forms of service, the notice of cancellation is deemed to be served on the third (3rd) day after being posted if sent by pre-paid post, properly addressed.

4. Compliance with cover terms

- a) **You** and anyone acting on **your** behalf must each comply with every applicable provision of the **cover**.
- b) To the extent this **cover** may provide a benefit to any other party, **you** shall arrange for each party to comply with every applicable provision of this **cover**.
- c) If **you** or anyone acting on **your** behalf breaches any provision of the **cover**, **we** may, without prejudice to any of **our** other rights, reject **your** claim or reduce sums **we** may pay.
- d) If **we** have paid any sums to **you** or anyone acting on **your** behalf which **we** would not have agreed to pay (whether by reason of breach of any provision of the **cover** by **you** or anyone acting on **your** behalf or for any other reason) **you** shall promptly repay such sums to **us**.
- e) To the extent **we** waive all or some of **our** rights in relation to any of **your** obligations, this shall not prevent **us** from relying on any provisions in the future and any delay in reliance or any partial reliance by **us** shall not prevent **us** from relying on any such provisions, in whole or in part, in the future.

5. Consent

Where **cover** is subject to **our** consent, such consent will not be unreasonably withheld or delayed.

6. Contract (Rights of Third Parties) Act 1999

This **cover** does not confer or create any right enforceable under the Contracts (Rights of Third Parties) Act 1999 or any amending or subsequent legislation by any person other than **you** and both **we** and **you** may amend, cancel or lapse this **cover** without giving notice to, or requiring the consent of, any other third party. However, this will not preclude rights enforceable against the **Insurer** under the Third Parties (Rights against Insurers) Act 2010.

7. Contribution

You must pay **us** the **contribution** shown on **your Certificate of Entry**.

If **you** do not pay **your contribution** within seven (7) days after the day **you** should have paid it, **we** will send **you** a letter asking **you** to pay and telling **you your cover** is cancelled.

If **you** pay within fourteen (14) days of the date of the letter **we** will start **your cover** again from the date **you** should have paid.

8. Contribution adjustment

Where the all or part of **your contribution** based on estimates **you** provide, **you** will keep accurate records and declare such information as **we** require within three (3) months of the end of the **cover period**. The **contribution** will then be adjusted and any difference paid by or allowed to **you** as the case may be but subject to any minimum **contribution** that may apply. **We** reserve the right to ask **you** to supply an auditor's certificate with such calculations as are subject to adjustment attesting the accuracy of the calculations.

9. Cover limits

- a) For the purpose of this clause, any amount **we** may agree to pay under this **cover** associated with a loss or claim, whether **defence costs**, additional costs or expenses or any other **sums** whatsoever shall be treated as part of the loss or claim.
- b) In respect of each **Section**:
 - i) the most **we** may pay is any applicable **sum covered, cover limit, sub-limit** or for the maximum indemnity period;
 - ii) any **sub-limit** for a specified **cover** identified in **your Schedule** or this Cover Wording applies as the **cover limit** for that **cover** and is deemed to be part of and not in addition to the applicable **sum covered** or **cover limit** unless expressly stated otherwise in the **Sections, your Schedule** or this Cover Wording;
 - iii) any additional **cover**, extension or endorsement is deemed to be part of and not in addition to the applicable **cover limit** unless expressly stated otherwise in the **Sections, your Schedule, endorsement** or this Cover Wording;
 - iv) the **sum covered, cover limit** and any **sub-limit**, as applicable, is additional to the **excess**;
 - v) the **cover limit** and any **sub-limit** is inclusive of any **cover** for **defence costs** unless expressly stated otherwise in the **Sections, your Schedule** or this Cover Wording;
 - vi) where provided, a **cover limit** or **sub-limit** is the most **we** may pay in the **cover period** in respect of any **North American jurisdiction** inclusive of **defence costs** and any other sums whatsoever;
 - vii) where a **cover limit** or **sub-limit** is stated in **your Schedule** or this Cover Wording to apply to any one occurrence, any one claim, any one prosecution, any one **premises**, each and every claim or series of claims or similar term that limit is subject to General Condition 18 Multiple and related claims (aggregation) and/or terms in specific **Sections** which determine how the limits apply to multiple claims;
 - viii) **sums covered** under Section 1 Property and Section 2 Business Interruption are reduced by the amount of any claim **we** may pay. If following a loss **you** require reinstatement of the **sums covered** under Section 1 Property or Section 2 Business Interruption, **you** must pay such additional **contribution** if **we** ask **you** to.
- c) In respect of Section 7 Dishonesty of Employees the most **we** may pay is:
 - i) the **cover limit** applicable to one **employee** in respect of any one loss caused by an **employee**;
 - ii) the **cover limit** applicable to **employees** acting in concert, if a loss is caused by two or more **employees** acting in concert or implicated together or materially assisting each other in committing the acts of theft;
 - iii) the **cover limit** stated in **your Schedule** for all losses in the **cover period**; and
 - iv) the applicable **cover limit** for any one loss applies irrespective of the number of **cover periods** during which this **cover** (and any insurance or other indemnity issued in substitution for it) shall remain in force.
- d) In respect of Section 9 Public, Products and Pollution Liability, unless expressly stated otherwise:
 - i) the **cover limits** for claims arising in respect of **products** or **pollution** are the most **we** may pay in the **cover period**; but
 - ii) separate limits for the **cover period** apply to the indemnity for **products** and to the indemnity for **pollution**.

10. Data Privacy Notice

Any personal data given to **us** and **our** Managers will be processed in compliance with all applicable laws and regulations and in accordance with **our** privacy notice which **you** can find at <https://www.activitiesindustry mutual.co.uk/privacy-notice/> If **you** would like **us** to send **you** a copy of **our** privacy notice please contact **us**.

Any personal data given to the **Insurer** will be processed in compliance with all applicable laws and regulations and in accordance with the **Insurer's** privacy notice which **you** can find at <https://qbEurope.com/privacy-policy/>

11. Employers' liability

In addition to the **cover we** provide under Section 8 Employers' liability cover and Employers' liability defence costs, **you** have insurance from the **Insurer**. The insurance is deemed to be in accordance with the provisions of the Employers' Liability (Compulsory Insurance) Act 1969 and the Employers' Liability (Compulsory Insurance) Regulations 1998 or any subsequent amendment or re-enactment or similar legislation in Northern Ireland, the Isle of Man and the Channel Islands.

We give **cover** for, and the **Insurer** will indemnify, any **employee** where any term of **your cover** or the insurance is prohibited by the legislation or regulations cited above, provided that **you** shall repay to **us** and the **Insurer** the amount **we** would not otherwise have agreed to pay under Section 8 or the amount the **Insurer** would not otherwise have been liable to pay under the insurance.

12. Fraudulent claims

If **you** or anyone acting on **your** behalf make a fraudulent claim under this **cover**,

we:

- a) will not agree to pay the claim;
- b) may recover any part of the claim already paid from **you**; and
- c) may by notice to **you**, treat this **cover** as having been terminated with effect from the time of the first fraudulent act, in which case **you** will not have **cover** for of a relevant event occurring after that time and **we** may retain any **contribution**.

13. Governing law and dispute resolution

Unless **you** and **we** agree otherwise, the law applying to this **cover** is the law of that part of the **United Kingdom** where **your** main office is on the date **cover** begins.

If **your** main office is outside the **United Kingdom**, then unless **you** and **we** agree otherwise, the law applying to this **cover** is the law of England and Wales.

Any dispute between **you** and **us** about this **cover** will be dealt with in accordance with the **Rules**.

14. Information

You must give **us:**

- a) all the information and facts that **you** know or as an organisation should know may affect the risks included in this **cover** and **our** decision to give **you** this **cover**;
- b) full and accurate answers to questions **we** ask **you** when **you** apply for **cover**, make changes to **your cover** or renew **your cover**.

If **you** do not give **us:**

- a) all the information and facts that may affect **our** decisions about this **cover**;
- b) full and accurate answers to questions

and if **we** had the information **we** would not have offered **cover** or offered it on different terms or with a different **contribution we** may do the following:

- i) if **your** misrepresentation is not deliberate or reckless, **we** may:
 - I) if **we** would not have given **you cover** at all, treat **your cover** as though it never existed, refuse all claims and return **your contribution**;
 - II) if **we** would have given **you cover** on different terms, change **your cover**;
 - III) if **we** would have charged **you** a higher **contribution**, make a proportionate reduction on a claim payment;
 - IV) change **your excess**;

- ii) If **you** deliberately or recklessly:
 - I) misrepresent facts or information;
 - II) do not describe something correctly**we** may:
 - a) treat **your cover** as though it never existed and keep **your contribution**;
 - b) recover from **you** the amount of any claims paid under this **cover**;
 - c) refuse claims or reduce the amount of a claim payment;
 - d) change **your cover**;
 - e) change **your contribution**;
 - f) change **your excess**.

15. Inspection and audit

We, or **our** representative, will be permitted but not obligated to inspect **your** property and operations at any time on giving reasonable notice. Neither **our** right to make inspections nor making the inspections nor any report on the inspections will constitute an undertaking on behalf of or for the benefit of **you** or others to determine or warrant that such property or operations are safe.

16. Insurance

- a) In respect of Section 1 Property, Section 2 Business Interruption, Section 3 Money and Assault, , Section 4 Goods in Transit Section 5 Loss of Licence, Section 6 Watercraft and Section 7 Dishonesty of Employees, if at the time of any claim made under this **cover** there is any valid and collectible insurance covering the same claim or any part of a claim **we** will not consider a claim for more than **our** rateable proportion of loss. If the insurance provides that it will operate in excess of this **cover**, then, unless it is purchased as and stated specifically to be a cover operating in excess of this **cover**, this **cover** shall likewise operate in excess of such insurance.
- b) In respect of the Section 8 Employers' Liability, this **cover** does not include any claim or part of a claim which at the time of any claim made under this **cover** is covered by any valid and collectible insurance (apart from the insurance provided by the **Insurer**) and **we** shall not agree to contribute and the **Insurer** will not contribute to any claim with any such valid and collectible insurance.
- c) In respect of the Section 9 Public, Products and Pollution Liability, if at the time of any claim made under this **cover** there is any valid and collectible insurance available to **you** or any other party entitled to claim under that **Section**, other than insurance that is purchased as and stated specifically to be a policy operating in excess of this **cover** and which names **you** or the other party **covered** by this **cover**, then the **cover** afforded by that **Section** will be in excess of and will not contribute with the insurance.
- d) This **cover** shall under no circumstances be made subject to the terms, limitations, conditions and definitions of any insurance, except that if any insurance is subject to any condition of average, then the **cover** provided by any **Section** if not already subject to a condition of average will be subject to average in like manner.
- e) For the purposes of this condition, the insurance shall not cease to be regarded as 'valid and collectible' merely because **you** have failed to comply with any notification or other claim conditions which apply to such insurance.
- f) This condition is subject to any contrary provision within the specific **Sections**.

17. Material changes during the cover period

- a) **You** must tell **us** within thirty (30) days of any material change to **you**, the **business** or the risks **covered** if **you** want to have **cover** in relation to any such change.
- b) **You** will not be **covered** for any loss or liability arising out of a material change for which **you** would otherwise have been **covered** unless **we** have provided valid confirmation of **cover**, whether by an express term of this **cover**, endorsement, written confirmation or otherwise.

18. Multiple and related claims (aggregation)

- a) For the purpose of this clause, any amount **we** may agree to pay associated with a loss or claim, whether **defence costs**, additional costs or expenses or any other sums whatsoever shall be treated as part of the loss or claim except where expressly stated otherwise in the **Sections** or **your Schedule**.
- b) In respect of Section 1 Property, Section 2 Business Interruption, Section 3 Money and Assault, Section 4 Goods in Transit, and Section 5 Loss of Licence, the **excess, cover limit, sub-limit** and/or **maximum indemnity period** applying to any one occurrence apply to all loss or series of losses arising out of the same event, cause or circumstance.
- c) However, the duration of any one occurrence shall be limited in respect of Section 1 Property, Section 3 Money and Assault and Section 4 Goods in Transit, except for losses caused by ongoing interruption or interference with the **business**, to:
 - i) seventy-two (72) consecutive hours as regards earthquake, **flood**, or **storm**;
 - ii) seventy-two (72) consecutive hours and within the limits of one borough, city, town or village as regards riot, civil commotion, malicious damage and vandalism.

You may choose when any of the periods in (a) and (b) above commence and if the event or common cause is longer than the above periods, **you** may decide to divide that event or common cause into two or more occurrences provided that no two periods overlap.

Should any such period extend beyond the expiry or cancellation date of this **cover**, **you** will be **covered** as if such period had fallen entirely within the **cover period**.
- d) In respect of Section 7 Dishonesty of Employees, Section 8 Employers' Liability and Section 9 Public, Products and Pollution Liability, the **excess** and **cover limit, sub-limit** and/or **maximum indemnity period** applying to any one loss or claim apply to all losses or claims or series of losses or claims arising out of the same original cause, event or circumstance.
- e) In respect of extension 12 Professional indemnity in Section 9 Public, Products and Pollution Liability, for the purposes of applying any **excess, cover limit**, all losses or **claims** resulting from:
 - i) one and the same act, error or omission;
 - ii) a series of acts errors or omissions arising out of or attributable to the same originating cause, source or event; or
 - iii) the acts errors or omissions of one person or persons acting together or in which such person or persons is/are concerned or implicated

shall jointly constitute one claim for the purpose of the **cover limit** and **excess** under that clause regardless of the number of claimants involved.
- f) The provisions of this Multiple and related claims (aggregation) clause apply regardless of the number of:
 - i) people **covered** under this **cover**;
 - ii) persons or organisations bringing claims; or
 - iii) claims made by or against **you**.

19. Records

We hold documents relating to this **cover** and any claims under it in electronic form and may destroy the originals. An electronic copy of any such document will be admissible in evidence to the same extent as, and carry the same weight as, the original.

20. Recovery of benefits

If the amount **we** may pay in damages is reduced because benefits and/or charges included in the damages are to be paid under statute to the Compensation Recovery Unit or its successor, the amount **we** may pay in damages for the purposes of this **cover** will be deemed to include such benefits and charges.

21. Risk minimisation

- a) **You** will take all reasonable steps at **your** own expense to prevent a **covered** event arising or continuing.

- b) When a **covered** event happens and at all times after it happens, **you** shall act as if **you** did not have the benefit of this **cover** and take all reasonable measures as are appropriate to avoid or minimise any claims which arise or may arise from that **covered** event. Any failure by **you** to take such steps may reduce or extinguish the amount **we** may pay.

22. Sanction limitation and exclusion

We shall not provide **cover** or agree to pay any claim or agree to provide any benefit, and the **Insurer** shall not provide insurance nor be liable to pay any claim or provide any benefit, to the extent that the provision of such **cover** or insurance, payment of such claim or provision of such benefit would expose **us** or the **Insurer** or any member of the **Insurer's** group to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any country.

23. Subrogation and recovery

- a) Except as expressly provided by any Waiver of subrogation clause applying to each **Section**, for each and every claim, **you** and any person acting on **your** behalf must not waive any rights of recourse or recovery against any other person relating to an occurrence, loss or **claim** that may give rise to a claim under this **cover**.
- b) **You** or any other party **covered** by this **cover** will, at **our** request and expense, do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by **us**, including the execution of documents necessary to enable **us** effectively to bring proceedings in **your** name, for the purpose of enforcing any rights and remedies, whether such acts and things will be or become necessary or required before or after **we** may agree to pay a claim.
- c) If **we** agree to make a payment under this **cover**, **we** will act in concert with all other interested persons (including **you**) concerned in the exercise of any rights of recovery.
- d) The apportioning of any amounts which may be so recovered will follow the principle that any interested persons (including **you**) who will have paid an amount over and above any payment **we** have made will first be reimbursed up to the amount paid by them; **we** will then be reimbursed out of any balance then remaining up to the amount **we** have paid; lastly, the interested persons (including **you**) to whom this **cover** is in excess shall be entitled to claim the residue, if any.
- e) Expenses necessary to the recovery of any such amounts will be apportioned between the interested parties concerned in the ratio of their respective recoveries as finally settled.

24. Tracing office database

If **your cover** includes Section 8 Employers' Liability, the **Insurer** has to maintain a database of all employers covered by such insurance. The **Insurer** supports and will add details of all insured employers' names to the Employers' Liability Tracing Office database.

You must give **us** full details **we** ask for when **you** apply for or renew **your cover** and tell **us** if **you** set up, buy or sell a **subsidiary company**.

25. Warranty free cover

Nothing in this **cover** is intended to form or operate as a warranty.

General Exclusions

We do not give **cover** for any of the following, except to the extent that it is stated expressly that an exclusion will not apply.

1. Contractual liability

Liability arising under a contract except to the extent that such liability would have attached in the absence of such contract, unless express provision for contractual liability is included in the **cover** provided by the **Sections**.

2. Communicable disease

Regardless of any provision to the contrary, **we** do not give **cover** for any liability, **damage** or loss directly or indirectly caused by or resulting from, arising out of or in connection with, attributable to, or occurring concurrently or in any sequence with:

- a) a **communicable disease**;
- b) the fear or threat (whether actual or perceived) of a **communicable disease**;
- c) the costs to clean-up, detoxify, remove, monitor or test for the actual, alleged, perceived or suspected presence of a **communicable disease**; or
- d) **your** actual or alleged non-compliance with any advice, guidance, order, decree or law issued by a **public authority** in response to a **communicable disease**;

This exclusion does not apply in respect of and to the extent of the **cover** provided by:

- a) the Notifiable disease extension in Section 2 Business Interruption; and
- b) Section 8 Employers' Liability.

3. Cyber liability

- a) Any actual or alleged loss, **damage**, liability, injury, compensation, sickness, disease, death, medical payment, claim or cost, **defence costs**, expense, statutory fine or penalty or any other amount incurred by or accruing to **you**, howsoever incurred or accruing, directly or indirectly arising out of, caused by, contributed to, resulting from, or in connection with any of the following:

- i) actual or threatened unauthorised or malicious act or actual or threatened series of related unauthorised or malicious acts or any hoax relating to any of these;
- ii) failure to act, error, omission or accident or series of related failures to act, series of related errors, series of related omissions or series of related accidents; or
- iii) breach of duty, statutory duty or regulatory duty or trust or series of related breaches of duty, statutory duty or regulatory duty or trust

involving processing or the use or operation of, or access to, any **computer system** or data by any person or group(s) of persons.

For the purposes of this exclusion only '**computer system**' means any computer, hardware, programme, software, data, information repository, microchip, integrated circuit, information technology and communications system or electronic device, including any similar system or any configuration of the aforementioned and including any associated input, output or data storage device, networking equipment or back up facility, whether or not **your** property.

- b) For any claim or loss arising out of **terrorism** or any **act of terrorism**, for either of which **cover** is expressly provided elsewhere in this **cover** and shown as **covered** in **your Schedule**, the terms, conditions, exclusions and limitations of such **terrorism cover** shall apply instead of the terms, conditions, exclusions and limitations of this exclusion.

4. Deliberate acts

- a) Any **personal injury** or **bodily injury**, **damage**, claim, loss, liability, expenses, costs, defence costs or any other sums whatsoever deliberately caused by **you** or on **your** behalf or any **covered person** (other than **employees**).
- b) This exclusion does not apply to **damage** resulting from the use of reasonable force to protect persons or property against a peril not excluded by this **cover**.
- c) This exclusion also does not apply to the extent of the **cover** provided by:

- i) Section 7 Dishonesty of Employees in respect of acts of dishonesty committed by or in collusion with **your employees**;
- ii) Section 8 Employers' Liability.

5. Excess

- a) The amount of the **excess** as stated in **your Schedule**.
- b) If the **excess** is stated as a temporal period then the amount so deducted shall represent the monetary amount lost in relation to the first period stated in **your Schedule**, commencing from the time **you** begin to incur the **covered** loss to which the **excess** applies.
- c) For all **Sections** except Section 9 Public, Products and Pollution Liability, the **excess** applies in respect of any one **claim** or claim, circumstance or any one occurrence (as stated in **your Schedule** or this Cover Wording), potential claim or potential occurrence, including **defence costs** (but not adjusters' fees), as ascertained after the application of all other terms and conditions of this **cover**.
- d) For Section 9 Public, Products and Pollution Liability the **excess** means the first amount payable by **you** in respect of any one **claim** or any one occurrence, potential claim or potential occurrence, including **defence costs** (but not adjusters' fees), as ascertained after the application of all other terms and conditions of this **cover**.
- e) Where, in respect of any **one Section**, more than one **excess** could be applied to a claim, occurrence or other matter notified to us, only one **excess**, the highest **excess**, will be applied. However, if the claim, event or occurrence comes under more than one of Section 1 Property to Section 7 Dishonesty of Employees then **your** maximum liability for the **excess** will be the highest applicable **excess** within that group of **Sections**.

6. Nuclear risks and ionising radiation

- a) Any **personal injury** or **bodily injury, damage, claim**, loss, liability, expenses, costs or **defence costs** whatsoever caused by:
 - i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
 - ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component.
- b) This exclusion does not apply to:
 - i) Section 8 Employers' Liability, to the extent that the excluded risks arise in the course of the employment of **employees** by **you**.

7. Retroactive date

Any act, error or omission committed, or alleged to have been committed, prior to the **retroactive date**, where a **retroactive date** is specified as applying to a **Section** or part of a **Section**.

8. War and terrorism

- a) Any **personal injury** or **bodily injury, damage, claim**, loss, liability, expenses, costs or **defence costs** of whatsoever nature caused by:
 - i) **war** or **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence; or
 - ii) any action taken in controlling, preventing, suppressing or in any way relating to **war** or **terrorism**.

In any action, suit or other proceedings where **we** allege on reasonable grounds that by reason of this exclusion any claim is not **covered**, **you** will have the burden of proving that such claim is **covered**.
- b) This exclusion does not apply to:
 - i) The **cover** provided in Section 8 Employers' Liability by extension 10 War and terrorism, to the extent of such **cover**.

Claims Conditions

Compliance with this Section is essential

This Section applies to the whole **cover**.

If anything happens which may give rise to a claim under the **cover**, **you** must comply with the requirements set out in this Section.

Unless **you can** show that any non-compliance with the requirements of these clauses has caused no prejudice to **us** in relation to a claim under the **cover**, **we** will not consider the claim.

You can notify **us** about a claim or potential claim by:

telephone

Monday – Friday 9.00am to 5.30pm 01892 888 423

All other times and on bank holidays 01424 850 333

using the online claim form at www.activitiesindustry mutual.co.uk/claims

Special conditions

1. Claim notification – Sections 1 to 7 (Property related cover)

You must give **us** notice within the following periods:

- a) as soon as reasonably practicable of any incident, **accident**, occurrence, event, **damage**, **bodily injury**, loss, **circumstance** or **claim** that may give rise to a claim under these **Sections**, unless earlier notification is required below;
- b) immediately but in any event, within three (3) working days of receipt of any notice of:
 - i) adjudication, referral notice or any adjudication notice pursuant to contract;
 - ii) referral to any tribunal;
 - iii) any impending prosecution, inquest, fatal accident inquiry or other legal proceedings; which in each case may relate to or give rise to a claim under these **Sections**.
- c) If property included in this **cover** is **damaged** or stolen as a result of a riot, civil commotion, strikers, locked out workers or people taking part in labour disturbances, **you** must let **us** know immediately and give **us** full details as soon as **you** can and not later than seven (7) days after the **damage** or theft happened.

In respect of Section 5 Loss of Licence, **you** must give **us** notice on the next working day on becoming aware of:

- a) the withdrawal or refusal to renew the **licence**;
- b) any circumstances likely to prejudice continuance of the **licence**;
- c) and immediately, but in any event within three (3) working days, as soon as **you** are aware of any:
 - i) notice, caution or complaint against the **premises** or the control of the **business** at the **premises** or against any **licence** holder, manager, tenant, **designated premises supervisor** or other occupier of the **premises**;
 - ii) proceedings against or conviction of the **designated premises supervisor**, tenant, manager, occupier or **licence** holder of the **premises** for any breach of any law (other than driving convictions unless such convictions result in the said person accruing nine (9) points or more under the DVLA “totting up” scheme);
 - iii) transfer or proposed transfer of the **licence**;
 - iv) alteration in the purpose for which the **premises** are used;
 - v) objection to renewal or any other circumstances which might prejudice renewal of the **licence**.

2. Claim notification – Sections 8 and 9 (Employers’ Liability and Public, Products and Pollution Liability)

You must give **us** notice within the following periods:

- a) as soon as reasonably practicable after the occurrence of any incident, **accident**, **personal injury** or **bodily injury**, **damage**, exposure, loss or other occurrence which may give rise to a claim under these **Sections**;

- b) as soon as reasonably practicable but not later than seven (7) days after receipt of:
 - i) any **claim** or of any notice of an intention to make a **claim**;
 - ii) notice of any impending prosecution, inquest, fatal accident inquiry or other legal proceedings; which in each case may relate to or give rise to a claim under these **Sections**;
- c) in respect of any claim under extension 14 Run off cover for legionella claims made basis in Section 9 Public, Products and Pollution Liability, **you** must give **us** notice of any **claim** or any notice of an intention to make a **claim** as soon as reasonably practicable after receipt, but in any event not later than twenty eight (28) days from receipt, of the **claim** or notice.

3. Claim notification – Section 9 Public, Products and Pollution Liability (extension 12 Professional indemnity)

You must give **us** notice within the following periods:

- a) immediately but in any event within three (3) working days of receipt of any notice of a dispute under the Local Democracy, Economic Development and Contracts Act 2009;
- b) as soon as reasonably practicable but in any event not later than thirty (30) days from receipt of any **claim** or any notice of an intention to make a **claim**, but in any event within seven (7) days after the expiry of the **cover period**;
- c) as soon as reasonably practicable of any **circumstance**, but in any event before expiry of the **cover period**;
- d) as soon as reasonably practicable after becoming aware that a case directly affecting **you** is being reviewed by any ombudsman;
- e) as soon as reasonably practicable of any other loss or suspicion of loss that is or may be **covered**.

4. Claim notification – Circumstances - Section 9 Public, Products and Pollution Liability (extension 12 Professional indemnity)

In relation to **cover** under extension 12 Professional indemnity of Section 9 Public, Products and Pollution Liability if:

- a) **you** notify **us** of **circumstances** during the **cover period** in accordance with the requirements of this Claims Conditions Section; and
- b) such notification includes all relevant facts which may give rise to a **claim**, to the extent known or reasonably accessible to **you**; and
- c) **we** are satisfied that a **claim** may arise from the **circumstances** notified
we will treat any **claim** subsequently arising directly from such **circumstances** as though the **claim** had been notified during the **cover period**.

Other claims conditions

1. Your duties

In respect of all **Sections**, for each and every claim or notification **you** and any person acting on **your** behalf must (before and after notification):

- a) comply with any reporting obligations provided for under the General Data Protection Regulation;
- b) not admit responsibility, liability, make an offer or promise, nor offer payment or indemnity without **our** prior written consent;
- c) not incur any expense without **our** consent except at **your** own cost;
- d) always act honestly;
- e) give all such information, co-operation and assistance, and forward all documents and any other information as requested to enable **us** to investigate, settle or resist any **claim**, as **we** may reasonably require;
- f) provide such proofs and information with respect to the claim as may reasonably be required together with (if demanded) a statutory declaration of the truth of the claim and any matters connected with the claim;

- g) on the happening of any **damage** in consequence of which a claim is or may be made under Section 2 Business Interruption, with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the **business** or to avoid or diminish the loss;
- h) not destroy evidence or supporting information or documents without **our** prior consent; nor destroy any property relating to an occurrence, loss or suit that may give rise to a claim under this **cover**.

2. Claims procedure

Following notification of a claim, **you** and any person acting on **your** behalf must:

- a) upon receiving any request, demand, order, notice, summons, legal paper and all related documents in connection with a claim immediately and in any event within three (3) working days provide copies of these to the **us**. In addition where reasonably practical **you** must co-operate with **us** or **our** appointed agents to allow them to comply with such relevant practice directions and pre- action protocols;
- b) authorise **us** to obtain medical records or other pertinent information upon request, but only where legally permitted to do so, for a claim involving **bodily injury**;
- c) for property **damage** and related claims, within thirty (30) days after **damage** (or expiry of the **indemnity period** for losses limited by a **maximum indemnity period**) or such further time as **we** may in writing allow, at **your** expense, deliver to **us** a claim in writing, containing as particular an account as may be reasonably practical of the several articles or portions of property **damaged** and the amount of the **damage** to them respectively, having regard to their value at the time of the **damage**, together with any details of any other insurance on any **property covered** and provide such proofs and information with respect to the claim as may reasonably be required together with (if demanded) a statutory declaration of the truth of the claim and any matters connected with the claim.

3. Our rights

We shall be entitled to handle, oversee, control and have full discretion in the conduct of any claim or potential claim and shall be permitted to take over and conduct in **your** name the defence or settlement of any such claim or potential claim.

If **we** agree a claim and pay the **cover limit** or such lesser sum for which **we** in **our** discretion determine the claim can be settled, **we** shall immediately relinquish control of the claim and shall have no further liability except for the payment of any **defence costs** (where payable in addition to the **cover limit**) which are incurred prior to the date of payment of the **cover limit**.

You agree that **you** will reimburse **us** for any payment **we** make pursuant to this clause to the extent that such payment would otherwise have fallen within the **excess**.

4. Payment or reimbursement of excess

If settlement of a **covered** event **we** investigate or defend under the **cover** does not exceed the amount of the applicable **excess**, **you** will pay, or reimburse **us**, as applicable, for any indemnity, **defence costs** or other sums paid (including claimant costs recoverable from **you**) or incurred by **us** in connection with such **covered** event.

General Definitions and Interpretation

The following words will have the same meaning each time they appear in this Cover Wording or **your Schedule** in **bold** type. If words do not appear in bold their meaning is determined by their context.

Definitions applying to particular **Sections** will only apply to that **Section** if it is shown in **your Schedule** as included in **your cover**. For the purposes of those Sections that apply to the whole **cover** and the Property Related Exclusions, the meaning for a particular **Section** of **cover** applies to any claim under that **Section**.

Where the context requires, the singular and the plural are interchangeable. References to a 'person' includes any individual, company, partnership or other legal entity. References to a statute, regulation or standard form of trade contract will be construed to include amendments or replacements. All headings in the Cover Wording are included for convenience only and will not affect interpretation.

accident

A single and unexpected event, which occurs at an identifiable time and place.

act of terrorism

Any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- a) endangers life other than that of the person committing the action; or
- b) involves violence against one or more persons; or
- c) involves damage to property; or
- d) creates a risk to health or safety of the public or a section of the public.

actual value

The amount it would cost to repair or replace **property covered**, on the date of loss, with material of like kind and quality, with deduction for obsolescence and physical depreciation.

benefits

For Section 3 Money and Assault, the assault compensation benefits specified in **your Schedule**.

bodily injury

Death, disease, illness, physical or mental injury of or to an individual.

buildings

The fixed permanent structures at the **premises** within the boundaries of the **premises** belonging to **you** or for which **you** are responsible or have accepted responsibility including:

- a) glass in windows and doors, or any other glass that is fitted in or on the buildings, including frames, mountings and fixtures and fittings used for the supporting and retaining of glass;
- b) landlord's fixtures and fittings;
- c) outbuildings and annexes together with extensions and canopies adjoining them or communicating with them, walls, gates fences and signage;
- d) foundations;
- e) adjoining gangways, bridges, yards, roadways or pavements, car parks, barriers, forecourts, artificial surfaces constructed of concrete or asphalt around and pertaining to them, drains, sewers and gutters;
- f) soft and hard landscaping;
- g) ponds, water features, lakes, canals, reservoirs and swimming pools;
- h) solar panels;
- i) cleaning cradles;
- j) security lighting, security cameras and other security or fire protection devices, affixed signs, television, radio, satellite receiving aerials, communication aerials, their fittings and masts affixed to the buildings, fixed poles or fixed pylons at the **premises**;

- k) telephone, gas, water and electricity meters, piping, ducting, trunking, cables, wires and associated control gear, instruments and accessories and the like, including such property for which **you** are responsible but which is in or under adjoining yards or roadways extending to either:
 - i) the public mains and which partly or wholly serves to supply the **premises**; or
 - ii) fifty (50) metres beyond the perimeter of the **premises** whichever is the lesser;
 - l) underground storage tanks;
 - m) washroom and sanitary fittings;
 - n) wind turbines used by **you** for the generation of electricity;
- but excluding property more specifically covered somewhere else whether included in this **cover** or not.

business

Your activities as stated in **your Schedule** and including:

- a) provision and management of canteens, sports, social and welfare and medical organisations for the benefit of **employees**;
- b) provision of security services for **your** benefit;
- c) provision of nursery, crèche or child care facilities where incidental to the activities stated;
- d) provision of educational facilities;
- e) property owners, lessors and lessees including repair, refurbishment and maintenance of such property;
- f) organisation of and participation in exhibitions, trade fairs, conferences and the like;
- g) private work undertaken by any **employee** for **your** principal **employee**, director or partner or executive;
- h) employment of subcontractors for performance of work on **your** behalf;
- i) the organisation of charitable events or similar fund raising activities;
- j) sponsorship of events, organisations, entities and individuals;
- k) repair, maintenance and servicing of **your** own mechanically propelled vehicles and the sale or disposal of **your** own property and goods, including owned mechanically propelled vehicles;
- l) provision of gifts and promotional material incidental to the business.

business services

Services of the **business you** provided to clients, as specified in **your Schedule**.

Certificate of Entry

The document **we** issue which confirms **your** membership of the **Mutual**, that **cover** is in place, the **cover period** and includes some **cover limits**.

change of temperature

The rise or fall in temperatures as a result of:

- a) the breaking, distortion or burning out of any part of the unit (excluding its own wiring termination including the plug and fuse) arising from mechanical or electrical defects in the unit occurring while the unit is being used under normal working conditions;
- b) non-operation of the thermostatic or automatic controlling devices forming part of the unit;
- c) accidental failure of the public electricity supply not occasioned by the deliberate act of any utility undertaking.

circumstance

An incident, occurrence, dispute, fact, matter, act or omission that may give rise to a **claim**.

claim

- a) The receipt by **you** of any written notice of demand for compensation made by a third party against the **you**.
- b) Any writ, statement of claim, claim form, summons, application or other originating legal or arbitral process, cross-claim, counterclaim or third or similar party notice served upon you.
- c) any notice of intention in writing to commence legal proceedings against **you**.

Where the word claim is used as an undefined term (i.e. not in bold) it refers to a claim by **you** under this **cover**, unless the context otherwise requires.

communicable disease

Any disease which can be transmitted by means of any substance or agent where:

- a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation or mutation thereof, whether deemed living or not;
- b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and
- c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of loss of use of the **property covered**

regardless of the frequency or severity of an outbreak, or the size of the geographic area in which an outbreak is observed.

computer equipment

All computer equipment including software, interconnecting wiring, fixed disks, telecommunications equipment and all components thereof used for the storage, processing or communication of electronically processed data.

computer systems

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

contamination

The unwanted presence of a substance, constituent, contaminant or impurity.

cover/covered

The discretionary cover **we** provide in accordance with **our** Rules set out in **your Certificate of Entry, your Schedule** (including any Schedules issued in substitution) and any endorsements attaching to **your Schedule** and this Cover Wording.

cover limit

The most **we** pay may identified in **your Certificate of Entry** or **your Schedule** or this Cover Wording as applying to a **Section** or **cover**, including any other limits.

cover period

The time **we** give **cover** for shown on **your Certificate of Entry**, with times being local to **your** address as stated on **your Certificate of Entry**.

covered person

For Section 1 Property and Section 3 Money and Assault:

- a) **you** or any of **your** principals, directors, partners or **employees**; or
- b) any person acting on **your** behalf, other than an employee of a security company or organisation, not being over seventy-five (75) years of age or under sixteen (16) years of age.

For Section 8 Employers' Liability and Section 9 Public, Products and Pollution Liability (apart from extension 15 Sexual abuse):

- c) any of **your** directors, partners, **employees** or former **employees**;
- d) any officers, members' committee and/or **employee** and voluntary helpers of **your** canteen and welfare organisations, nursery, crèche or child care facilities, sports and social organisations, in their respective capacities as such;
- e) any officers and members of **your** security, rescue, first aid or fire and ambulance services or medical organisation, other than any qualified medical practitioner while working in a professional capacity, in their respective capacities as such;
- f) **your** director or partner or executive in respect of private work undertaken for them by any **employee**;
- g) any officers or trustees of **your** pension scheme(s).

For Section 9 Public, Products and Pollution Liability extension 15 Sexual abuse:

- a) **you** and **your** directors, partners and **employees**;
- b) **your** personal representatives in respect of legal liability incurred by **you**.

damage/damaged

For Section 1 Property, Section 2 Business Interruption, Section 3 Money and Assault, Section 4 Goods in Transit and Section 6 Watercraft, loss of, destruction of or damage to tangible property.

For all other **Sections**, loss of, destruction of or damage to tangible property and/or loss of use of tangible property that has been lost, destroyed or damaged but not pure economic loss.

data

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

declared value

Your assessment of the cost of reinstatement of the **property covered** arrived at in accordance with the **reinstatement** definition at the level of costs applying at inception of the **cover period** (ignoring inflationary factors which may operate subsequently) together with due allowance for the additional costs of **reinstatement** to comply with public authority requirements, professional fees and debris removal costs.

defence costs

Defence costs do not include, and **we** do not give **cover** for, **your** own internal costs and expenses, management time or employee time or any adjusters' fees.

- a) Costs (other than claimant costs recoverable from **you** or any other party included in this **cover**) incurred at **your** request, with **our** prior consent in the investigation, adjustment, appraisal, defence or settlement of an insured event, including expert, legal, appeal and defence costs.
- b) Costs and expenses **you** incur in pre-trial and case reviews.
- c) Pre-judgment interest awarded against **you** on that part of any judgment covered under this **cover** but where **we** offer to pay the **cover limit** in settlement of a claim or suit, **we** will not agree to pay any pre-judgment interest imposed or accruing after the date of such offer.
- d) All interest accruing on that part of any judgment within the **cover limit** after entry of the judgment and before **we** have paid, offered to pay or deposited in court that part of any judgment that is within the applicable **cover limit**.
- e) The cost of attendance in court as a witness at **our** request, payable per day shown in the Cover Limits table in this Cover Wording on which attendance is required.
- f) Costs incurred at **your** request, with **our** prior consent of legal representation at any coroner's inquest or inquiry in respect of any death which may be the subject of a claim under this **cover**.

deferment period

For Section 3 Money and Assault, the number of consecutive days as stated in **your Schedule** from the date the **covered person** suffers **temporary total disablement** during which no **benefits** are payable. The sum of money represented by such periods shall not contribute towards any claim for **benefits** or other payment **we** may make.

denial of access

Trespass or interference with any easement or right of air, light, water or way.

designated premises supervisor

The individual designated as the manager or supervisor of the **premises**, whether or not that person is the owner or licensee.

documents

Deeds, wills, written agreements, maps, plans, books, letters, policies, certificates, forms and documents of any nature whatsoever, whether written, printed or reproduced by any method, including **electronic data**, but shall not include bearer bonds or coupons, stamps, bank or currency notes or any other negotiable instrument.

electronic data

Facts, concepts and information converted to a form usable for communication, display, distribution, interpretation or processing by electronic and electromechanical processing or electronically controlled equipment, including programmes, software and other coded instructions for such equipment.

employee

For all **Sections** except for Section 7 Dishonesty of Employees and extension 12 Professional indemnity under Section 9 Public, Products and Pollution Liability, any person whilst:

- a) engaged under a contract of service or apprenticeship with **you**;
 - b) acting in the capacity of **your** non-executive director;
 - c) not under a contract of service or apprenticeship who is, at **your** requirement, supplied to, hired or borrowed by **you** in the course of the **business** and under **your** control including but not limited to:
 - i) persons on secondment from another company that is not included in **your cover**;
 - ii) labour masters or persons supplied by them;
 - iii) labour-only subcontractors;
 - iv) self-employed persons;
 - v) drivers or operators of **hired-in plant and machinery**;
 - vi) persons engaged under work experience, training, study, exchange or similar schemes;
 - vii) voluntary workers, helpers and instructors;
 - viii) persons working under the Community Offenders Act 1978, the Community Offenders (Scotland) Act 1978 or similar legislation;
 - ix) employee(s) elected on any industry users' committee;
 - x) worker, agency worker or home workers as defined by the National Minimum Wage Act 1998, employed under contracts to personally execute any work in connection with the **business**, while they are engaged in that work;
 - xi) prospective employees **you** are assessing as to their suitability for employment;
 - xii) any person a court of law in the **United Kingdom** deems to be an employee;
- provided that **you** can always request that any such person is not treated as an employee.

For Section 7 Dishonesty of Employees and extension 12 Professional indemnity under Section 9 Public, Products and Pollution Liability, any person including trainees and apprentices under a contract of service with **you**.

For Section 7 Dishonesty of Employees, **your** director if that director is:

- a) employed by the **business** under a contract of service; and
- b) controls not more than 5% of the issued share capital the **business** or any subsidiary company of the **business**.

employment practice dispute

For all **Sections**:

- a) discrimination with respect to the terms or conditions of employment on the basis of an individual's race, colour, religion, age, sex, national origin, disability, pregnancy, sexual orientation or preference or other status protected under applicable law; or
- b) sexual harassment, including unwelcome sexual advances, requests for sexual favours, and any unwelcome verbal, visual or physical contact of a sexual nature which:
 - i) is explicitly or implicitly made a term or condition of employment; and
 - ii) creates a hostile or offensive working environment; and
 - iii) when rejected or opposed by a person becomes a basis for decisions regarding that person's employment;
- c) defamation relating to a person's job skill, job performance, qualifications for employment, professional reputation, disciplinary history, or termination of employment;
- d) unfair or wrongful termination of employment;
- e) adverse change in the terms and conditions of a person's employment in retaliation for that person's exercise of their rights under law, or support of the rights of another;
- f) refusal to employ or promote, or misleading representation or advertising relating to employment; or
- g) denial of natural justice, coercion, demotion, evaluation, relocation, punishment, slander or humiliation relating to employment.

estimated gross profit

The amount declared by **you** to **us** as representing not less than the **gross profit** which it is anticipated will be earned by the **business** during the financial year most nearly concurrent with the **cover period** (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve (12) months).

estimated gross revenue

The amount declared by **you** to **us** as representing not less than the **gross revenue** which it is anticipated will be earned by the **business** during the financial year most nearly concurrent with the **cover period** (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds twelve (12) months).

excess

The first part of a claim **you** must pay.

flood

The escape of water from its normal, natural or artificial confines (other than tanks, apparatus or pipes) or inundation from the sea, including:

- a) rising water, surface water or waves;
- b) tidal waves or tidal water;
- c) overflow of streams, rivers lakes, ponds, or other bodies of water;
- d) spray from any of the foregoing

all whether driven by wind or not, but excluding **storm** and earthquake.

goods

For Section 1 Property and Section 4 Goods in Transit, **stock and materials in trade, machinery, plant and all other contents** and any other property specified in **your Schedule**, belonging to **you** or for which **you** are responsible or have accepted responsibility and connected with the **business**.

gross profit

The amount by which the sum of the amount of the **gross revenue** and the amounts of the closing stock and work in progress will exceed the sum of the amounts of the opening stock and work in progress and the amount of the **specified working expenses**.

gross revenue

The amount paid or payable to **you**, excluding **VAT**, for goods and services rendered in the course of the **business**.

healthcare practitioner

A qualified licensed member of the medical profession as approved by the governing medical association of the country in which the healthcare practitioner resides who is not a **covered person**, a member of **your person's** family or **your employee**.

hired-in plant and equipment

Temporary buildings and caravans, plant, tools and equipment supplied to **you** and for which **you** are responsible under the terms of a hiring agreement while anywhere within the **territorial limits**.

income

For Section 5 Loss of Licence, the money paid or payable to **you** in respect of food, drink, entertainment, accommodation and services less the cost of food and drink.

increased cost of working

The additional expenditure **you** necessarily and reasonably incur for the sole purpose of avoiding or diminishing the reduction in **gross revenue** or **rent receivable** which would otherwise have occurred during the **indemnity period** in consequence of the **damage**.

indemnity period

For Section 1 Property (Costs and expenses cover clause 9, Rent payable), the period beginning with the occurrence of the **damage** and ending not later than the end of **maximum indemnity period** during which **rent** is payable consequence of the **damage**.

For Section 2 Business Interruption, the period beginning with the occurrence of the **damage** or the period beginning after the expiry of any time excess following the **damage** and ending not later than the **maximum indemnity period** thereafter during which the results of the **business** will be affected in consequence of the **damage**.

For Section 5 Loss of Licence, the period beginning with the permanent loss of **licence** and ending not later than twelve (12) months thereafter during which the results of the **business** shall be affected in consequence of the permanent loss of **licence** provided that if the **premises** are disposed of within the twelve (12) months after the loss of **licence** the indemnity period shall terminate upon disposal of the **premises**.

insolvency event

- a) An application being made for an administration order or the purported appointment of, or the filing at court or issue of any notice of intention to appoint, an administrator in relation to **you**;
- b) a petition being presented, a meeting being convened or an effective resolution being passed, otherwise than with **our** prior written consent as part of a solvent reconstruction or amalgamation, for **your** winding up;
- c) possession being taken of, or a receiver, sequestrator or similar officer being appointed in respect of, the whole or any part of **your** assets or undertaking;
- d) **you** suspending or threatening to suspend payment of **your** debts as they fall due or being, or unlikely to become, unable to pay **your** debts, whether within the meaning of section 123 Insolvency Act 1986 or otherwise;
- e) **you** or **your** directors or partners making a proposal to enter into a voluntary arrangement (within the meaning of section 1 Insolvency Act 1986) or taking any steps to obtain a moratorium under section 1A of that Act or taking or being subject to any proceedings under the law for the readjustment, rescheduling or deferment of all or any of **your** debts, or proposing or entering into any general assignment or composition with or for the benefit of **your** creditors;
- f) **you** ceasing or threatening to cease to carry on all or a substantial part of the **business** or operations, or selling, transferring or otherwise disposing of the whole or a substantial part of **your** undertaking or assets, either by a single transaction or by a number of transactions; or
- g) the occurrence in respect of **you** of any event in any jurisdiction to which **you** are subject having an effect similar to that of any of the events referred to in paragraphs a) to f) above.

Insurer

The insurer shown on **your Certificate of Entry**.

jurisdiction

The jurisdiction (if any) specified in **your Schedule** as applying to a **Section**.

licence

The licence granted by the **licensing authority** which authorises the **premises** to be used for one or more licensable activities under in connection with the **business**.

licensing authorities

Those bodies and/or individuals authorised to grant **licences** for the sale of alcohol and/or the provision of entertainment under the Licensing Act 2003 and/or Licensing (Scotland) Act 2005, as amended or re-enacted, within each of the territories within the **United Kingdom**.

loss of limb

In the case of a lower limb, loss by physical severance at or above the ankle or permanent and total loss of and/or total and irrecoverable loss of use of an entire leg or foot.

In the case of an upper limb, loss by physical severance of the entire four fingers through or above the meta carpo phalangeal joints or permanent and total loss of and/or total and irrecoverable loss of use of an entire arm or hand.

machinery, plant and all other contents

For Section 1 Property and Section 4 Goods in Transit:

- a) machinery and plant (including unlicensed mechanical plant);
- b) tenants' improvements and alterations, structural alterations and additions, decorations, fixtures and fittings, above ground storage tanks;
- c) **documents** except that **cover** on **documents** shall not exceed the **sub-limit** stated in **your Schedule**;
- d) patterns, models, moulds, plans and designs;
- e) office equipment, telephone, telex, facsimile and **computer equipment**, and **computer systems** records;
- f) personal money and stamps;

- g) **wines and spirits**, cigarettes and tobacco;
 - h) all other contents;
- at the **premises** which are **your** property or **you** hold on trust, or for which **you** are responsible, or on free loan or hire or for which **you** have otherwise accepted responsibility but excluding:
- i) **buildings** and landlord's fixtures and fittings in or on **buildings**;
 - ii) **stock and materials in trade**;
 - iii) **money**;
- i) so far as the same cannot be claimed for somewhere else, personal property of **you** and **your employees**, partners or directors or visitors except that **cover** on such property shall not exceed the **sub-limit** stated in **your Schedule**.

matter

Any **data**, text, sounds, images or similar content disseminated, including but not limited to the content of **your** email, intranet, extranet, website, bulletin board, chat room or other on-line discussion or information forum, and the marketing and advertising of the **business services**.

maximum indemnity period

The period stated in **your Schedule** as applicable to a particular **cover**.

money

Both **negotiable money** and **non-negotiable money**.

multimedia activities

The publishing, dissemination, releasing, gathering, transmission, production, webcasting or other distribution of **matter** by **you**.

negotiable money

Cash, bank and currency notes, uncrossed cheques, giro cheques including pre-authenticated giro cheques, uncrossed warrants, uncrossed postal and money orders, current postage and revenue stamps, National Savings stamps and certificates, holiday with pay, stamps and gift tokens, National Insurance stamps (whether affixed to cards or not) debit card sales vouchers, trading stamps, luncheon vouchers and bills of exchange, securities for money, travel warrants and authenticated travel tickets, fuel cards, phonecards and mobile phone vouchers for use by **you** or any of **your** partners, directors or **employees** in connection with the **business**, stock of lottery scratch cards, pre-loaded travel cards (including Oyster cards or similar), consumer redemption vouchers and company sales vouchers and unexpired units in franking machines.

non-negotiable money

Crossed warrants, crossed cheques, crossed giro drafts, crossed postal and money orders, crossed bankers' drafts, crossed National Girobank cheques, premium bonds, savings bonds, stamped National Insurance cards, National Savings Certificates, **VAT** purchase invoices and credit card sales vouchers.

North America

The United States of America or its territories or possessions or Canada.

North American jurisdiction

Any judgment, award, payment, **defence costs** or settlement delivered, made or incurred within countries which form part of **North America**, or which operates under or applies the laws of such countries or any states, provinces or territories forming part of them, including arbitration or regulatory proceedings, and any order made anywhere in the world to enforce such judgment, award, payment, **defence costs** or settlement either in whole or in part.

notifiable disease

Any diseases sustained by a person notifiable under the Health Protection (Notification) Regulations 2010, but excluding:

- a) Avian Influenza and/or Influenza A (H5N1);
- b) Swine Influenza and/or Influenza A (H1N1);
- c) Severe Acute Respiratory Syndrome (SARS);
- d) any coronavirus (or similar or equivalent virus in the future);
- e) any mutation or variation of d) above;
- f) any coronavirus disease (or similar or equivalent disease in the future);

- g) any epidemic or pandemic which poses a threat to human health or human welfare whether officially declared an epidemic or pandemic or not; or
- h) any fear or threat of a) to g) above.

nuclear installation

Any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument, being an installation designed or adapted for:

- a) the production or use of atomic energy;
- b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations; or
- c) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter, being matter which has been produced or irradiated in the course of the production or use of nuclear fuel.

nuclear reactor

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

offshore

Work in or on any offshore rig or platform or support or accommodation vessel for any offshore rig or platform or in **transit** to and from or between any offshore rig or platform or support or accommodation vessel from the time of embarkation onto a conveyance at the point of final departure to an offshore rig or platform until disembarkation from the conveyance onto land upon return from an offshore rig or platform.

outstanding debit balances

Amounts owed to **you** by **your** customers at the date of the **damage** but adjusted to take account of

- 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 said last statement relates and the date of the **damage**; and
- c) any abnormal conditions of trade which had or could have had a material effect on the **business**; so that the figure thus adjusted shall represent as nearly as reasonably practicable those which would have obtained at the date of the **damage** had the **damage** not occurred.

permanent total disablement

Irrecoverable disablement arising from **bodily injury**, which permanently and totally incapacitates the **covered person** from participating in their normal occupation for a continuous period of twelve (12) months and as a result of the **bodily injury**, the **covered person** is medically determined to **our** satisfaction to have no likelihood of improvement sufficient to enable them to participate in their occupation ever again.

personal injury

Bodily injury, and/or harm arising out of one or more of the following committed in the course of the **business**:

- a) false arrest;
- b) detention or imprisonment;
- c) malicious prosecution;
- d) wrongful entry into or eviction of a person from a room, dwelling or premises that the person occupies;
- e) invasion of the right of privacy;
- f) libel, slander and defamation.

phishing

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

pollutant

Any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapour, soot, dust, fumes, acids, alkalis, chemicals or waste. Waste is deemed to include materials to be recycled, reconditioned or reclaimed;

pollution

Discharge, seepage, migration, dispersal, release or escape of **pollutants**;

premises

The buildings and/or land that **you** own, lease, hire, rent or borrow for the purpose of the **business** at the address(es) specified in **your Schedule**.

preventative costs

Sums that **you** have to pay for prevention of imminent threat of environmental **damage** as provided for in any **United Kingdom** law implementing the EU Environmental Liability Directive.

product

Any goods or other property (including integral software, packaging, containers, labels and instructions for use) after it has left **your** custody or control which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by **you** or on **your** behalf.

property

All property whatsoever, but excluding:

- a) any land or building which is wholly or partially occupied as a private residence, unless:
 - i) covered or insured under the same contract of direct cover or insurance as the remainder of the building which is not a private residence;
 - ii) not covered or insured in the name of an individual; or
 - iii) covered or insured in the name of an individual, and the commercial element of the building occupies more than twenty percent (20%) of the building.

For the purpose of this clause, a trustee, beneficiary, executor of a will or sole trader is not deemed to be an individual unless they occupy the premises or any part of the premises as their own private residence.

- b) any **nuclear installation** or **nuclear reactor** and all fixtures and fittings situated on it and attached to it and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **nuclear installation** or **nuclear reactor**.

property covered

Tangible property described in **your Schedule** that includes a specific **sum covered** against each or all of them and which is more specifically defined in **your Schedule**. Property not described in **your Schedule** is not **property covered**.

public authority

Any national, regional, local or municipal government or any national or international organisation with the responsibility to promote and protect public health.

rate of gross profit

The rate of gross profit earned, **trend adjusted**, on the **gross revenue** during the financial year immediately before the date of the **damage**.

reinstatement

For Section 1 Property and Section 2 Business Interruption, the repair or replacement of the **property covered** that has sustained **damage** as specified in the applicable basis of settlement clauses.

rent

The amount paid or payable by **you** for rent and associated charges in respect of the occupation or tenancy of **buildings** at the **premises**.

rent receivable

The amount contractually payable to **you** for rent and associated charges in respect of the occupation or tenancy of buildings at the **premises**.

retroactive date

The date specified in **your Schedule**, to be applicable to a **Section** or specific **cover**, to which the General Exclusion for retroactive dates applies.

Rules

The rules of the Mutual.

Schedule

The document that shows the **Sections** of **cover you** have chosen and the **cover limits**, some **sub-limits**, the **excesses** and any endorsements that apply to **your cover**. Schedules may be re-issued from time to time where each successor overrides the earlier document.

Section

A **cover** section of this Cover Wording

sexual abuse

Acts of forcing sexual activity, rape or molestation.

specified working expenses

Those expenses listed as specified working expenses in Section 2 Business Interruption in **your Schedule**.

standard gross revenue

Means the gross revenue excluding **VAT, trend adjusted**, during that period in the twelve (12) months immediately before the date of the **damage** which corresponds with the **indemnity period**.

standard rent receivable

The **rent receivable, trend adjusted**, during the period in the twelve (12) months immediately before the date of the **damage** which corresponds with the **indemnity period**.

stock and materials in trade

Stock and materials in trade including work in progress and contents of storage tanks at the **premises** which **you** own or hold in trust or on commission and for which **you** are responsible.

storm

Rainstorm, windstorm, hurricane, tornado, tempest, cyclone and typhoon including ensuing **damage** caused by water that backs up from a sewer or drain as a direct result but excluding **flood** and earthquake.

sub-limit

The most **we** may pay shown in **your Schedule** or this **Cover Wording** as applying to a specified **Section**, clause, any other part of this **cover** or any item listed in **your Schedule** or this Cover Wording.

subrogation

The right to take over any recovery rights **you** may have against third parties liable in relation to a loss **we** have paid or have agreed to pay.

sum covered

The sum specified in **your Schedule** or in this Cover Wording which is the most **we** may pay, including any other limits, for losses relating to the listed item.

subsidiary company

For all **Sections**:

- a) any **company** in respect of which the **company** (either directly or indirectly through one or more of its subsidiary companies):
 - i) controls the composition of the board of directors; or
 - ii) controls more than half the voting power at a general meeting of shareholders; or
 - iii) holds more than half of the issued share capital (regardless of class of share);
- b) any company as defined above (other than any company part of whose issued share capital is offered to the public or otherwise traded on a recognised exchange in the United States of America) which is acquired or created on or subsequent to the inception date of this **cover** and of which the total assets do not exceed twenty per cent (20%) of the company's consolidated total assets as declared in their latest annual report and account;
- c) any other company (including any associated company) that **we** have given prior written consent to for its inclusion as a subsidiary company forming part of **your membership** of the **Mutual**.

take-over or merger

If **you** are a limited company, **your** sale or **your** merger with or acquisition by another entity such that **you** are not the surviving entity and **your** shareholders immediately after the sale, merger or acquisition no longer:

- a) control the composition of the board of directors;
- b) control more than half the voting power; or
- c) hold more than half of the issued share capital.

If **you** are a partnership, a merger with another partnership or the appointment of new partners (other than from **your** existing **employees**) such that the number of partners in the partnership immediately after such merger or appointment(s) is more than two hundred percent (200%) of the number of partners in the partnership immediately before such merger or appointment(s).

temporary total disablement

The **covered person** being totally disabled and prevented from participating in the whole of their normal occupation as a result of **bodily injury**, not being **permanent total disablement**.

territorial limits

As specified in **your Schedule** for each **Section**.

terrorism

For Section 1 Property and Section 2 Business interruption, an **act of terrorism**.

For all other **Sections**, an activity that involves a violent act or the unlawful use of force or an unlawful act dangerous to human life, tangible or intangible property or infrastructure or a threat thereof, and appears to be intended to:

- a) intimidate or coerce a civilian population;
- b) disrupt any segment of the economy of a government de jure or de facto, state, or country;
- c) overthrow, influence or affect the conduct of policy any government de jure or de facto by intimidation or coercion; or
- d) affect the conduct or policy of any government de jure or de facto by mass destruction, assassination, kidnapping or hostage-taking

theft

For Section 7 Dishonesty of Employees, includes any act of fraud or dishonesty by any **employee** committed with the clear intent of obtaining an improper financial gain for themselves or for any other person or organisation intended by the **employee** to receive such gain other than salaries fees commission or other **employee** benefit earned in the normal course of employment.

total loss of sight

Permanent and total loss of sight in both eyes caused by **bodily injury** where a **covered person's** name has been added to the Register of Blind Persons on the authority of a qualified ophthalmic specialist.

Permanent and total loss of sight in one eye caused by **bodily injury**, if the degree of sight remaining after correction is 3/60 or less of the Snellen Scale (seeing at three (3) metres what a **covered person** should see at sixty (60) metres), which lasts twelve (12) calendar months from the date of **accident** or loss of sight (if later) and at the expiry of that period being beyond hope of improvement.

transit

Being carried within the **territorial limits** to a destination, but outside the **premises**, by any vehicle, including trailers and containers, and whether or not **your vehicle**, or by road haulage, post, or parcel post or rail, including:

- a) conveyance by canal craft on inland waterways;
- b) conveyance of the vehicle on sea going vessels where such conveyance does not exceed twelve (12) hours;
- c) loading and unloading; and
- d) while temporarily housed in the course of being carried to a destination.

trend adjusted

Adjustments made to figures as may be necessary to provide for the trend of the **business** and for variations in or circumstances affecting the **business** either before or after the **damage** or which would have affected the **business** had the **damage** not occurred, so that the figures thus adjusted will represent as nearly as may be reasonably practicable the results which but for the **damage** would have been obtained during the relative period after the **damage**.

United Kingdom

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

unoccupied

Any **building** that is owned or used by **you** in the course of the **business** and has become vacant, disused or unfurnished and empty for a period in excess of thirty (30) consecutive days.

VAT

Value Added Tax.

war

War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power, nationalisation, requisition, sequestration or confiscation by order of any public authority or government de jure or de facto or martial law but not including **terrorism**.

watercraft

A vessel **you** own or are responsible for, including machinery and outboard motors, and gear and equipment normally sold with the vessel, that **you** have notified to **us**.

we/our/us/the Mutual

Activities Industry Mutual Limited, company number 5372198,

wines and spirits

Wines, spirits, beer and other alcoholic liquids.

work away

Work, operations, installation or services performed by **you** or on **your** behalf but not on its **premises**.

you/your/the Member

The Member named on **your Certificate of Entry**.

Making a complaint to us

Our cover and service

We always try to provide **our** Members with the highest standard of service at all times, but **we** realise that sometimes things can go wrong. If **you** are not completely happy with any aspect of **your cover** or **our** service, please let **us** know so that **we** can try and put things right for **you** as quickly as possible.

If **you** have a complaint about a claim, **your cover** or **our** service **you** can:

- call **us** on 0330 2020 919; or
- email **us** on manager@activitiesindustrymutual.co.uk; or
- write to **us** at:
Activities Industry Mutual Limited
First Floor
Douglas House
Quarry Hill Road
Tonbridge
Kent TN9 2RH

If **you** email or write to **us** it is helpful if **you** can tell **us**:

- **your** contact details including **your** business and mobile telephone numbers;
- **your** Membership number;
- what has gone wrong and what **you** would like **us** to do put things right; and
- the name of anyone at the **Mutual you** have already spoken to about the problem.

We take all complaints seriously and **we** will always try to sort out **your** complaint as quickly as **we** can. Sometimes **we** need to make detailed enquiries and, if **we** do, **we** will write to **you** within three (3) business days to:

- confirm **we** have received **your** complaint;
- tell **you** what **we** are doing;
- confirm the member of **our** team dealing with **your** complaint; and
- provide **you** with a copy of **our** Complaints process.

We may ask **you** for more information, but **we** will do **our** best to sort out **your** complaint without involving **you** any more than **we** need to.

If **we** have not given **you our** final response within four (4) weeks of acknowledging **your** complaint, **we** will write to tell **you** how **we** are getting on with **our** enquiries and let **you** know when **we** will be able to send **you our** final decision.

If **we** cannot give **you our** final decision in eight (8) weeks, **we** will let you know when **we** expect to send **you a** final decision and what **you** can do next if **you** do not wish to wait any longer.

When **we** send **you our** final response, **we** will tell **you** what **you** can do next if **you** are not happy with the outcome of **your** complaint.

If at any time **you** have any questions, or if **you** are not happy with the way **we** are dealing with **your** complaint, please let **us** know straight away.

This Complaints process does not affect **your** right of legal action against **us**.

Arranging insurance for you

As well as providing **you** with discretionary cover, **we** arrange insurance in the names of **our** Members for the amount of claims **we** give **cover** for that are above a certain amount, **We** may also arrange insurance for **you** for risks that **we** do not provide **cover** for.

If **you** wish to complain about **our** service in arranging insurance for **you** and:

- **you** are not satisfied with **our** final response; or
- if eight (8) weeks have passed since **you** first complained and **you** have not received **our** final response letter

you may be able to refer the matter to the Financial Ombudsman Service (FOS). Their service is free, impartial, and contacting them will not prejudice **your** complaint or legal rights. **You** can contact the FOS by:

- phone: 0800 023 4567 or 0300 123 9 123 or
- email: complaint.info@financial-ombudsman.org.uk or
- using the online form at: <https://www.financial-ombudsman.org.uk/contact-us/complain-online>

Complaints about the Insurer

If **your** complaint is about the insurance or the service **you** have received from the **Insurer** **you** can:

- call them on 020 7105 5988;
- email them at CustomerRelations@uk.qbe.com; or
- write to them at
Customer Relations
QBE European Operations
30 Fenchurch Street
London EC3M 3BD

If **you** feel that the **Insurer** has not satisfactorily resolved **your** complaint, **you** may be eligible to contact the Financial Ombudsman Service to review the complaint. Information about who can refer a complaint to the FOS is available on the FOS website: <http://www.financialombudsman.org.uk/consumer/complaints.html>

Financial Services Compensation Scheme

The **Insurer** is covered by the Financial Services Compensation Scheme (FSCS). The FSCS is an independent body set up by the Government which may pay compensation to **you** if the **Insurer** is unable, or may be unable, to meet its insurance obligations. **We** are also covered by the FSCS, if we are wound up, for a failure in **our** activities in arranging insurance for our Members.

You can find more information about the FSCS at www.fscs.org

The contact details for the FSCS are:

Financial Services Compensation Scheme
PO Box 300
Mitcheldean
GL17 1DY
Telephone: 0800 678 1100 or 020 7741 4100