

PREMCO

Hotel

Insurance Policy

IMPORTANT NOTICE

This policy (and the schedule which forms an integral part of the policy) is a legal contract. Please examine it thoroughly to ensure it meets with your requirements. If it does not please advise your insurance advisor or us immediately . This policy is issued by Premco as underwriting agent for QBE Insurance (Europe) Limited and DAS Legal Expenses Insurance Company Limited.

We would remind you that you are required to inform us immediately of any facts or changes which we would take into account in our assessment or acceptance of this insurance. Failure to do so may invalidate your Policy or result in certain aspects of cover not operating fully. If you are in any doubt as whether a fact is material or not, please contact your insurance adviser or us.

This Policy, the Schedule (including any Schedule issued in substitution), the Statement of Fact and any Memoranda shall be considered one document and any word or expression to which a specific meaning has been attached shall bear such meaning wherever it appears.

The Statement of Fact and any information supplied by the Insured shall be incorporated in the contract. The Company will provide the insurance described in the Policy, subject to the terms and conditions, for the Period of Insurance shown in the Schedule and any subsequent period for which the insured shall pay and the Company shall agree to accept the premium.

Premco provides insurance solutions for UK insurance intermediaries and is a trading style of Premier Commercial Limited authorised & regulated by the Financial Services Authority.

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General Conditions

- 1 This Policy shall be voidable in the event of misrepresentation misdescription or non-disclosure in any material particular
- 2 Observance of the terms of this Policy relating to anything to be done or complied with by the Insured is a condition precedent to any liability of the Company except in so far as is necessary to comply with the requirements of any legislation enacted in Great Britain Northern Ireland the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to employees
- 3 The Insured at his own expense shall
 - (A) take all reasonable precautions to prevent or diminish loss destruction or damage or any occurrence or cease any activity which may give rise to liability under this Policy and to maintain all buildings furnishings ways works machinery plant caravans and vehicles in sound condition
 - (B) exercise care in the selection and supervision of employees
 - (C) as soon as possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require
- 4 This Policy shall be cancelled if
 - (A) the Business be wound up or carried on by a liquidator or receiver or permanently discontinued or
 - (B) the Insured's interest cease otherwise than by death or
 - (C) any alteration be made either in the Business or in the Premises or property therein the occupation of any Insured Person or any other circumstances whereby the risk is increasedat any time after the commencement of this insurance unless its continuance be admitted by memorandum signed by or on behalf of the Company
- 5 This Policy shall be cancelled if the Insured's interest ceases and nothing herein contained shall give any right against the Company to any person other than Insured except to a transferee approved by the Company
- 6 If any part of the Premium or Renewal Premium is based on estimates provided by the Insured the Insured shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record
- 7 **Cancellation when the premium is paid annually**

This Policy may be cancelled by the Insured giving written instruction to the Company
or
the Company sending 30 days written notice to the last known address of the Insured
Cancellation will be effective from the receipt of valid instruction from the Insured provided that where a Certificate of Insurance has been issued as a statutory requirement to provide evidence of cover cancellation will only be effective from the date of receipt of the Certificate(s) of Insurance by the Company
or
the expiry of the 30 days written notice sent by the Company
The Insured will be entitled to a proportionate return of premium in respect of the unexpired portion of the current Period of Insurance provided that no claim has been made in that Period nor any incident occurred that might give rise to a claim
- 8 **Cancellation when the premium is paid monthly**

The Insured may cancel this Policy by giving written instruction to the Company and cancellation will be effective from the date of receipt of valid instructions provided that where a Certificate of Insurance has been issued as a statutory requirement to provide evidence of cover cancellation will only be effective from the date of receipt of the Certificate(s) of Insurance by the Company

The Insured will be responsible for cancellation of the relevant Direct Debit Mandate

Should the Insured cancel or fail to comply with the credit agreement relating to this Policy and fail to pay immediately to the Company the full amount of premium or fail to take the action specified in a default notice issued by the Company before the date shown therein the insurance by this Policy is thereupon cancelled

The Company may cancel this Policy by sending 14 days written notice to the last known address of the Insured who will return to the Company any Certificate(s) of Insurance issued as a statutory requirement
- 9 All the Sums Insured Limits of Indemnity Limits of Liability and any other restrictions on the amount of the Company's liability stated in this Policy will apply as maximum limits to the Company's liability irrespective of the number of persons entitled to indemnity under this Policy
- For the purposes of the Sums Insured Limits of Indemnity Limits of Liability and any other restrictions on the amount of the Company's liability the Insured and all other persons entitled to indemnity under this Policy shall be treated as one party or legal entity so that there will be only a single contract of insurance between the Company as one party and the Insured and all other persons entitled to indemnity as the other party
- 10 Unless the parties have agreed otherwise in writing any dispute concerning the interpretation of the Policy shall be governed and construed in accordance with English law and shall be resolved within the non-exclusive jurisdiction of the courts of England and Wales

Claims Conditions

- 1 If the claim be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy or if any loss destruction or damage be occasioned by the wilful act or with the connivance of the Insured all benefit under this Policy shall be forfeited
- 2 On the discovery of any circumstance or event which may give rise to a claim under this Policy the Insured shall
 - (A) notify the Company in writing forthwith
 - (B) give immediate notice to the Police Authority in respect of loss destruction or damage (other than by fire or explosion) caused by malicious persons or thieves if insured by this Policy
 - (C) carry out and permit to be taken any action which may be reasonably practicable to prevent further loss destruction or damage and to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss
 - (D) as soon as possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require
 - (E) within 30 days (7 days in the case of Damage caused by riot civil commotion strikers locked-out workers persons taking part in labour disturbances or malicious persons if insured by this Policy) after the circumstances or event or of the expiry of the Indemnity Period or such further time as the Company may allow at his own expense deliver to the Company
 - 1) full information in writing of the claim
 - 2) details of any other insurance relating to the claim
 - 3) all such business books documents proofs information explanation and other evidence as may be reasonably required all of which information and details may be produced by the Insured's professional accountants or auditors who are regularly acting as such their report being prima facie evidence of such information and details
 - 4) if demanded a statutory declaration of the truth of the claim and of any matter connected with it
- 3 No claim under this Policy shall be payable unless the terms of Claims Condition 2 have been complied with
- 4 If the Company elects or becomes bound to reinstate or replace any property the Insured shall at his own expense produce and give to the Company all such plans documents books and information as the Company may reasonably require The Company shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the sum insured thereon
- 5
 - A) On the happening of any loss destruction or damage in respect of which a claim is or may be made under this Policy the Company and every Person authorised by the Company may without thereby incurring any liability and without diminishing the right of the Company to rely upon any conditions of this Policy enter take or keep possession of the building or premises where the loss destruction or damage has happened and may take possession of or require to be delivered to them any of the property hereby insured and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner This condition shall be evidence of the leave and licence of the Insured to the Company so to do If the Insured or anyone acting on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company in doing any of the above- mentioned acts then all benefit under this Policy shall be forfeited The Insured shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not
 - B) No admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company which shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute any claim in the name of the Insured for its own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claim The Insured shall give all such assistance as the Company may require
- 6 The Insured shall at the Company's request and expense do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon the Company paying for or making good any loss under this Policy whether such acts and things shall be or become necessary or required before or after the Company indemnifies the Insured
- 7 **Not applicable to Money Personal Accident and Personal Injury (Robbery) Insurance**

If at the time of any claim there is any other insurance covering the Insured's interest in the property lost destroyed or damaged or the same legal liability the Company's liability under this Policy shall be limited to its rateable proportion of such claim

If any such other insurance is subject to any condition of average this Policy if not already subject to any condition of average shall be subject to average in like manner

If any other insurance effected by or on behalf of the Insured is expressed to cover any of the property hereby insured but is subject to any provision whereby it is excluded from ranking concurrently with this Policy either in whole or in part or from contributing rateably to the loss destruction or damage the Company's liability hereunder shall be limited to such proportion of the loss destruction or damage as the sum hereby insured bears to the value of the property
- 8 **Not applicable to Liability Personal Accident Personal Injury (Robbery) and Legal Expenses Insurance**

If any difference shall arise as to the amount to be paid under 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 that behalf for the time being 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 **Application only to Glass Breakage Damage to Neon and Illuminated Signs Electric Light Fittings and Sanitary Earthenware Insurance**

Notwithstanding Claims Condition (2A) of this Policy in the event of any breakage loss or damage the Insured shall give immediate telephone notice to the Company If such breakage relates to stained glass the Company shall only be liable for the cost of repairing the broken glass by stained glass artists of recognised repute and standing and shall not pay any loss arising from alleged inferior artistic merit
- 10 **Applicable only to Liability Insurance**

Every letter claim writ summons and process in connection with the event shall be forwarded to the Company immediately on receipt The Insured shall also give the Company written notice immediately the Insured has knowledge of any prosecution or inquest in connection with any occurrence which may give rise to liability under this Policy
- 11 **Applicable only to Personal Accident and Personal Injury (Robbery) Insurance**

All certificates information and evidence required by the Company shall be furnished free of expense to 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 Company's expense in connection with any claim

The Insured's or the Insured's personal representative's receipt shall discharge the Company

The Insured Person or the Insured Person's personal representative shall have no right to claim from or sue the Company If the Insured comprises more than one party having an interest in the Insured Person the Benefit shall represent the total amount payable in respect of that Insured Person for all interests covered by this insurance

THESE SERVICES HAVE BEEN ARRANGED TO PROVIDE ASSISTANCE IN EMERGENCIES AND WHEN PREMISES BECOME UNOCCUPIED LEGAL ADVICE AND GLASS REPLACEMENT WHICH MAY RESULT IN THE INSURED INCURRING COSTS AND EXPENSES WHICH ARE NOT RECOVERABLE UNDER THIS OR ANY OTHER POLICY OF INSURANCE

Commercial Customer Care Service

Customer Care Service shall provide the Insured with the following 24 hour assistance service

The Insured can request arrangements to be made for a contractor to carry out emergency repair work at the Business Premises

The Insured can request arrangements to be made for a contractor to provide a specialist service for unoccupied premises

The Insured can seek legal advice on any commercial problem related to the Business

Glass Replacement Service

Our Glass Replacement Service shall provide the Insured with the following 24 hour assistance service

The Insured can contact our Claims Helpline for glass replacement at the Premises

Provisions

- 1) The Company cannot accept responsibility for the unavailability or standard of the services nor for any consequences resulting from the use of the service
- 2) The Insured is responsible for the payment of any charges fees or costs resulting from the use of these services although if a claim is subsequently made under this Policy some of the charges fees or costs may be recoverable
- 3) The Commercial Customer Care and Glass Replacement Service telephone numbers are detailed on the helpcard provided with this Policy although the services are only available during any Period of Insurance for which the Insured has paid or agreed to pay the premium

Property Damage Insurance

If any of the Property Insured described in the Schedule suffers Damage at the Premises by any of the Covers insured the Company will in accordance with the provisions of the insurance pay to the Insured the amount of loss or at its option reinstate or replace such property provided that the Company's liability in any one Period of Insurance shall not exceed in the whole the total sum insured or in respect of any item its sum insured or any other stated limit of liability

For the purpose of this insurance Damage shall mean loss destruction or damage

Covers

The following are the Covers insured except as otherwise stated in the Schedule

1

- A) **Fire** excluding Damage
 - 1) by explosion resulting from fire
 - 2) to property caused by its undergoing any process involving the application of heat
- B) **Explosion** excluding Damage
 - 1) caused by the bursting of any boiler economiser or other vessel machine or apparatus belonging to or under the control of the Insured in which internal pressure is due to steam only
 - 2) to any vessel machine or apparatus or its contents resulting from the explosion thereof but this shall not exclude Damage caused by explosion of
 - any boiler
 - gasused for domestic purposes only
- C) **Lightning**
- D) **Aircraft** or other aerial devices or articles dropped therefrom

2 **Earthquake** excluding Damage caused by fire

3 **Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons** excluding Damage

- 1) arising from confiscation requisition or destruction by order of the government or any public authority
- 2) arising from cessation of work
- 3) A) in the course of theft or attempted theft
- B) in respect of any building which is empty or not in use directly caused by malicious persons not acting on behalf of or in connection with any political organization

4 **Storm or flood** excluding Damage

- 1) attributable solely to change in the water table level
- 2) caused by frost subsidence ground heave or landslip
- 3) to fences gates and moveable property in the open

5 **Escape of water from any tank apparatus or pipe** excluding Damage

- 1) by water discharged or leaking from an automatic sprinkler installation
- 2) in respect of any building which is empty or not in use

6 **Impact by any road vehicle** (including any fork lift truck or other industrial vehicle) or animal

7 **Accidental escape of water from any automatic sprinkler installation** excluding Damage

- 1) by freezing in any building which is empty or not in use
- 2) by heat caused by fire

8 **Theft (which is deemed to include attempted theft)** excluding Damage

- 1) from any part of the building not occupied by the Insured for the purposes of the Business or by the Insured or the Insured's directors employees or family members for private residential purposes
- 2) from the open or from any outbuilding
- 3) expedited or any way brought about by the Insured or any director partner or employee of the Insured
- 4) due to a person obtaining any property by deception
- 5) to lead forming part of the exterior of the Premises
- 6) to Money and securities of any description
- 7) to Glass if more specifically insured
- 8) due to disappearance unexplained or inventory shortage
- 9) to property in transit

9 **Subsidence ground heave or landslip** excluding Damage

- 1) arising from the settlement or movement of made-up ground or by coastal or river erosion
- 2) occurring as a result of the construction demolition structural alteration or structural repair of any property at the Premises
- 3) arising from normal settlement or bedding down of new structures
- 4) commencing prior to the granting of cover under this insurance

10 **Any other accident** excluding Damage

- 1) by any of
 - A) the Covers
 - B) the causes expressly excluded from the Covers specified in paragraphs 1-9 or 11-16 (whether or not insured)
- 2) to any property caused by
 - A) its own faulty or defective design or materials
 - B) inherent vice latent defect gradual deterioration wear and tear
 - C) faulty or defective workmanship operational error or omission on the part of the Insured or any of their employees but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded

- 3) caused by
 - A) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
 - B) change in temperature colour flavour texture or finish
 - C) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
 - D) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates
 but this shall not exclude
 - 1) such Damage which itself results from other Damage and is not otherwise excluded
 - 2) subsequent Damage which itself results from a cause not otherwise excluded
- 4) caused by
 - A) pollution or contamination
 - B) acts of fraud or dishonesty
 - C) disappearance unexplained or inventory shortage misfiling or misplacing of information
- 5) to
 - A) building or structure caused by its own collapse or cracking
 - B) moveable property in the open fences and gates by wind rain hail sleet snow flood or dust
 - C) property resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair
- 6) to
 - A) property in transit
 - B) Money and securities of any description
 - C) Vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
 - D) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection

11

- A. Accidental breakage of fixed Glass** by fracture extending through its entire thickness
- B. Damage to neon and illuminated signs and electric light fitments**
- C. Accidental breakage of fixed Sanitary Earthenware**
- D. Damage by impact or falling glass** to
 - 1) the framework and fittings of the ground floor frontage
 - 2) goods on display in windows

including Glass and Sanitary Earthenware in any part of the Buildings at the Premises otherwise occupied by the Insured as a private dwelling provided that such Glass and Sanitary Earthenware are not otherwise insured

excluding

- 1) breakage or Damage
 - A) consequent upon alterations to the framework or position of any Glass or neon and illuminated signs and electric light fitments or Sanitary Earthenware
 - B) consequent upon settlement or expansion or contraction of frames or fittings in buildings under construction and during a period of six months after the date of completion of the buildings
 - C) while the Premises are empty or not in use
 - D) existing prior to the commencement of this insurance and not subsequently replaced
 - E) in respect of neon and illuminated signs and electric light fitments
 - 1) occasioned by or traceable to wear and tear or gradual deterioration mechanical or electrical breakdown or removal from the fixed position other than by theft or attempt thereat
 - 2) of bulbs or tubes unless consequent upon Damage to signs or fitments
- 2) any consequence of fire or explosion if more specifically insured

Provided that the liability of the Company in respect of

- 1) Damage by impact or falling glass to the framework and fittings of the ground floor frontage or goods on display in windows shall not exceed £500 any one loss
- 2) breakage or Damage to
 - A) Glass which is bent tinted stained or fired or incorporated in multiple glazed units (other than double glazing units)
 - B) decoration or protective film or alarm foil on glass
 shall not exceed £ 1,000 in any one Period of Insurance unless to comply with the quality recommended in the British Standard Code of Practice BS 6262: 1982

12 Oil escaping from a fixed heating installation or apparatus connected therewith excluding the cost of replacing the oil

13 Falling trees or parts thereof excluding Damage caused by felling or lopping by or on behalf of the Insured

14 Leakage of beer or mineral water from storage containers or apparatus connected therewith excluding

- A) the cost of replacing the beer and mineral waters
- B) leakage of bottled stock

15 Damage to Buildings caused by falling television or radio receiving aerials aerial fittings and masts

16 Accidental Damage for which the Insured is responsible to the underground water gas and drain pipes or electricity cable extending from the Buildings to the public mains

Insured's Contribution

This insurance does not cover the Insured's Contribution (as shown below or as otherwise specified in the Schedule) being the first part of each and every loss to be borne by the Insured at each separate premises as ascertained after the application of all terms and conditions of the insurance including the Underinsurance Provision

- | | |
|------------------------------------|--------|
| A. Cover 9 (Subsidence) if insured | £1,000 |
| B. All other Covers | £ 250 |

The Insured's Contribution does not apply to any loss recoverable under

- 1) the Stock in Transit Extension
- 2) the Deterioration of Stock Extension

Exclusions

This insurance does not cover

A. Marine Policies

Damage to property which at the time of the happening of the Damage is insured by or would but for the existence of this insurance 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

B. Sonic Bangs

Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

C. War and Allied Risks

Damage occasioned by

- 1) riot or civil commotion except to the extent that it is specifically insured
- 2) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

D. Pollution and Contamination

Damage caused by pollution or contamination except (unless otherwise excluded) destruction of or damage to the Property Insured caused by

- 1) pollution or contamination which itself results from any Cover insured (other than Cover 10)
- 2) any Cover insured (other than Cover 10) which itself results from pollution or contamination

E. Radioactive Contamination

Damage to any property whatsoever or any loss or expense whatsoever resulting or arising

therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

F. Data Recognition Exclusion

Unless Damage results from any Covers insured except 10 and 11 and 16 this insurance does not cover loss resulting from direct or indirect Damage caused by any Failure of a System resulting in Damage (whether direct or indirect) to any such System or to any other Property Insured

For the purposes of this Exclusion –

Failure of a System means the failure or inability of a System (whether or not owned by the Insured)

- 1) correctly to recognise or utilise any data concerning a date (whether a date in the Year 2000 or any other date) as being such calendar date as the data is intended to represent
- 2) to operate as a result of any command programmed into the System utilising any date (whether a date in the Year 2000 or any other date)

System includes computers other computing and electronic and mechanical equipment linked to a computer hardware software programs data electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation

Microchip includes integrated circuits and microcontrollers

Subject otherwise to all the terms Exclusions and Conditions of this insurance

G. Unoccupancy

Damage caused during any period of Unoccupancy exceeding 30 consecutive days

Damage caused during any period of Unoccupancy between 1st October and 31st March inclusive exceeding

- 1) 2 consecutive days unless all water supplies are turned off at the main or there is an automatic central heating system in constant operation during the period of Unoccupancy
- 2) 21 consecutive days unless all water systems are turned off at the main and drained down or there is an automatic central heating system in constant operation during the period of Unoccupancy

Unoccupancy shall mean periods when the premises are actually closed for Business and none of the following are Living on the Premises

- a) the Insured
- b) the Insured's spouse
- c) a member of the Insured's family
- d) a director, partner or employee of the Insured
- e) any other person with the Insured's permission

Living shall mean slept in frequently

Definitions of Property

Property Insured

- Buildings
- General contents
- Stock
- Other property or interests



At the premises including within the open yards forming part of the Premises (subject to any specific exclusions)

all as defined below or more fully described in the Schedule and all being the property of the Insured or for which they are legally responsible but excluding

- property which is more specifically insured
- unless specifically notified to and accepted by the Company as insured
 - A) land roads pavements piers jetties bridges culverts or excavations
 - B) livestock growing crops or trees

Buildings

- buildings (being built mainly of brick stone concrete or other non-combustible materials unless otherwise stated in the Schedule or Statement of Fact)
- landlord's fixtures and fittings in and on the buildings
- small outside buildings extensions annexes gangways
- walls gates and fences
- services which shall mean
 - telephone gas and water mains electrical instruments meters piping cabling and the like and the accessories thereon extending from the buildings to the perimeter of the premises or to the public mains (including those underground)

Tenant's Improvements

- tenant's improvements alterations and decorations

General Contents

- machinery plant fixtures fittings and other trade equipment
- all office equipment and other contents
- patterns models moulds plans and designs
- computer records documents manuscripts and business books for an amount not exceeding £25,000 in respect of any one loss
- in so far as they are not otherwise insured
 - directors' partners' and employees' personal effects including clothing pedal cycles tools instruments and the like for an amount not exceeding £ 500 per person
- but any cover granted under this insurance for Damage by Theft shall not apply to
 - personal effects partly or wholly of precious metal jewellery watches furs contact lenses portable electronic entertainment equipment cameras Money and securities of any description
- to the extent that they are not otherwise insured
 - motor vehicles motor chassis and their contents
- satellite dishes
- Glass Sanitary Earthenware neon and illuminated signs and electric light fittings

Money

- cash bank notes currency notes cheques bankers' drafts postal orders money orders current postage stamps and revenue stamps National Insurance stamps National Savings stamps and certificates holiday savings stamps luncheon vouchers credit company sales vouchers VAT purchase invoices Premium Bonds bills of exchange giro cheques and drafts gift tokens trading stamps unused units of franking machines consumer redemption vouchers and credit cards

Stock

- Stock and materials in trade work in progress and finished goods (including telephone cards lottery tickets scratch cards and postage stamps intended for sale)

Glass

- normal flat annealed glass
 - toughened and laminated glass
 - mirrors
 - bent tinted stained or fired glass
 - decoration or protective film or alarm foil on glass
- } Including lettering thereon

Sanitary Earthenware

- sanitary ware of every description

Designation of Property

Where necessary the item heading under which any property is insured shall be determined by the designation under which such property appears in the Insured's books

The Insurance Provided

In respect of Buildings Tenant's Improvements and General Contents (other than motor vehicles directors' partners' and employees' personal effects computer records documents manuscripts and business books)

the Company will pay –

- A. **the cost of reinstatement** being
- where the property is destroyed the cost of rebuilding or in the case of General Contents the cost of its replacement by similar property
 - where the property is damaged the cost of repairing or restoring the damaged portions to a condition substantially the same as but not better or more extensive than its condition when new
- B. **the cost of complying with Public Authorities' requirements** being such additional cost of reinstatement of the property as may be incurred with the Company's consent in complying with Building Regulations or local authority or other statutory requirements first imposed upon the Insured following the Damage provided that the reinstatement is completed within twelve months of the occurrence of the Damage or within such further time as the Company may in writing allow
- C. **the cost of removing debris** being the cost incurred with the Company's consent in removing debris dismantling demolishing shoring up and propping portions of the property but excluding any costs or expenses
- 1) incurred in removing debris except from the site of such property damaged and the area immediately adjacent to such site
 - 2) arising from pollution or contamination of property not insured by this policy
- D. **the cost of professional fees being** those necessarily incurred in the reinstatement of the property but not for preparing any claims

The undernoted provisions apply

1 Public Authorities' Requirements

The Company shall not be liable in respect of cost B for

- requirements relating to undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from the insurance)
- any rate tax duty development or other charge or assessment which may arise out of capital appreciation as a result of complying with any of the regulations or requirements referred to

2 Partial Damage

Where Damage occurs to only part of the property the Company's liability shall not exceed the amount which the Company would have been liable to pay had the property been wholly destroyed

3 Reinstatement on Another Site

The work of reinstatement may be carried out wholly or partially upon another site and in any manner suitable to the requirements of the Insured provided that it does not increase the Company's liability

4 Insurable Amount

For the purpose of the Underinsurance Provision the Insurable Amount shall be the Day One Reinstatement Value

Day One Reinstatement Value shall mean

the total of the insured costs A B C and D in reinstating the Property Insured to a condition substantially the same as when new at the level of costs applying at the commencement of the Period of Insurance

5 Alternative Basis of Settlement

The Company's liability shall be limited to the Alternative Basis of Settlement (as defined below)

- A) until the cost of reinstatement has actually been incurred
- B) if the work of reinstatement is not carried out as quickly as is reasonably practicable
- C) if at the time of its Damage the property is covered by any other insurance effected by or on behalf of the Insured and such other insurance is not on the identical basis of reinstatement defined in cost A
- D) if in the Schedule it is stated that the Alternative Basis of Settlement applies

Under the Alternative Basis of Settlement the Company will pay the value of the property at the time of its destruction or the amount of the damage including the cost of

- complying with Public Authorities' requirements
- removing debris
- professional fees

as defined in costs B C and D above and subject to the provisions and exceptions applying to those costs

For the purpose of the Underinsurance Provision the Insurable Amount shall be the total of the value at the time of the Damage of the Property Insured by the item and the additional costs B C and D

In respect of computer records documents manuscripts and business books the Company will pay -

- A. the value of the materials as stationery
- B. the clerical labour and computer time expended in reproducing such computer records or writing up such documents
- C. the costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded but excluding the value to the Insured of the information and subject to the Company's liability not exceeding the limit stated in the definition of General Contents
- D. the cost incurred with the Company's consent in removing debris dismantling demolishing shoring up and propping portions of the property but excluding any costs or expenses
 - 1) incurred in removing debris except from the site of such property damaged and the area immediately adjacent to such site
 - 2) arising from pollution or contamination of property not insured by this policy

In respect of Stock and other insured property not specifically provided for the Company will pay -

- A. the value of the property at the time of its destruction or the amount of the damage
- B. the cost incurred with the Company's consent in removing debris dismantling demolishing shoring up and propping portions of the property but excluding any costs or expenses
 - 1) incurred in removing debris except from the site of such property damaged and the area immediately adjacent to such site
 - 2) arising from pollution or contamination of property not insured by this policy

The undernoted provisions apply

1 Seasonal Increase

The sum insured in respect of Stock shall be increased by 50% for the months of November and December and for 31 days immediately preceding Easter Day

This provision shall not apply to the Stock in Transit Extension

2 Insurable Amount

For the purpose of the Underinsurance Provision the Insurable Amount shall be the value at the time of Damage of the Property insured by the item

In respect of Rent of Buildings which suffer Damage

the Company will pay -

- A) if the loss relates to rent receivable by the Insured
 - the actual reduction in rent received solely in consequence of the Damage
- B) if the loss relates to rent payable by the Insured
 - the amount of rent which continues to be payable by the Insured in respect of the Building or portions of the Building whilst unfit for occupation in consequence of the Damage

but the Company's liability shall be limited to the loss suffered within the period of rent insured (as specified in the Schedule) which commences from the date of the Damage

The undernoted provision applies

Insurable Amount

For the purpose of the Underinsurance Provision the Insurable Amount shall be the annual rent receivable (or in the case of B) above the annual rent payable) at the commencement of the Period of Insurance such amount to be proportionately increased to correspond with the period of rent insured where that period exceeds twelve months

General Provisions applicable to all items

Underinsurance

If at the time of the Damage

- the Declared Value by the relative item on Buildings Tenant's Improvements or General Contents or
- the sum insured by the relative item on other property or interests

is less than the Insurable Amount the amount otherwise payable shall be proportionately reduced

Declared Value shall mean

the base value shown in brackets below the sum insured such value excluding any provision for inflation but if the loss is settled under the Alternative Basis of Settlement the Declared Value shall be 115% of the base value shown or if no base value is shown it shall be deemed to be the sum insured

Reinstatement by the Company

The Company may at its own option reinstate or replace any property destroyed or damaged without being bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner

The Insured shall at their own expense produce and provide the Company with all such plans documents books and information as the Company may reasonably require

Extinguishment Expenses

The Company will pay the reasonable costs incurred by the Insured in refilling fire extinguishing appliances and replacing used sprinkler heads solely in consequence of insured Damage to the Property Insured

Theft Cover Extension

A) Any cover granted under this insurance in respect of Theft includes

- 1 the cost of repairing Damage to the Buildings (whether or not the Buildings are insured hereunder) if the Insured is responsible for the repairs and the Damage is not otherwise insured
- 2 the reasonable expenses (not exceeding £1,000) incurred in necessarily replacing locks to the Buildings or safes or strongrooms therein consequent upon Theft (as insured) of keys from such building or from the residence of any of the authorised keyholding directors partners or employees of the Insured

B) In respect of

- closed circuit television equipment
- satellite dishes
- aerials and
- alarm equipment

belonging to the Insured or for which the Insured is responsible securely fixed to the external structure of the Building Exclusion 1 to Cover 8 Theft does not apply.

Trace and Access and Repair or Replacement Extension

In the event of Damage occurring as a result of escape of water or oil as insured by Covers 5, 7 or 12 of Property Damage Insurance the Company will pay

- 1 the costs necessarily and reasonably incurred in locating the source of such Damage
- 2 the costs necessarily and reasonably incurred in repairing and making good any Damage caused in locating the source of the Damage and
- 3 the costs of repairing or replacing tanks apparatus pipes or appliances which have been damaged by freezing

providing that the liability of the Company under this extension shall not exceed £2,500 for any one loss

Unauthorised Use of Electricity Gas or Water Extension

The Company will pay the cost of metered electricity gas or water for which the Insured are legally responsible arising from its unauthorised use by persons taking possession keeping possession or occupying the Premises without the Insured's authority subject to the Company's liability in any one period of insurance under this extension not exceeding £2,500

It is a condition precedent to liability under this extension that

- 1 such Premises have been inspected weekly by the Insured or a responsible person on behalf of the Insured prior to the unauthorised occupation of the Premises and
- 2 all practicable steps are taken to terminate such unauthorised occupation and use of the electricity gas or water as soon as it is discovered

Loss of Metered Water

The company will pay the additional metered water charges incurred by the Insured as a result of Damage caused by any of the Covers insured under Property Damage Insurance except those in respect of any loss which has not been discovered and remedial action taken within 30 days of the occurrence of the Damage

The amount payable as indemnity shall be ascertained by comparing the charge made by the water suppliers on their account for the period during which the loss occurred with the normal charge adjusted for any relevant factors affecting the Insured's liability for metered water charges during such period subject to the Company's liability under this extension not exceeding £2,500 any one loss

Damage to Gardens

The Company will pay the cost of restoring Damage done to landscaped gardens the property of the Insured or for which they are responsible caused by the emergency services whilst attending the premises as a result of an event occurring at the Premises which is insured by any of the Covers 1 to 8

Subject to the Company's liability under this extension not exceeding £1,000 any one loss

Stock in Transit Extension

In the event of Damage by any cause to Stock while

- 1 being loaded upon carried by or unloaded from any vehicle owned or operated by the Insured anywhere in Great Britain Northern Ireland and the Republic of Ireland the Channel Islands or the Isle of Man
- 2 at exhibitions which do not exceed 7 days duration

the Company will by payment or at its option by repair reinstatement or replacement indemnify the Insured in respect of such Damage provided that the liability of the Company in respect of any claim arising out of any one event shall not exceed the limit per vehicle (except as provided for in A B and C below) and in respect of property at exhibition premises shall not exceed £2,500 in any one Period of Insurance

Limit per vehicle £2,500 or any other limit of liability stated in the Schedule

In addition the Company will indemnify the Insured in respect of

- A) additional costs reasonably incurred in
- 1) transshipping Stock to another vehicle delivering it to the original destination or returning it to the place of despatch following Damage to the Stock or an accident to the conveying vehicle
 - 2) removal of debris following Damage to the Stock or an accident to the conveying vehicle
 - 3) reloading on to any vehicle any Stock if it falls from such vehicle

Limit of Liability in respect of all claims arising out of any one event £2,500

- B) Damage to sheets ropes packing materials dunnage securing chains and toggles owned by the insured or in the charge or control of the insured while carried on any such vehicle

Limit of Liability in respect of all claims arising out of any one event £2,500

- C) Damage to the personal effects belonging to the driver or attendant while carried by any such vehicle in the course of the employment of the driver or attendant with the Insured

Limit of Liability in respect of all claims arising out of any one event for any one person £100

Exclusions

The Company shall not be liable in respect of

- 1 Loss of market delay or any consequential loss
- 2 Loss resulting from dishonesty or insolvency of persons to whom goods are entrusted
- 3 Damage to glass china marble earthenware scientific instruments furniture antiques curios sculptures work of art pictures prints drawings engravings and goods of a brittle nature unless caused by fire theft or as a direct result of collision or overturning of the conveying vehicle
- 4 Loss of sheets ropes packing materials dunnage securing chains and toggles as a result of disappearance or shortage if such loss is only revealed when an inventory is made unless such loss is the result of an incident recorded by the Insured
- 5 Stock warehoused at a rental or under contract for storage and distribution
- 6 Money and securities
- 7 Jewellery watches furs cameras radios televisions record players cassette players and video equipment belonging to vehicle drivers or attendants
- 8 Stock carried by or despatched by the Insured for hire or reward
- 9 Damage to stock arising as a result of packing which was inadequate to withstand normal handling during transit
- 10 Damage to stock
 - A) due to insufficient labelling or incorrect addressing
 - B) in any vehicle which is being used outside the normal course of the Business for social domestic or pleasure purposes
 - C) in open vehicles caused by atmospheric or climatic conditions unless the stock is protected by vehicle sheets
 - D) left in any vehicle for the night except where such vehicle is left closed and locked and either
 - 1) garaged in a building which is securely closed and locked
 - or
 - 2) left in a compound secured by locked gates
- 11 Damage to Stock as a result of theft from any vehicle not individually attended except where either
 - A) all windows and sunroofs are fully closed and all doors and other means of access to the vehicle including the boot are locked or
 - B) entry or access to the vehicle has been effected by forcible and violent means
- 12 Damage to Stock in open vehicles caused by theft unless the vehicle is individually attended
- 13 The first £100 of each and every loss

Deterioration of Stock Extension

In the event of Damage by deterioration or putrefaction of Stock in the Cold Chamber of any refrigerating machine at the premises

- A) due to the rise or fall in temperature resulting from any cause not hereunder excluded or
- B) due to the action of refrigerant fumes which have escaped from the machine during any Period of Insurance at the commencement of which such machine does not exceed the age of fifteen years the Company will pay to the Insured the amount of such Damage but not exceeding £2,000 in any one machine

Exclusions

The Company shall not be liable in respect of

- 1 Deterioration or putrefaction resulting from damage at the Premises by fire lightning explosion flood earthquake aircraft or other aerial devices or articles dropped therefrom or by leakage from a sprinkler installation
- 2 Loss or damage resulting from the deliberate act of any public electricity supply authority or the exercise by any such authority of its power to withhold or restrict supply or from the wilful neglect of the Insured
- 3 Loss of goodwill or other consequential loss of any nature whatsoever
- 4 The first £50 of each and every loss

Definition

Stock in the Cold Chamber

The term 'Stock in the Cold Chamber' shall be deemed to include the stock which at the time of the loss or damage giving rise to such deterioration or putrefaction is elsewhere on the Premises but which would in normal course be placed in the said Cold Chamber

Memoranda

Property at other locations

Subject to all the provisions and exclusions the cover granted by this insurance is extended to apply to the undernoted Property Insured whilst removed from the premises as indicated below

except that

- 1) the insurance applies only in so far as the property is not otherwise insured
- 2) any cover granted in respect of Damage by Theft shall not apply under this extension
- 3) this extension applies only to Damage occurring within Great Britain Northern Ireland the Channel Islands the Isle of Man and the Republic of Ireland
- 4) the Company's liability for any one loss shall not exceed the limit stated

Property and location	Limit of liability for any one loss
A. Computer records documents manuscripts and business books at any location and whilst in transit	The limit stated in the General Contents definition
B. Other property (excluding vehicles licensed for road use) at any location to which the property has been temporarily removed for cleaning renovation repair or other similar purposes and whilst in transit	15% of the relative sum insured but in no case exceeding £250,000

Contents Removed from the Premises

Subject to all the provisions and exclusions the cover granted by this insurance is extended to apply to the undernoted Property Insured whilst removed from the premises as indicated below except that

- 1) the insurance applies only in so far as the property is not otherwise insured
- 2) any cover granted in respect of Damage by Theft shall not apply in respect of theft from any unattended vehicle unless the property is concealed in a glove compartment or locked luggage compartment and either
 - all windows and sunroofs are fully closed and all doors and other means of access to the vehicle including the boot are locked or
 - entry or access to the vehicle has been effected by forcible and violent means
- 3) any cover granted in respect of Damage by Theft shall not apply in respect of theft from any unattended vehicle left unattended for the night
- 4) this extension only applies to Damage occurring within Great Britain Northern Ireland the Channel Islands the Isle of Man or the Republic of Ireland
- 5) the Company's liability for any one loss shall not exceed the limit stated below

Property and location	Limit of liability for any one loss
Machinery plant fixtures fittings and other trade equipment office equipment and business computers patterns models moulds and designs documents manuscripts and business books at any location and whilst in transit	£2,500

Buildings Tenant's Improvements and General Contents - Alterations and Additions

If during the Period of Insurance -

- alterations or additions are made to any Buildings insured or
- Buildings Tenant's Improvements or General Contents are acquired or constructed

at any Premises covered by this insurance or elsewhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man and such additional property is not otherwise insured it will be held covered under the relative terms of this insurance from the time from which the Insured became responsible for it until the next renewal of the insurance at which date specific insurance shall be effected

The sum insured (and Declared Value) by each item shall be deemed to be increased for that period only by the value of the additional property insured under the item but by not more than 10% and subject to the Company's liability not exceeding £500,000 in respect of additional property at any one Premises

All the provisions and conditions of this insurance (including the Alteration Condition) apply to this extension except as expressly varied

Automatic Reinstatement after a loss (not applicable in respect of Stock in Transit and Deterioration of Stock) In the absence of written notice by the Insured or the Company to the contrary within 30 days of the occurrence of any Damage the Company's liability shall not be reduced by the amount of any loss and the Insured shall pay the appropriate additional premium for such automatic reinstatement of cover provided that in respect of Damage by Theft (if insured) the automatic reinstatement shall apply on the first occasion only in each Period of Insurance

Index Linking

The Company will adjust the sum insured (and the Declared Value where appropriate) by each item except Rent in line with suitable indices of costs and the premium for renewal will be based on the adjusted amounts

Transfer of Interest

If at the time of any insured Damage to any building insured the Insured shall have contracted to sell their interest in the building and the purchase is subsequently completed the purchaser shall be entitled on completion of the purchase to the benefit of this insurance in respect of such Damage if and so far as the property is not otherwise insured by the purchaser or on the purchaser's behalf against such Damage without prejudice to the rights and liabilities of the Insured or the Company under this insurance up to the date of completion

Workmen

Workmen are allowed on the Premises for the purpose of effecting repairs and minor structural and other alterations and also for general maintenance purposes and the like without prejudice to this insurance

Risk Protections

A. Automatic Sprinkler and Fire Alarm Installations

(Applicable if a reduced premium rate is allowed on account of such an installation or if the insurance covers Damage by the accidental escape of water from a sprinkler installation)

The Insured shall

- 1) take all reasonable steps to
 - A) prevent frost and other damage to the installations and in so far as it is their responsibility
 - B) maintain the installations (including the automatic external alarm signal) in efficient condition
 - C) maintain ready access to the water supply control facilities
- 2) in the event that changes repairs or alterations to the installations are proposed notify the Company in writing and obtain its prior agreement in writing
- 3) allow the Company access to the Premises at all reasonable times for the purpose of inspecting the installations
- 4) carry out the routine tests laid down by the Company and remedy promptly any defect revealed by a test

In the event that alterations or repairs become necessary to the automatic sprinkler installation the Company may at its option suspend any cover which is granted against Damage by the accidental escape of water from the installation until the alterations or repairs have been carried out and approved by the Company

Notice of any such action will be given by the Company in writing

B. Fire Extinguishing Appliances

It is a condition precedent to the Company's liability for Damage that the Insured shall maintain all fire extinguishing appliances in efficient working order

C. Security Precautions

(Applicable to any cover granted in respect of Damage by Theft)

It is a condition precedent to the Company's liability for Damage that

- A) in respect of any Intruder Alarm System installed at the Premises
 - 1) the Intruder Alarm System is maintained in full and effective working order under a contract to provide both corrective and preventive maintenance with the installer or such other contractor agreed by the Company in writing
 - 2) the Premises are not left unattended
 - A) unless the Intruder Alarm System is tested and set in its entirety and is together with the means of communication used to transmit signals in full and effective operation and where the equipment permits any Alarm Receiving Centre to which the Intruder Alarm System is connected has acknowledged the setting signal
 - B) if police response to alarm calls has been withdrawn without the written agreement of the Company
 - 3) where the Intruder Alarm System is required or approved by the Company as a condition of cover it is installed in accordance with a specification agreed in writing by the Company
 - 4) no alteration to or substitution of
 - A) any part of the Intruder Alarm System
 - B) the procedures agreed by the Insured for police or any other response to any activation of or other warning signal pertaining to the Intruder Alarm System
 - C) the maintenance contract shall be made without the written agreement of the Company
 - 5) no structural alteration of or changes in layout to the Premises that could affect operation of the Intruder Alarm System shall be made without the written agreement of the Company
 - 6) the Insured shall maintain secrecy of codes for operation of the Intruder Alarm System and shall not leave details of such codes at the Premises when the Premises are unattended
 - 7) the Insured shall appoint at least two Keyholders and shall record details of the Keyholders with the police and any Alarm Receiving Centre to which the Intruder Alarm System signals
 - 8) any change of Keyholder details shall be notified immediately to the police and any Alarm Receiving Centre to which the Intruder Alarm System signals
 - 9) 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 system is set a Keyholder shall attend and allow access to the Premises without delay
 - 10) in the event that the Insured receives any notification
 - A) from the police alarm installer/maintenance contractor or Alarm Receiving Centre that response to alarm signals or line interruptions from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
 - B) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
 - C) 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 10am on the Company's next working day and comply with any subsequent requirements stipulated by the Company
- B) whenever the Premises are left unattended
 - 1) all locks bolts and other protective devices are in full and effective operation
 - 2) all keys relating to any part of the Intruder Alarm System are removed from the Premises

Definitions

Intruder Alarm System includes all lines and equipment used to transmit the signals to and from the Premises

Keyholder shall mean any person or keyholding company authorised by the Insured who is available at all times when the Intruder Alarm System is set to accept notification of faults or alarm signals or messages relating to the Intruder Alarm System

D. The Minimum Standard of Security
(Applicable to any cover granted in respect of Damage by Theft)

It is a condition precedent to the Company's liability for Damage that the Insured shall have implemented the following security measures within 8 weeks of commencement of Theft cover

- A) The Final Exit Door of the Premises be fitted with either
 - 1) for timber or steel framed doors - a mortice deadlock which has 5 or more levers and/or conforms to BS3621 : 1980 specification for thief resistant locks and matching boxed striking plate
 - or
 - 2) for aluminium or UPVC framed doors - a cylinder operated mortice deadlock or a deadlocking multi-point locking system
- B) All other external doors and all internal doors giving access to any part of the buildings not occupied by the Insured or the Insured's family for residential purposes, be fitted with either
 - 1) any of the locking arrangements as specified in A) 1) or 2) above in accordance with the construction of the door frame
 - or
 - 2) two key - operated security bolts for doors one fitted approximately 30cm from the top of the door and the other 30cm from the bottom
- C) All ground floor and basement opening windows/skylights and other opening windows/skylights accessible from roofs decks balconies fire escapes canopies or down pipes are to be fitted with key-operated window locks This requirement does not apply to windows/skylights which are protected by solid steel bars grilles lockable gates expanded metal or weld-mesh provided agreement shall have been obtained from the Company and is stated on the Schedule

Any door or window officially designated a fire exit by the fire authority is excluded from these requirements

Business Interruption Insurance

If Damage by any of the Covers insured occurs at the Premises

- A) to property used by the Insured for the purpose of the Business which causes interruption of or interference with the Insured's Business at the Premises
- B) which prevents the Insured from tracing or establishing customers' Outstanding Debit Balances in whole or in part due to them

the Company will pay to the Insured

- 1) in respect of A) the amount of loss resulting from the interruption or interference caused by the Damage in accordance with the provisions of the insurance

provided that payment has been made or liability admitted for the Damage under an insurance covering the interest of the Insured in the property or payment would have been made or liability admitted for the Damage but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

- 2) in respect of B) the amount of loss resulting from the Damage in accordance with the provisions of the insurance

The Company's liability in any one Period of Insurance shall not exceed in the whole

- 1) in respect of A) the total sum insured or in respect of any item its sum insured or any other stated limit of liability
- 2) in respect of B) the sum of £5,000 or any other limit of liability stated in the Schedule

For the purpose of this insurance Damage shall mean loss destruction or damage

Covers

The following are the Covers insured except as otherwise stated in the Schedule

1

- A. **Fire** excluding Damage
 - 1) by explosion resulting from fire
 - 2) to property caused by its undergoing any process involving the application of heat
- B. **Explosion** excluding
 - 1) Damage caused by the bursting of any vessel machine or apparatus belonging to or under the control of the Insured in which internal pressure is due to steam only
 - 2) loss resulting from the Insured being deprived of the use of any vessel machine or apparatus or its contents as a result of the explosion thereofbut this shall not exclude explosion of
 - any boiler used for domestic purposes only or of any other boiler or economiser on the Premises
 - gas used for domestic purposes only
- C. **Lightning**
- D. **Aircraft** or other aerial devices or articles dropped therefrom

- 2 Earthquake** excluding Damage caused by fire

- 3 Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons** excluding Damage
 - 1) arising from confiscation requisition or destruction by order of the government or any public authority
 - 2) arising from cessation of work

- 4 Storm or Flood** excluding Damage
 - 1) attributable solely to change in the water table level
 - 2) caused by frost subsidence ground heave or landslip
 - 3) to fences gates and moveable property in the open

- 5 Escape of water from any tank apparatus or pipe** excluding Damage
- 1) by water discharged or leaking from an automatic sprinkler installation
 - 2) in respect of any building which is empty or not in use
- 6 Impact** by any road vehicle (including any fork lift truck or other industrial vehicle) or animal
- 7 Accidental escape of water from any automatic sprinkler installation** Excluding Damage
- 1) by freezing in any building which is empty or not in use
 - 2) by heat caused by fire
- 8 Theft (which is deemed to include attempted theft)** excluding Damage
- 1) from any part of the building not occupied by the Insured for the purposes of the Business or by the Insured or the Insured's directors employees or family members for private residential purposes
 - 2) from the open or from any outbuilding
 - 3) expedited or any way brought about by the Insured or any director partner or employee of the Insured
 - 4) due to a person obtaining any property by deception
 - 5) to lead forming part of the exterior of the Premises
 - 6) due to disappearance unexplained or inventory shortage
 - 7) to property in transit
- 9 Subsidence ground heave or landslip** excluding Damage
- 1) arising from the settlement or movement of made-up ground or by coastal or river erosion
 - 2) occurring as a result of the construction demolition structural alteration or structural repair of any property at the Premises
 - 3) arising from normal settlement or bedding down of new structures
 - 4) commencing prior to the granting of cover under this insurance
- 10 Any other accident** excluding Damage
- 1) by any of
 - A) the Covers
 - B) the causes expressly excluded from the Covers specified in paragraphs 1-9 and 11-15 (whether or not insured)
 - 2) to any property caused by
 - A) its own faulty or defective design or materials
 - B) inherent vice latent defect gradual deterioration wear and tear
 - C) faulty or defective workmanship operational error or omission on the part of the Insured or any of their employees but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded
 - 3) caused by
 - A) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
 - B) change in temperature colour flavour texture or finish
 - C) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
 - D) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates
 - E) the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunication services but this shall not exclude
 - 1) such Damage which itself results from other Damage and is not otherwise excluded
 - 2) subsequent Damage which itself results from a cause not otherwise excluded
 - 4) caused by
 - A) pollution or contamination
 - B) acts of fraud or dishonesty
 - C) disappearance unexplained or inventory shortage misfiling or misplacing of information
 - 5) to
 - A) a building or structure caused by its own collapse or cracking
 - B) moveable property in the open fences and gates by wind rain hail sleet snow flood or dust
 - C) property resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair
 - 6) to
 - A) property in transit
 - B) property or structures in course of construction or erection and materials or supplies in connection with all such property or structures
 - C) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
 - D) land roads pavements piers jetties bridges culverts or excavations
 - E) livestock growing crops or trees
- 11 Oil** escaping from a fixed heating installation or apparatus connected therewith
- 12 Falling trees** or parts thereof excluding Damage caused by felling or lopping by or on behalf of the Insured
- 13 Leakage of beer or mineral water** from storage containers or apparatus connected therewith excluding
- A) the cost of replacing the beer and mineral waters
 - B) leakage of bottled stock
- 14 Damage to Buildings** caused by falling television or radio receiving aerials aerial fittings and masts
- 15 Accidental Damage** for which the Insured is responsible to the underground water gas and drain pipes or electricity cable extending from the Buildings to the public mains

Exclusions

The Company shall not be liable for loss resulting from

A. **War and Allied Risks**

Damage occasioned by

- 1) riot or civil commotion unless such Cover is specifically insured and then only to the extent stated
- 2) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

B. **Sonic Bangs**

Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

C. **Pollution and Contamination**

pollution or contamination but this shall not exclude loss resulting from Damage (not otherwise excluded) caused by

- 1) pollution or contamination which itself results from any Cover insured (other than Cover 10)
- 2) any Cover insured (other than Cover 10) which itself results from pollution or contamination

D. **Radioactive Contamination**

Damage occasioned by or happening through or occasioning loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

E. **Data Recognition Exclusion**

Unless interruption of or interference with the Business or Damage results from any Covers insured except 10 and 15 the Company shall not be liable for loss resulting from direct or indirect interruption of or interference with the Business or Damage caused by any Failure of a System resulting in Damage (whether direct or indirect) to any such System or to any other property insured

For the purposes of this Exclusion –

Failure of a System means the failure or inability of a System (whether or not owned by the Insured)

- 1) correctly to recognise or utilise any data concerning a date (whether a date in the Year 2000 or any other date) as being such calendar date as the data is intended to represent
- 2) to operate as a result of any command programmed into the System utilising any date (whether a date in the Year 2000 or any other date)

System includes computers other computing and electronic and mechanical equipment linked to a computer hardware software programs data electronic data processing equipment

Microchips and anything which relies on a Microchip for any part of its operation

Microchip includes integrated circuits and microcontrollers

Subject otherwise to all the terms Exclusions and Conditions of this insurance

The Insurance Provided

Item on Gross Profit

Subject to the provisions below the Company will pay as indemnity –

A) **In respect of Reduction in Turnover**

the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period falls short of the Standard Turnover in consequence of the Damage

B) **In respect of Increase in Cost of Working**

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the total of

– the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided

plus

– 5% of the sum insured by the item (but not more than £250,000)

1 Alternative Trading

If during the Indemnity Period goods are sold or services rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on the Insured's behalf the money paid or payable in respect of such sales or services shall be taken into account in arriving at the Turnover during the Indemnity Period

2 Savings

If any of the charges or expenses of the Business payable out of Gross Profit cease or reduce in consequence of the Damage the amount of such savings during the Indemnity Period shall be deducted from the amount payable

3 Professional Accountants' Charges

The Company will pay the reasonable charges payable by the Insured to their professional accountants for producing information required by the Company under the terms of the Claims Conditions and for reporting that such information is in accordance with the Insured's accounts

4 Underinsurance

If the sum insured is less than the Insurable Amount the amount payable shall be proportionately reduced

Outstanding Debit Balances

Subject to the provisions below the Company will pay as indemnity –

- A) the difference between
 - 1) the Outstanding Debit Balances
 - and
 - 2) the total of the amounts received or traced in connection with such balances
- B) the additional expenditure incurred with the consent of the Company in tracing and establishing customers' debit balances after the Damage

The following are the provisions referred to above

- 1 Professional Accountants' Charges
The Company will pay the reasonable charges payable by the Insured to their professional accountants for producing information required by the Company under the terms of the Claims Conditions and for reporting that such information is in accordance with the Insured's accounts
- 2 Limit of Liability
The Company's liability in any Period of Insurance shall not exceed in the whole the sum of £5,000 or any other limit of liability stated in the Schedule

Definitions

The following notes refer to the Definitions stated below

- 1 To the extent that the Insured is accountable to the tax authorities for Value Added Tax all terms in this insurance shall be exclusive of such tax
- 2 For the purpose of these definitions any adjustment implemented in current cost accounting shall be disregarded
- 3 The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods due provision being made for depreciation
- 4 The Uninsured Variable Costs have the meaning usually attached to them in the Insured's accounts
- 5 In the definition of Insurable Amount the amount of Gross Profit shall be proportionately increased to correspond with the Maximum Indemnity Period where it exceeds twelve months

Indemnity Period

the period beginning when the Damage occurs and ending when the results of the Business cease to be affected by the Damage but not exceeding the Maximum Indemnity Period (as shown in the Schedule)

Turnover

the money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the Business at the Premises

Gross Profit

the amount by which the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed the sum of the amounts of the opening stock and work in progress and the amount of the Uninsured Variable Costs

Uninsured Variable Costs

Purchases and related discounts
Bad debts

unless otherwise stated in the Schedule

Rate of Gross Profit

the rate which Gross Profit would have borne to Turnover during the Indemnity Period

Standard Turnover

The turnover which would have been obtained during the Indemnity Period

Insurable Amount

The Gross Profit which would have been earned in the twelve months immediately following the date of the Damage

had the Damage not occurred after account has been taken of the trends of the Business and of the variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred

Outstanding Debit Balances

the total recorded under the provisions of Debit Recording adjusted for

- A) bad debts
- B) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to the credit accounts of the Business in the period between the date to which the last monthly record relates and the date of the Damage and
- C) any abnormal condition of trade which had or could have had a material effect on the Business so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred

General Extensions

The insurance is extended to include loss as insured in consequence of

1

- A) closure or restrictions placed on the Premises on the advice or with the approval of the Medical Officer of Health of the Public Authority as a result of a notifiable human disease manifesting itself at the Premises
- B) injury or illness sustained by any customer or employee arising from or traceable to foreign or injurious matter in food or drink sold from the Premises
- C) closing of the whole or part of the Premises by order of the Public Authority for the area in which the Premises are situated consequent upon defects in the drains and other sanitary arrangements at the Premises
- D) murder or suicide occurring at the Premises
- E) vermin and pests at the Premises
- F) Damage (but excluding obstruction by snow or flood water) to property in the vicinity of the Premises by any of the Covers insured which
 - 1) hinders or prevents the use of the Premises or access thereto or
 - 2) causes a fall in the number of customers attracted to the vicinity of the Premises whether the property used by the Insured for the purpose of the Business shall be damaged or notBut excluding Damage which prevents or hinders the supply of electricity gas water or telecommunications services

provided that the Company's liability after the application of all other terms and conditions of the Policy shall not exceed the sum insured by this insurance

2 Damage by any of the Covers insured to any suppliers' premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man up to a limit of 10% of the Gross Profit Sum Insured

3 Accidental failure of the public supply of

- electricity at the terminal ends of the supply authority's service feeders at the Premises
- gas at the supply authority's meters at the Premises
- water at the supply authority's main stop cock serving the Premises other than as a result of drought

excluding

- any failure which does not involve a total cessation of service for at least 24 consecutive hours
- the deliberate act of any supply authority or service provider
- the exercise by any authority of its power to withhold or restrict supply or services
- industrial action or strikes

provided that the Company's liability after the application of all other terms and conditions of the Policy shall not exceed £250,000 any one loss or in the aggregate

4 Accidental failure of the telecommunications system serving the Premises at the incoming telephone line terminals at the Premises excluding

- satellite or mobile phone services
- any failure which does not involve a total cessation of service for at least 24 consecutive hours
- the deliberate act of the service provider
- the exercise by any authority of its power to withhold or restrict supply or services
- industrial action or strikes
- upgrading of the system by the Insured whether or not undertaken by the telecommunications authority
- essential repair for routine maintenance work undertaken by the telecommunications authority

Provided that the Company's liability after the application of all other terms and conditions of the Policy shall not exceed £ 5,000 in any one Period of Insurance

Loss of Liquor Licence Extension

In the event of the forfeiture suspension or withdrawal of the Licence in force in respect of the Premises the Company will pay to the Insured

- A) the loss of Gross Profit and the amount payable as indemnity shall be the aggregate of
 - 1) Shortage in Turnover less Turnover from Alternative Trading multiplied by the Rate of Gross Profit
 - 2) Additional Expenditure less Savings in Costs
 - B) the reduction in the value of the Premises if the Insured is unable to obtain a licence for a period of twelve months from the date of the forfeiture suspension or withdrawal of the Licence and the Insured sells the Premises
- but not exceeding in respect of any loss £100,000 or any other limit of liability stated in the Schedule

Exclusions

The Company shall not be liable for loss arising from

1 such refusal to renew a Licence as entitles the Insured to claim compensation under any Statute

- 2 A) actual or proposed compulsory acquisition of the Premises
- B) any scheme of town or country planning improvement or redevelopment
- C) redistribution reduction in number or extinguishment of Licences as a result of war damage whether such loss be direct or indirect

3 alteration after the commencement of the Period of Insurance of the law governing the grant surrender renewal suspension forfeiture withdrawal or transfer of Licences unless the Company confirms in writing that the insurance will apply after such alteration

4 failure

- A) other than for good cause to keep open the Premises during the permitted hours
- B) to comply with any direction or requirement of the licensing justices or other authority
- C) to maintain the Premises in good sanitary and general repair

5 refusal to renew or forfeiture of Licence occasioned wholly or in part by any act or omission by the Insured or by the failure of the Insured to take all reasonable action to maintain the Licence in force

6 the removal suspension or failure to grant or renew any late night afternoon or morning extension of the standard opening hours (England and Wales) or Permitted Hours as defined in Section 53 of the Licensing (Scotland) Act 1976 unless such removal suspension or failure to grant or renew is ancillary to the Licence being removed suspended or not renewed

Definitions

Licence

The Justices Licence from time to time in force in respect of the Premises (England and Wales) or the licence granted pursuant to the Licensing (Scotland) Act 1976

Turnover

The money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the Business at the Premises

Indemnity Period

The period beginning with the loss of the Licence and ending not later than twelve months thereafter during which the results of the Business shall be affected in consequence of the loss of Licence provided that if the Premises are disposed of within twelve months after the loss of Licence the Indemnity Period shall terminate upon disposal

Shortage in Turnover

The amount by which the Turnover during the Indemnity Period shall in consequence of the forfeiture suspension or withdrawal of the Licence fall short of the Turnover which but for the loss of Licence would have been achieved during the Indemnity Period

Turnover From Alternative Trading

The money paid or payable for goods sold and delivered and for services rendered during the Indemnity Period elsewhere than at the Premises either by or on behalf of the Insured for the benefit of the Business

Gross Profit

The amount by which the sum of the amounts of the Turnover and Closing Stock shall exceed the sum of the amounts of the Uninsured Working Expenses and Opening Stock

(Note) The amounts of the Opening and Closing Stocks shall be arrived at in accordance with the Insured's normal accountancy methods due provision being made for depreciation The words and expressions used in the definition of Uninsured Working Expenses shall have the meaning usually attached to them in the books and accounts of the Insured)

Rate of Gross Profit

The rate which but for the loss of Licence Gross Profit would have borne to Turnover during the Indemnity Period subject to the Other Circumstances Clause

Additional Expenditure

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Shortage in Turnover which would have occurred but for that expenditure but not exceeding the reduction in Gross Profit thereby avoided

Savings in Costs

Any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the loss of Licence

Uninsured Working Expenses

Purchases and discounts relative thereto and bad debts

Special Provisions

- 1 To the extent that the Insured is accountable to the tax authorities for Value Added Tax all terms in this insurance shall be exclusive of such tax
- 2 For the purpose of the Definitions contained in this insurance any adjustment implemented in current cost accounting shall be disregarded
- 3 Other Circumstances Clause
In arriving at any figure subject to this clause regard shall be taken of the trend of the Business and of all circumstances that affected the Business either before or after the loss of Licence or which would have affected the Business had the loss of Licence not occurred
- 4 Professional Accountants' Charges
The Company will pay the reasonable charges payable by the Insured to their professional accountants for producing information required by the Company under the terms of the Claims Conditions and for reporting that such information is in accordance with the Insured's accounts

Special Conditions

1 The Duties of the Insured

The Insured shall give the Company written notice within forty-eight hours of receiving information whether oral or written that

- A) any notice caution or complaint has been given or made against the Premises or the tenant manager occupier or Licence holder or that such person has been summoned or charged with or convicted of or committed for trial for any offence whatsoever
- B) an application for renewal is to be opposed or that its consideration is adjourned or referred to the compensation authority or the Licence holder is required to give any undertaking or structural alterations are required
- C) the Licence holder has died become bankrupt absconded or been rendered incapable by sickness or other infirmity of carrying on business

2 Claims

Notwithstanding Claims Condition 2 of this Policy the Insured shall give the Company written notice within twenty-four hours of the forfeiture suspension or refusal to renew any Licence or of any event likely to prejudice the Licence coming to the knowledge of the Insured stating (as far as the Insured are able) the grounds on which any order was made or the particulars of such event and the Company shall be entitled to appeal in the name of the Insured against any such refusal to renew forfeiture or suspension and shall have full discretion in the conduct of any proceedings The Insured shall give the Company all such assistance as the Company may require

3 Alterations

No alteration to the Premises shall be made without the sanction of the licensing and other competent authorities and no application shall be made for the removal of the Licence to other premises nor shall any offer be made to surrender or discontinue any Licence without the written consent of the Company The Insured shall from time to time give all such information as the Company may require for any purpose connected with this insurance and the risk hereby insured against and any of the duly authorised representatives of the Company may at all reasonable times enter and inspect the Premises

4 The Rights of the Company

The Company shall exercise against the tenant manager or occupier of any Premises and the Licence holder all rights powers and privileges which the Insured may be entitled so to exercise and which may be calculated to protect any Licence against loss or to protect the interest of the Insured The Insured shall make all such applications including application to the Magistrates Court for a protection order and generally do all such acts or things which the Insured may be entitled to do under the Licensing Acts or otherwise and which are calculated or intended to prevent the loss of any Licence by non-renewal forfeiture or suspension In the event of the death bankruptcy or incapacity of any tenant manager occupier or Licence holder or if any such person shall abscond or be convicted of any offence the Insured shall procure a suitable person to replace him and forthwith make application for the transfer of the Licence or grant of the Licence by way of renewal to such other person

General Memoranda

Payments on Account

Payments on account may be made during the Indemnity Period if desired

Automatic Reinstatement after a Loss

(not applicable in respect of Outstanding Debit Balances or Loss of Liquor Licence)

In the absence of written notice by the Insured or the Company to the contrary the Company's liability shall not be reduced by the amount of any loss the Insured undertaking to pay the appropriate additional premium for such automatic reinstatement of cover

Records

The Insured shall maintain a record elsewhere than in the building in which the original records are kept showing the total amount outstanding in the credit accounts of the Business at the end of each month and in the event of Damage giving rise to claim shall supply that record to the Company

Liability Insurance

Definitions

1 Person Entitled to Indemnity shall mean

- A) the Insured
- B) the personal representatives of the Insured in respect of legal liability incurred by the Insured
- C) at the request of the Insured
 - 1) any principal
 - 2) any director or partner of the Insured
 - 3) any Person Employed against legal liability in respect of which the Insured would have been entitled to indemnity under this Policy if the claim had been made against the Insured
 - 4) the officers committees and members of the Insured's canteen social sports and welfare organisations and first aid fire ambulance medical and security services in their respective capacities as such but this shall not include medical or dental practitioners in relation to medical services provided
 - 5) any director or partner of the Insured or Employee in respect of private work undertaken by any Person Employed for such director partner or Employee with the prior consent of the Insured each of whom shall as though the Insured be subject to the terms of this Policy so far as they can apply

2 Employee shall mean any individual under a contract of service or apprenticeship with the Insured

3 Person Employed shall mean any

- A) Employee
 - B) Labour master and individuals supplied by him
 - C) individual employed by labour only sub-contractors
 - D) self employed individual (not being in partnership with the Insured)
 - E) individual hired to or borrowed by the Insured
 - F) individual undertaking study or work experience while under the supervision of the insured
- } while under the direct control and supervision of the insured

4 Injury shall mean

Section 1

bodily injury death disease or illness

Sections 2 and 3

bodily injury death disease illness wrongful arrest or false imprisonment

5 Property shall mean material property

6 Business shall mean that which is specified in the Schedule and conducted solely from premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man and shall include

- A) ownership repair and maintenance of the Insured's own property
- B) provision and management of canteen social sports and welfare organisations and first aid ambulance and medical services for the benefit of any Person Employed
- C) fire and security services maintained solely for the protection of premises owned or occupied by the Insured
- D) private work undertaken by any Person Employed for any director or partner of the Insured or Employee with the prior consent of the Insured

but in respect of Section 1 shall not include any work undertaken Offshore

7 Offshore shall mean embarkation on to a vessel or aircraft for conveyance to an offshore rig or platform until disembarkation from the conveyance on to land upon return from such offshore rig or platform

8 Event shall mean one occurrence or all occurrences of a series consequent on or attributable to one source or original cause

9 Insured's Contribution shall mean the amount or amounts specified in the Schedule which the Insured agrees to pay

10 Intellectual Property Rights shall mean any patent trade mark copyright registered design technical or commercial information or other intellectual property

The insurance provided by Section 1 is on a costs inclusive basis whereby the costs and expenses of the claimant and the costs and expenses (incurred by the Company or with the Company's written consent) of any Person Entitled to Indemnity are included within the Limit of Indemnity stated in the Schedule

Section 1 Employers' Liability

The Company will provide indemnity to any Person Entitled to Indemnity

- 1** against legal liability for damages in respect of Injury of any Person Employed caused during any Period of Insurance
 - A) in Great Britain Northern Ireland the Channel Islands or the Isle of Man
or
 - B) while temporarily outside these territoriesarising out of and in the course of employment by the Insured in the Business
- 2** against legal liability for claimant's costs and expenses in connection with 1 above
- 3** in respect of
 - A) costs of legal representation at
 - 1) any coroner's inquest or inquiry in respect of any death
 - 2) proceedings in any court arising out of any alleged breach of statutory duty resulting in Injurywhich may be the subject of indemnity under this Section
 - B) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 above
incurred with the Company's written consent

Provided that in respect of any one Event

- 1** the total amount payable under this Section (including all Extensions and Memoranda) shall not exceed the Limit of Indemnity
- 2** the Company may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any less amount for which at the absolute discretion of the Company the claims arising out of such Event can be settled
The Company will then relinquish control of such claims and be under no further liability in respect thereof

Exclusions to Section 1

The indemnity will not apply to legal liability

- 1** of whatsoever nature directly or indirectly caused by or contributed to by or arising from
 - A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - B) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereofwhere such legal liability is
 - 1) that of any principal
 - 2) accepted under agreement and would not have attached in the absence of such agreement
- 2** in respect of Injury for which the Insured is required to arrange motor insurance or security in accordance with any road traffic legislation within the European Community

Extensions to Section 1 (each of which is subject otherwise to the terms of this Policy)

1 Unsatisfied Court Judgements

In the event of a judgement for damages being obtained

- A) by any Employee or the personal representatives of any Employee in respect of Injury of the Employee caused during any Period of Insurance and arising out of and in the course of employment by the Insured in the Business
- B) against any company or individual operating from premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man in any court situate in the territories specified in B) above and
- C) remaining unsatisfied in whole or in part six months after the date of such Judgement

at the request of the Insured the Company will pay to the Employee or the personal representatives of the Employee the amount of any such damages and any awarded costs to the extent that they remain unsatisfied

Provided that

- A) there is no appeal outstanding
- B) if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee shall assign the judgement to the Company

2 Compensation for Court Attendance

In the event of any of the undermentioned persons attending court as a witness at the request of the Company in connection with a claim in respect of which the Insured is entitled to indemnity under this Section the Company will provide compensation to the Insured at the following rates per day for each day on which attendance is required

- | | |
|---|------|
| A) any director or partner of the Insured | £500 |
| B) any Employee | £250 |

Section 2 Public/Products Liability

The Company will provide indemnity to any Person Entitled to Indemnity

- 1 up to the Limit of Indemnity against legal liability for damages in respect of
 - A) accidental Injury of any person
 - B) accidental loss of or damage to Property
 - C) nuisance trespass to land or trespass to goods or interference with any easement right of air light water or way other than legal liability for damages which result from a deliberate act or omission of the Insured or which is a natural consequence of the ordinary conduct of the Business and which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omissionhappening during any Period of Insurance in connection with the Business
- 2 against legal liability for claimant's costs and expenses in connection with 1 above
- 3 in respect of
 - A) costs of legal representation at
 - 1) any coroner's inquest or inquiry in respect of any death
 - 2) proceedings in any court arising out of any alleged breach of statutory duty resulting in any occurrence specified in 1 abovewhich may be the subject of indemnity under this Section
 - B) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 above incurred with the Company's written consent

Provided that in respect of

- A) any one Event
- B) all Events happening during any Period of Insurance in respect of products supplied
- C) all incidents considered by the Company to have occurred during any Period of Insurance in respect of pollution or contamination of buildings or other structures or of water or land or of the atmosphere

the following shall apply

- 1 the total amount payable by the Company in respect of 1 above and all Extensions and Memoranda shall not exceed the Limit of Indemnity
- 2 the Insured's Contribution in respect of damages and claimant's costs and expenses will be payable before the Company shall be liable to make any payment
- 3 the Company may at any time pay the Limit of Indemnity (less any sums already paid as damages) or any less amount for which at the absolute discretion of the Company the claims arising out of such Event can be settled The Company will then relinquish control of such claims and be under no further liability in respect thereof except for costs and expenses for which the Company may be responsible prior to the date of such payment
- 4 where the Company is liable to indemnify more than one person the total amount of indemnity in respect of damages shall not exceed the Limit of Indemnity

Exclusions to Section 2

The indemnity will not apply to legal liability

- 1 arising from or out of the ownership possession or use by or on behalf of the Insured or any Person Entitled to Indemnity of any
 - A) mechanically propelled vehicle other than legal liability arising out of
 - 1) the use of plant as a tool of trade on site
 - 2) the use of plant at the premises of the Insured
 - 3) the loading or unloading of any vehicleexcept where indemnity is provided by any motor insurance contract or where insurance or security is required by law
 - B) aircraft or other aerial device
 - C) aerospace device
 - D) hovercraft
 - E) water-borne craft (other than hand-propelled or sailing craft in inland or territorial waters)
- 2 for bodily injury to or death disease or illness of any Person Employed arising out of and in the course of employment by the Insured in the Business
- 3 for or arising from loss of or damage to any Property which at the time of the Event giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Insured other than
 - A) Employees' directors' partners' or visitors' personal effects including vehicles and their contents
 - B) premises and their contents not owned by or leased or rented to the Insured at which the Insured is undertaking work in connection with the Business
 - C) premises and their fixtures and fittings leased or rented to the Insured unless such legal liability
 - 1) has been accepted by agreement in which case the indemnity will only be provided to the extent that such liability would have attached in the absence of such agreement
 - 2) arises from an agreement to maintain in force insurance in respect of loss of or damage to such premises and their fixtures and fittings
- 4 caused by or arising out of pollution or contamination of buildings or other structures or of water or land or the atmosphere unless the pollution or contamination is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during any Period of Insurance

Provided that all pollution or contamination which arises out of one incident shall be considered by the Company for the purposes of this Policy to have occurred at the time such incident takes place

- 5 A) in respect of loss of or damage to any
 1) Product supplied
 2) contract work executed } by the insured
 caused by any defect therein or the unsuitability thereof for its intended purpose
 B) for the costs of recall removal repair alteration replacement or reinstatement of any
 1) Product supplied
 2) contract work executed } by the insured
 necessitated by any defect therein or the unsuitability thereof for its intended purpose
- 6 arising from or in connection with
 A) advice
 B) design
 C) specification } Provided for a fee
- 7 arising from or in connection with any
 1) Product supplied
 2) contract work executed } by the insured
 where such legal liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement
- 8 for the costs of remedying any defect or alleged defect in premises disposed of by the Insured
- 9 for
 A) fines or penalties
 B) compensation ordered or awarded by a Court of Criminal Jurisdiction
 C) aggravated exemplary or punitive damages awarded by any court outside Great Britain Northern Ireland the Channel Islands or the Isle of Man
- 10 of whatsoever nature directly or indirectly caused by or contributed to by or arising from
 A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 B) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- 11 arising from any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

12 Data Recognition Exclusion

The indemnity will not apply to any liability of whatsoever nature which is caused directly or indirectly by or arises out of the Failure of a System

For the purposes of this Exclusion –

Failure of a System means the failure or inability of a System (whether or not owned by the Insured)

- 1) correctly to recognise or utilise any data concerning a date (whether a date in the Year 2000 or any other date) as being such calendar date as the data is intended to represent
- 2) to operate as a result of any command programmed into the System utilising any date (whether a date in the Year 2000 or any other date)

System includes computers other computing and electronic and mechanical equipment linked to a computer hardware software programs data electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation

Microchip includes integrated circuits and microcontrollers

Subject otherwise to all the terms Exclusions and Conditions of this insurance

Extensions to Section 2 (each of which is subject otherwise to the terms of this Policy)

1 Cross Liabilities

If the Insured comprises more than one party the Company will provide indemnity to each in the same manner and to the same extent as if a separate Policy had been issued to each

Provided that the total amount payable in respect of damages shall not exceed the Limit of Indemnity

2 Compensation for Court Attendance

In the event of any of the undermentioned persons attending court as a witness at the request of the Company in connection with a claim in respect of which the Insured is entitled to indemnity under this Section the Company will provide compensation to the Insured at the following rates per day for each day on which attendance is required

- | | |
|---|-------|
| A) any director or partner of the Insured | £ 500 |
| B) any Employee | £ 250 |

3 Contingent Motor Liability

Notwithstanding Exclusion 1A) the Company will provide indemnity to the Insured against legal liability arising out of the use in the course of the Business by any Employee of any mechanically propelled vehicle not the property of nor provided by the Insured

The indemnity will not apply to legal liability

- A) in respect of loss of or damage to such vehicle or to property conveyed therein
- B) arising while such vehicle is being driven by the Insured
- C) in respect of which the Insured is entitled to indemnity under any other insurance
- D) arising outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

4 Overseas Personal Liability

The Company will provide indemnity to the Insured and if the Insured so requests any Employee or director or partner of the Insured against legal liability incurred in a personal capacity while temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man in connection with the Business

The indemnity will not apply

- A) to legal liability arising out of the ownership or occupation of land or buildings
- B) where indemnity is provided by any other insurance

5 Data Protection Act 1998

The Business shall include the provision of any reciprocal arrangement for the storage or processing of computer data or for use of computer facilities

Provided that the indemnity will not apply to legal liability in respect of any loss or damage sustained by any party to such an arrangement

The Company will also provide an indemnity to the Insured and if the Insured so requests any Employee or director or partner of the Insured against legal liability to pay damages and claimant's costs and expenses for damage or distress as described in Section 13 of the Data Protection Act 1998

Provided that the Insured is registered in accordance with the terms of the Act or has applied for such registration which has not been refused or withdrawn and has taken all reasonable care to comply with the requirements of the Data Protection Act 1998

This Extension shall not apply in respect of

- A) the payments of fines or penalties
- B) the costs of replacing reinstating rectifying or erasing blocking or destroying any personal data
- C) liability arising from or caused by a deliberate or intentional act by or omission of any person eligible for indemnity by this Extension if the result thereof could reasonably have been expected by the Insured or any other person having regard to the nature and circumstances of such act or omission
- D) claims which arise out of circumstances notified to previous insurers or known to the Insured at inception of this Extension
- E) legal liability where indemnity is provided by any other insurance

6 Liability for Guests Property

The Company will provide indemnity to the Insured against legal liability arising out of the – Hotel Proprietors Act 1956

- Hotel Proprietors Act (Northern Ireland) 1958
- Tourism (Liability of Proprietors of Registered Premises) (Jersey) Law 1964
- Hotel and Guest House Proprietors Liability (Bailiwick of Guernsey) Law 1964
- Hotel Keepers Liability Act 1964

Subject to

- A) the Company's liability under this extension not exceeding £25,000 in respect of all events happening during any Period of Insurance
- B) the Insured displaying notices where required by and in accordance with the provisions of either the Hotel Proprietors Act 1956 Hotel Proprietors Act (Northern Ireland) 1958 Tourism (Liability of Proprietors of Registered Premises) (Jersey) Law 1964 Hotel and Guest House Proprietors Liability (Bailiwick of Guernsey) Law 1964 or Hotel Keepers Liability Act 1964 as appropriate
- C) any guest's property deposited with the Insured for safe keeping being kept in a locked safe or strongroom

Memoranda

Fire Certificate

If the Insured is required to have a fire certificate under the terms of the current legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man then it is a condition precedent to liability that either

- A) A current fire certificate must be in force or
- B) The Insured must have applied to the Fire Authority for a fire certificate and the application must not have been withdrawn or refused

Section 3 – Legal Defence Costs

The Company will provide indemnity to the Insured and if the Insured so requests any Employee or director or partner of the Insured

up to the Limit of Indemnity in respect of

- A) legal costs and other expenses incurred with the Company's written consent
- B) costs awarded against the Insured or any director partner or Person Employed

in connection with the defence of criminal proceedings brought or in appeal against a conviction arising from such proceedings relating to an offence alleged to have been committed during any Period of Insurance in the course of the Business but only in respect of proceedings brought as stated in Parts **A** and **B** below

Part A

In respect of a breach of

- 1 the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 where the proceedings relate to the health safety and welfare of any Person Employed director or partner of the Insured

Part B

In respect of a breach of

- 1 the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 where the proceedings relate to the health safety and welfare of any person other than a Person Employed director or partner of the Insured
- 2 Part II of the Consumer Protection Act 1987

Provided that in respect of Part **A** and **B**

- 1 the indemnity will not apply
 - A) to fines or penalties of any kind
 - B) to compensation ordered or awarded by a Court of Criminal Jurisdiction
 - C) where Injury of any person or loss of or damage to Property has occurred
 - D) where indemnity is provided by any other insurance
 - E) to proceedings consequent upon any deliberate act or omission by
 - 1) the Insured
 - 2) any partner or director of the Insured
 - 3) any Employee with any specific responsibility for compliance with the legislation specified in this Section which could reasonably have been expected to constitute a breach of the legislation specified in this Section
- 2 the indemnity will apply only where shown in the Schedule
- 3 the Company may at any time pay the Limit of Indemnity (less any sums already paid) or any less amount for which at the absolute discretion of the Company the claims arising can be settled but including any amount for which the Company may be responsible prior to the date of such payment The Company will then relinquish control of such claims and be under no further liability in respect thereof
- 4 where the Company is liable to indemnify more than one person the total amount of indemnity shall not exceed the Limit of Indemnity

Special Provision

The Company shall pass notification to an organisation in the UK with which it has an agreement for the provision of legal defence costs services and which shall thereafter administer claims settlement on the Company's behalf

Exclusions to Section 3

Data Recognition Exclusion

The indemnity will not apply to proceedings which result directly or indirectly from or arise out of the Failure of a System

For the purposes of this Exclusion –

Failure of a System means the failure or inability of a System (whether or not owned by the Insured)

- 1) correctly to recognise or utilise any data concerning a date (whether a date in the Year 2000 or any other date) as being such calendar date as the data is intended to represent
- 2) to operate as a result of any command programmed into the System utilising any date (whether a date in the Year 2000 or any other date)

System includes computers other computing and electronic and mechanical equipment linked to a computer hardware software programs data electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation

Microchip includes integrated circuits and microcontrollers

Subject otherwise to all the terms Exclusions and Conditions of this insurance

Money Insurance

Section 1 Money

The Company will pay to the Insured up to the Limit of Liability for any loss of or damage to Money and property described in Items 1 to 5 below provided that

- A) as regards Item 3 the loss or damage is due to robbery or attempt thereof
- B) as regards Item 5 the loss or damage is due to theft or attempt thereof
- C) the Company's liability in respect of any one occurrence or number of occurrences arising directly or indirectly from any one source or original cause shall not exceed the relevant Limit of Liability

Item No	Limit of Liability any one loss
1 Money as described in Interpretation 1A	
A) in the Business Premises during Working Hours or in transit or in a bank night safe and thereafter within bank premises until at the bank's risk	As shown in the Schedule
B) in the Business Premises out of Working Hours	
1) in locked safes or strongrooms as shown in the Schedule	As shown in the Schedule
2) in all other locked safes or strongrooms	£2,000 in total
3) not in a locked safe or strongroom	£500
C) in the Insured's residence or that of the Insured's directors partners or employees	
1) whilst in a locked safe or whilst an adult is in the residence	£500
2) otherwise	£250
2 Money as described in Interpretation 1 B	£250,000
3 Clothing and personal effects (not exceeding £25 per person in personal money) belonging to the Insured or any of the Insured's directors partners or employees whilst engaged in the Business	£250 per person
4 Stamped or impressed National Insurance Cards	Unlimited
5 Any postal franking machine safe strongroom or any container or waistcoat used for the carriage of Money belonging to the Insured or for which the Insured is responsible	Unlimited

Subject to the terms conditions and exclusions of the Policy

Exclusions

The Company shall not be liable for

- 1) loss by theft by any director partner or employee of the Insured not discovered within seven working days of the occurrence
- 2) shortage due to error or omission
- 3) loss from an unattended vehicle
- 4) loss due to the use of counterfeit Money
- 5) loss or damage arising from riot or civil commotion in Northern Ireland and the Republic of Ireland
- 6) losses not within Great Britain Northern Ireland the Republic of Ireland and the Channel Islands or the Isle of Man
- 7) loss destruction or damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds
- 8) loss or damage directly arising from war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- 9) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
 - 1) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - 2) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- 10) the first £50 of each and every loss

Definitions

- 1 Money shall mean
 - A. cash bank notes currency notes uncrossed cheques (including travellers cheques but excluding pre-signed blank cheques) uncrossed bankers' drafts uncrossed postal orders uncrossed money orders current postage stamps intended for the Insured's own use current revenue stamps telephone cards intended for the Insured's own use National Insurance stamps (not fixed to cards) National Savings stamps bills of exchange luncheon vouchers consumer redemption vouchers Holiday with Pay stamps gift tokens and trading stamps
 - B. crossed cheques (other than pre-signed blank cheques) crossed banker's drafts crossed giro cheques and drafts crossed postal orders crossed money orders unused units in franking machines National Savings certificates Premium Bonds credit company sales vouchers VAT purchase invoices belonging to the Insured or for which the Insured is responsible and pertaining to the Business
- 2 Working Hours shall mean the period during which the Business Premises are actually open for business and the Insured or those of the Insured's employees who are entrusted with Money are in the Premises

Special Conditions

1 Security Precautions

It is a condition precedent to the Company's liability for loss or damage that

- A) in respect of any Intruder Alarm System installed at the Premises
 - 1) the Intruder Alarm System is maintained in full and effective working order under a contract to provide both corrective and preventive maintenance with the installer or such other contractor agreed by the Company in writing
 - 2) the Premises are not left unattended
 - A) unless the Intruder Alarm System is tested and set in its entirety and is together with the means of communication used to transmit signals in full and effective operation and where the equipment permits any Alarm Receiving Centre to which the Intruder Alarm System is connected has acknowledged the setting signal
 - B) if police response to alarm calls has been withdrawn without the written agreement of the Company
 - 3) where the Intruder Alarm System is required or approved by the Company as a condition of cover it is installed in accordance with a specification agreed in writing by the Company
 - 4) no alteration to or substitution of
 - A) any part of the Intruder Alarm System
 - B) the procedures agreed by the Insured for police or any other response to any activation of or other warning signal pertaining to the Intruder Alarm System
 - C) the maintenance contract shall be made without the written agreement of the Company
 - 5) no structural alteration of or changes in layout to the Premises that could affect operation of the Intruder Alarm System shall be made without the written agreement of the Company
 - 6) the Insured shall maintain secrecy of codes for operation of the Intruder Alarm System and shall not leave details of such codes at the Premises when the Premises are unattended
 - 7) the Insured shall appoint at least two Keyholders and shall record details of the Keyholders with the police and any Alarm Receiving Centre to which the Intruder Alarm System signals
 - 8) any change of Keyholder details shall be notified immediately to the police and any Alarm Receiving Centre to which the Intruder Alarm System signals
 - 9) 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 system is set a Keyholder shall attend and allow access to the Premises without delay
 - 10) in the event that the Insured receives any notification
 - A) from the police alarm installer/maintenance contractor or Alarm Receiving Centre that response to alarm signals or line interruptions from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
 - B) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
 - C) 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 1 0am on the Company's next working day and comply with any subsequent requirements stipulated by the Company
- B) whenever the Business Premises are left unattended
 - 1) all locks bolts and other protective devices are in full and effective operation
 - 2) all keys relating to any part of the Intruder Alarm System are removed from the Premises
- C) out of Working Hours all keys and notes of combination lock letters and numbers of safes and strong rooms containing Money are removed from the Premises

Definitions

Intruder Alarm System includes all lines and equipment used to transmit the signals to and from the Premises

Keyholder shall mean any person or keyholding company authorised by the Insured who is available at all times when the Intruder Alarm System is set to accept notification of faults or alarm signals or messages relating to the Intruder Alarm System

2 Contribution

If at the time of any claim under this Section the Insured is or would but for the existence of this Policy be entitled to indemnity under any other policy or policies the Company shall not be liable except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this Section not been effected

Section 2 Personal Injury (Robbery)

In the event of the Insured or any director partner or employee of the Insured (hereinafter called the Insured Person) sustaining accidental Bodily Injury which

- A) is sustained solely and directly as a result of robbery or attempt thereof while such Insured Person is engaged in the Business and
 - B) within two years is the sole cause of Death Disablement or incurring of Medical Expenses for which the Benefit is claimed
- The Company will pay the appropriate Benefit to the Insured in accordance with the number of Units of cover as shown in the Schedule

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

Exclusions

The Company will not pay the Benefit if

- 1 Bodily Injury is sustained by any person before such person attains the age of sixteen years or after the expiry of the Period of Insurance during which such person attains the age of seventy five years
- 2 Bodily Injury Death Disablement or Medical Expenses is the result of or is contributed to by the Insured Person having a physical or mental defect of any sort which was known either to the Insured or the Insured Person when the Policy was issued or at renewal
However the exclusion shall not apply if the defect has been notified to the Company and accepted in writing

Definitions

- 1 Benefit shall mean
 - 1 Death
 - 2 Disablement
 - 3 Loss of one or more Limbs or Eyes
 - 4 Permanent Total Disablement other than by Loss of Limb or Eye from gainful employment of any and every kind
 - 5 Temporary Total Disablement from usual occupation
 - 6 Medical Expenses necessarily incurred in the treatment of the Insured Person
- 2 The amount payable for each Unit of cover shall be:
Benefit
 - 1 £5,000
 - 2 £5,000
 - 3 £5,000
 - 4 £50 per week for a maximum of 104 weeks in all and not necessarily consecutive
 - 5 Reimbursement up to 15% of the amount payable under Benefit 4
- 3 Loss of Limb shall mean
 - A) in the case of a leg loss by physical severance at or above the ankle or permanent total loss of use of a complete foot or leg
 - B) in the case of an arm loss by physical severance of the entire four fingers through or above the meta carpo phalangeal joints or permanent total loss of use of a complete arm or hand
- 4 Loss of Eye shall mean permanent and total loss of sight which will be considered as having occurred
 - A) in both eyes if the Insured Person's name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist
 - B) in one eye if the degree of sight remaining after corrections is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Insured Person should see at 60 feet)
- 5 Medical Expenses shall mean the cost of medical surgical or other remedial attention treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital nursing home and ambulance charges

THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE

LEGAL EXPENSES INSURANCE

The cover is provided by DAS Legal Expenses Insurance Company, authorised and regulated by the Financial Services Authority. To make sure that you get the most from your DAS cover, please take time to read the policy which explains the contract between us. *Please take extra care in following the procedures under **Employment Compensation Awards cover (insured incident 1(b))**.*

It will help if you keep the following points in mind:

How we can help

To make a claim under your policy please telephone us on 0117 934 2111. We will ask you about your legal dispute and if necessary call you back at an agreed time to give you legal advice. If your dispute needs to be dealt with as a claim under this policy, we will provide you with a claim reference number. At this point we will not be able to confirm that you are covered but we will pass the information you have given us to our claims handling teams and explain what to do next.

If you would prefer to report your claim in writing please send it to the Claims Department, DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol BS1 6NH.

Alternatively you can email your claim to us at newclaims@das.co.uk.

Claims are usually handled by a representative appointed by us, but sometimes we deal with them ourselves. Claims outside the United Kingdom may be dealt with by other DAS offices elsewhere in Europe.

If you need help from us

You can phone us any time on 0117 934 2111 for advice on any commercial legal or tax problem affecting your business.

When we cannot help

Please do not ask for help from a solicitor or accountant before we have agreed. If you do, we will not pay the costs involved.

Problems

We will always try to give you a quality service. If the insured person thinks we have let you down, please write to our Customer Relations Department at our Head Office address shown below. Or you can telephone us on 0117 934 0066 or email us at customerrelations@das.co.uk.

Details of our internal complaint-handling procedures are available on request.

Our Head and Registered Office is:

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

THIS IS YOUR COMMERCIAL LEGAL PROTECTION POLICY

The proposal or any information supplied by **the policyholder** shall be incorporated in the contract.

This section will cover the **insured person** in respect of any **insured incident** arising in connection with the business shown in the policy schedule providing the premium has been paid.

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

- a) the **date of occurrence** of the **insured incident** happens during the **period of insurance** and within the **territorial limit**; and
- b) any legal proceedings will be dealt with by a court, or other body which **we** agree to, in the **territorial limit**; and
- c) in civil claims it is always more likely than not that an **insured person** will recover damages (or obtain any other legal remedy which **we** have agreed to) or make a successful defence.

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

If a **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 event arising at the same time or from the same originating cause is £100,000.

THE MEANING OF WORDS IN THIS POLICY

- 1 We, us, our**
DAS Legal Expenses Insurance Company Limited.
- 2 The policyholder**
As shown in the policy schedule.
- 3 Insured person**
The policyholder and the directors, partners, managers and employees.
- 4 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 section.
- 5 Period of insurance**
The period for which **we** have agreed to cover the **insured person** and for which the premium has been paid.
- 6 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.
- 7**
 - a) **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.
 - b) **Tax intervention enquiry**
An examination by HM Revenue & Customs to measure the level of compliance in **the policyholder's** financial accounting records to highlight areas where errors have or may occur.
- 8 Date of occurrence**
 - 1) For civil cases (other than under **insured incident - 7 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, mandatory registration 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 **tax intervention enquiries**, the **date of occurrence** is when HM Revenue & Customs first contacts **the policyholder** in relation to commencing an intervention enquiry into their business accounts.

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**.

- 9 Costs and expenses**
 - **Legal costs**
All reasonable and necessary costs chargeable by the **representative** on a standard basis.

Also the costs incurred by opponents in civil cases if an **insured person** has been ordered to pay them, or pays them with **our** agreement.
 - **Accountant's costs**
A reasonable amount in respect of all costs reasonably incurred by the **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 **representative** or while attending jury service. **We** will pay for each half or whole day that the court, tribunal or the **insured person's** employer will not pay for.

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

10 Territorial limit

- For **insured incidents 2 Legal Defence (excluding 2(4))**, and **6(b) 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.
- For all other **insured incidents**
The United Kingdom of Great Britain and Northern Ireland, the Isle of Man, the Channel Islands.

INSURED INCIDENTS WE WILL COVER

1. EMPLOYMENT DISPUTES AND COMPENSATION AWARDS

A) Employment Disputes

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

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

What is not covered

- 1) Any claim in respect of damages for personal injury or loss of or damage to property.
- 2) Any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Transfer of Employment (Pension Protection) Regulations 2005.

B) Compensation Awards

We will pay:

- 1) any basic and compensatory award; and/or
- 2) an order for compensation following a breach of **the policyholder's** statutory duties under employment legislation in respect of a claim **we** have accepted under **insured incident 1(a)**.

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

What is not covered

- 1) Any compensation award relating to the following:
 - trade union activities, trade union membership or non-membership;
 - pregnancy or maternity rights;
 - health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
 - statutory rights in relation to trustees of occupational pension schemes;
 - statutory rights in relation to Sunday shop and betting work.
- 2) Non-payment of money due under the relevant contract of employment or statutory provision relating thereto.
- 3) Any award ordered because **the policyholder** has failed to provide relevant records to employees under the National Minimum Wage laws.
- 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
 - Police
 - Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officerwhere it is alleged that the **insured person** has or may have committed a criminal offence; or
 - b) following an event which leads to the **insured person** being prosecuted in a court of criminal jurisdiction; or
 - c) if civil action is taken against the **insured person** for compensation under section 13 of the Data Protection Act 1998. **We** will also pay any compensation award made against the **insured person** under section 13 of the Data Protection Act 1998.

- 2) **We** will defend **the policyholder's** legal rights following civil action taken against **the policyholder** for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the **period of insurance**.
- 3) **We** will defend the **insured person's** (other than **the policyholder**) legal rights if:
 - a) an event arising from their work as an employee leads to civil action being taken against them under legislation for unlawful discrimination on the grounds of sex, sexual orientation, race, disability, age, religious belief or political opinion; or
 - b) civil action is taken against them as a trustee of a pension fund set up for the benefit of **the policyholder's** employees.
- 4) **We** will represent the **insured person** in appealing against the imposition or terms of any Statutory Notice issued under legislation affecting **the policyholder's** business.
- 5) **We** will represent **the policyholder** in appealing against the refusal of the Information Commissioner to register **the policyholder's** application for registration.
- 6) **We** will pay the **attendance expenses** of an **insured person** for jury service.

Provided that

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

What is not covered

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

3. STATUTORY LICENCE PROTECTION

We will represent **the policyholder** in appealing to the relevant statutory or regulatory authority, court or tribunal following a decision by a licensing or regulatory authority to suspend, or alter the terms of, or refuse to renew, or cancel **the policyholder's** licence, mandatory registration or British Standard Certificate of Registration.

What is not covered

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

4. CONTRACT DISPUTES

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 but does not exceed £5,000.*
- 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 this section.
- 2) Any claim relating to the following:
 - the settlement payable under an insurance policy;
 - a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or tenancy agreement;
 - a loan, mortgage, pension or any other financial product and choses in action;
 - a motor vehicle owned by, or hired or leased to, **the policyholder** other than agreements relating to the sale of motor vehicles where **the policyholder** is engaged in the business of selling motor vehicles.
- 3) A dispute with an employee or ex-employee which arises out of, or relates to, a contract of employment with **the policyholder**.
- 4) A dispute which arises out of the:
 - sale or provision of computer hardware, software, systems or services; or
 - the purchase or hire of computer hardware, software, systems or services tailored by a supplier to **the policyholder's** own specification.
- 5) A dispute arising from a breach or alleged breach of professional duty by an **insured person**.
- 6) The recovery of money and interest due from another party other than disputes where the other party intimates that a defence exists.

5. DEBT RECOVERY

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) *A claim for debt recovery under this policy is made within 90 days of the money becoming due and payable.*
- 3) ***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 this section.
- 2) Any claim relating to the following:
 - the settlement payable under an insurance policy;
 - a lease, licence or tenancy of land or buildings;
 - a loan, mortgage, pension or any other financial product and choses in action;
 - a motor vehicle owned by, or hired or leased to, **the policyholder** other than agreements relating to the sale of motor vehicles where **the policyholder** is engaged in the business of selling motor vehicles.
- 3) A dispute 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.

6. PROPERTY PROTECTION AND BODILY INJURY

a) Property Protection

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

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

What is not covered

Any claim relating to the following:

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

b) Bodily Injury

At **the policyholder's** request, **we** will negotiate for an **insured person's** and their family members' legal rights following an event which causes the death of, or bodily injury to them.

What is not covered

Any claim relating to the following:

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

7. TAX PROTECTION

a) Full or Aspect Enquiries

We will negotiate on behalf of **the policyholder** in respect of a **full enquiry** and/or **aspect enquiry** and represent them in any subsequent appeal proceedings.

b) Tax Intervention Enquiries

We will negotiate on behalf of **the policyholder** and represent them in any dealings with HM Revenue & Customs in respect of a **tax intervention enquiry**.

c) 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.

d) 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 £2,000 for claims in respect of **aspect enquiries** or **tax intervention enquiries**.

What is not covered

- 1) In respect of **aspect enquiries** and **tax intervention 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 Investigations Section or Special Civil Investigations or the Revenue & Customs Prosecution Office.
- 5) Any **insured incident** arising from any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

WHAT IS NOT COVERED BY THIS SECTION

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 **insured incident 1(b) Compensation Awards** and **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 rights under a franchise or agency agreement entered into by **the policyholder**.
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. Judicial review.
10. Any claim caused by, contributed to by or arising from:
 - ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel;
 - the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it;
 - war, invasion, foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, military force or coup;
 - pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.
11. Legal action an **insured person** takes which **we** or the **representative** have not agreed to or where the **insured person** does anything that hinders **us** or the **representative**.
12. 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 of 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.
13. Apart from **us**, the **insured person** is the only person who may enforce all or part of this policy and the rights and interests arising from or connected with it. This means that the Contracts (Rights of Third Parties) Act 1999 does not apply to the policy in relation to any third-party rights or interest.
14. Any claim directly or indirectly caused by or resulting from any device failing to recognise, interpret or process any date as its true calendar date

CONDITIONS WHICH APPLY TO THE WHOLE OF THIS SECTION

- 1 An **insured person** must:
 - a) keep to the terms and conditions of this section;
 - 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) **We** will choose the **representative** to represent an **insured person** in any proceedings where **we** are liable to pay a compensation award. In any other case an **insured person** is free to choose a **representative** (by sending **us** a suitably qualified person's name and address) if:
 - I. **we** agree to start legal proceedings and it becomes necessary for a lawyer to represent the interests of an **insured person** in those proceeding; or
 - II. there is a conflict of interest.
 - c) Before an **insured person** chooses a lawyer or an accountant, **we** can appoint a **representative**.
 - d) A **representative** will be appointed by **us** and represent an **insured person** according to **our** standard terms of appointment (which may include a 'no win, no fee' agreement). The **representative** must co-operate fully with **us** at all times.
 - e) **We** will have direct contact with the **representative**.
 - f) An **insured person** must co-operate fully with **us** and with the **representative** and must keep **us** up-to-date with the progress of the claim.
 - g) An **insured person** must give the **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 **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 a **representative** refuses to continue acting for an **insured person** with good reason or if an **insured person** dismisses a **representative** without good reason, the cover **we** provide will end at once, unless **we** agree to appoint another **representative**.
- 6 If an **insured person** settles a claim or withdraws their claim without **our** agreement, or does not give suitable instructions to a **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 there is a disagreement about the way **we** handle a claim that is not resolved through **our** internal complaints procedure, **we** and the **insured person** can choose a suitably qualified person to arbitrate. **We** and the **insured person** must both agree to the choice of this person in writing. Failing this **we** will ask the president of a national association relevant to the arbitration to choose a suitably qualified person. All costs of resolving the matter must be paid by the party whose argument is rejected. If the decision is not clearly made against either party, the arbitrator will decide how the costs are shared.
- 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 policy at any time as long as **we** tell **the policyholder** at least 14 days beforehand. **The policyholder** can cancel this policy at any time as long as **we** are told at least 14 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 This policy will be governed by English law.
- 12 All Acts of Parliament within the policy wording shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man or the Channel Islands as the case may be.

HELPLINE SERVICES

We provide these services 24 hours a day, seven days a week during the **period of insurance**. To help **us** check and improve **our** service standards, **we** record all calls.

EUROLAW COMMERCIAL LEGAL ADVICE

We will give **the policyholder** confidential legal advice over the phone on any commercial legal problem affecting the business, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway.

TAX ADVICE

We will give **the policyholder** confidential advice over the phone on any tax matters affecting the business, under the laws of the United Kingdom.

BUSINESS ASSISTANCE

In the event of an unforeseen emergency affecting **the policyholder's** business premises which causes damage or potential danger, **we** will contact a suitable repairer or contractor and arrange assistance on behalf of **the policyholder**. All costs of assistance provided are the responsibility of **the policyholder**.

To contact the above services, phone us on 0117 934 2111 quoting your policy number.

COUNSELLING

We will provide all employees (including any members of their immediate family who permanently live with them) of **the policyholder** with a confidential counselling service over the phone including, where appropriate, onward referral to relevant voluntary and/or professional services.

To contact the counselling helpline, phone us on 0117 934 2121. These calls are not recorded.

We will not accept responsibility if the Helpline Services fail for reasons we cannot control. Please do not phone us to report a general insurance claim.

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 employmentmanual@das.co.uk with your email address, quoting your policy number and **we** will contact you by email to inform you of future updates to the information.

BUSINESSLAW

At www.towergatebusinesslaw.co.uk **you** will find a free, online reference full of the sorts of letters, articles and forms that will help **you** run **your** business successfully. Towergatebusinesslaw users can also access interactive document builders, to help make composing common commercial documents as easy as possible.

From new legislation and employment issues to property law and taxation, **you** will find the content provided by Towergatebusinesslaw is updated regularly by legal experts to help **you** keep **your** business one step ahead.

To access Towergatebusinesslaw, **you** will need to register at www.towergatebusinesslaw.co.uk, using **your** DAS policy number **TS5/5795635** and the password **TOW472301**.

If **you** experience any problems accessing the service, please e mail details of **your** problem to businesslaw@das.co.uk with **your** policy number in the subject box.

If you have a specific legal problem or dispute, you should always contact your legal advice helpline for advice.

- 5 Loss of Eye shall mean permanent and total loss of sight which will be considered as having occurred
 A) in both eyes if the Insured Person's name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist
 B) in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Insured Person should see at 60 feet)
- 6 Medical Expenses shall mean
 the cost of medical surgical or other remedial attention treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital nursing home and ambulance charges
- 7 Aircraft Accumulation Limit
 If a limit is shown in the Schedule this shall mean the maximum amount the Company will pay under this Policy and any other policy issued by the Company in the name of the Insured in respect of all Insured Persons travelling in the same aircraft In the event of the Aircraft Accumulation Limit being exceeded the Company's liability in respect of each Insured Person travelling in the aircraft shall be proportionately reduced until the total does not exceed that limit
- 8 Incident shall mean
 The duration and radius of any one incident shall be limited to
 A) 72 consecutive hours and
 B) 100 miles
 no loss which occurs outside this distance or period shall be included in that incident
- 9 Incident Limit shall mean
 The maximum amount the Company will pay in the aggregate under this Policy and any other policy of Personal Accident Insurance issued by the Company in the Insured's name in respect of all losses arising out of one and the same Incident
- 10 Terrorism shall mean
 Any act including but not limited to the use of force or violence and/or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political 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
- 11 War shall mean
 War invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

Special Conditions

- 1 Disappearance
 In the event of disappearance of the Insured Person if after a suitable period of time it is reasonable to believe that death has occurred as a result of accidental Bodily Injury the Death Benefit shall become payable subject to a signed undertaking that if the belief is subsequently found to be wrong such Death Benefit shall be refunded to the Company
- 2 Benefits
 A) Benefit shall not be payable in respect of any one Insured Person under more than one of Benefits 1 to 4 in connection with the same accident
 B) on the happening of an accident giving rise to a claim under any of Benefits 1 to 4 this insurance shall thereafter cease to apply to that Insured Person
 C) Total Disablement shall have lasted for 104 weeks and have been proved to the satisfaction of the Company to be permanent and without expectation of recovery before Benefit 4 becomes payable
 D) If no Death Benefit is included in respect of the Insured Person no Benefit shall be payable for Loss of Limb or Eye until at least thirteen weeks after the date of the accident and such Benefit shall then only be payable if the Death Benefit would not if included have become payable during that thirteen weeks a result of the accident If a Death Benefit is included but is less than the appropriate Benefit for Loss of Limb or Eye the amount payable for Loss of Limb or Eye shall not exceed the Death Benefit until thirteen weeks have elapsed from the date of the accident and the balance shall then only be payable if the Death Benefit has not in the meantime become payable as a result of the accident
 E) The amount payable under Benefit 7 shall be reimbursement up to a maximum amount of £2,500 in respect of any accident to any one Insured Person irrespective of the number of Units of Cover taken
 F) no sum payable shall carry interest
 G) no Benefit shall be payable due solely to inability to take part in sports or pastimes
 H) Benefits 5 and 6 are payable per week for a maximum of 104 weeks in all not necessarily consecutive
- 3 **Special Provisions**
 The Company shall not automatically accept or be affected by any notice of any trust assignment or the like which relates to this insurance
- 4 **Contribution**
 Claims Condition 7 does not apply to this insurance

THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE

Fidelity Insurance

Cover

The Company will indemnify the Insured

- 1 against direct loss of money or goods belonging to them or for which they are legally responsible caused by any act of Theft committed during the Period of Insurance by any Employee described in the Schedule normally resident within the Geographical Limits and discovered not later than 24 months after the termination of
 - A) this insurance
 - B) the insurance in respect of any Employee specified by name or positionwhichever occurs first
- 2 for auditor's fees incurred with the Company's written consent solely to substantiate the amount of the claim
- 3 for the reasonable cost of re-writing or amending the software programs or systems where such re-writing or amending is necessary to correct the programs or amend the security codes following the fraudulent use of computer hardware or software programs or computer systems the subject of a claim for which liability is admitted under the Policy

Previous Insurance

If this insurance immediately supersedes a Fidelity 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 continuation of the Superseded Insurance if the loss is not recoverable thereunder solely because the period allowed for discovery has expired

Provided that

- 1 such insurance had been continuously in force from the time of the loss until inception of this insurance
- 2 the loss would have been insured by this insurance had it been in force at the time of the loss
- 3 the liability of the Company shall not exceed whichever is the lesser of
 - A) the amount recoverable under the insurance in force at the time of the loss or
 - B) the Limit of Indemnity under this insurance

In any event the total liability of the Company in respect of any One Claim continuing through both the term of the Superseded Insurance and the continuation of this insurance shall not exceed the Limit of Indemnity applicable under this insurance

Non-Contribution - Legal Liability

If at the time of loss of money or goods 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

Application of Limitations

Irrespective of the number of Periods of Insurance during which this insurance (and any insurance issued in substitution therefor) shall remain in force the total liability of the Company in respect of any One Claim shall not exceed the Limit of Indemnity

Limitations

The liability of the Company in respect of any One Claim caused by one employee shall not exceed the Limit of Indemnity applicable to that Employee The liability of the Company in respect of all claims during any one Period of Insurance shall not exceed the Aggregate Limit of Indemnity specified in the Schedule

In the event that One Claim is caused by two or more Employees Acting In Collusion the liability of the Company in all shall not exceed whichever of the individual limits of indemnity applicable to the Employees involved is the greater

Exclusions

The Company shall not be liable for

- 1 loss of interest or consequential loss of any kind
- 2 the amount of the Insured's Contribution
- 3 loss caused by any act of any Employee committed prior to the Commencement Date applicable to that Employee

Definitions

Theft

shall include any act of fraud or dishonesty by any Employee committed with the clear intent of obtaining an improper financial gain for themselves or for any other person or organisation intended by the Employee to receive such gain other than salaries fees commission or other employee benefit earned in the normal course of employment

Employee

shall mean any person

- A) under a contract of service or apprenticeship with the Insured or
- B) undergoing training under any Government approved training scheme under the control of the Insured in connection with the Business whilst in the service of the Insured

Commencement Date

shall mean the date from which insurance in respect of any Employee commenced

Whilst in the service of the Insured

shall include the period of 30 days immediately following the termination of service

The term **Employee** shall include

- A) any director of the Insured if such person
 - 1) is also employed by the Insured under a contract of service and
 - 2) controls no more than 5% of the issued share capital of the Insured company or of any subsidiary of the Insured company
- B) any person retired from full-time employment with the Insured who is working for the Insured as a consultant under the control or direction of the Insured

Geographical Limits

shall mean Great Britain Northern Ireland the Channel Islands and the Isle of Man

Insured's Contribution

the first part of any One Claim borne by the Insured as specified in the Schedule or as otherwise provided for by this Policy

One Claim

shall mean all acts of Theft throughout the continuation of this insurance (or any insurance issued in substitution there of or for which this insurance is substituted) committed by one individual Employee or by two or more Employees Acting in Collusion

Acting in Collusion

shall mean all circumstances where two or more Employees are concerned or implicated together or materially assist each other in committing the acts of Theft

Minimum Standards of Control**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

'Cheque' signing

All cheques or other bank instruments drawn for more than £25,000 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

Payroll

In respect of Employees not paid by crossed cheque or credit transfer the cast 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

Stocktaking

There will be a physical check on all stock and materials held against verified stock records independent of Employees responsible at intervals of not more than 12 months except where otherwise stated herein

Ordering goods

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

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

Annual Holiday Entitlement

Every Employee who will be responsible for money goods accounts computer operations or computer programming shall be required to take an uninterrupted holiday of at least two weeks in each calendar year during which they perform no duties and are required to stay away from their place of work

Minimum Standards of Control Condition

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 the Company is advised and its written approval obtained

All Employees shall be instructed as to their duties or responsibilities in respect of the Minimum Standards of Control and be expected to comply

Compliance with this condition is a condition precedent to any liability of the Company

20/80 Extension

In the event that any claim results from or is contributed to by the failure of any Employee or Employees to comply with any part of the Minimum Standards of Control provided that the Insured can conclusively demonstrate

- a) that they had complied with the condition stated above and
- b) such failure was without their knowledge or consent or that of any Responsible Official

Then the Company will pay any claim resulting therefrom but subject to the Insured bearing

- a) in addition to the amount of the Insured's Contribution 20% of the amount for which the Company would otherwise have been liable or
- b) £2,500 in all

whichever shall be the greater

A Responsible Official shall mean

- a) any director or executive officer or accounting or audit manager of the Insured or of any subsidiary company whose employees are insured by this Policy
- b) an internal auditor inspector accountant or other person responsible for overseeing compliance with standards of supervision accounting or security

If the Minimum Standards of Control are evaded by the actual Employee or Employees committing the Theft without the knowledge of some other person who is a Responsible Official or of the Insured the claim will be payable without deduction subject otherwise to the terms of the Policy

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 or government sponsored youth training schemes one character reference shall be obtained

A written record of any verbal reference shall be made at the time it is obtained The original copy of each written reference and the record of any verbal reference shall be retained by the Insured and shall be made available for inspection by the Company on request

Temporary Agency Staff Extension

The term Employee shall include

any person furnished by a staff or employment agency who by arrangement with such agency is working for the Insured on a temporary or part-time basis in connection with the business to perform the functions and duties of an Employee under the control or direction of the Insured but not including persons employed as drivers or in connection with warehouse duties or with computer operations or computer programming unless specifically stated as insured herein

Provided that

- 1 the Company shall not be liable for any loss caused by any such person if such loss is also covered for the benefit of the Insured by any insurance or guarantee held by the staff or employment agency furnishing the person concerned
- 2 the amount of wages and salaries declared shall include the total amount of fees paid to staff and employment agencies in respect of temporary agency staff described above
- 3 The References Condition shall not apply to the temporary agency staff described above

Pension Fund Trustees Extension

At the request of the Insured the Company will indemnify the Trustees of any pension fund or other employee benefit scheme set up to provide benefit to the Insured's Employees in respect of any loss of money or goods which the Trust may incur as a result of any act of Theft as otherwise insured by this Policy committed by any Employee of the Insured

For the purpose of this extension all persons nominated as Trustees shall be deemed Employees

Special Conditions

- 1 Immediately following the discovery by the Insured of any act of Theft by an Employee all indemnity for further acts of Theft by that Employee shall cease
- 2
 - A) Any money of the Employee in the Insured's hands upon discovery of any loss and any money which but for the Employee's Theft would have been due to the Employee from the Insured shall be deducted from the amount of the loss before a claim is made under this insurance
 - B) Any further monies which are recovered less any costs incurred in recovery shall accrue
 - 1) in the event that the Insured's claim has exceeded the Limit of Indemnity firstly to the benefit of the Insured to reduce or extinguish the amount of the Insured's loss (but not the Insured's Contribution)
 - 2) thereafter to the benefit of the Company to the extent of the claim paid or payable
 - 3) and finally to the benefit of the Insured where the Insured's Contribution had been deducted from the claim
- 3 Upon the termination of service of any Employee the Insured shall take all reasonable security precautions to prevent Theft by that Employee

Memorandum

Index Linking

The Company will adjust the estimate of wages provided by the Insured and on which the premium for this Insurance is based in line with suitable indices of costs and the premium for renewal will be based on the adjusted amount

Terrorism Exclusion

Applicable to

- Property Damage Insurance
- Business Interruption Insurance
- Money Insurance
- Fidelity Insurance

in so far as they form part of this Policy

This insurance does not cover Damage or loss resulting from Damage occasioned by or happening through or in consequence directly or indirectly of

- a) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss

and

- b) in Northern Ireland civil commotion

This Policy also excludes Damage or loss resulting from Damage directly or indirectly caused by resulting from or in connection with any action aimed in controlling preventing suppressing or in any way relating to an act of Terrorism

Terrorism means acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

In any action suit or other proceedings where the Company alleges that by reason of this exclusion any Damage or loss resulting from Damage is not covered by this Policy the burden of proving that such Damage or loss is covered shall be upon the Insured

Optional Extensions

Personal Insurance Extension

This extension is inoperative unless stated as operative in the policy schedule

For the purposes of this extension only where the Insured is a private limited company the Insured shall be deemed to be those directors of the Insured who were permanently residing at the Premises where the damage occurred at the time of the Damage

Applicable to Property Damage Insurance

- A) The definition of General Contents includes
 - Household Contents
- B) The following are added to the Definitions of Property

Household Contents

Household goods Valuables personal belongings personal documents and pedal cycles belonging to

- a) the Insured
- b) the spouse or partner of the Insured
- c) members of the Insured's family permanently residing with the Insured
- d) or for which they are responsible under contract excluding
 - Money
 - Motor vehicles and children's motor vehicles whether licensed for road use or not (other than motorised or electric wheelchairs)
 - Mechanically propelled or assisted vehicles (other than garden machinery and pedestrian controlled vehicles)
 - Aircraft trains and boats (other than models) gliders hang gliders wetbikes hovercraft and other mechanically propelled or assisted watercraft
 - Caravans trailers or parts or accessories for any of them whether attached or detached other than removable entertainment equipment whilst removed
 - Animals
 - Any equipment or other property used for purposes of the Business or any other business

Valuables

Televisions audio and video entertainment equipment CDs DVDs and computer games photographic equipment binoculars jewellery watches articles of precious metal clocks paintings works of art musical instruments stamp medal and coin collections

- C) The liability of the company in respect of Damage to Valuables shall not exceed
 - £1500 in respect of any one item
 - £7500 in respect of any one lossunless a lower limit applies elsewhere in this Policy whereby that will supercede the above limits
- D) In respect of the Contents Removed from the Premises Memorandum the Property and Location and Limit of Liability for any one loss are restated as follows: -

Property and Location

Machinery plant fixtures fittings and other trade equipment office equipment and business computers patterns models moulds and designs documents manuscripts and business books at any location and whilst in transit

Jewellery watches cameras binoculars mobile phones and other personal items normally worn or carried by the Insured the spouse or partner of the Insured or members of the Insured's family permanently residing with the Insured at any location and whilst in transit excluding Money and subject to a limit of £1 000 in respect of theft from any unattended vehicle

Pedal cycles and their accessories at any location and whilst in transit excluding theft of pedal cycles which have been left unattended unless the pedal cycle was in a building or locked to an object that cannot be moved at the time it was stolen

Limit of Liability for any one loss

£2,500

- E) The following is added to the General Provisions applicable to all items

Alternative Accommodation

In the event of Damage to any Premises insured by this policy caused by one of the Covers resulting in the Premises being uninhabitable the Company will indemnify the Insured in respect of any reasonable expenditure incurred in the provision of comparable accommodation for the Insured the spouse or partner the Insured and members of the Insured's family permanently residing with the Insured at the time of the Damage including any incidental removal costs and expenses excluding

- a) any costs agreed without the written consent of the Company
- b) any costs that will be incurred once the Premises becomes habitable again
- c) the costs of alternative accommodation for anyone who is not the Insured the spouse or partner of the Insured or a member of the Insured's family permanently residing with the Insured at the time of the Damage
- d) any costs arising from Damage by any one of the Covers which is specifically excluded by that Cover
- e) any cost relating to accommodation taken after the date when the Premises became inhabitable again or a period of 24 months from the date of the Damage whichever is the sooner

Subject to the liability of the Company under this extension in respect of: -

- any one occurrence of Damage not exceeding £25,000
- any one period of insurance not exceeding £25,000

- F) The definition of Stock under the Deterioration of Stock Extension includes food belonging to the Insured the Insured's spouse or partner or members of the Insured's family permanently residing with them

Subject to the terms conditions and exclusions of the policy

Applicable to Money Insurance

The following additional Item is added to Section 1 Money of Money Insurance

	Limit of Liability
6 Item No Personal Money belonging to the Insured the spouse or partner of the Insured or members of the Insured's family permanently residing with them	any one loss £300

The following Section 3 Credit Cards is added to Money Insurance

Section 3 Credit Cards

The Company will indemnify the Insured the spouse or partner of the Insured or members of the Insured's family permanently residing with them against any liability under the terms of issue of the Credit Card for loss following it's fraudulent use by any unauthorised person

Subject to the Company's liability not exceeding £500 in respect of any one occurrence or number of occurrences arising directly or indirectly from any one source or original cause

Definitions

Credit Cards shall mean any

- bank cards
- charge cards
- cheque cards
- credit cards
- debit cards and
- cash dispensing machine cards

issued in Great Britain Northern Ireland the Channel Islands or the Isle of Man to the Insured the spouse or partner of the Insured or members of the Insured's family permanently residing with them

Exclusions

The Company shall not be liable for

- 1) any claim arising from unauthorised use of a Credit Card by the Insured's spouse or partner or any member of the Insured's family
- 2) any claim arising from a Credit Card being lost or stolen outside of Great Britain Northern Ireland the Republic of Ireland the Channel Islands or the Isle of Man
- 3) loss due to confiscation or detention of a Credit Card
- 4) loss caused by depreciation
- 5) shortages due to error or omission
- 6) loss as a result of a Credit Card being stolen from an unattended vehicle
- 7) loss or damage arising from riot or civil commotion in Northern Ireland or the Republic of Ireland
- 8) loss or damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds
- 9) loss or damage directly arising from war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- 10) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
 - A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - B) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
 - C) the first £50 of each and every claim

Special Conditions

It is a condition precedent to liability that

- any loss of Credit Cards has been reported to the issuing company immediately the loss is discovered
- all conditions of issue of the Credit Cards have been complied with

Applicable to Liability Insurance

The following Extension 7 is added to the Extensions to Section 2 of Liability Insurance

Personal Liability

The Company will provide indemnity to the Insured or the spouse or partner of the Insured or any member of the Insured's family permanently residing with them against legal liability incurred in a personal capacity while in Great Britain Northern Ireland the Channel Islands or the Isle of Man or whilst temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

The indemnity will not apply

- A) to legal liability arising out of the ownership or occupation of land or buildings other than the Premises
- B) to legal liability arising out of Injury to the Insured's spouse or partner or any member of the Insured's family permanently residing with the Insured
- C) where indemnity is provided by any other insurance

Subject to the terms conditions and exclusions of the policy

Complaints procedure

We aim to provide you with a first class service. If we have not delivered the service that you expect or you are concerned with the service provided, we would like the opportunity to put things right.

Our complaints process

- Initially, please raise your concerns with your usual business contact.
- If your complaint is not resolved or you are not happy with our response and the course of action proposed, you can progress your complaint to our Customer Relations Office.
- A separate investigation will then be carried out in an attempt to resolve your complaint and a final decision issued. However, if resolution is not possible they will issue a response within 8 weeks of your original complaint.

Customer Relations Contact Details

Premier Commercial Limited
1a Lansdowne Crescent
Edinburgh
EH12 5EQ
Telephone: 0845 111 0125
Fax: 0845 111 0125

Email: info@premco.co.uk

What to do if you are still not satisfied

If you are still not satisfied QBE Insurance (Europe) Ltd is regulated by the Financial Services Authority whose arbitration service is the Financial Ombudsman Service, and you may be able to refer your complaint to them.

Financial Ombudsman Service South Quay Plaza
183 Marsh Wall
London
E14 9SR
Telephone: 0845 0801800

Email: enquiries@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

Your rights

Your rights as a customer to take legal action remain unaffected by the existence or use of any complaint procedures referred to above. However, the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.