Business Insurance

Office and Surgery Policy Wording

Commercial Claims 0345 125 8859 (24 hours)
# Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract of Insurance</td>
<td>3</td>
</tr>
<tr>
<td>Definitions</td>
<td>4–7</td>
</tr>
<tr>
<td>Cover Causes</td>
<td>8–9</td>
</tr>
<tr>
<td>Section 1 – Material Damage</td>
<td>10–22</td>
</tr>
<tr>
<td>Sub-Section A – Buildings</td>
<td></td>
</tr>
<tr>
<td>Sub-Section B – Contents</td>
<td></td>
</tr>
<tr>
<td>Sub-Section C – Glass, Blinds and Signs</td>
<td></td>
</tr>
<tr>
<td>Sub-Section D – Money</td>
<td></td>
</tr>
<tr>
<td>Sub-Section E – Malicious Attack</td>
<td></td>
</tr>
<tr>
<td>Sub-Section F – All Risks</td>
<td></td>
</tr>
<tr>
<td>Sub-Section G – Machinery and Computer Equipment Breakdown</td>
<td></td>
</tr>
<tr>
<td>Sub-Section H – Deterioration of Stock</td>
<td></td>
</tr>
<tr>
<td>Sub-Section I – Fidelity Guarantee</td>
<td></td>
</tr>
<tr>
<td>Section 2 – Business Interruption</td>
<td>23–26</td>
</tr>
<tr>
<td>Sub-Section A – Income/costs</td>
<td></td>
</tr>
<tr>
<td>Sub-Section B – Machinery and Computer Equipment Breakdown</td>
<td></td>
</tr>
<tr>
<td>Section 3 – Liability</td>
<td>27–31</td>
</tr>
<tr>
<td>Sub-Section A – Employers Liability</td>
<td></td>
</tr>
<tr>
<td>Sub-Section B – Public Liability</td>
<td></td>
</tr>
<tr>
<td>Sub-Section C – Products Liability</td>
<td></td>
</tr>
<tr>
<td>Section 4 – Legal Expenses*</td>
<td>32–38</td>
</tr>
<tr>
<td>Sub-Section A – Legal Expenses</td>
<td></td>
</tr>
<tr>
<td>Sub-Section B – Statutory Licence Protection</td>
<td></td>
</tr>
<tr>
<td>Sub-Section C – Contract Disputes</td>
<td></td>
</tr>
<tr>
<td>Sub-Section D – Debt Recovery</td>
<td></td>
</tr>
<tr>
<td>Section 5 – Personal Accident</td>
<td>39–41</td>
</tr>
<tr>
<td>Sub-Section A – Personal Accident Individual (occupational only)</td>
<td></td>
</tr>
<tr>
<td>Sub-Section B – Personal Accident Individual (24 hour)</td>
<td></td>
</tr>
<tr>
<td>Sub-Section C – Personal Accident Group (occupational only)</td>
<td></td>
</tr>
<tr>
<td>Sub-Section D – Personal Accident Group (24 hour)</td>
<td></td>
</tr>
<tr>
<td>General Conditions and Exclusions</td>
<td>42–46</td>
</tr>
<tr>
<td>What to do if you have a complaint</td>
<td>47</td>
</tr>
<tr>
<td>Financial Services Compensation Scheme</td>
<td>47</td>
</tr>
<tr>
<td>Making a claim</td>
<td>48</td>
</tr>
</tbody>
</table>

* Section 4 – Legal Expenses detailed in this Policy wording is replaced by a separate Post Office Business Insurance – Business Legal Guard policy.

Where details of the cover are required, please refer to the separate Post Office Business Insurance – Business Legal Guard policy wording for full details of the cover, terms, conditions and exclusions.
Office & Surgery Policy

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

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

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

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

Francois-Xavier Boisseau - CEO, Insurance
Ageas Insurance Limited

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

Please read the Policy and Schedule carefully to ensure it meets your requirements; if it does not, please contact your insurance adviser immediately.
Definitions

Except in relation to Section 4 - Legal Expenses which has its own definitions the following words or expressions shall carry the meaning shown below whenever they appear in bold in the Policy, Schedule, Endorsements and the proposal form or statement of fact. Wherever the defined words are shown in the plural they take the same meaning as shown below, but in the plural.

Additional Increase in Cost of Working
The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period beyond that recoverable as Increase in Cost of Working wherever it is insured in the Policy.

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

Buildings
The Buildings (excluding Glass, Blinds and Signs) at the risk address shown in the Schedule including:
(a) outbuildings attached to the main Building
(b) detached outbuildings within the boundaries of the risk address and built solely of incombustible materials unless specified as otherwise on the Schedule
(c) walls, gates and fences around the Buildings and belonging to them
(d) landlord’s fixtures and fittings excluding carpets
all belonging to the Insured or for which the Insured is legally responsible.

Business
The Business shown in the Schedule including:
(a) the repair and maintenance of the Premises
(b) the provision of fire, security and ambulance services at the Premises
(c) the provision of first aid but excluding any first aid provided by any qualified medical practitioner or nurse
(d) private work undertaken by the Insured’s Employees (with the consent of the Insured) for any director, partner or senior executive of the Insured
(e) the provision and management of canteen, sports, social and welfare organisations by the Insured for the benefit of the Insured’s Employees.

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

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

Company
Ageas Insurance Ltd.

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

Computer Equipment
Electronic, computer or other data processing equipment owned by the Insured or for which the Insured is legally responsible, including Media and peripherals used in conjunction with such equipment.

Damage
Accidental loss, destruction or damage.

Declared Value
The Insured’s assessment of the cost of reinstatement of each Building (arrived at in accordance with Paragraph (a) of Memorandum 1 to Section 1 Reinstatement) at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently) together with due allowance for:
(a) the additional cost of reinstatement to comply with public authority requirements as allowed in Extension 1 of Sub-Sections A and G to Section 1
(b) professional fees as allowed in the Cover to Section 1
(c) removal of debris as allowed in Extension 2 to Section 1.

Deferment Period
The initial period following the bodily injury in which no
benefit is payable as may be specified on the Schedule or by Endorsement.

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

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

**Estimated Gross Revenue**
The amount of **Gross Revenue** which it is anticipated will be earned by the **Business** during the financial year most nearly concurrent with the Period of Insurance.

**Excess**
The amount or amounts shown in the Policy or on the Schedule which the **Company** will deduct from each and every claim at each separate location after the application of Average.

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

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

**Gross Revenue**
The money paid or payable to the **Insured** for work done and services rendered in the course of the **Business**, less the cost of consumable goods.

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

**Increase in Cost of Working**
The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Revenue** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage**.

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

**Injury**
Bodily injury, death, illness or disease.

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

**Insured Person**
A person specified by name or included in a group of persons shown on the Schedule.

**Insured Plant**
Property owned by the **Insured** or for which the **Insured** is legally responsible, built to operate under vacuum or pressure, other than weight of contents, or used for the generation, transmission or utilisation of energy, but excluding:
(a) structure, foundation, masonry, brickwork, cabinet, compartment or air supported structure or building
(b) insulating or refractory material
(c) sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system
(d) water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system
(e) vehicles, aircraft, floating vessels or any equipment mounted
Definitions – continued

- on such vehicle (other than vehicle recovery cranes or equipment), aircraft or floating vessels
- mobile plant and equipment (other than fork lift trucks used by the Insured at the Premises), dragline, excavation or construction equipment
- equipment manufactured by the Insured for sale
- tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, driving belts or bands or any part requiring periodic renewal
- any electronic equipment, other than Computer Equipment, used for research, diagnostic, treatment, experimental or other medical or scientific purposes
- any Manufacturing Production or Process Equipment
- domestic laundry, kitchen, audio visual and home entertainment equipment when such equipment is used in private living quarters
- equipment owned by tenants of the Insured.

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

Legal Costs
All costs and expenses incurred with the written consent of the Company.

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

Loss of Limbs or Eyes
Physical Injury, which solely and directly results in:
(a) loss by physical severance of hand or foot at or above the wrist or ankle or the total and permanent loss of use of an entire hand or arm or an entire foot or leg or
(b) total and irrecoverable loss of all sight in one or both eyes.

Manufacturing Production or Process Equipment
Any machine or apparatus which takes in, processes, forms, cuts, shapes, grinds or conveys raw materials, materials undergoing a process or the finished product including any equipment forming a part of the dedicated power supply, or the driving or controlling mechanism for such machines or apparatus.

This definition also applies to all component parts of such machines or apparatus and any other machines used exclusively with such machinery or apparatus.

Media
All forms of electronic, magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment.

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

Outstanding Debit Balances
The total amount of the outstanding debit balances in customer’s credit accounts including hire purchase and credit sales accounts at the date of the Damage adjusted for bad debts.

Permanent Total Disablement
Physical Injury not resulting in death or Loss of Limbs or Eyes, which solely and directly results in permanent and absolute inability of the Insured or an Employee to attend to any part whatsoever of their occupation or any other occupation for which they are fitted by knowledge or training.

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

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

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

Products Supplied
Goods (including containers) sold, supplied, erected, repaired, serviced, altered, treated, installed, processed, manufactured or tested by the Insured in the course of the Business other than food or drink consumed on the Premises consisting of:
(i) food and drink supplied socially
(ii) motor vehicles or office machinery surplus to the Insured’s requirements
(iii) defective proprietary branded goods except medicines and no other.

**Property**
Material property.

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

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

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

**Stock**
Stock in trade excluding **Target Stock** but including raw materials, work in progress and finished goods, the **Property** of the **Insured** and goods held in trust.

**Target Stock**
Stock in trade or goods in trust comprising cigarettes, cigars, tobaccos, wines and spirits, clothing, DVDs and compact discs, mobile phones or computer games.

**Temporary Total Disablement**
Physical Injury which solely and directly results in total and absolute inability of the **Insured** or an **Employee** to attend to any part whatsoever of their occupation.

**Territorial Limits**
(a) Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
(b) A country which is a member of the European Union but only in respect of temporary **Business** journeys by any person normally resident in the territories set out in (a) above which do not involve the performance or supervision of manual work.

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

**Trade Contents**
The contents of the **Buildings** used in connection with the **Business** shown in the Schedule, the **Property** of the **Insured** or for which the **Insured** is legally responsible, including:

(a) patterns, models, moulds, plans and designs, documents, manuscripts and **Business** books for their value as stationery and materials and the cost of labour expended in writing up and/or reinstatement thereof or restoration if more economical
(b) **Computer Equipment** up to a limit of £10,000, unless specified as a separate item on the Schedule
(c) wines, spirits, cigarettes and tobacco kept for entertainment purposes up to a limit of £500
(d) directors, partners or **Employees’** personal effects, clothing, pedal cycles and tools unless otherwise insured subject to a limit of £500 per person but excluding Landlord’s fixtures and fittings, Tenant’s Improvements, **Glass, Blinds and Signs, Money, Stock, Target Stock** and any other **Property** more specifically insured.

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

**Unoccupied**
Empty or not in use for 21 or more consecutive days

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

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

**Cover Cause 1 – Fire**
Fire, lightning and explosion but not Damage caused by:
(a) the explosion of any equipment that has to be inspected as part of any Statutory Regulations unless the inspection and maintenance is completed as required by the regulation
(b) the explosion of any non-domestic steam pressure equipment under the Insured’s control
(c) earthquake
(d) subterranean fire, riot, civil commotion, strikers, locked-out workers or malicious people
(e) spontaneous heating or fermentation or from undergoing any process involving the application of heat.

**Cover Cause 2 – Perils**
A Riot, civil commotion, strikers, locked-out workers or malicious people but not Damage:
(a) caused by theft or attempted theft
(b) through requisition, confiscation or destruction by order of the Government or other statutory authority
(c) resulting from the stopping of work
(d) arising when the Premises are Unoccupied
(e) arising from tamper, deliberate erasure, distortion or corruption of information or Virus or Similar Mechanism, Hacking, or Denial of Service Attack in respect of Computer Equipment.

B Earthquake

C Explosion of boilers and economisers but not Damage from the explosion of any equipment that has to be inspected as part of any Statutory Regulations unless the inspection and maintenance is completed as required by the regulation and adequate insurance is in place for such equipment.

Peril C Explosion of boilers and economisers is only effective for Sub-Section A of Section 2 – Business Interruption of this Policy.

D Subterranean fire

E Impact by:
(a) aircraft and aerial devices or articles dropped from them
(b) road vehicles
(c) animals
(d) breakage or collapse of radio and television aerials, satellite dishes and other aerial fittings or masts excluding Damage arising from erection or maintenance
(e) falling trees and branches excluding Damage from tree felling, lopping or moving.

F Escape of oil from any fixed oil fired heating installation but not Damage whilst the Premises are Unoccupied.

G Storm but not Damage:
(a) due to changes in the water table level
(b) by lightning, frost, subsidence, ground heave or landslip
(c) to fences, gates and moveable Property in the open or open sided Buildings
(d) caused by Flood.

H Flood caused by the inundation of water from the sea or escape of water from the normal confines of any natural or artificial watercourse, lake, reservoir, canal or dam, but not Damage:
(a) due to changes in the water table level
(b) by lightning, frost, subsidence, ground heave or landslip
(c) to fences, gates and moveable Property in the open or open sided Buildings
(d) escape of water from any water tank, apparatus or pipes.

I Escape of water from any tank, apparatus or pipes but not Damage:
(a) from water leaking or discharged from any automatic sprinkler installation
(b) to the actual tank, apparatus or pipes from which water escaped unless caused by freezing
(c) arising while the Premises are Unoccupied.

J Sprinkler installation leakage but not Damage:
(a) caused by heat from fire, explosion, earthquake or subterranean fire
(b) through repairs, alterations or extensions to the sprinkler installation or the Buildings
(c) to the actual sprinkler installation from which water escaped unless caused by freezing
(d) arising while the Premises are Unoccupied.

**Cover Cause 3 – Accidental Damage**
Accidental damage but not Damage:
(a) by Cover Causes 1, 2, 4 or 5 or any of their detailed exclusions
(b) to a building or structure caused by its own collapse or cracking.
(c) resulting from any process of production, packing, treatment, testing, commissioning, maintenance, servicing or repair
(d) to Property or structures in the course of construction or erection and materials or supplies connected with them
(e) caused by:
   (i) inherent vice, latent defect, gradual deterioration, wear and tear, frost, faulty or defective design, workmanship or materials, operational error or omission, but not excluding the subsequent Damage which itself results from a Cover Cause that is otherwise operative
   (ii) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, condensation, atmospheric or climatic conditions, dampness, dryness, chipping, marring or scratching, vermin or insects
   (iii) change in temperature, colour, flavour, texture or finish
   (iv) joint leakage, the failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
   (v) mechanical or electrical breakdown or derangement in respect of the particular machinery or equipment in which such breakdown or derangement occurs but not excluding the subsequent Damage which itself results from a Cover Cause that is otherwise operative
   (vi) acts of fraud or dishonesty including any collusion
   (vii) disappearance, unexplained or inventory shortage, misfiling or misplacing of information
   (viii) freezing when the Premises are Unoccupied
   (ix) any process of treatment, dyeing, cleaning, alteration, repair, restoration, testing, commissioning, servicing, packing or production
   (x) or consisting of distortion, erasure or corruption of computer records or Media
   (xi) pollution or contamination
   (xii) any loss insured or insurable under Sub-Section H of Section 1 of this Policy.

Cover Cause 4 – Theft or attempted theft
Theft or attempted theft but not:
(a) the first £250 of any loss by theft that does not involve entry to or exit from the Buildings by forcible and violent means or that does not involve actual or threatened assault or violence or use of force at the Premises against the Insured or any person legally on the Premises
(b) theft or attempted theft of any Property from any garden, yard or open space unless specified as an insured item on the Policy Schedule

c) theft or attempted theft of any Property from an outbuilding unless there has been forcible or violent entry to or exit from the outbuilding
(d) theft or attempted theft arising while the Premises are Unoccupied
(e) theft or attempted theft by any Employee of the Insured unless the theft or attempted theft involves entry into or exit from the Buildings by forcible and violent means.

Cover Cause 5 – Subsidence, ground heave or landslip
Subsidence, ground heave or landslip but not Damage:
(a) to outbuildings, yards, pipes, cables, wires, ducting, car parks, roads, pavements, walls, gates and fences unless the structure of the main Building is also affected
(b) caused by or consisting of:
   (i) the normal settlement or bedding down of new structures
   (ii) the settlement or movement of made-up ground
   (iii) coastal or river erosion
   (iv) defective design or workmanship or the use of defective materials
   (c) which originated before this Cover Cause was effective on the Schedule
(d) resulting from:
   (i) demolition, construction, structural alteration or repair of any Property
   (ii) groundwork or excavation at the same Premises.

Condition to Cover Cause 5
The Insured shall notify the Company immediately they become aware of any demolition, ground works, excavation or construction being carried out on any adjoining site. The Company shall then have the right to vary the terms or cancel this cover.
Section 1
Material Damage

Cover

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

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

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

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

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

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

Sub-Section C – Glass, Blinds and Signs
(This Sub-Section is only operative if specified on the Schedule)

The Company will indemnify the Insured in respect of Damage at the Premises insured from Cover Causes 1, 2, 3 and 4, to:
1 any external glass (including polycarbonate shop fronts) except glass described in the Exclusions to this Sub-Section
2 Property insured under Section 1, within any display windows caused by breakage of any glass
3 fixed plate glass (including interior showcases and mirrors) inside the Premises up to a value not exceeding £2,500
4 external signs up to a total value not exceeding £1,500
5 sanitary ware, if the cost of replacement has to be borne by the Insured, up to a value of £2,500
6 external blinds up to a value of £2,500
7 framework following breakage of fixed glass but not for the cost of preparing any claim.

The Company will also indemnify the Insured at the Premises insured for:
1 the reasonable cost of necessary boarding up prior to the replacement of any glass insured by this Sub-Section
2 the reasonable cost of reinstating Intruder Alarm Systems damaged as a result of glass breakage covered under this Sub-Section.

For the purposes of this Sub-Section, glass will also mean any glass substitute material.

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

Business Money
The Company will indemnify the Insured in respect of Damage to Business Money by Cover Causes 1, 2, 3 and 4 as detailed below but not for the costs of preparing any claim.

Safes, Strongrooms, Tills and Stamp Franking Machines
The Company will indemnify the Insured in respect of Damage to any safe or strongroom or till or any stamp franking machine, the Property of the Insured or for which the Insured is legally responsible, from Cover Cause 4, as detailed below but not for the costs of preparing any claim.
## Cover description and locations

<table>
<thead>
<tr>
<th>1</th>
<th><strong>Business Money</strong> – other than crossed cheques, crossed money orders, crossed postal orders, company sales vouchers and Value Added Tax purchase invoices:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>in the <strong>Buildings</strong> during <strong>Business Hours</strong> or whilst in a bank night safe</td>
</tr>
<tr>
<td>(b)</td>
<td>in transit to and from the <strong>Premises</strong> whilst in the custody of the <strong>Insured</strong> or an authorised <strong>Employee</strong>, but this does not cover <strong>Business Money</strong> whilst in the possession of <strong>Employees</strong> delivering or collecting <strong>Business Money</strong> other than to or from the <strong>Premises</strong> and the <strong>Insured’s</strong> bank unless specified by Endorsement</td>
</tr>
<tr>
<td>(c)</td>
<td>whilst at the private residence of the <strong>Insured</strong> or any authorised <strong>Employee</strong></td>
</tr>
<tr>
<td>(d)</td>
<td>in the <strong>Buildings</strong> whilst left unattended or outside <strong>Business Hours</strong> and not secured in a locked safe</td>
</tr>
<tr>
<td>(e)</td>
<td>in the <strong>Buildings</strong> whilst left unattended or outside <strong>Business Hours</strong> and secured in a locked unspecified safe</td>
</tr>
<tr>
<td>(f)</td>
<td>from the <strong>Buildings</strong> whilst left unattended or outside <strong>Business Hours</strong> and secured in a specified safe, if noted on the Schedule</td>
</tr>
<tr>
<td>(g)</td>
<td>in coin operated machines at the <strong>Buildings</strong>, if noted on the Schedule</td>
</tr>
<tr>
<td>(h)</td>
<td>in automated teller machines (ATMs), if noted on the Schedule</td>
</tr>
</tbody>
</table>

| 2 | Crossed cheques, crossed money orders, crossed postal orders, credit company vouchers and Value Added Tax purchase invoices |
| 3 | Safes, strongrooms, tills and stamp franking machines |

### Sub-Section E – Malicious Attack

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

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

## Schedule of Benefits

| 1 | Death occurring within 12 calendar months of the happening of the **Physical Injury** |
| 2 | **Loss of Limbs or Eyes** occurring within 12 calendar months of the happening of the **Physical Injury** |
| 3 | **Permanent Total Disablement** occurring within 12 calendar months of the happening of the **Physical Injury** |
| 4 | **Temporary Total Disablement** (payable up to a maximum of 104 weeks) |
| 5 | Incurred medical expenses |
| 6 | **Damage** to clothing or personal effects |

### Compensation

| 1 | £10,000 |
| 2 | £10,000 |
| 3 | £10,000 |
| 4 | £100 per week |
| 5 | £250 maximum limit per occurrence |
| 6 | £500 per person |
Section 1  Material Damage – continued

Sub-Section F – All Risks
(This Sub-Section is only operative if specified on the Schedule)

The Company will indemnify the Insured in respect of Damage to the items of Property specified on the Schedule, owned by the Insured or for which the Insured is legally responsible, whilst within the territorial limits specified for each item on the Schedule, from Cover Causes 1, 2, 3 and 4 but not for the costs of preparing any claim.

Sub-Section G – Machinery and Computer Equipment Breakdown
(This Sub-Section and the Covers described below are only operative if specified on the Schedule)

The Company will indemnify the Insured in respect of loss caused by or resulting from an Accident to Insured Plant but not for the costs of preparing any claim.

Accident means direct physical loss as follows:
(a) electrical or mechanical Breakdown, including rupture or bursting caused by centrifugal force
(b) artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires
(c) Explosion or Collapse of steam boilers, steam pipes, steam engines or steam turbines owned or leased by the Insured, or operated under the Insured’s control
(d) Damage to steam boilers (and connected oil tanks and interconnecting oil pipework excluding buried, flexible or non metallic pipework), steam pipes, steam engines or steam turbines caused by or resulting from any condition or event (not otherwise excluded) occurring inside such boilers or equipment
(e) Damage to hot water boilers or other water heating equipment (including connected oil storage tanks and interconnecting oil pipework excluding buried, flexible or non metallic pipework) caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment
(f) operator error
(g) Damage caused by materials being processed.

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

Sub-Section H – Deterioration of Stock
(This Sub-Section is only operative if specified on the Schedule)

The Company will indemnify the Insured against Damage to Stock of drugs whilst contained in freezer cabinets or refrigerated cabinets by deterioration or putrefaction resulting from:
1 breakdown or failure of the plant due to its own inherent defect, or Damage including the non-operation of any thermostatic or automatic device controlling it
2 accidental failure of public authority’s supply
3 escaping refrigerant or refrigerant fumes due to any accidental cause
but not for the costs of preparing any claim.

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

Sub-Section I – Fidelity Guarantee
(This Sub-Section is only operative if specified on the Schedule)

The Company will indemnify the Insured in respect of:
1 direct loss of Money or Property belonging to the Insured or for which the Insured is legally responsible caused by an act of fraud or dishonesty by an Employee described in the Schedule, committed in the course of their employment during the period of insurance and discovered within 24 months of the act of fraud or dishonesty
2 auditors’ fees incurred with the Company’s written consent solely to substantiate the amount of the claim
3 the reasonable cost of amending software programmes or systems necessary following their fraudulent use in connection with a claim under this Sub-Section for which liability is admitted under this Policy.

Limit of Indemnity
Irrespective of the number of Periods of Insurance during which this insurance (and any other insurance issued in substitution therefore) shall remain in force, the total liability of the Company under this Sub-Section in respect of all losses attributable to any one Employee or group of Employees shall not exceed the Limit of Indemnity stated in the Schedule as applicable to that Employee or group of Employees.

In the event that one claim is caused by two or more Employees acting in collusion the liability of the Company shall be limited to the higher of the individual limits of indemnity applicable to the Employees involved.
Extensions

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

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

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

3 Underground Services
The Company will indemnify the Insured for Damage to underground water pipes, drains or sewers, gas pipes, electricity and telephone cables extending from the public mains to the Buildings from Cover Causes 1, 2, 3 and 4.

Extensions to Sub-Sections A and B
(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

Index Linking
The sums insured under Sub-Section A in respect of Buildings and Sub-Section B in respect of Trade Contents, Computer Equipment and all other Property, other than Stock and Target Stock, will be adjusted at monthly intervals in accordance with the index drawn up or used by the Company.

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

Extensions to Sub-Sections A and G
(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

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

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

Extensions to Sub-Sections B
(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

1 Theft of Keys
The Company will indemnify the Insured for the cost of replacing locks and keys to the Buildings, Intruder Alarm Systems, safes, strongrooms or tills up to £1,000 any one period of insurance provided that:
(a) the original keys were stolen from the Buildings or the private residence of the Insured or any authorised Employee
(b) keys are not left in the Buildings, other than any private residential portion of the Buildings, when closed for Business nor in an unattended room during Business Hours unless locked in a safe, cupboard or drawer.

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

3 Contract Price
In respect of Stock sold but not delivered for which the Insured is responsible, subject to a sale contract, which following insured Damage is cancelled due to the contract conditions wholly or to the extent of the Damage, the Company’s liability will be based on the contract price.
Section 1  Material Damage – continued

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

This Extension shall not apply to:
(a) motor vehicles and motor chassis licensed for normal road use
(b) Property held by the Insured in trust other than Trade Contents.

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

Extensions to Sub-Sections B and G
(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

1  Expedition Expenses
The Company will indemnify the Insured in respect of the reasonable extra cost to make temporary repairs and expedite permanent repairs to or permanent replacement of damaged Property insured by Sub-Section B or Insured Plant insured by Sub-Section G, subject to a maximum limit of £20,000.

2  Hire of Substitute Item
The Company will indemnify the Insured in respect of hire charges actually incurred by the Insured during the Period of Insurance for the necessary hire following Damage to Property insured by Sub-Section B or Accident to Insured Plant insured by Sub-Section G of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item lost or damaged, subject to a maximum limit of £5,000.

3  Costs of Reinstating Data
The Company will indemnify the Insured for costs incurred by the Insured in recreating or reinstating on to Media data lost or damaged in consequence of Damage or an Accident to insured Computer Equipment including where necessary the cost of modifying or replacing the Computer Equipment following an indemnifiable loss to achieve equivalent compatibility with that existing immediately prior to the Damage or Accident due to undamaged Media being incompatible with the replacement Computer Equipment but not for:
(a) losses discovered later than six months after the loss was initiated
(b) loss of or Damage to software
(c) increase in cost of working insured by Section 2 of this policy
(d) any amount in excess of £25,000

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

The Company will indemnify the Insured in respect of fraud or dishonesty of the Insured’s Employees but excluding any loss not discovered within seven days of the loss.

Extension to Sub-Sections D and F
(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

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

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

The Company will also indemnify the Insured for theft or attempted theft of Property insured by this Sub-Section whilst in any garden, yard, open space, or outbuilding which does not involve forcible and violent entry to or exit from the outbuilding.

For the purposes of Sub-Section F Exclusions (b) and (c) of Cover Cause 4 are deleted and are of no effect unless specified by Endorsement on the Schedule.
Extensions to Sub-Section G
(Subject to the Exclusions and Conditions of the operative Sub-Section and the Section)

1 Hazardous Substances
The Company will indemnify the Insured for the additional cost to repair or replace Insured Plant because of contamination by a hazardous substance. This includes the additional expenses to clean up or dispose of such Property. Hazardous substance means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency. Additional costs mean those beyond what would have been required had no hazardous substance been involved. The maximum amount payable under this Extension shall not exceed £10,000.

2 Loss Of Oil Storage Tank Contents
The Company will indemnify the Insured in respect of:
(a) loss of the contents of oil storage tanks at the Premises belonging to the Insured or for which the Insured is legally responsible by escape, leakage, discharge or overflow of contents from the oil storage tanks caused by or resulting from an Accident to the tank which is insured by this Sub-Section
(b) contamination of the contents of the oil storage tanks caused by or resulting from an Accident insured by this Sub-Section including cleaning costs incurred as a result of such loss.

Provided that the Company shall not be liable for:
(i) loss caused by fire howsoever the fire may have been caused
(ii) loss resulting from corrosion, erosion or wasting
(iii) contamination of the contents resulting from the natural settling, separation or accumulation of fluids or materials constituting the normal contents
(iv) contamination of the contents resulting from the deliberate use of fluids or materials in the oil storage tank for cleaning, flushing or similar purposes
(v) loss sustained whilst oil storage tanks are in transit between premises
(vi) costs or expenses arising from pollution or contamination of property not covered by this Extension.

The liability of the Company under this Extension shall not exceed £1,000,000 any one Accident.

3 Own Surrounding Property damage caused by Steam Explosion
The Company will indemnify the Insured against Damage to Property belonging to or in the custody and control of the Insured and for which the Insured is responsible directly resulting from the Explosion of any non-domestic steam pressure equipment under the Insured’s control.

This Extension is subject to such pressure equipment being inspected and maintained as required by any statutory regulations.

The Company’s liability under this extension shall not exceed £1,000,000 any one Accident.

4 Debris Removal
The cover provided by this Sub-Section extends to include costs incurred in the removal of debris and protection of the Insured Plant following loss or Damage Insured under this Sub-Section.

The liability of the Company under this Extension shall not exceed £25,000 or 20% of the loss or Damage whichever is the lower.

5 Loss Avoidance Measures
The Company will indemnify the Insured in respect of reasonable costs necessarily incurred by the Insured to take exceptional measures to prevent or mitigate impending Accident or Damage.
Provided that:
(a) Damage would reasonably be expected if such measures were not implemented
(b) the Company is satisfied that Damage has been avoided or mitigated by means of the exceptional measures
(c) the maximum liability of the Company will not exceed the cost of the Damage which would have otherwise occurred
(d) the terms, Conditions and Exclusions of this Section and the Policy will apply as if Damage has occurred
(e) if Damage had occurred it would have resulted in a claim that would have been accepted by the Company under this Sub-Section of the Policy
(f) the maximum liability of the Company shall not exceed £5,000 in any one period of insurance.

6 Repair Costs and Investigation
With their prior written agreement the Company will pay costs relating to repair investigations and tests following indemnifiable Damage to Insured Plant by consulting engineers.
Section 1  Material Damage – continued

The Company shall not be liable under this Extension of Cover for fees incurred in preparing a claim under this Policy.

The liability of the Company shall not exceed £25,000 under this Extension.

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

Previous Insurance
If this insurance immediately supersedes a Fidelity Guarantee Insurance effected by the Insured (the ‘Superseded Insurance’) the Company will indemnify the Insured in respect of any loss discovered during the continuation of this insurance but committed during the period of the Superseded Insurance if the loss is not recoverable thereunder solely because the period allowed for discovery has expired.

Provided that:
(a) such insurance had been continuously in force from the time of the loss until inception of this insurance
(b) the loss would have been insured by this insurance had it been in force at the time of the loss
(c) the liability of the Company shall not exceed whichever is the lesser of:
   (i) the amount recoverable under the insurance in force at the time of the loss or
   (ii) the Limit of Indemnity under this insurance.

Extensions to Section 1
(Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section)

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

2 Removal of Debris
The insurance under Section 1 shall be extended to include the cost of removal of debris of the insured Property, dismantling, demolishing, or shoring or propping of the insured Building resulting from Damage insured by Cover Causes 1,2,3,4 or 5 as shown against the Property or Building on the Schedule excluding:
(a) costs incurred in removing debris except from the site of such Damage and the area immediately adjacent to such site
(b) costs arising from pollution or contamination of Property not insured by this Section.

3 Subrogation Waiver
In the event of a claim arising under this Section the Company agrees to waive any rights, remedies or relief to which they become entitled by subrogation against:
(a) any company standing in the relation of parent or subsidiary to the Insured or any company which is a subsidiary of or a parent company of which the Insured themselves are subsidiary in each case as defined in current legislation
(b) a tenant or lessee in respect of Damage to the part of the Buildings they occupy or to common parts of the Buildings unless the Damage arises out of a criminal, fraudulent or malicious act of the tenant or lessee.

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

5 Capital Additions
The insurance under Section 1 shall, subject to the terms and Conditions of the Policy be extended to include:
(a) any alterations, additions and improvements to Buildings and Trade Contents excepting any appreciation of the value of the Property
(b) any newly erected or acquired Buildings and Trade Contents at the Premises or elsewhere within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, from when the Insured becomes responsible, subject to:
(i) the Insured advising the Company of the amendments as soon as practicable on becoming aware of the increase in extent of cover required
(ii) the sum insured for Buildings and Trade Contents at each location only being increased by the value of the additional Property up to no more than 10% of the existing sums insured or £250,000, whichever is the lesser, at any one location
(iii) the Insured paying the appropriate additional premium
(iv) other specific insurance having not been already arranged.

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

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

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

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

10 Loss of Oil and LPG
The Company will indemnify the Insured for the cost to replace oil or LPG accidentally lost from a fixed heating installation as a result of Damage to the fixed heating installation at the Premises from Cover Causes 1, 2, 3, or 4 subject to a maximum limit of £2,500 any one loss, but excluding any loss occurring when the Premises are Unoccupied or where Damage is undiscovered for 120 days or more.

Exclusions

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

Exclusions to Sub-Section C
The Company shall not be liable for:
(a) breakage or Damage arising:
   (i) from repairs or alterations to the Premises
   (ii) in Unoccupied Premises
(b) glass which was in any way defective at the time cover was effected
(c) breakage or Damage to any glass or sanitary ware comprising samples or display materials held in connection with the Business
(d) wear, tear, depreciation, loss of use, scratching, rust or other gradually operating cause, mechanical or electrical breakdown and additionally in respect of electrical signs:
   (i) Damage to tubes unless the surrounding glass or perspex is fractured at the same time
   (ii) Damage arising from repair, removal or erection
(e) chipping or cracking of sanitary ware unless there is breakage or complete fracture of such a nature as to render such article totally unserviceable.

Exclusions to Sub-Section D
The Company shall not be liable for:
(a) any loss arising from fraud or dishonesty of the Insured’s Employees:
   (i) not discovered within seven days of the loss
   (ii) specifically covered by Sub-Section I of Section 1 of this Policy or any other fidelity guarantee insurance
(b) shortage due to error or omission
(c) loss from an unattended vehicle
(d) loss from any coin-operated machines or Automated Teller Machines (ATMs) unless specified as an item on the Schedule
(e) any loss resulting directly or indirectly from forgery, fraudulent alteration or substitution or fraudulent use of a computer or electronic transfer
(f) loss resulting from use of any form of payment which proves to be counterfeit, false, fraudulent, invalid, uncollectible or irrecoverable for any reason
(g) loss arising under 1(b) outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
Section 1 Material Damage – continued

Exclusions to Sub-Section E
The Company shall not be liable:
(a) under more than one of the Benefits 1, 2 or 3 in respect of any one person arising out of the same Physical Injury
(b) in respect of any person under 16 or over 70 years of age
(c) under Benefit 4 until the termination of disablement except by special agreement by the Company.

Exclusions to Sub-Section F
The Company shall not be liable for loss or Damage to insured Property left unattended unless contained in:
(a) a securely locked building when away from the Premises
(b) a motor vehicle which is closed and locked at all points of access, with all keys removed from the vehicle and any security alarms and immobiliser fitted to the vehicle are set, and Damage from Cover Cause 4 is subject to the vehicle being contained in a securely locked building or guarded security park between 21.00hrs and 06.00hrs.

Exclusions to Sub-Section G
1 The Company shall not be liable for loss or Damage caused by or resulting from:
(a) a hydrostatic, pneumatic, or gas pressure test of any boiler or pressure vessel
(b) an insulation breakdown test of any type of electrical equipment
(c) any defect, virus, loss of data or other situation within Media
(d) depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions, except that this Exclusion shall not apply to subsequent Damage which itself results from a cause not otherwise excluded
(e) loss due to solidification, biological activity or spontaneous chemical reaction in the contents of tanks.
2 The Company shall not be liable for loss or Damage recoverable under a maintenance agreement or any warranty or guarantee, or which would be recoverable but for breach of the Insured’s obligations under an agreement.

Exclusion to Sub-Section H
The Company shall not be liable for Damage as a result of shedding or suspension of any public authority’s supply.

Exclusions to Sub-Section I
The Company shall not be liable for:
(a) consequential loss of any kind including loss of interest
(b) loss caused by any act of any Employee prior to the commencement of cover applicable to that Employee
(c) any monies which would have been payable by the Insured to an Employee but for the Employee’s dishonesty
(d) loss caused by any act of any Employee not normally resident in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
(e) loss caused by any act of any:
(i) labour master or labour only sub-contractor
(ii) person hired or borrowed by the Insured from another employer
(iii) director who controls more than 5% of the issued share capital of the Insured company.

Exclusions to Section 1
The Company shall not be liable for:
(a) The amount of the Excess or Excesses in the Schedule
(b) loss or Damage by Cover Causes 1,2,3,4 or 5 to:
(i) vehicles licensed for road use (including their accessories), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
(ii) Property or structures in the course of construction or erection and materials or supplies in connection with all such Property in course of construction or erection
(iii) land, roads, pavements, piers, jetties, bridges, culverts or excavations
(iv) animals, growing crops or trees unless specifically mentioned as insured by this Section or on the Schedule
(c) loss or Damage to Property which at the time of the happening of loss or Damage is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
(d) loss or Damage to any Property more specifically insured
(e) loss or Damage caused by an explosion of any vessel, machinery or apparatus, or its contents belonging to or under the control of the Insured, which requires to be examined to comply with any Statutory Regulations unless such vessel, machinery or apparatus is the subject of a policy or other contract providing the required inspection service
(f) reduction in value or consequential loss of any kind
(g) wear and tear.
Conditions Precedent to Liability

Condition to Sub-Section B
All Stock, Target Stock or Customers’ Goods contained in any cellar, basement or sub-basement must be kept on racks or shelves at least 30 centimetres above floor level.

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

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

Conditions to Sub-Section G
1 The Insured shall exercise due diligence in:
   (a) complying with any statute or order
   (b) ensuring that insured items are properly maintained and used in accordance with manufacturers recommendations and in taking reasonable precautions to prevent Damage.
2 The Insured shall maintain a minimum of 2 generations of back-up computer records. These must be checked for accuracy and integrity to ensure a precise match with the source data, be capable of restoration and be taken at intervals no less frequently than every 48 hours. At least one copy must be stored off site and the Insured must take all reasonable precautions to store and maintain records in accordance with the makers recommendations.

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

Condition to Sub-Section I
The Insured shall operate or bring into force the Minimum Standards of Control and shall not make any change to any of the Minimum Standards of Control unless agreed in writing by the Company. All Employees shall be instructed as to their duties or responsibilities in respect of the Minimum Standards of Control and be expected to comply.

Minimum Standards of Control
(a) Auditors
The accounts of the Insured including all subsidiary companies shall be examined by external auditors every twelve months. All recommendations or alternatives acceptable to the auditors shall be implemented without delay.
(b) Cheque signing
All cheques or other bank instruments drawn for more than £5,000 shall require two manually applied signatures to be added after the amount has been inserted. No cheque or instrument must be signed until one signatory has examined the supporting documentation. The Insured's bankers shall be advised of the above requirements as to signatures.
(c) Payroll
In respect of Employees not paid by crossed cheque or credit transfer the cost of the payroll will be subject to an independent check before payment to ensure that the total amount drawn is correct. At least quarterly and independently of persons responsible the payroll will be checked to minimise the possibility that fictitious names and enhanced payments have been included.
(d) Stocktaking
There will be a physical check on all Stock and materials held against verified stock records independent of Employees responsible at least every 12 months.
(e) Ordering Goods
Different Employees, acting independently, shall be responsible for the ordering of Stock and materials, the recording of receipt of such and the authorising of payment for them.
(f) Computer Security
Security checks will be built into all computer functions with reconciliations made as necessary. Responsibilities for authorisation of transactions, processing of transactions and handling of output shall be exercised by different Employees.
Section 1  Material Damage – continued

References Condition
The Insured shall obtain satisfactory references to confirm the honesty of each Employee who will be responsible for money, goods, accounts, computer operations or computer programming engaged after commencement of this Policy. Such references shall be obtained directly from former employers for the three years immediately preceding engagement and before the Employee is entrusted without supervision.

References need not be obtained in respect of Employees who have satisfactorily and continuously served the Insured for at least one year in another capacity before being entrusted with the duties referred to above.

In respect of Employees joining directly from school, government sponsored youth training schemes, or are returning to work after a gap of more than three years, one character reference shall be obtained.

Conditions
Condition to Sub-Section I
If at the time of direct loss of Money or Property of the Insured or for which the Insured is legally responsible or at the time a claim for such property arises the Insured is or would but for the existence of this insurance be entitled to indemnity under any other insurance or to recovery under any guarantee or indemnity fund, the Company shall not be liable except in respect of any excess beyond the amount which would have been payable under such other insurance, guarantee or fund had this insurance not been effected.

Conditions to Section 1
1 Minimum Requirements
The following minimum requirements must be complied with:
   (a) all external doors to the Buildings must be secured
       by either a 5 lever mortice deadlock conforming to
       BS3621 or locking bars with 5 lever close shackle padlock
       or other security devices if agreed with the Company in
       writing
   (b) all windows and skylights accessible from the ground,
       adjoining roofs, porches or downpipes must be fitted with
       key-operated locks
   (c) the glass in any louvre windows must be fixed to its metal
       runners with contact adhesive
   (d) a 2 or 3kg CO2 or dry powder fire extinguisher, which
       must be the subject of an annual maintenance contract,
       installed at the Premises.

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

This Condition does not apply to Sub-Sections C, D, E, G or I.

Memoranda applicable to Section 1

1 Reinstatement
The basis of settlement of any claim under Sub-Section A, B, C, F and G, except in respect of Stock, Target Stock and customers’ goods and specified items on an agreed value basis of settlement, shall be the full cost of replacement as new which requires the carrying out of the following work:
   (a) where Property is destroyed or lost, its replacement by
       similar Property in a condition equal to but not better or
       more extensive than its condition when new
   (b) where Property is damaged, the repair of the Damage
       and the restoration of the damaged portion of the
       Property to a condition substantially the same but not
       better or more extensive than its condition when new.

The basis of settlement of any claim under Sub-Section B or G, in respect of Computer Equipment, shall be the full cost of replacement as new which requires the carrying out of the following work:
   (a) where Computer Equipment is destroyed or lost, its
       replacement by similar Computer Equipment of equal
       performance and capacity or if that is impossible,
       replacement by new Computer Equipment having the
       nearest higher performance and capacity to the item
       destroyed or lost
   (b) where Computer Equipment is damaged, the repair of
       the Damage and the restoration of the damaged portion
       of the Computer Equipment to a working condition,
       substantially the same but not better or more extensive
       than its condition when new.

Special Provisions

(i) The replacement must be carried out without undue delay
    and in any case must be completed within twelve months
    of the loss or Damage occurring or such further time as
    the Company may (during the twelve months) in writing
    allow otherwise the basis of settlement will revert to
    Indemnity.
(ii) When any Property insured under this Memorandum
    is damaged in part only the liability of the Company shall
not exceed the sum representing the cost which the Company could have been called upon to pay for the replacement if such Property had been wholly destroyed.

(iii) No payment beyond Indemnity shall be made until the cost of replacement shall have been actually incurred.

(iv) For the purpose of all Property insured on this basis of settlement Condition to Section 1 Average is cancelled and replaced by the following:

If at the time of replacement of any item the sum representing 85% of the cost which would have been incurred in replacement if the whole of the Property covered by such item had been destroyed or lost exceeds the sum insured on that item at the time of the loss or Damage, the Insured shall be considered as being his own insurer for the difference between the sum insured and the sum representing the cost of reinstatement (or replacement) of the whole of the Property and shall bear a rateable proportion of the loss or Damage accordingly.

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

3 Day One Basis
(applicable to each insured item where a declared value is shown on the Schedule)
(a) The Insured has stated in writing, and will at the inception of each period of insurance state the Declared Value of each item of Property, shown on the Schedule.
(b) Each insured item is separately subject to the following Condition of Average:
If at the time of the Damage, the Declared Value of the insured item be less than the cost of reinstatement arrived at in accordance with Paragraph (a) of Memorandum 1 to Section 1 – Reinstatement, then the Company’s liability shall be limited to the proportion which the Declared Value bears to the cost of reinstatement.
(c) Where the basis of settlement of a claim reverts to Indemnity due to the application of the Special Provisions under Memorandum 1 to Section 1 – Reinstatement, the liability of the Company shall be limited to the sum insured in the Schedule.

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

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

Warranties applicable to Section 1

Warranty Applicable to Sub-Section D

Money Transit Warranty
It is warranted that all transits of Money, where the amount carried is £3,000 or more but no more than £5,000 at any one time, must be undertaken by at least 2 able-bodied adult Employees together.

Warranty Applicable to Section 1

Intruder Alarm Warranty
Where required by the Company it is warranted that:
1) The Premises are protected by an Intruder Alarm System installed as agreed with the Company.
2) The Intruder Alarm System shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or such other company, as agreed with the Company.
3) No alteration to or substitution of:
   (i) any part of the Intruder Alarm System
   (ii) the procedures agreed with the Company for Police or any other response to any activation of the Intruder Alarm System
   (iii) the maintenance contract be made without the written agreement of the Company.
4) The Premises shall not be left without at least one responsible person in them without the agreement of the Company:
   (i) unless the Intruder Alarm System is set in its entirety with the means of communication used to transmit signals in full operation.
Section 1  Material Damage – continued

(ii) if the Police have withdrawn their response to alarm calls.

For the purposes of this Endorsement 'responsible person' is the Insured or any person authorised by the Insured to be responsible for the security of the Premises.

5) All keys to the Intruder Alarm System are removed from the Premises when they are left unattended.

6) The Insured maintains secrecy of codes for the operation of the Intruder Alarm System and no details of same are left on the Premises.

7) The Insured shall appoint at least two keyholders and lodge written details (which must be kept up to date) with the alarm company.

8) In the event of notification of any activation of the Intruder Alarm System or interruption of the means of communication during any period that the Intruder Alarm System is set a Keyholder shall

(i) attend the Premises as soon as reasonably possible
(ii) enter the Premises if it is safe to do so
(iii) remain in the Premises until the Intruder Alarm System has been re-set or an engineer has attended to repair or re-set the Intruder Alarm System
(iv) remain at the Premises until they are fully secure.

9) In the event of the Insured receiving any notification:

(i) that Police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
(ii) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
(iii) that the Intruder Alarm System cannot be returned to or maintained in full working order

the Insured shall advise the Company as soon as possible and in any event not later than 10.00am on the Company's next working day and comply with any reasonable subsequent requirements stipulated by the Company.
Section 2

Business Interruption

Cover

Sub-Section A – Income/Costs
(This Sub-Section and the Covers described below are only operative if specified on the Schedule)

1 Gross Revenue
The Company will indemnify the Insured for loss of Gross Revenue as a result of interruption of or interference with the Business carried on at the Premises in consequence of Damage to Property used by the Insured for the Business from the Cover Causes shown against the item on the Schedule.

The Company will calculate the loss of Gross Revenue as follows:
(a) the amount by which the Gross Revenue during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Revenue and
(b) Increase in Cost of Working but not exceeding the reduction of Gross Revenue avoided less any sum saved during the Indemnity Period in respect of the charges and expenses of the Business payable out of Gross Revenue as may cease or be reduced in consequence of the Damage.

For the purposes of this Cover the following additional definition applies:

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

2 Rent Receivable
The Company will indemnify the Insured for loss of Rent Receivable in consequence of Damage to Property at the Premises from the Cover Causes shown against the item on the Schedule.

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

3 Increase in Cost of Working
The Company will indemnify the Insured for Increase in Cost of Working as a result of interruption of or interference with the Business carried on at the Premises in consequence of Damage to Property used by the Insured for the Business at the Premises from the Cover Causes shown against the item on the Schedule.

4 Additional Increase in Cost of Working
The Company will indemnify the Insured for Additional Increase in Cost of Working as a result of interruption of or interference with the Business carried on at the Premises in consequence of Damage to Property used by the Insured for the Business at the Premises from the Cover Causes shown against the item on the Schedule.

Sub-Section B – Machinery and Computer Equipment Breakdown
(This Sub-Section is only operative if specified on the Schedule)

Gross Revenue
The Company will indemnify the Insured for loss of Gross Revenue, as calculated under Sub-Section A, subject to the limit stated in the Schedule, as a result of interruption of or interference with the Business carried on at the Premises in consequence of Damage to Insured Plant insured by Section 1 for which the Company has admitted liability under Sub-Section G but not for the costs of preparing any claim.
Section 2 Business Interruption – continued

Extensions

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

1 Denial of Access
The Company will indemnify the Insured in respect of loss resulting from interruption of or interference with the Business in consequence of Damage from Cover Causes 1, 2, 3, 4 and 5 to Property in the vicinity of the Premises which shall prevent or hinder the use of or access to the Insured’s Premises, whether or not there has been Damage to the Premises or Property of the Insured.

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

3 Loss of Book Debts
The Company will indemnify the Insured in respect of loss in consequence of the Insured’s books of account or other business books or records at the Premises or whilst temporarily removed elsewhere within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man from Cover Causes 1, 2, 3 and 4, subject to the limit stated in the Schedule.

The Company will pay to the Insured the amount of loss resulting from such Damage but not exceeding:
(a) the difference between the Outstanding Debit Balances and the total of the amounts received or traced; and:
(b) the additional expenditure incurred with the previous consent of the Company in tracing and establishing the Outstanding Debit Balances after the Damage subject to the limit shown in the Schedule.

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

4 Customers
The Company will indemnify the Insured in respect of loss resulting from the interruption of or interference with the Business in consequence of Damage at the premises of any of the Insured’s customers within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man from Cover Causes 1, 2, 3 and 4, subject to the limit stated in the Schedule.

5 Suppliers
The Company will indemnify the Insured in respect of loss resulting from the interruption of or interference with the Business in consequence of Damage at the premises of any of the Insured’s suppliers, manufacturers or processors within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man from Cover Causes 1, 2, 3 and 4, subject to the limit stated in the Schedule.

6 Notifiable Diseases, Poisoning, Defective Drains and Murder or Suicide
The Company will indemnify the Insured in respect of loss resulting from the interruption or interference with the Business in consequence of:
(a) (i) any occurrence of a Notifiable Disease (as defined below) at the Premises or attributable to food or drink supplied from the Premises
(ii) any discovery of an organism at the Premises likely to result in the occurrence of a Notifiable Disease (as defined below)
(b) the discovery of vermin or pests at the Premises which causes restrictions on the use of the Premises on the order or advice of the Local Authority
(c) any accident causing defects in the drains or other sanitary arrangements in the Premises which causes restrictions on the use of the Premises on the order or advice of the Local Authority
(d) any occurrence of murder or suicide at the Premises.
Special Provisions
(a) Notifiable Disease shall mean illness sustained by any person resulting from:
   (i) food or drink poisoning
   (ii) any human infectious or human contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition) an outbreak of which the competent Local Authority has stipulated shall be notified to them.
(b) For the purpose of this Extension the Definition of Indemnity Period is amended to read:-
   Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the loss beginning:
   (i) in the case of (a) and (d) above, with the occurrence or discovery of the incident
   (ii) in the case of (b) and (c) above, with the date from which the restrictions on the Premises are applied and ending not later than the Maximum Indemnity Period thereafter.
(c) For the purposes of this Extension the Maximum Indemnity Period is 12 months.
(d) The Company shall not be liable under this Extension for any costs incurred in the cleaning, repair, replacement, recall or checking of the property.
(e) The Company shall only be liable for the loss arising at those Premises which are directly subject to the Damage.

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

1 Additional Increase in Cost of Working
The Company will also indemnify the Insured for Additional Increase in Cost of Working as a result of interruption of or interference with the Business carried on at the Premises in consequence of Accident to Insured Plant insured by Section 1 for which the Company has admitted liability under Sub-Section G but not for the costs of preparing any claim and subject to a maximum amount of £25,000 in any one period of insurance.

2 Computer Operations
The Company will pay the reasonable costs necessarily incurred in minimising or preventing interruption or interference to the computer operations of the Insured following Accident to Computer Equipment insured by Section 1 for which the Company has admitted liability under Sub-Section G but not for the costs of preparing any claim and subject to a maximum amount of £30,000 in any one period of insurance.

Extensions to Section 2
(Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section)

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

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

Exclusions

Exclusions to Sub-Sections A and B
The Company shall not be liable for any loss unless:
(a) there is in force at the time of the Damage to Property causing interruption of or interference with the Business, an insurance policy covering the interest of the Insured in the Property for the Damage suffered and
(b) (i) payment has been made or liability admitted for such Damage or
(ii) payment would have been made or liability would have been admitted for such Damage but for the exclusion of losses below a stated amount in the policy.

Exclusions to Sub-Section B
The Company will not be liable for:
(a) delay in resuming operations due to the need to reconstruct or re-input data or programs on Media where the Insured has not fully complied with Condition 2 to Sub-Section G of Section 1 - Back up Records
Section 2  Business Interruption – continued

(b) loss resulting from interruption or interference with the Business carried on at the Premises in consequence of Damage as Insured by Extension 3 to Sub-Section G of Section 1.

Conditions

Condition to Sub-Section A

1 Average
Gross Revenue – if the sum insured is less than the Gross Revenue for the 12 months (or proportionately increased multiples thereof if the maximum Indemnity Period exceeds 12 months) immediately prior to the occurrence of the Damage the amount payable shall be proportionately reduced after due provision has been made to provide for the trend or variation in or other circumstances affecting or which would have affected the Business either before or after the Damage.

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

Memoranda Applicable to Section 2

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

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

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

4 Alternative Trading
If during the Indemnity Period work is done or services rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on behalf of the Insured the money paid or payable in respect of such work or services will be accounted for in arriving at the Gross Revenue during the Indemnity Period.

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

6 New Business
For the purpose of a new business that has not been trading 12 months at the time of the Damage the Standard Gross Revenue is restated as follows:

Standard Gross Revenue is the proportional equivalent for a period equal to the Indemnity Period of the income realised during the period between the commencement of the Business and the date of the Damage.

7 Declaration Linked
When Estimated Gross Revenue is shown on the Schedule the Insured has elected to have the basis of settlement amended to Declaration Linked. For this purpose Memorandum 1 Limit is amended to read as follows:

The Company’s liability under Sub-Section A of Section 2 shall not exceed in any one period of insurance 133.3% of the sum insured shown on the Schedule for Estimated Gross Revenue.

In addition wherever Gross Revenue is shown in the Policy it should be read as Estimated Gross Revenue as defined.

For this purpose:
(a) the first and annual premiums are provisional based on the Estimated Gross Revenue and the Insured must produce to the Company not later than 6 months after the expiry of each period of insurance a declaration confirmed by the Insured’s auditors of the Gross Revenue earned during the financial year most nearly concurrent with the period of insurance.

(b) Condition 1 to Sub-Section A Average is not operative.
Section 3

Liability

Cover

Sub-Section A – Employer’s Liability
(This Sub-Section and the Covers described below are only operative if specified on the Schedule)

In the event of accidental Injury sustained by any Employee of the Insured caused during the period of insurance and arising out of and in the course of their employment by the Insured for the purposes of the Business, within the Territorial Limits, the Company will indemnify the Insured in respect of all sums which the Insured becomes legally liable to pay as compensation and claimant’s costs and expenses, for such Injury.

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

The indemnity granted by this Sub-Section shall be interpreted as being in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man but the Insured shall repay to the Company all sums paid by the Company which the Company would not have been liable to pay but for the provisions of such law.

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

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

In the event of accidental:
(a) Injury
(b) Damage to Property
(c) obstruction, trespass, nuisance, or interference with any right of way, light, air or water

occurring during the period of insurance and arising out of ownership of the Premises or in the course of the Business, within the Territorial Limits, the Company will indemnify the Insured in respect of all sums which the Insured becomes legally liable to pay as compensation and claimant’s costs and expenses, in respect of Injury, Damage to Property, obstruction, trespass, nuisance, or interference with any right of way, light, air or water.

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

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

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

In the event of accidental:
(a) Injury
(b) Damage to Property

occurring during the period of insurance and arising out of Products Supplied in or from Great Britain, Northern Ireland, the Channel Islands or the Isle of Man in the course of the Business, the Company will indemnify the Insured in respect of all sums which the Insured becomes legally liable to pay as compensation and claimant’s costs and expenses, in respect of such Injury or Damage to Property.

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

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

Extensions

Extensions to Cover for Sub-Sections A and B
(Subject to the Limits of Indemnity, Exclusions and Conditions of the operative Sub-Section(s) and the Section)

Indemnity to Principal
As far as is necessary to meet the requirements of any contract or agreement entered into by the Insured for the performance of work for any Principal or public authority the Company will at the request of the Insured treat the Principal or public authority as though they were also the Insured in respect of
Section 3  Liability – continued

Injury or Damage arising out of the performance of such work by the Insured provided that the Principal or public authority shall observe, fulfil and be subject to the terms, Conditions and Exclusions of this Policy in so far as they can apply.

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

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

Extensions to Cover for Section 3
(Subject, unless otherwise stated to the Limit of Indemnity stated on the Schedule for Sub-Section B, and the Exclusions and Conditions of the operative Sub-Section(s) and the Section)

1 Leased, Hired or Rented Premises
The Company will indemnify the Insured in respect of the Insured’s legal liability as tenant of a Premises leased, rented or hired in the course of the Business for:
(a) Damage to the Premises including any landlord’s fixtures and fittings caused by any of Cover Causes 1, 2 or 4
(b) reinstatement or repair of Damage to the underground water pipes, drains or sewers, gas pipes, electricity and telephone cables extending from the public mains to the Buildings but excluding consequential loss of any kind or description.

The Company will not indemnify the Insured for:
(i) the first £250 of Damage
(ii) liability attaching to the Insured solely by the terms of the tenancy or any other agreement.

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

Provided that the Company shall not be liable for:
(i) the payment of fines or penalties
(ii) liability unless each director, partner or Employee shall be subject to the terms, Exclusions and Conditions of this Policy in so far as they can apply
(iii) a breach that was as a result of an intentional or deliberate act
(iv) any liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
(v) for any amount in excess of the Limit of Indemnity stated on the Schedule for Sub-Section A.

3 Health and Safety at Work Act 1974 – Legal Defence Costs
The Company will at the request of the Insured indemnify any director, partner or Employee of the Insured in respect of Legal Costs and Solicitors’ Fees incurred in the defence of a prosecution including an appeal against any conviction resulting from a prosecution brought for a breach of:
(i) the Health and Safety at Work Act 1974
(ii) the Health and Safety at Work (Northern Ireland) Order 1978

committed in the course of the Business during the period of insurance.

Provided that the Company shall not be liable for:
(i) the payment of fines or penalties
(ii) liability unless each director, partner or Employee shall be subject to the terms, Exclusions and Conditions of this Policy in so far as they can apply
(iii) a breach that was as a result of an intentional or deliberate act
(iv) any liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
(v) for any amount in excess of the Limit of Indemnity stated on the Schedule for Sub-Section A.

4 Food Safety Act – Legal Defence Costs
The Company will Indemnify the Insured for all Legal Costs and expenses incurred with the written consent of the Company in respect of the defence of a prosecution or in connection with an appeal against criminal prosecution and conviction in respect of a breach of Part II of the Food Safety Act 1990 that has occurred during the Period of Insurance in connection with the Business.

Provided that the Company shall not be liable for:
(i) the payment of fines or penalties
(ii) a breach that was as a result of an intentional or deliberate act.
5 Consumer Protection Act 1987 – Legal Defence Costs
The **Company** will indemnify the **Insured** for all **Legal Costs** and expenses incurred with the written consent of the **Company** in respect of the defence of a prosecution or in connection with an appeal against conviction under the provisions of Part II of the Consumer Protection Act 1987 provided the alleged offence has occurred during the Period of Insurance in connection with the **Business**.

Provided that the **Company** shall not be liable for:
(i) any fines or penalties
(ii) liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

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

Provided that the **Company** shall not be liable for:
(i) any fines or penalties
(ii) liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
(iii) any vehicle being driven by the **Insured** or by any person who to the knowledge of the **Insured** or of the **Insured**'s representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
(iv) liability if the **Insured** is entitled to indemnity under any other insurance
(v) liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

8 Wrongful Arrest
The **Company** will indemnify the **Insured** in respect of all sums which the **Insured** shall become legally liable to pay in respect of damages and costs and expenses awarded against the **Insured** as the result of charges of wrongful arrest or malicious prosecution being made against the **Insured** arising out of any allegation of shoplifting or other improper conduct at the **Premises** by any customer or customers or any other person or persons (other than an **Employee** of the **Insured**) during the period of insurance.

Provided that the liability of the **Company** shall not exceed £2,500 in respect of any one occurrence or £25,000 in respect of any one period of insurance.

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

Exclusions

Exclusions to Sub-Sections A and B
Sub-Sections A and B do not cover liability arising:
(a) from or in connection with any work in or on:
   (i) towers, steeples, chimney shafts, blast furnaces, dams, canals, viaducts, bridges, tunnels or public highways
   (ii) aircraft, airports, railways, ships, docks, piers, wharves, breakwaters or sea walls
   (iii) collieries, mines, chemical works, gas works, oil refineries, power stations, nuclear installations or establishments
   (iv) mainframe computer or server suites
(b) on any offshore installation or any support vessel for any offshore installation or whilst in transit to and from any offshore installation or support vessel.
Section 3 Liability – continued

Exclusion to Sub-Section A
Sub-Section A does not cover liability arising out of the ownership, possession or use of any self propelled vehicle (or machinery or plant) in respect of the use of which any legislation requires that there shall be in force a policy of insurance or other security.

Exclusion to Sub-Section B
Sub-Section B does not cover liability caused through any Products Supplied after they have ceased to be in the custody or control of the Insured.

Exclusions to Sub-Sections B and C
Sub-Sections B and C do not cover:
(a) liability for Injury sustained by any Employee of the Insured
(b) liability arising directly or indirectly by, through or in connection with the ownership, possession or use by or on behalf of the Insured, of any:
   (i) mechanically propelled vehicle or mobile plant for which insurance is required under any legislation governing the use of such vehicle or which is licensed for road use, provided that if no indemnity is afforded by any other policy this Exclusion shall not apply to the bringing to or taking away of the load from any vehicle in connection with the loading or unloading of such vehicle
   (ii) aircraft, hovercraft, drilling platform or rig and other offshore platforms or watercraft (other than handpropelled watercraft), railways, railway locomotives or carriages
   (iii) pressure vessel, lifting apparatus or other item of plant owned by the Insured or the maintenance for which the Insured is responsible which has not been inspected to the extent required and approved by statutory regulations
   (iv) firearms
(c) liability which attaches because of an agreement but which would not have attached in the absence of such agreement
(d) liability arising out of pollution or contamination unless caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the period of insurance, provided that:
   (a) all pollution or contamination arising out of one incident shall be deemed to have occurred at the time such incident takes place
   (b) the liability of the Company for all damages payable arising out of all pollution or contamination which is deemed to have occurred during any one period of insurance shall not exceed £1,000,000 in aggregate.
   (c) liability arising out of pollution or contamination shall be deemed to mean:
      (i) all pollution or contamination of buildings or other structures or of water or land or the atmosphere
      (ii) all Damage or Injury directly or indirectly caused by such pollution or contamination
      (e) the cost of making good, replacement or reinstatement of defective work carried out by or on behalf of the Insured
      (f) liability arising:
         (i) through the defective design, plan, formula or specification of Products Supplied given for a fee or for which a fee would normally be charged
         (ii) out of technical, professional or remedial instruction and advice given for a fee or for which a fee would normally be charged
         (iii) out of treatment given or administered by the Insured or Employees or any failure to give advice or treatment or any lack of professional skill
         (iv) arising from errors in connection with the sale, supply, making up or prescribing or dispensing of any drug, medicine, medical, cosmetic or toilet preparation
      (g) Damage to:
         (i) Property belonging to the Insured
         (ii) Property held in trust or in the custody or control of the Insured or of an Employee but this Exclusion shall not apply to any personal Property (including motor vehicles) of directors, Employees or visitors of the Insured
      (h) claims made in any country outside the European Union
      (i) Property belonging to or in the custody or control of the Insured
      (j) liability arising in respect of Products Supplied, knowingly supplied, directly or indirectly to the United States of America or Canada
      (k) liability for Property being worked upon where the Damage is as a direct result of the work undertaken
      (l) liquidated damages, fines, penalties, exemplary, punitive or multiplied damages
      (m) the amount of the Excess shown in the Schedule.

Exclusions to Sub-Section C
Sub-Section C does not cover:
(a) liability for Damage to Products Supplied or the cost of repairing or replacing such products
(b) the cost incurred by anyone in recalling, removing, repairing, rectifying, replacing, reapplying or guaranteeing any Products Supplied
(c) liability caused through any Products Supplied which are used to the knowledge of the Insured in connection with aircraft, hovercraft, aerial devices, watercraft, drilling platforms or rigs, motor vehicles, railways, railway locomotives or
carriages, operational areas of gas, chemical, nuclear, petrochemical or power generation plants or mines.

**Exclusion to Section 3**
Section 3 does not cover any liability of whatsoever nature arising out of mining, processing, manufacturing, removing, disposing of, distributing or storing of asbestos or products made entirely or mainly of asbestos.

This Exclusion shall not apply if in respect of such removal or disposal of asbestos or products made entirely or mainly of asbestos if:
(a) such activity does not form part of the Insured’s usual Business or contract
(b) the discovery of asbestos by the Insured is unintentional and accidental and that upon discovery of asbestos or products made entirely or mainly of asbestos all work immediately stops
(c) an HSE licensed asbestos removal contractor is employed as soon as practicable to make safe the area in which the discovery is made and who have Employers and Public Liability insurance in force for limits no less than those stated on the Insured’s own such policies and that such work is not excluded by the contractor’s own Employers and Public Liability policies.

**Conditions**

**Conditions to Section 3**

1. The Company may at any time, pay to the Insured, in connection with any claim or series of claims
   (a) the amount of the Limit of Indemnity or
   (b) any lesser amount for which such claim or claims can be settled
   in either case, less any sum or sums already paid as compensation, claimant’s costs and expenses, Legal Costs and Solicitors’ Fees.

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

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

3. In the event of any occurrence which may give rise to a claim for indemnity:
   (a) every letter, writ, summons or other document must be forwarded to the Company immediately on receipt and notice in writing given to the Company of any impending prosecution, Coroner’s Inquest or Fatal Accident Inquiry
   (b) no admission of liability or promise of payment may be made without the written consent of the Company.
Section 4

Legal Expenses

This Legal Expenses section is replaced by a separate Post Office Business Insurance - Business Legal Guard policy. Where details of the cover are required, please refer to the separate Post Office Business Insurance - Business Legal Guard policy wording for full details of the cover, terms, conditions and exclusions.

Ageas Insurance Limited have arranged Commercial Legal Protection through DAS and where stated in the Schedule of your Policy as operative the following covers apply for Legal Expenses.

Definitions

For the purposes of Section 4 the following words or expressions shall carry the meaning below whenever they appear in bold in the Policy, Schedule, Endorsements, and the proposal form or statement of fact. Wherever the defined words are shown in the plural they take on the same meaning as shown below, but in the plural.

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

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

Costs and Expenses

Accountant's Costs
A reasonable amount in respect of all costs reasonably incurred by the Appointed Representative.

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

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

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

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

Full Enquiry
An extensive examination by HM Revenue & Customs which considers all aspects of the Policyholder's tax affairs, excluding those Enquiries which are limited to one or more specific aspects of the Policyholder's self assessment and/or corporation tax return.
Insured Person
The Policyholder and the directors, partners, managers and employees of the Policyholder.

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

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

Policyholder
Shown as Insured in the policy schedule.

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

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

For all other Insured incidents
The United Kingdom of Great Britain and Northern Ireland, the Channel Islands and the Isle of Man.

We, Us, Our

Cover

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

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

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

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

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

1 Employment Disputes and Compensation Awards

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

What is not covered
1 Any employment dispute where the cause of action arises within the first 90 days of the indemnity provided by the policy.
2 Any dispute with an employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of the indemnity provided by the policy if the Date of Occurrence was within the first 180 days of the indemnity provided by the policy.
3 Any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the indemnity provided by the policy.
4 Any claim in respect of damages for personal injury or loss of or damage to property.
5 Any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of
Section 4  Legal Expenses – continued


(b) Compensation Awards

We will pay:
1 any basic and compensatory award in respect of a claim We have accepted under Cover 1(a) above
2 an order for compensation following a breach of the Policyholder’s statutory duties under employment legislation in respect of a claim We have accepted under Cover 1(a) above.

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

What is not covered
1 Any compensation award relating to the following:
   (a) trade union activities, trade union membership or non-membership
   (b) pregnancy or maternity rights
   (c) health and safety related dismissals brought under section 44 of the Employment Rights Act 1996
   (d) statutory rights in relation to trustees of occupational pension schemes
   (e) statutory rights in relation to Sunday shop and betting work.
2 Non-payment of money due under the relevant contract of employment or statutory provision relating thereto.
3 Any award ordered as a result of a breach of statutory rights in relation to the provision of relevant records to employees under the National Minimum Wage Act 1998.
4 Any compensation award or increase in compensation award ordered by the tribunal for failure to comply with a recommendation it has made, including non-compliance with a reinstatement or re-engagement order.

(c) Service Occupancy

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

What is not covered
Any claim relating to defending the Policyholder’s legal rights other than defending a counter-claim.

2 Legal Defence

At the Policyholder’s request
1 We will defend the Insured Person’s legal rights:
   (a) prior to the issue of legal proceedings when dealing with the
      (i) Police
      (ii) Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer where it is alleged that the Insured Person has or may have committed a criminal offence
   (b) following an event which leads to the Insured Person being prosecuted in a court of criminal jurisdiction
   (c) if civil action is taken against the Insured Person for compensation under section 13 of the Data Protection Act 1998. We will also pay any compensation award made against the Insured Person under section 13 of the Data Protection Act 1998.
2 We will defend the Policyholder’s legal rights following civil action taken against the Policyholder for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the Period of Insurance.

3 We will defend the Insured Person’s (other than the Policyholder) legal rights if:
   a) an event arising from their work as an employee leads to civil action being taken against them under legislation for unlawful discrimination on the grounds of sex, sexual orientation, race, disability, age, religious belief or political opinion
   b) civil action is taken against them as a trustee of a pension fund set up for the benefit of the Policyholder’s employees.

4 We will represent the Insured Person in appealing against the imposition or terms of any Statutory Notice issued under legislation affecting the Policyholder’s business.

5 We will represent the Policyholder in appealing against the refusal of the Information Commissioner to register the Policyholder’s application for registration.

6 We will pay the Attendance Expenses of an Insured Person for jury service.

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

What is not covered
Any claim relating to the following:
1 a contract entered into by the Policyholder
2 goods in transit or goods lent or hired out
3 goods at premises other than those occupied by the Policyholder unless the goods are at such premises for the purpose of installations or use in work to be carried out by the Policyholder
4 mining subsidence
5 defending the Policyholder’s legal rights other than in defending a counter-claim
6 a motor vehicle owned or used by, or hired or leased to an Insured Person other than damage to motor vehicles where the Policyholder is engaged in the business of selling motor vehicles.

(b) Bodily Injury
At the Policyholder’s request, We will negotiate for an Insured Person’s and their family members’ legal rights following an event which causes the death of, or bodily injury to them.

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

4 Tax Protection

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

(b) Employers’ Compliance
We will negotiate on behalf of the Policyholder and represent them in any appeal proceedings in respect of a dispute concerning the Policyholder’s compliance with Pay As You Earn or Social Security Regulations following a review by HM Revenue & Customs or the Department of Social Security Contributions Agency.
Section 4 Legal Expenses – continued

(c) VAT Disputes

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

Provided that

1 For all insured incidents, the **Policyholder** has taken reasonable care to ensure that all returns are complete and correct and that such returns are submitted within the statutory time limits allowed.

2 We will not pay more than £2000 for **Aspect Enquiries**.

What is not covered

1 In respect of **Aspect Enquiries** the first £200 of Costs and Expenses in each and every claim.

2 Any insured incident arising from a tax avoidance scheme.

3 Any insured incident caused by the failure of the **Policyholder** to register for Value Added Tax.

4 Any insured incident arising from any investigation or enquiries undertaken by HM Revenue & Customs Special Investigation Section or Special Compliance Office.

5 Any insured incident arising from any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

Sub-Section B - Statutory Licence Protection

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

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

What is not covered

1 An original application or application for renewal of a statutory licence or British Standard Certificate of Registration.

2 Any licence appeal relating to the ownership, driving or use of a motor vehicle.

Sub-Section C - Contract Disputes

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

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

Provided that

1 The amount in dispute exceeds £250. If the amount in dispute exceeds £5000, the **Policyholder** will be responsible for the first £500 of legal costs in each and every claim.

2 If the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £250.

3 If the dispute relates to money owed to the **Policyholder**, a claim under the policy is made within 90 days of the money becoming due and payable.

What is not covered

1 Any dispute arising from an agreement entered into prior to the inception date of the indemnity provided by the policy if the **Date of Occurrence** is within the first 90 days of the indemnity provided by the policy.

2 Any claim relating to the following:
   a the settlement payable under an insurance policy
   b a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or tenancy agreement
   c a loan, mortgage, pension or any other financial product and choses in action
   d a motor vehicle owned by, or hired or leased to, the **Policyholder** other than agreements relating to the sale of motor vehicles where the **Policyholder** is engaged in the business of selling motor vehicles.

3 A dispute with an employee or ex-employee which arises out of or relates to, a contract of employment with the **Policyholder**.

4 A dispute which arises out of the:
   a sale or provision of computer hardware, software, systems or services
   b the purchase or hire of computer hardware, software, systems or services tailored by a supplier to the **Policyholder**'s own specification.

5 A dispute arising from a breach or alleged breach of professional duty by an **Insured Person**.

6 The recovery of money and interest due from another party other than disputes where the other party intimates that a defence exists.

Sub-Section D - Debt Recovery

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

We will negotiate for the **Policyholder**'s legal rights including enforcement of judgment to recover money and interest due from the sale or provision of goods or services.
Provided that:
1 The debt exceeds £250.
2 The Policyholder has exhausted all credit control and accounting procedures as declared to Us.
3 A claim for debt recovery under this policy is made within 90 days of the money becoming due and payable.
4 We have the right to select the method of enforcement, or to forego enforcing judgment if We are not satisfied that there are, or will be, sufficient assets available to satisfy judgment.

What is not covered
1 Any debt arising from an agreement entered into prior to the inception date of the indemnity provided by the policy if the debt is due within the first 90 days of the indemnity provided by the policy.
2 Any claim relating to the following:
   (a) the settlement payable under an insurance policy
   (b) a lease, licence or tenancy of land or buildings
   (c) a loan, mortgage, pension or any other financial product and choses in action
   (d) a motor vehicle owned by, or hired or leased to, the Policyholder other than agreements relating to the sale of motor vehicles where the Policyholder is engaged in the business of selling motor vehicles.
3 A dispute which arises out of the supply, hire, sale or provision of computer hardware, software, systems or services.
4 The recovery of money and interest due from another party where the other party intimates that a defence exists.

Exclusions

Exclusions to Section 4

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

Conditions

Conditions to Section 4

1 An Insured Person must:
   (a) keep to the terms and conditions of this policy
   (b) notify Us immediately of any alteration which may materially affect Our assessment of the risk
   (c) take reasonable steps to keep any amount We have to pay as low as possible
   (d) try to prevent anything happening that may cause a claim
   (e) send everything We ask for, in writing
   (f) give Us full details of any claim as soon as possible and give Us any information We need.
2 (a) We can take over and conduct in the name of the Insured Person, any claim or legal proceedings at any time. We can negotiate any claim on behalf of an Insured Person.
   (b) If We agree to start legal proceedings and it becomes mandatory for an Insured Person to be represented by a lawyer, or if there is a conflict of interest, an Insured Person can choose an Appointed Representative by
Section 4 Legal Expenses – continued

sending Us the suitably qualified Person's name and address. We may choose not to accept the choice of Representative, but only in exceptional circumstances. If there is a disagreement over the choice of Appointed Representative, another suitably qualified Person can be appointed to decide the matter.

(c) Before an Insured Person chooses a lawyer or an accountant, We can appoint an Appointed Representative.

(d) An Appointed Representative will be appointed by Us and represent an Insured Person according to Our standard terms of appointment. The Appointed Representative must co-operate fully with Us at all times.

(e) We will have direct contact with the Appointed Representative.

(f) An Insured Person must co-operate fully with Us and with the Appointed Representative and must keep Us up-to-date with the progress of the claim.

(g) An Insured Person must give the Appointed Representative any instructions that We require.

3 (a) An Insured Person must tell Us if anyone offers to settle a claim and must not agree to any settlement without Our written consent.

(b) If an Insured Person does not accept a reasonable offer to settle a claim, We may refuse to pay further Costs and Expenses.

(c) We may decide to pay the Insured Person the amount of damages that the Insured Person is claiming or is being claimed against them instead of starting or continuing legal proceedings.

4 (a) If We ask, an Insured Person must tell the Appointed Representative to have Costs and Expenses taxed, assessed or audited.

(b) An Insured Person must take every step to recover Costs and Expenses that We have to pay and must pay Us any Costs and Expenses that are recovered.

5 If an Appointed Representative refuses to continue acting for an Insured Person or if an Insured Person dismisses an Appointed Representative, the cover We provide will end at once, unless We agree to appoint another Appointed Representative.

6 If an Insured Person settles a claim or withdraws their claim without Our agreement, or does not give suitable instructions to an Appointed Representative, the cover We provide will end at once and We will be entitled to re-claim any Costs and Expenses paid by Us.

7 If We and an Insured Person disagree about the choice of Appointed Representative, or about the handling of a claim, We and the Insured Person can choose another suitably qualified person to decide the matter. We must both agree to this in writing. If We cannot agree with the Insured Person about the choice of the second suitably qualified person, We will ask the president of a relevant national law society to choose a suitably qualified person. Whoever loses the disagreement will have to pay the costs of settling it.

8 We may at Our discretion require the Policyholder to obtain an opinion from counsel at the Policyholder's expense as to the merits of a claim or proceedings. If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings, the cost of obtaining the opinion will be paid by Us.

9 We can cancel this section at any time as long as We tell the Policyholder at least 21 days beforehand. The Policyholder can cancel this Section at any time as long as We are told at least 21 days beforehand.

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

11 All Acts of parliament within the policy wording shall include equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man as the case may be.

Memorandum to Section 4

The Employment Manual
The DAS Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit our website at www.das.co.uk. From the Home Page click on the Employment Manual icon. All the sections of this web-based document can be printed off for your own use. Contact us at marketing@das.co.uk with your e mail address, quoting your policy number and we will contact you by e mail to inform you of future updates to the information.
Section 5

Personal Accident

Cover

Sub-Section A – Personal Accident Individual
(Occupational only)
In the event of any Insured Person, as specified on the Schedule, sustaining bodily injury, as described in Insured Events 1, 2, 3 and 4 and Extensions 1 and 2 of this Section, caused by accidental, external, violent and visible means occurring in the course of the Insured Person’s employment for the purpose of the Insured’s Business during the period of insurance, the Company will, subject to the terms, Conditions and Exclusions, pay compensation to the Insured.

The compensation will be the amount of either:
(a) the Capital Benefit shown on the Schedule for Insured Events 1, 2 or 3, for the benefit period shown after any Deferment Period
(b) the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any Deferment Period.

Sub-Section B – Personal Accident Individual (24 Hour)
In the event of any Insured Person, as specified on the Schedule, sustaining bodily injury, as described in Insured Events 1, 2, 3 and 4 and Extensions 1 and 2 of this Section, caused by accidental, external, violent and visible means during the period of insurance, the Company will, subject to the terms, Conditions and Exclusions, pay compensation to the Insured.

The compensation will be the amount of either:
(a) the Capital Benefit shown on the Schedule for Insured Events 1, 2 or 3, for the benefit period shown after any Deferment Period
(b) the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any Deferment Period.

Sub-Section C – Personal Accident Group
(Occupational only)
In the event of any Insured Person sustaining bodily injury, as described in Insured Events 1, 2, 3 or 4 and Extensions 1 and 2 of this Section, caused by accidental, external, violent and visible means occurring in the course of the Insured Person’s employment for the purposes of the Insured’s Business during the period of insurance, the Company will, subject to the terms Conditions and Exclusions, pay compensation to the Insured.

The compensation will be the amount of either:
(a) the Capital Benefit shown on the Schedule for Insured Events 1, 2 or 3, for the benefit period shown after any Deferment Period
(b) the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any Deferment Period.

Sub-Section D – Personal Accident Group (24 Hour)
In the event of any Insured Person sustaining bodily injury, as described in Insured Events 1, 2, 3 or 4 and Extensions 1 and 2 of this Section, caused by accidental, external, violent and visible means during the period of insurance, the Company will, subject to the terms, Conditions and Exclusions, pay compensation to the Insured.

The compensation will be the amount of either:
(a) the Capital Benefit shown on the Schedule for Insured Events 1, 2 or 3, for the benefit period shown after any Deferment Period
(b) the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any Deferment Period.

Insured Events for which Benefit is Payable

Capital Benefits
1 Death
Bodily injury which solely and directly within twelve calendar months from the date of the accident results in death.

2 Loss of limbs or eyes
Bodily injury which solely and directly within twelve calendar months of the date of the accident results in:
(a) loss by physical severance of hand or foot at or above the wrist or ankle or the total and permanent loss of use of an entire hand or arm or of an entire foot or leg or
(b) total and irrecoverable loss of all sight in one or both eyes.

3 Permanent total disablement
Bodily injury other than death, loss of limbs or eyes as defined above which solely and directly results within twelve calendar months of the date of the accident in permanent and absolute
Section 5  Personal Accident  – continued

inability of the Insured Person to attend to any part whatsoever of their occupation or any other occupation for which the Insured Person is fitted by knowledge or training.

Weekly Benefits

4  Temporary total disablement
Bodily injury which solely and directly within twelve calendar months of the date of the accident results in total and absolute inability of the Insured Person to engage in or give attention to their usual profession or occupation.

Extensions

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

1  Exposure
The Company will pay to the Insured compensation for the Capital Benefit or Weekly Benefit as appropriate if during the period of insurance an Insured Person suffers from exposure to the elements which results within twelve calendar months of the date of such exposure in bodily injury as described in the Insured Events.

2  Disappearance
The Company will pay to the Insured compensation for the Capital Benefit for Insured Event 1 if during the period of insurance an Insured Person disappears.

Provided that:
(a) the Insured shall produce sufficient evidence within twelve calendar months of the date of such disappearance that leads the Company inevitably to the conclusion that the Insured Person has suffered an accident resulting in bodily injury as described in Insured Event 1
(b) the Company shall be entitled to a reasonably sufficient period of time to examine and obtain all the evidence available from whatever source
(c) if the Insured Person is found to be living at any time after payment has been made by the Company such payment shall be refunded to the Company.

3  Medical Expenses
The Company will also pay for medical expenses necessarily incurred and arising from treatment following bodily injury from accidental, external, violent and visible means to an Insured Person up to:
(a) 5% of the total amount paid for the Capital Benefit for Insured Event 1, 2 or 3
(b) 15% of the total amount paid as the Weekly Benefit for Insured Event 4

Conditions

Conditions to Sub-Section C and D
The Insured must declare all Insured Persons and details of their dates of birth within 14 days of each new period of insurance in order that a complete list of Insured Persons be maintained by the Company. Any changes to the list of Insured Persons must be advised to the Company in 3 monthly intervals from the inception date of any one period of insurance. In absence of any such declaration from the Insured the Company will note that there is no change to the list of Insured Persons.

Conditions to Section 5
1  In the event of an Insured Person sustaining bodily injury which may result in a claim under this Section such Insured Person shall consult a duly qualified medical practitioner and follow any medical advice which is given.

2  All certificates, information and evidence required by the Company shall be provided at the Insured’s expense and in the form prescribed by the Company. The Insured Person shall as often as required submit to medical examination on behalf of and at the expense of the Company in connection with any claim.

3  In the event of death immediate notice shall be given to the Company, which shall be entitled to have a post mortem examination at its own expense.

4  The insurance by this Section in respect of any Insured Person will terminate at the end of the period of insurance in which such Insured Person attains the age of 70 years in respect of Insured Events 1–4.

5  No compensation shall be payable:
(a) under more than one of the Insured Events 1, 2 and 3 or Extensions 1 and 2 and on payment of a claim under any one of these Insured Events in respect of any one Insured Person all further liability under this Section in respect of that person shall cease.
(b) under Insured Event 4 in respect of any one Insured Person for a period exceeding 104 weeks from the commencement of disablement for any one accident or series of accidents occurring in any one period of insurance.

6 Compensation under Insured Event 4 shall be payable when the total amount has been agreed or, at the request of the Insured and subject to the Company’s agreement at intervals of four weeks in arrears.

7 Any sums paid under Insured Event 4 shall be deducted from any sum becoming payable under Insured Events 1, 2 or 3 in respect of the same accident.

8 The maximum amount the Company will pay under this Section in respect of all Insured Persons travelling in the same motor vehicle, aircraft, hovercraft, watercraft or railway carriages shall be £1,000,000. In the event of the accumulated loss exceeding this amount, the Company’s liability in respect of each Insured Person travelling will be proportionately reduced so that the total does not exceed that amount.

9 Payment under Insured Event 4 in respect of volunteer workers is limited to loss of wages, medical and out of pocket expenses. The Insured Person shall provide all such evidence of loss as the Company may require.

Exclusions

Exclusions to Section 5

The Company shall not be liable for:

(a) interest on any benefit
(b) compensation payable in respect of any bodily injury caused by or resulting from:
   (i) the occupational use of fixed power driven woodworking machinery
   (ii) suicide, attempted suicide or intentional self injury, venereal disease, insanity or being under the influence of alcohol or drugs (unless administered under medical supervision other than for the treatment of drug addiction)
   (iii) pregnancy or childbirth or any consequence of pregnancy or childbirth
   (iv) any physical defect, infirmity, medical condition or chronic or recurring illness for which the Insured Person has received medical treatment in the twelve months prior to the commencement of disablement
   (v) sickness or disease or any naturally occurring condition or degenerative process or gradually operating cause
   (vi) service in the armed forces or reserve armed forces
   (vii) from any other health problem which ought reasonably to have been within the knowledge of the Insured Person at the inception of each period of insurance but has not been declared to the Company
   (viii) any accident occurring outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man unless in additional territories specified by Endorsement on the Schedule
   (ix) the Insured Person engaging in or practicing or training for:
      (a) sport involving financial gain or payment other than for reimbursement of reasonable travel and out of pocket expenses
      (b) boxing, wrestling or other forms of unarmed or armed combat
      (c) mountaineering, rock or cliff climbing, coasteering or abseiling
      (d) sports or activities involving freefalling or requiring the use of elastic ropes
      (e) ice hockey or winter sports other than ice-skating and curling
      (f) pot holing or similar underground activities
      (g) racing (other than on foot)
      (h) sailing or yachting outside British Coastal Waters, power boating, water ski jumping, jet skiing, canoeing, white water rafting, water sledging or other water activities that require the use of underwater breathing equipment
      (i) rugby or any other type of football (other than amateur Association Football)
      (j) motor cycling (as driver or passenger)
      (k) flying or any aerial activity (other than as a passenger in any fully licensed passenger carrying aircraft but not as a member of the crew and not for the purpose of undertaking any trade or technical operation in or on the aircraft)
      (l) hunting, hunter trials or similar, showjumping or steeplechasing
      (x) bodily injury to any volunteer worker unless specified on the Schedule as an Insured Person.
General Conditions and Exclusions
(Applicable to the whole Policy except where stated)

1 General Exclusions

This Policy does not cover:

(a) Damage to any Property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused or contributed to, by or arising from:
   (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
   (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
   (iii) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
   (iv) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power.

(b) Damage to any Property in Northern Ireland or Damage resulting from, caused by, happening through or in consequence of:
   (i) civil commotion
   (ii) any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any Unlawful Association.

(c) Damage to any Property whatsoever or any loss or expense whatsoever resulting or arising from, or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused or contributed to by or arising from Terrorism except for accidental Injury sustained by any Employee of the Insured during the period of insurance and arising out of and in the course of their employment by the Insured in the Business described in the Schedule and occasioned by or happening through or in consequence directly or indirectly of Terrorism up to a maximum of £5,000,000 for compensation and claimant’s costs and expenses in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause (inclusive of Legal Costs and Solicitors’ Fees) for which the Insured is legally liable.

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

(d) Damage or Injury occurring outside the Territorial Limits (unless specifically insured).

(e) Damage caused by pollution or contamination except (unless otherwise excluded) loss or Damage to the Property insured caused by:
   (i) pollution or contamination which itself results from any one of Cover Causes 1 or 2
   (ii) any one of Cover Causes 1 or 2 which itself results from pollution or contamination
   (iii) any cover given under Section 3 of the Policy where Damage is shown to come within the exception to Exclusion (d) of Exclusions to Sub-Sections B and C of Section 3

(f) Damage or consequential loss of whatsoever nature and/or liability for damages attaching to the Insured or any associated costs relating thereto arising directly or indirectly from or consisting of the failure or inability of any:
   (i) computer, data processing equipment, electronic circuit, embedded system firmware, hardware, integrated circuit, interface, microchip, microprocessor, program, software, telecommunication equipment or systems and any similar device
   (ii) Media or systems used in connection with any of the above whether the Property of the Insured or not:
      (a) to correctly recognise, use or adopt any date, day of the week or period of time as the true or correct date, day of the week or period of time
      (b) to capture, save, retain, restore and/or correctly manipulate, interpret, calculate, return, transmit or process any data or information, command logic or instruction as a result of treating any date, day of the week or period of time otherwise than as, or other than, its true or correct date, day of the week or period of time but:
         (i) this shall not exclude a first party claim by the Insured in respect of such loss, destruction or Damage not otherwise excluded which itself results from one of Cover Causes 1, 2 or 4
         (ii) this Exclusion shall not apply in respect of Section 3, Sub-Section A – Employer’s Liability.

2 Notice of Unoccupancy or Occupancy

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

(a) the Premises or a Building or portion of a Building has become Unoccupied
(b) an Unoccupied Premises or Building or portion of a Building is again tenanted.

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

3 Precedents to Liability
Liability under this Policy is conditional:
(a) on the truth and accuracy of the declarations contained in the proposal form or statement of fact if accepted instead of a proposal form
(b) on the observance and fulfilment of the terms and Conditions of this Policy in so far as they relate to anything to be done by or complied with by the Insured
(c) on all reasonable precautions being taken:
   (i) for the safety of the Property insured
   (ii) to prevent accidents or disease
   (iii) to comply with all statutory obligations and regulations imposed by any authority.

4 Precedents to Liability
(Applicable to Sections 1 and 2 only)
Liability under this Policy is conditional on the Insured:
(a) keeping in working order and bringing into full operation all locks, bolts, Intruder Alarm Systems and other protective devices under the Insured’s control when the Premises are unattended
(b) removing all keys to safes, doors, windows and Intruder Alarms Systems under the Insured’s control when the Premises are unattended.

5 Claims Procedure
The Insured’s duties:
(a) on discovery of any loss or Damage by theft or attempted theft or by malicious persons immediate notice must be given to the Police and all practical steps taken to discover the guilty persons and recover Property lost
(b) any incident that may give rise to a claim under this Policy must be reported to the Company and full written particulars of the loss supplied as soon as possible after the event at the expense of the Insured
(c) in the event of any occurrence which may give rise to a claim for indemnity;

(i) every letter, writ, summons or other document must be forwarded to the Company immediately on receipt and notice in writing given to the Company of any impending prosecution, Coroner’s Inquest or Fatal Accident Inquiry
(ii) no admission of liability or promise of payment may be made without the written consent of the Company
(d) immediate action must be taken to minimise loss and avoid interruption or interference with the Business and to prevent further loss or Damage or Injury
(e) all information and assistance as the Company may require must be supplied by the Insured at the Insured’s own expense.

6 Claims Procedure
(Except as otherwise provided for by Memorandum 2 of Section 1)
The Company’s rights.
The Company shall:
(a) at its option indemnify the Insured by payment, reinstatement, replacement or repair of any Property but it shall not be bound to reinstate exactly or completely but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one item more than the sum insured on that item
(b) be allowed by the Insured to enter the Insured’s Premises where Damage has occurred and take and keep possession of any of the Property insured and deal with such Property in any reasonable manner.
No Property may be abandoned to the Company
(c) at its expense be entitled to conduct in the Insured’s name any settlement or defence of any claim or to prosecute for its own benefit any claim for indemnity or compensation or otherwise and have full discretion in the conduct of any proceedings and in settlement of any claim.

7 Contribution
(Not applicable to Section 3)
If at the time of any Damage or liability resulting in a claim under this Policy there is any other insurance effected by or on behalf of the Insured covering such loss, Damage or liability or any part of it the liability of the Company shall be limited to its rateable proportion of such loss, Damage or liability.
8 Arbitration
(Not applicable to Section 3)
If any difference shall arise as to the amount to be paid under any Section of this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions in force. Where any difference is by this Condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the Company.

9 Alteration
The Policy shall be void if at any time:
(a) the Business be wound up or carried on by a Liquidator or Receiver or permanently discontinued
(b) the Insured’s interest ceases except by will or operation of law
(c) the risk of loss, Damage or Injury is increased unless the Company agrees in writing to continue the insurance.

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

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

12 Automatic Re-Instatement of Sums Insured
(Applicable only to Sub-Sections A and B of Section 1, and Sub-Section A of Section 2)
In the absence of written notice by the Insured or the Company to the contrary upon notification of a claim to the Company the sums insured shall be deemed to be reinstated to their full amount provided that:
(a) where the extent of the insured loss exceeds £5,000 the Insured shall pay the appropriate additional premium from the date of the loss to the expiry of the period of insurance, once the full extent of the loss is known
(b) the aggregate of the amounts reinstated shall not exceed the amount of the sums insured stated in the Schedule.

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

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

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

16 Cancelling the Policy
The Company is not bound to renew this Policy and may cancel this policy at any other time by sending seven days’ notice in writing giving details of the reason for cancellation to the Insured by registered letter or recorded delivery to the last known address the Company has. In the event of such a cancellation the Insured shall be entitled to the return of a proportionate part of the last premium paid in respect of the unexpired part of the insurance.

The Insured may cancel the Policy within 14 days of receipt of the Policy Schedule and Wording by writing to us to confirm cancellation. In the event of such a cancellation, the Insured shall be entitled to the return of a proportionate part of the last premium paid in respect of the unexpired period of insurance.

If the premium for this policy is paid by monthly direct debit and a payment is refused the Company will let the Insured know in writing and present the request again to the bank or building society. If the payment is still not met, the Company will send seven days’ notice of cancellation to the last known address the Company has.
17 Law Applicable to the Contract
English law will apply to this contract.

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

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

20 Contract (Rights of Third Parties Act)
No party to this contract intends that any clause or term of this contract should be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to this contract.

21 Data Protection Act 1998
Please read this notice carefully as it contains important information about the Company’s use of personal information.

In this notice, personal information means any information the Company has about the Insured, any director, officer, partner or employee of the Insured or any other person connected with the Insured.

If the Insured provides false or inaccurate information the Company has the right to avoid the policy or it could affect the Insured’s ability to claim.

Sensitive information
Some of the personal information that has been requested is known as “sensitive personal data”. This will include information relating to health issues, race, religion and any criminal convictions. This information will be used to manage the policy and to provide the services set out in the policy documents.

How the Company uses personal information
The Company is part of the Ageas group of companies and may share personal information with other companies in the group for any of the purposes set out in this notice. Further information about the Ageas group can be found at www.ageas.co.uk.

The Company will use personal information to:

- manage the insurance policy, including handling underwriting and claims and issuing renewal documents and information to your agent
- assess the insurance application and provide information to credit reference agencies.

Personal information may also be shared with other insurers, statutory bodies, regulatory authorities, business partners or agents providing services on the Company’s behalf and other authorised bodies.

Personal information will only be shared with others:

- if it is necessary to manage the policy, including settling claims
- for underwriting purposes, such as assessing the application and arranging cover
- for management information purposes
- to prevent or detect crime, including fraud (see below)
- if required or permitted by law (for example, if a legitimate request is received from the police or another authority); and/or
- if permission has been granted by the Insured.

Further information about the use of personal information can be requested by writing to the Data Protection Officer at the address set out below.

Preventing and detecting crime
Personal information may be used to prevent crime. In order to do so, the Company may:

- check personal information against its own databases
- share it with fraud prevention agencies. Personal information will be checked with and recorded by a fraud prevention agency. Other companies within the financial services industry may also search such fraud prevention agencies when they receive an application for financial products (including credit, savings, insurance, stockbroking or money transmission services). If such companies suspect fraud, the Company will share the Insured’s relevant personal information with them. Information shared may be used by those companies when making decisions.

Details of which fraud prevention agencies are used by the Ageas group of companies can be obtained by writing
General Conditions and Exclusions – continued

to the Data Protection Officer at the address set out below.

- share it with operators of registers available to the insurance industry to check information and prevent fraud. These include the Claims and Underwriting Exchange Register administered by Insurance Database Services Ltd. The Ageas group of companies may pass information relating to the insurance policy and any incident (such as an accident, theft or loss) to the operators of these registers, their agents and suppliers.

Dealing with others on your behalf

To assist with management of the policy, subject to answering security questions, the Company will deal with the Insured, any director, partner or employee of the Insured or any other person whom it believes to be acting on the Insured’s behalf in connection with the policy or a claim relating to the policy.

Marketing

The Company may use personal information and information about the Insured’s use of the Company’s products and services to carry out research and analysis.

Personal information will only be used to market the Company’s other products and services to the Insured if the Insured has agreed to this.

Monitoring and recording

Telephone calls may be monitored or recorded for training purposes, to improve the quality of service and to prevent and detect fraud. CCTV recording equipment may also be used in and around the Company’s premises.

Further information

The Insured is entitled to receive a copy of any personal information held about them. If a copy or further information is required or if the Insured would like to complain about the way the Company uses personal information, they should write to the following address giving their name, address and insurance policy number:

Data Protection Officer
Ageas Insurance Limited
Ageas House
Hampshire Corporate Park
Templars Way
Eastleigh
Hampshire
SO53 3YA

A small administration fee may be charged for this.

The Company will notify the Insured in writing if it changes the way it uses personal information. If the Insured does not agree to the change in use, they must let the Company know as soon as possible.

The Insured has the right to complain to the Information Commissioner’s Office at any time if they object to the way the Company uses any personal information.

22 Language

Unless agreed otherwise, the contractual terms and conditions and other information relating to this contract will be in the English language.
What to do if you have a complaint

Should there ever be an occasion where you need to complain, we will sort this out as quickly and fairly as possible.

If your complaint is about the way your Policy was sold to you, please contact Customer Service Manager, Gallagher Heath Insurance Services, Suffolk House, George Street, Croydon, CR0 1PE to report your complaint.

If you have a complaint regarding your claim, please telephone us on the number shown in your claims documentation.

Alternatively, for claims or any other type of complaint, you can also write to us at the address shown below or email us through our website at www.ageas.co.uk/complaints (please include your policy number and claim number if appropriate).

Customer Services Advisor
Ageas Insurance Limited
Ageas House
Hampshire Corporate Park
Templars Way
Eastleigh
Hampshire
SO53 3YA

We will try to resolve your complaint by the end of the next working day. If we are unable to do this, we will write to you within five working days to either:

• tell you what we have done to resolve the problem; or
• acknowledge your complaint and let you know when you can expect a full response. We will also let you know who is dealing with the matter.

We will always aim to resolve your complaint within four weeks of receipt. If we are unable to do this we will give you the reasons for the delay and indicate when we will be able to provide a final response.

If we cannot resolve the differences between us, you may refer your complaint to the Financial Ombudsman Service (FOS) if:

• you have an annual turnover of less than EUR 2million and fewer than 10 employees and,
• if for any reason you are still dissatisfied with our final response, or
• if we have not issued our final response within eight weeks from you first raising the complaint.

You can contact the Financial Ombudsman Service at the address below, however they will only consider your complaint once you've tried to resolve it with us.

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

www.financial-ombudsman.org.uk

Following the complaints procedure does not affect your rights to take legal proceedings.

Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS) If we cannot meet our obligations you may be entitled to compensation under the scheme. You can get more information from the Financial Services Compensation Scheme at www.fscs.org.uk or by calling 0800 678 1100 or 020 7741 4100
Making a claim

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

Make Safe and Secure
Prevent further Damage and arrange for emergency repairs. For example, if you have frozen pipes, you should turn off the water supply and if necessary call out a 24 hour plumber.

Remember, if you do not have your own contractor, Business Emergency Assistance can arrange for an approved contractor to effect repairs, any time of the day or night. Please refer to your Schedule for details of the telephone number and reference number (which you will need to quote).

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

Tell Us
Contact us, or your intermediary as soon as possible, quoting your policy number in full (including any letters before and after the numbers). Refer to your Schedule or the front of this Policy for details of the 24 hour telephone and fax numbers for claims reporting. Alternatively you can write to Commercial Claims, Ageas Insurance Ltd, Ageas House, The Square, Gloucester Business Park, Brockworth, Gloucester, GL3 4FA.

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

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

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

For claims under Section 4 - Legal Expenses please refer to the separate Business Legal Guard policy wording.

Keep Evidence
Keep all damaged Property and other evidence for inspection until you are advised by the police and us that you may dispose of it.
Notes
Office address
Ageas House
The Square
Gloucester Business Park
Brockworth
Gloucester
GL3 4FA

Registered office address
Ageas House
Hampshire Corporate Park
Templars Way
Eastleigh
Hampshire
SO53 3YA

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