



Salon Combined Policy

Underwritten By

AXA Insurance UK plc

in association with

Towergate Health and Beauty

26-28 Pembroke Road, Sevenoaks, Kent TN13 1XR

redefining / standards



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Welcome to AXA

Thank you for choosing AXA

Please read carefully all documents that **we** have provided and keep them in a safe place.

If **you** have any questions, need anything explaining or believe this contract does not meet **your** needs, please contact **us** or **your** insurance adviser.

Your policy

Your policy is a contract of insurance between **you** and **us** and **you** have a duty to make a fair presentation of the risk to **us** in accordance with the law.

Your policy describes the cover for which **we** have accepted **your** premium. The **policy** wording, schedule and any endorsements must be read together.

Your policy is renewable provided that **we** agree to accept **your** premium for any subsequent **period of insurance**. A new schedule will be issued for each **period of insurance** showing any changes to **your** cover.

Your policy is divided into a number of sections. Where a section does not apply, **your** schedule will state that it is 'not covered'.

Throughout **your policy**, **we** use defined terms. Defined terms are used to explain what a word means and are highlighted in bold blue print.

Headings have been used for **your** guidance to help **you** understand the cover provided. The headings do not form part of the contract.

Under the heading 'What is covered' **we** give information on the insurance provided. This must be read with 'What is not covered', the policy conditions and the section conditions at all times.

Under the heading 'What is not covered' **we** draw **your** attention to what is excluded from **your policy**.

Important phone numbers

Glass replacement service*

0300 303 2944

A quick and efficient service available 365 days a year.

Legal and tax advice**

0330 024 5346

Our confidential legal and tax advice line. Please quote AXA Commercial when **you** call.

Emergency helpline***

0330 024 5346

Our 24 hour emergency helpline. Please quote AXA Commercial when **you** call.
We will provide details of reputable contractors who will be able to help if connected to a potential claim.

Calling the helpline does not constitute notification of an insurance claim.

You will have to pay for any call out charges, parts and cost of labour.

If connected to a potential claim please follow the Claims notification condition and Claims procedures condition first.

* The Glass replacement service is provided by an AXA approved glazing and locks provider.

** The telephone legal and tax advice is provided on behalf of Arc Legal Assistance Ltd by Irwin Mitchell Solicitors and can advise on general UK law and taxation.

** Tax telephone advice provided by Irwin Mitchell Solicitors may involve the use of external accountants to provide tax telephone advice.

** Arc Legal Assistance Ltd make no additional charge for providing these services.

*** The emergency assistance helpline is provided on behalf of Arc Legal Assistance Ltd by AXA Assistance UK. Arc Legal Assistance Ltd make no additional charge for providing these services.

Arc Legal Assistance Ltd is authorised and regulated by the Financial Conduct Authority. Their Firm Reference Number is 305958.

Irwin Mitchell LLP is a limited liability partnership registered in England and Wales, with number OC343987, and is authorised and regulated by the Solicitors Regulation Authority.

Telephone calls may be monitored and recorded.

Making a claim

All sections other than the legal expenses section

If **you** need to make a claim please first check **your policy** to make sure that **you** are covered. **You** must then follow the Claims notification condition and Claims procedure condition under Policy conditions on page 8.

Legal expenses section only

For legal expenses claims please refer to the legal expenses section of **your policy**.

Please contact **your** insurance adviser who will help **us** deal with **your** claim quickly and fairly.

Making a complaint

If **you** are not happy with the way a claim or any other matter has been dealt with, please read 'Making a complaint' on page 76.

Meanings of defined terms

These meanings apply throughout **your policy**. If a word or phrase has a defined meaning, it will be highlighted in bold blue print and will have the same meaning wherever it is used. There are additional defined meanings in each section.

Alarmed premises

The **premises** or those portions of the **premises** protected by the **intruder alarm system**.

Business

Business shown in **your** schedule.

Excess

First amount of a claim or claims for which **you** are responsible.

Intruder alarm system

The component parts including the means of communication used to transmit signals to the alarm-receiving centre.

Key holder

You or any person or key holding company authorised by **you** who is available at all times to accept notification of faults to or alarm signals from the **intruder alarm system** and who will attend and allow access to the **premises**.

Period of insurance

Period from the start date to the expiry date shown in **your** schedule.

Policy

Policy schedule, Appendix 1 and any endorsements attached or issued.

Policy territories

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

Premises or salon

Premises at the property address(es) shown in **your** schedule occupied by **you** for the purpose of the **business**.

Responsible person

You or any adult authorised by **you** who will be responsible for the security of the **premises**.

We/us/our

AXA Insurance UK plc.

You/your/yourself

Person(s), firm, company or organisation shown in your schedule as the insured.

Policy conditions

You must comply with the following conditions to have the full protection of **your policy**. If **you** do not comply then **we** may at **our** option take one or more of the following actions

- 1 Cancel **your policy**
- 2 Declare **your policy** void (treating **your policy** as if it had never existed)
- 3 Change the terms of **your policy**
- 4 Refuse to deal with all or part of any claim or reduce the amount of any claim payments.

If **you** are unsure about any of the conditions or whether **you** need to tell **us** about any matter, please contact **us**.

There are additional conditions under each section of cover.

Where **your policy** contains conditions that specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim **you** will be covered, and **we** will pay **your** claim, if **you** are able to prove that the non-compliance with the condition could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Alarm condition

This condition applies to each of **your premises** where **your** schedule shows that intruder alarm protection is required.

We will not cover **you** for loss or damage following entry or attempted entry into or exit from the **premises** by forcible and violent means unless the following conditions are complied with.

- 1 An **intruder alarm system** is required for **your premises** and must be installed within 30 days from either
 - a the start date of **your policy** shown in **your** schedule, where intruder alarm protection is required from the start of the **policy**
 - b the date of changes to **your** cover shown in **your** schedule, where intruder alarm protection is required from the date of changes to **your** cover

- c the date of changes to **your** cover shown in **your** schedule, where there is a change to the intruder alarm protection type required from the date of changes to **your** cover

and put into full and effective operation whenever the **premises** are closed for business or left unattended.

We will not regard the **intruder alarm system** as fully effective if **you** have had notice of the withdrawal of the police, telephone or central monitoring station service and the service has been withdrawn.

- 2 Alarm signalling must activate remotely to an alarm receiving centre. The acceptable types of remote signalling systems **we** require for **your premises** are shown in **your** schedule.
- 3 The **intruder alarm system** must be installed and maintained by an alarm company accredited either by NSI (National Security Inspectorate) NACOSS (National Approval Council of Security Systems) Gold or Silver, or SSAIB (Security Systems and Alarms Inspection Board) to generate full police response (Level 1, where the police will respond to the activation of the intruder alarm immediately) to alarm activations.
- 4 If the alarm system is not fully effective **you** must make arrangements for **your premises** to be attended by a **responsible person** until the **intruder alarm system** is fully operational.
- 5 **You** must not make any changes to the alarm signalling method type shown in **your** schedule for police response to any activation of the **intruder alarm system** without **our** written agreement.
- 6 **You** must keep all security codes for the **intruder alarm system** confidential and never leave them on the **premises** when they are closed for business and left unattended.
- 7 **You** will appoint at least two **key holders** and give written details (which must be kept up to date) to the alarm company and either the police or the alarm receiving centre.

Policy conditions *continued*

8 If **you** are notified of any activation of the **intruder alarm system** or interruption of means of communication, including one or both alarm transmission systems for dual signalling systems, when the **intruder alarm system** is set a **key holder** must attend the **premises** as soon as reasonably possible.

When the **key holder** attends and the alarm cannot be reset **you** must make arrangements for the **premises** to be attended by at least one **responsible person** until the **intruder alarm system** is fully operational.

9 If **you** receive any notification

- a** that the police attendance in response to alarm signals or calls from the **intruder alarm system** may be withdrawn, or the level of response reduced or delayed
- b** that the **intruder alarm system** cannot be returned to or maintained in full working order.

You will tell **us** as soon as possible on the next working day and **you** must comply with any requirements that **we** ask for.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for damage by theft or attempted theft.

Arbitration condition

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid the amount of the difference will be referred to an arbitrator who is jointly appointed.

This condition does not apply to the Public and products liability section, the Employers' liability section or the Legal expenses section.

Alternatively depending on the size of **your business you** may be able to refer **your** case to the Financial Ombudsman Service (FOS). In either case this will not affect **your** right to take action against **us** over this disagreement.

Cancellation condition

1 **You** may cancel **your policy** within 14 days of receiving **your policy** in the first **period of insurance** if for any reason **you** are

dissatisfied or the **policy** does not meet **your** requirements.

2 **We** can cancel **your policy** at any time during the **period of insurance** by giving 14 days written notice to **your** last known address.

Where **your policy** is cancelled in accordance with either of the above provisions, **we** will refund part of the premium paid, proportionate to the unexpired **period of insurance** following cancellation.

3 **You** may also cancel **your policy** at any other time during the **period of insurance**. **We** will refund part of the premium paid, proportionate to the unexpired **period of insurance** less a short period premium surcharge of £50.

4 **We** can cancel **your policy** immediately, without giving **you** notice if the premium has not been paid. If a claim has been made or there has been any incident likely to lead to a claim during the current **period of insurance**, the annual premium remains due in full.

We will only refund premium provided that no claim has been paid or is outstanding in the current **period of insurance**.

Cancellation of **your policy** will not affect any claims or rights **you** or **we** may have before the date of cancellation.

We do not have to offer renewal of **your policy** and cover will cease on the expiry date.

Change in risk condition

You must tell **us** as soon as possible during the **period of insurance** of any change

- 1** to the **business**
- 2** in the person, firm, company or organisation shown in **your** schedule as the insured
- 3** to the information **you** provided to **us** previously or any new information that increases the risk of loss as insured under any section of **your policy**.

Your policy will come to an end from the date of the change unless **we** agree in writing to accept an alteration.

Policy conditions *continued*

We do not have to accept any request to vary **your policy**. If **you** wish to make any alteration to **your policy you** must disclose any change to the information **you** previously provided or any new information that could affect this insurance.

If **we** accept any variation to **your policy**, an increase in the premium or different terms or conditions of cover may be required by **us**.

Claims notification condition

You must

- 1** as soon as practical
 - a** give **us** notice of any circumstances which might lead to a claim under **your policy**
 - b** give **us** all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential claim under **your policy**
 - c** notify the police of any loss or damage that has been caused by malicious people, thieves, rioters, strikers or vandals.

We will not pay **your** claim where **you** have not complied with this condition.

Claims procedures condition

- 1 You** must take, or allow others to take, practical steps to prevent further loss or damage, recover property lost and otherwise minimise the claim.
- 2** At **your** expense **you** must provide **us** with
 - a** full details in writing of any injury, loss or damage and any further information or declaration **we** may reasonably require
 - b** any assistance to enable **us** to settle or defend a claim
 - c** details of any relevant other insurances.

3 You may not accept, negotiate, pay, settle, admit or repudiate any claim without **our** written consent.

- 4** Following a claim **you** must allow **us** or anyone authorised by **us**
- a** access to **premises**
 - b** to take possession of, or request delivery to **us** of any property insured.

5 You may not abandon any property to **us**.

6 We will be allowed complete control of any proceedings and settlement of the claim.

We will not pay **your** claim where **you** have not complied with this condition.

Fair presentation of risk condition

You have a duty to make a fair presentation of the risk which **you** wish to insure. This applies prior to the start of **your policy**, if any variation is required during the **period of insurance** and prior to each renewal. If **you** do not comply with this condition then

- 1** if the failure to make a fair presentation of the risk is deliberate or reckless **we** can elect to make **your policy** void and keep the premium. This means treating the **policy** as if it had not existed and that **we** will not return **your** premiums, or
- 2** if the failure to make a fair presentation of the risk is not deliberate or reckless and **we** would not have provided cover had **you** made a fair presentation, then **we** can elect to make **your policy** void and return **your** premium, or
- 3** if the failure to make a fair presentation of the risk is not deliberate or reckless and **we** would have issued cover on different terms had **you** made a fair presentation of the risk then **we** can:
 - a** reduce proportionately any amount paid or payable in respect of a claim under **your policy** using the following formula. **We** will divide the premium actually charged by the premium which **we** would have charged had **you** made a fair presentation and calculate this as a percentage. The same percentage figure will be applied to the full amount of the claim to arrive at

Policy conditions *continued*

the proportion of the claim to be paid or payable, and/or

b treat **your policy** as if it had included the different terms (other than payment of the premium) that **we** would have imposed had **you** made a fair presentation.

4 Where **we** elect to apply one of the above then

a if **we** elect to make **your policy** void, this will be from the start of the **policy**, or the date of variation or from the date of renewal

b **we** will apply the formula calculated by reference to the premium that would have been charged to claims from the start of the **policy**, or the date of variation or from the date of renewal

c **we** will treat the **policy** as having different terms imposed from the start of the **policy**, or the date of variation or from the date of renewal depending on when the failure to make a fair presentation occurs.

Fraud condition

You and anyone acting for **you** must not act in a fraudulent way.

If **you** or anyone acting for **you**:

- 1** knowingly makes a fraudulent or exaggerated claim under **your policy**;
- 2** knowingly makes a false statement in support of a claim (whether or not the claim itself is genuine); or
- 3** knowingly submit a false or forged document in support of a claim (whether or not the claim itself is genuine),

we will:

- a** refuse to pay the claim;
- b** declare the **policy** void, treating it as if it had never existed without any refund of premium; and
- c** recover any sums that **we** have already paid under the **policy** in respect of the claim and any previous claims.

We may also inform the police of the circumstances.

Law applicable condition

You and **we** can choose the law which applies to this **policy**. **We** propose that the Law of England and Wales apply. Unless **we** and **you** agree otherwise, the Law of England and Wales will apply to this **policy**.

Minimum security standards condition

The following minimum levels of security must be installed and maintained at **your premises** within 30 days from either

- i** the start date of **your policy** shown in **your** schedule, or
- ii** the date of changes to **your** cover shown in **your** schedule.

1 All external doors to **your premises** and all internal doors that give access to any part of the buildings not occupied by **you** must be fitted with and secured as follows:

- a** timber doors by an appropriate mortice deadlock which has 5 or more levers and a matching metal box striking plate which conforms to British Standards BS 3621 or European Norm EN 1303 and installed in accordance with the manufacturer's recommendations
- b** aluminium doors by integral cylinder key operated mortice deadlocks which conforms to EN 1303
- c** UPVC doors by key operated multi-point locking devices incorporating swinging/claw locking bolts
- d** the first closing leaf of any double leaf doors described in **a**, **b**, or **c** above with internal bolts top and bottom
- e** outward opening doors such as fire escape doors should be fitted with hinge bolts top and bottom.

2 All accessible opening windows (including a window that can be easily reached from a roof, a fire escape, balconies, canopies or down pipes), fanlights, roof lights, skylights are all to be fitted and secured with appropriate key operated window locks, installed in accordance with the manufacturer's recommendations.

Policy conditions *continued*

This requirement does not apply to windows protected by solid steel bars, weld mesh or expanded metal grills securely fixed to the brickwork surrounding the window.

- Any door or window officially designated by the local planning officer, local building control officer or as defined within the business fire risk assessment forming part of an emergency exit route, is excluded from the above requirements.

The doors and windows must only be secured using suitable and appropriate internally operated quick release type of security devices, specifically designed for this purpose e.g. mortice deadlocks conforming to BS 8621, panic bars/latches conforming to BS EN 1125.

You must also comply with the Electronic equipment security condition on Page 32.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for theft or attempted theft.

Other insurance condition

If a claim is made under this **policy** and there is other insurance cover for which **you** are, or would be but for this **policy**, entitled to have a claim paid under this other insurance, **we** will at **our** option, either pay

- a proportionate share of the claim
- or
- an amount beyond that which is or would be payable under the other insurance.

Reasonable care condition

You must take reasonable steps to

- prevent or protect against injury, loss or damage
- keep **your premises**, machinery, plant and equipment and all other property insured in good condition and in full working order
- remedy any defect or any danger that becomes apparent, as soon as possible.

If required by **us**, **you** must allow access to **your premises** or activities of **your business** to carry out inspection or survey. **You** must comply with any risk improvements that **we** ask for, within a reasonable period of time, advised by **us**.

We will not pay **your** claim where **you** have not complied with this condition.

Sanctions condition

This contract of insurance is subject to sanction, prohibition or restriction under United Nations resolutions. It is a condition of **your policy** that **we** will not provide cover, or pay any claim or provide any benefit under **your policy** to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **us**, or **our** parent, subsidiary or any AXA group member company, to any trade or economic sanctions, or violate any laws or regulations of the United Kingdom, the European Union, the United States of America or any other territory.

Subrogation (our rights) condition

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

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

Third party rights condition

This contract is between **you** and **us**. The rights under this contract will not be enforceable by any other party because of the Contract (Rights of Third Parties) Act 1999.

Buildings section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 5. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Building(s)

The buildings at **your premises**, including

- 1** landlords fixtures and fittings in or on **your premises**
- 2** outbuildings, extensions, annexes, garages
- 3** boundary walls, gates and fences
- 4** roads, pavements, yards, car parks, car ports, patios and terraces
- 5** underground pipes and cables belonging to **you** or for which **you** are responsible
- 6** the **shop front** unless insured under a separate item.

Business interruption

Loss, resulting from interruption of or interference with the **business** as a result of **damage** to property used by **you** for the purpose of the **business**, at the **premises**.

Computer systems

Computer or other equipment or component or system or item which processes stores transmits or receives **data**.

Damage

Accidental loss, destruction or damage.

Data

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

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **computer systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**.

Empty

Wholly unoccupied, mainly unoccupied or not in use by **you** for more than 30 consecutive days.

Flood

Damage caused by

- 1 the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam
- 2 inundation from the sea
- 3 inundation by rainwater or rainwater-induced run off other than where the inundation is solely caused by or solely results from ingress of rainwater through or via the roof of the **building**.

Hacking

Unauthorised access to any **computer systems**, whether **your** property or not.

Indemnity period

The period during which the **business** is affected, starting on the date the **damage** occurred and ending not later than the number of months shown in **your** schedule.

Phishing

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

Property insured

The **building(s)**, **shop front**, **tenants improvements** or rent payable where shown as covered in **your** schedule.

Shop front

The whole front, all fixed glass in it, frames and if fixed to the **building(s)** any shutters, blinds, lettering, ornamenting, alarm foil and fittings belonging to **you** or for which **you** are responsible.

Standard construction

Built of brick, stone or concrete and roofed with slates, tiles, metal, concrete, asphalt or sheets or slabs composed entirely of incombustible mineral ingredients and plastic roof lights.

Buildings constructed of metal panels and composite panels insulated with materials other than polystyrene will be regarded as standard construction.

Tenants improvements

Internal decorations to ceilings and walls and improvements and additions of a like nature (other than **shop front**) belonging to **you** or for which **you** are responsible.

Terrorism

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

In the Channel Islands and the Isle of Man: An act of any person(s) 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 any government de jure or de facto.

Buildings section *continued*

Vermin

Rats, mice, grey squirrels, owls, pigeons, foxes, bees and wasps or hornets.

Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems, data** or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

✓ What is covered

We will pay **you** for **damage** to the **property insured** by any of the following Causes occurring during the **period of insurance**. **We** will pay the value of the **property insured** at the time of the **damage**, or for the amount of the **damage**, or at **our** option reinstate or replace the **property insured** or any part of it in accordance with the following Basis of claims settlement.

Basis of claims settlement

- 1 Claims for **damage** to the **building(s), shop front** and **tenants improvements** where insured as a specific item will be settled on the basis of rebuilding or replacement of the destroyed property or the repair or restoration of the damaged portion of the property in each case to a condition equal to but no better or more extensive than its condition when new.
- 2 Claims for loss of rent payable by **you** as tenant following **damage** which makes the **building** uninhabitable will be settled on the basis of loss of rent payable, until the **building** is repaired or reinstated during the rent payable **indemnity period** less any reduction in rent as a result of the **damage**. The work of repair or reinstatement must be done without delay.

No payment will be made beyond the amount which would have been payable in the absence of this cover until the cost of reinstatement has actually been incurred.

Causes

- 1 Fire, lightning or earthquake.
- 2 Explosion excluding damage caused by or consisting of the bursting by steam pressure of a boiler economiser or other vessel, machine or apparatus where internal pressure is due to steam only, that belongs to **you** or is under **your** control, unless it is used for domestic purposes only.
- 3 Riot, civil commotion, strikers, locked-out workers, labour or political disturbances, vandals or malicious people but excluding
 - a damage caused by confiscation, destruction or requisition by order of the Government or any public authority
 - b damage arising from stoppage of work
 - c damage caused by **your** employees, tenants or any other person lawfully on **your premises**
 - d damage to any portion of the **building** which is **empty**
 - e damage caused by theft or attempted theft
 - f the **excess** shown in **your** schedule.
- 4 Storm or **flood** excluding
 - a damage due to a change in the water table level
 - b damage resulting from frost, subsidence, ground heave or landslide
 - c damage to moveable property in the open, fences, posts, hedges and gates
 - d the **excess** shown in **your** schedule.
- 5 Escape of water from any tank, apparatus or pipe including **damage** to any fixed tank, apparatus or pipe caused by freezing or bursting excluding
 - a damage caused by freezing in any outbuildings
 - b damage to any **building** which is **empty**
 - c the **excess** shown in **your** schedule.
- 6 Impact by any aircraft or other aerial devices, vehicle or any article falling from them or by an animal, excluding the **excess** shown in **your** schedule.

Buildings section continued

- 7** Leakage of fuel oil from any fixed heating installation excluding
- a** damage to any portion of the **building** which is **empty**
 - b** the **excess** shown in **your** schedule.
- 8** Theft or any attempted theft involving entry to or exit from the **premises** by forcible and violent means excluding
- a** damage to any portion of the **building** which is **empty**
 - b** damage caused by **your** employees, tenants or any other person lawfully on **your premises**
 - c** the **excess** shown in **your** schedule.
- 9** Any other **damage** occurring at **your premises** excluding
- a** damage which is excluded under Causes **1** to **8** or under optional Cause **10** if covered or under 'What is not covered' of the Buildings section
 - b** damage caused by or resulting from
 - i** wear and tear, the action of light or atmosphere, moths, **vermin** or insects
 - ii** any process of cleaning, dyeing, restoring, adjusting, repairing, cutting, preparation or fitting
 - iii** corrosion, rust, dampness, deterioration, dryness, wet or dry rot, shrinkage, marring, or scratching
 - iv** wind, rain, hail, sleet, snow, dust or theft to boundary walls, gates, fences or moveable property in the open
 - v** subsidence, ground heave or landslip of any part of the site on which the **building** stands
 - vi** the normal settlement or bedding down of new structures
 - c** damage to property caused by or consisting of
 - i** inherent fault or defect, undiscovered defect, gradual deterioration, frost, change in water table level, faulty or defective design or materials
 - ii** faulty or defective workmanship, operational error or omission by **you** or any of **your** employees.

But **we** will pay **you** for subsequent **damage** which results from an insured Cause covered elsewhere in the **policy**

- d** the collapse or cracking of **building(s)**
- e** the cost of normal maintenance, redecoration or repair
- f** losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from
 - i** the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
 - ii** any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item

whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus** or **similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

But **we** will pay **you** for **damage** covered elsewhere in the **policy**, which itself results from a Cause covered by this **policy**, except for damage by malicious people other than thieves

- g** damage caused by or consisting of
 - i** mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment where the breakdown or derangement originates
 - ii** joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super heaters, pressure vessels or any range of steam and feed piping in connection with them.
- But **we** will pay **you** for subsequent **damage** which results from an insured Cause covered elsewhere in the **policy**
- h** the **excess** shown in **your** schedule.

- 10** Subsidence, ground heave or landslip of any part of the site on which the **building** stands excluding

- a** the **excess** shown in **your** schedule

- b damage** to roads, pavements, yards, car parks, patios, terraces, boundary walls, gates and fences unless the building structure also suffers **damage** at the same time by the same Cause
- c** damage caused by or consisting of
 - i** the normal settlement or bedding down of new structures
 - ii** the settlement or movement of made-up ground
 - iii** coastal or river erosion
 - iv** defective design or workmanship or use of defective materials
 - v** fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe.
- d** damage which started before the start of this cover
- e** damage to solid floor slabs or damage resulting from their movement, unless the foundations beneath the outside walls of the main building at the **premises** also suffer **damage** at the same time by the same Cause
- f** damage resulting from demolition, construction, structural alteration or repair of any property or groundwork or excavation at the **premises**.

Special conditions applicable to subsidence, ground heave and landslip cover

1 Demolition, groundworks, excavation or construction condition

You must tell **us** as soon as possible if **you** become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site to **your premises**. **We** will then have the right to vary the terms or cancel this cover.

2 Tree inspection and pruning condition

In accordance with the Reasonable care condition **you** must arrange annually at **your** own expense for a tree surgeon or similar professional to

a inspect trees within 10 metres of **your premises** and over five metres in height to ensure that they do not affect the structure or drains or sewers at **your premises**

b prune or pollard trees as recommended by the tree surgeon.

If **you** have no responsibility for a tree and are unable to comply with this condition **you** must tell **us**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Limit of cover

The most **we** will pay **you** for any item covered by this section is the sum insured shown in **your** schedule for each item plus index linking in line with the Inflation protection extension of cover.

Extensions of cover

Architects, surveyors, legal and consulting engineers fees cover

We will pay **you** for architects, surveyors, legal and consulting engineers fees necessarily incurred with **our** written consent in the reinstatement or repair of the **building(s)** as a result of **damage**.

We will not cover any costs or expenses for preparing any claim.

The most **we** will pay for any item is the item sum insured shown in **your** schedule.

Cables and underground pipes cover

We will pay **you** the costs incurred following **damage** which **you** are responsible for to cables and underground pipes and drains (and their inspection covers) at **your premises** or connecting the **premises** to the public mains.

We will not cover damage caused by gradual deterioration or wear and tear.

The most **we** will pay **you** for any one claim is £10,000.

The most **we** will pay is £25,000 in any one **period of insurance**.

Capital additions cover

We will pay **you** for alterations, additions and improvements to **building(s)** not insured elsewhere but not for any appreciation in value

provided that

- a** **you** give **us** details of the additions as soon as possible and within 30 days and **you** must ensure specific insurance is arranged with **us** from the date **you** become responsible
- b** the provisions of this cover will be fully maintained in addition to any specific insurance effected under **a** above.

The most **we** will pay at any one location is 10% of the total sum insured under this section or £100,000 whichever is the greater.

Debris removal cover

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

- 1** removing debris from
- 2** dismantling and/or demolishing
- 3** shoring up or propping

the portion or portions of the **building(s)** insured, as a result of **damage** covered by this section.

We will not cover **you** for costs or expenses

- a** incurred in removing debris except from the site of the damaged **building(s)** and the area immediately adjacent to the site
- b** arising from pollution or contamination of property not covered by this section.

The most **we** will pay for any item is the item sum insured shown in **your** schedule.

Drain clearing cover

We will pay **you** for the costs and expenses necessarily incurred by **you** as a result of **damage**, for clearing, cleaning or repairing drains, gutters, sewers and the like for which **you** are responsible.

We will not cover **you** for the amount of the **excess** as shown in **your** schedule.

The most **we** will pay **you** for any one claim is £10,000.

Fire brigade charges cover

We will pay **you** for the costs and expenses **you** incur charged by the local authority for extinguishing fire or fire fighting provided that these costs and expenses are necessary and reasonable.

Fire extinguishment cover

We will pay **you** for the cost of replacing or replenishing extinguishment materials when **you, your** employees or the fire brigade attempt to extinguish or minimise loss by fire

provided that the costs and expenses cannot be recovered from the public authority responsible.

The most **we** will pay for any one claim is £25,000.

Inflation protection cover

We will adjust the sum insured for items covered by this section in line with suitable indices of costs and the renewal premium for this section will be based on the adjusted sums insured.

Public authorities cover

We will pay **you** for the costs and expenses incurred by **you** during the **period of insurance** following **damage** by an insured Cause for the additional cost of reinstatement to the **building** and undamaged portions of the **building** incurred solely to comply with European Community legislation, regulations under Acts of Parliament or local authority bye-laws

provided that

- 1** **you** receive the notice to comply after the **damage** occurs
- 2** the work of reinstatement is completed within 12 months of the date of the **damage**, or within any further time that **we** may agree
- 3** **we** will not cover any additional rate, tax duty or other charge which may become payable following compliance with such legislation, regulations or bye-laws
- 4** the reinstatement work may be carried out on another site if required by the legislation, regulation or bye-laws subject to the amount payable under this extension not being increased

Buildings section *continued*

5 if the amount payable is reduced by the application of any of the terms and conditions of this **policy**, then the amount **we** will pay (for any item) will be reduced proportionately.

The most **we** will pay for any item is the sum insured shown in **your** schedule.

Reinstatement of sum insured after loss cover

In the event of loss, the sum insured by this section will be automatically reinstated from the date of the loss unless **we** or **you** give written notice to the contrary

provided always that in the event of reinstatement **you** will

- 1** pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement
- 2** apply any additional risk improvements which **we** may reasonably require.

Septic tanks cover

We will pay **you** for **damage** to septic tanks for which **you** are legally responsible.

The most **we** will pay is £25,000 in any one **period of insurance**.

Subrogation waiver cover

In the event of a claim under this section **we** agree to waive any rights, remedies or relief which **we** might have become entitled by subrogation against

- 1** any company standing in relation of parent to subsidiary (or subsidiary to parent) to **you**
- 2** any company which is a subsidiary of a parent company of which **you** are a subsidiary

in each case as defined by current law at the time of the **damage**.

Theft of building fabric cover

We will pay **you** for

- 1 damage** to the external fabric of the **building(s)** covered by this section as a result of theft or attempted theft.

2 damage following entry of rainwater as a result of theft or attempted theft of the external fabric of the **building(s)**.

We will not cover

- a** damage to any **building** which is **empty**
- b** the **excess** shown in **your** schedule.

The most **we** will pay is £10,000 for any one **premises** in any one **period of insurance**.

Trace and access cover

We will pay **you** for the reasonable costs that **you** incur in finding the source of **damage** and repairing it, caused by

- 1** the escape of water from any tank, apparatus or pipe.
- 2 damage** to cables, underground pipes and drains providing services to the **premises** and for which **you** are legally responsible.

The most **we** will pay is £25,000 in any one **period of insurance**.

Value added tax (VAT) cover

We will pay **you** for VAT, paid by **you**, which is not subsequently recoverable

provided that

- 1 a your** responsibility for VAT arises solely as a result of the reinstatement or repair of the **property insured** following **damage**
 - b we** have paid or have agreed to pay for the **damage**
- 2 our** liability does not include amounts payable by **you** as penalties or interest for non payment or late payment of VAT
- 3 you** have taken all reasonable precautions to insure adequately for VAT responsibility at the start of this **policy** and at each subsequent renewal date.

For the purpose of any average condition, reinstatement costs will be exclusive of VAT. **Our** liability may exceed the sum insured for a building where such excess amount is solely in respect of VAT.

X What is not covered

Aircraft or aerial devices exclusion

We will not cover damage caused by or consisting of pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

Date recognition exclusion

We will not cover damage directly or indirectly caused by, contributed to by or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

But **we** will cover subsequent **damage** resulting from an insured Cause, providing **damage** is covered elsewhere in the **policy**.

Electrical plant or apparatus exclusion

We will not cover damage to any electrical plant or apparatus caused by its own overrunning, short circuiting, excessive pressure, self-heating, mechanical or electrical breakdown or derangement, or arising from adjustment, maintenance or repair.

If the **damage** extends to other **property insured**, **we** will cover **you** for that **damage**.

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1** damage to or the destruction of any **computer systems**; or
- 2** any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **damage** which is covered by this section, which itself results from causes **1** to **8** covered by this section, except for damage caused by malicious persons other than thieves.

Excess exclusion

Where a claim is covered under both the Buildings, Contents and Specified all risks section **you** will only be responsible for one of the **excess** amounts shown in **your** schedule and the highest **excess** amount will apply.

Fraud and dishonesty exclusion

We will not cover damage which results from acts of fraud or dishonesty by **you**, **your** employees or any other person who is responsible for the **building(s)** or results from voluntarily parting with title or possession of any **building** as a result of a fraudulent scheme, trick, device or false claim.

But **we** will cover subsequent **damage** which results from an insured Cause **1** to **8** which is covered elsewhere in the **policy**.

Illegal activities exclusion

We will not cover damage caused by property being used, by **you** or any occupants, for illegal activities.

More specific insurance exclusion

We will not cover **you** for any property more specifically insured by **you** or on **your** behalf.

Pollution or contamination exclusion

We will not cover **you** for any loss caused by pollution or contamination unless the **damage** is caused by

- 1** pollution or contamination which results from Cause **1** to **10** provided that Cause is covered by this section
- 2** Cause **1** to **10** provided that Cause is covered by this section which itself results from pollution or contamination.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any **property insured**, or any **business interruption** 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

Buildings section *continued*

- 2 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly.

Terrorism and Northern Ireland exclusion

We will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1 In England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.
- 2 In Northern Ireland
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
 - c riot, civil commotion and (except for **damage** or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious people.

If any of the points above are found to be invalid or unenforceable, the remainder shall remain in full force and effect.

In any action, law suit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Unexplained loss exclusion

We will not cover damage caused by or consisting of

- 1 disappearance, unexplained or inventory shortage
- 2 misfiling or misplacing of information.

War risk exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Average condition

If at the time of **damage** the sum insured is less than the value of the **property insured**, the amount **we** will pay will be reduced proportionately.

Construction of property condition

Unless otherwise stated the **building(s)** shown in **your** schedule are of **standard construction**.

Contracting purchaser's condition

If at the time of **damage you** have entered into a contract to sell **your** interest in the **building** and the sale has not but is subsequently completed, the purchaser will have the full protection of this section on exchange of contracts, provided it is not covered by any other insurance.

Empty buildings condition

- 1** **You** must tell **us** immediately **you** become aware
 - a** that any building or portions of buildings at **your premises** become **empty**
 - b** of any **damage** to the **empty** buildings or portions of buildings at **your premises** whether the **damage** is insured or not
 - c** **you** must secure the **premises** and put all protective, locking devices and any alarm protection into effective operation
 - d** gas, water and electricity supplies (except electricity needed to maintain any fire or intruder alarm systems) and any fuel supplies are permanently shut off at the switch or stopcock where they enter the buildings (or where they enter the flat or unoccupied part of the building)
 - e** **you** must implement any additional protections that **we** may require within the time scale **we** specify
 - f** all **damage** to the **premises** must be rectified immediately
 - g** letterboxes must be sealed
 - h** the final exit door of the buildings must be secured by an appropriate mortice deadlock which has five or more levers and conforms to British Standard BS 3621 or European Norm EN 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim.

Explosion condition

You must ensure that any vessel, machinery or apparatus or its contents belonging to **you** or under **your** control, which need examination to comply with any statutory regulations, that the vessel, machinery or apparatus will be covered by a policy or contract providing the required inspection service.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim resulting from explosion.

Flat roof condition

You must ensure that any flat portions of the roof of the **building(s)** are inspected once every two years by a competent roofing contractor and any recommendations implemented.

If **you** do not comply with this condition **we** will not pay **your** claim.

Fire protections condition

You must ensure that all fireproof doors and shutters are kept closed (except during working hours) and all fire protections (including fire extinguishing appliances) must be maintained in efficient working order, routinely tested and any defects promptly rectified during the **period of insurance**.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim.

Reinstatement condition

If any **property insured** is to be reinstated or replaced by **us**, then **you** will at **your** own expense provide all such plans, documents, books and information that may be required. **We** will not be required to reinstate the **property insured** exactly but only as circumstances permit and in a reasonable manner.

The most **we** will pay for any item is the item sum insured shown in **your** schedule.

Workmen's condition

Joiners and other tradesmen are allowed in or onto the **building** to make repairs or minor structural alterations without prejudice to this insurance.

Contents section

Contents of this section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 5. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Business interruption

Loss, resulting from interruption of or interference with the **business** as a result of **damage** to property used by **you**, for the purpose of the **business** at the **premises**.

Computer systems

Computer or other equipment or component or system or item which processes stores transmits or receives **data**.

Contents

Contents (other than **stock**), laser equipment, landlords fixtures and fittings, interior decorations, employees' personal effects (up to £500 for any one person), and goods in trust belonging to **you** or which **you** are responsible for as shown in **your** schedule.

Damage

Accidental loss, destruction or damage.

Data

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

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **computer systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and

Contents section *continued*

amongst networks and the procurement of such actions or instructions by other **computer systems**.

Empty

Wholly unoccupied, mainly unoccupied or not in use by **you** for more than 30 consecutive days.

Flood

Damage caused by

- 1 the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam
- 2 inundation from the sea
- 3 inundation by rainwater or rainwater induced run off other than where the inundation is solely caused by or solely results from ingress of rainwater through or via the roof of the building.

Hacking

Unauthorised access to any **computer systems**, whether **your** property or not.

Insured person(s)

You and any of **your** principals, partners, directors or employees.

Money

Negotiable money and **non negotiable money** belonging to **you** or which **you** are responsible for.

Negotiable money

Cash, bank and currency notes, uncrossed cheques, giro cheques, uncrossed postal orders, uncrossed money orders, current postage stamps, unused units in franking machines, National Savings stamps and certificates, National Insurance stamps, trading stamps, gift tokens, lottery tickets (excluding scratch cards held in stock for resale), customer redemption vouchers, authenticated travel tickets, phone cards (excluding phone cards held in stock for resale), holiday with pay stamps, luncheon vouchers.

Non negotiable money

Credit company sales vouchers, debit card sales vouchers, crossed cheques, crossed giro drafts, crossed postal orders and crossed money orders, crossed national giro bank, crossed bankers drafts, premium bond certificates, VAT purchase receipts, credit card counterfoils, premium bonds, savings

bonds, stamped National Insurance cards and National savings certificates.

Phishing

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

Property insured

The **stock** and **contents** items where shown as covered in **your** schedule.

Standard construction

Built of brick, stone or concrete and roofed with slates, tiles, metal, concrete, asphalt or sheets or slabs composed entirely of incombustible mineral ingredients and plastic roof lights.

Buildings constructed of metal panels and composite panels insulated with materials other than polystyrene will be regarded as standard construction.

Stock

Target stock and all other stock items shown in **your** schedule including stock and materials in trade including work in progress, finished goods and customers' goods belonging to **you** or held in trust by **you** for which **you** are responsible.

Terrorism

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

In the Channel Islands and the Isle of Man: An act of any person(s) 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 any government de jure or de facto.

Vermin

Rats, mice, grey squirrels, owls, pigeons, foxes, bees and wasps or hornets.

Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems, data** or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

✓ What is covered

We will pay **you** for **damage** to the **property insured** used in connection with the **business** at the **premises** by any of the following Causes occurring during the **period of insurance**. **We** will pay the value of the **property insured** at the time of the **damage**, or for the amount of the **damage**, or at **our** option reinstate or replace the **property insured** or any part of it in accordance with the following Basis of claims settlement.

Basis of claims settlement

- 1 Claims for the total loss or destruction of **contents** items will be settled on the basis of replacement of property similar to but no better or more extensive than the items when new.
- 2 Claims for partial **damage** to **contents** items will be settled on the basis of restoration to a condition no better or more extensive than the condition of the items when new.
- 3 Claims for computer systems, records, documents, manuscripts, business books, accounting records and data carrying materials will be settled on the basis of the value of the materials together with the cost of clerical labour and computer time taken in reproducing those records, but **we** will not cover

- a any expenses in connection with producing information to be recorded on them
- b the value to **you** of the information contained in them.

- 4 Claims for **stock** will be settled on the basis of its value at the time of loss or destruction with an adjustment for wear and tear.

No payment will be made beyond the amount which would have been payable under this section in the absence of this cover until the cost of reinstatement has actually been incurred.

Causes

- 1 Fire, lightning or earthquake.
- 2 Explosion excluding damage caused by or consisting of the bursting by steam pressure of a boiler economiser or other vessel, machine or apparatus where internal pressure is due to steam only, that belongs to **you** or is under **your** control, unless it is used for non domestic purposes only.
- 3 Riot, civil commotion, strikers, locked-out workers, labour or political disturbances, vandals or malicious people but excluding
 - a damage caused by confiscation, destruction or requisition by order of the Government or any public authority
 - b damage arising from stoppage of work
 - c damage caused by **your** employees, tenants or any other person lawfully on **your premises**
 - d damage to any portion of the building which is **empty**
 - e damage caused by theft or attempted theft
 - f the **excess** shown in **your** schedule.
- 4 Storm or **flood** excluding
 - a damage due to a change in the water table level
 - b damage resulting from frost, subsidence, ground heave or landslip
 - c damage to moveable property in the open
 - d damage to **property insured** stored in the lowest storey of the **premises** unless raised at least six inches (150mm) above floor level

Contents section continued

- e** damage to **property insured** in any portion of the building which is **empty**
 - f** the **excess** shown in **your** schedule.
 - 5** Escape of water from any tank, apparatus or pipe excluding
 - a** damage caused by freezing in any outbuildings
 - b** damage to **property insured** stored in the lowest storey of the **premises** unless raised at least six inches (150mm) above floor level
 - c** damage to **property insured** in any building which is **empty**
 - d** the **excess** shown in **your** schedule.
 - 6** Impact by any aircraft or other aerial devices, vehicle or any article falling from them or by an animal, excluding the **excess** shown in **your** schedule.
 - 7** Leakage of fuel oil from any fixed heating installation excluding
 - a** damage to **property insured** in any building which is **empty**
 - b** the **excess** shown in **your** schedule.
 - 8** Theft or any attempted theft involving entry to or exit from the **premises** by forcible and violent means excluding
 - a** damage to any **property insured** in any building which is **empty**
 - b** damage caused by **your** employees, tenants or any other person lawfully on **your** premises
 - c** the **excess** shown in **your** schedule.
 - 9** Any other damage occurring at **your premises** excluding
 - a** damage which is excluded under Causes **1** to **8** or under optional Cause **10** if covered or under 'What is not covered' of the Contents section
 - b** damage caused by or resulting from
 - i** wear and tear, the action of light or atmosphere, moths, **vermin** or insects
 - ii** any process of cleaning, dyeing, restoring, adjusting, repairing, cutting, preparation or fitting
 - iii** corrosion, rust, dampness, deterioration, dryness, wet or dry rot, shrinkage, marring, or scratching
 - iv** wind, rain, hail, sleet, snow, dust or theft to boundary walls, gates, fences or moveable property in the open
 - v** subsidence, ground heave or landslip of any part of the site on which the building stands
 - vi** the normal settlement or bedding down of new structures
 - c** damage to property caused by or consisting of
 - i** inherent fault or defect, undiscovered defect, gradual deterioration, frost, change in water table level, faulty or defective design or materials
 - ii** faulty or defective workmanship, operational error or omission by **you** or any of **your** employees.
- But **we** will pay **you** for subsequent **damage** which results from a Cause covered elsewhere in the **policy**
- d** the collapse or cracking of buildings
 - e** the cost of normal maintenance, redecoration or repair
 - f** losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from
 - i** the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
 - ii** any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item
- whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**
- g** damage caused by or consisting of
 - i** mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment where the breakdown or derangement originates

- ii joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super heaters, pressure vessels or any range of steam and feed piping in connection with them.

But **we** will pay **you** for subsequent **damage** which results from a Cause covered elsewhere in the **policy**

- h the **excess** shown in **your** schedule.

10 Subsidence, ground heave or landslip of any part of the site on which the building stands excluding

- a the **excess** shown in **your** schedule

b damage to roads, pavements, yards, car parks, patios, terraces, boundary walls, gates and fences unless the building structure also suffers **damage** at the same time by the same Cause

- c damage caused by or consisting of

- i the normal settlement or bedding down of new structures

- ii the settlement or movement of made-up ground

- iii coastal or river erosion

- iv defective design or workmanship or use of defective materials

- v fire, subterranean fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe

- d damage which started before the start of this cover

- e damage to solid floor slabs or damage resulting from their movement, unless the foundations beneath the outside walls of the main building of the **premises** also suffer **damage** at the same time by the same Cause

- f damage resulting from demolition, construction, structural alteration or repair of any **property** or groundwork or excavation at the **premises**.

Special conditions applicable to subsidence, ground heave and landslip cover

1 Demolition, groundworks, excavation or construction condition

You must tell **us** as soon as possible if **you** become aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site to **your premises**. **We** will then have the right to vary the terms or cancel this cover.

2 Tree inspection and pruning condition

In accordance with the Reasonable care condition **you** must arrange annually at **your** own expense for a tree surgeon or similar professional to

- a inspect trees within 10 metres of **your premises** and over five metres in height to ensure that they do not affect the structure or drains or sewers at **your premises**

- b prune or pollard trees as recommended by the tree surgeon.

If **you** have no responsibility for a tree and are unable to comply with this condition **you** must tell **us**.

If **you** do not comply with these conditions **we** have the right to refuse to pay **your** claim.

Limit of cover

The most **we** will pay **you** for any item covered by this section is the sum insured shown in **your** schedule for each item plus index linking in line with the Inflation protection condition.

Extensions of cover

Architects, surveyors, legal and consulting engineers fees cover

We will pay **you** for architects, surveyors, legal and consulting engineers fees necessarily incurred with **our** written consent in the reinstatement or repair of the **property insured** as a result of **damage**.

Contents section continued

We will not cover any costs or expenses for preparing any claim.

The most **we** will pay for any item is the item sum insured shown in **your** schedule.

Capital additions cover

We will pay **you** for

- 1 any newly acquired **contents** which are not insured elsewhere for which **you** are responsible

and

- 2 alterations, additions and improvements to **contents** but not for any appreciation in value at any of **your premises**.

Provided that

- a **you** give **us** details of the additions as soon as possible and within 30 days and **you** must ensure specific insurance is arranged with **us** from the date **you** become responsible
- b the provisions of this cover will be fully maintained in addition to any specific insurance effected under **a** above.

The most **we** will pay at any one location is 10% of the total sum insured under this section or £100,000 whichever is the greater.

Cash registers and scales cover

We will pay **you** for **damage** (other than mechanical or electrical breakdown or derangement) to cash registers and scales provided that such property has been included in the sum insured for **contents**.

Contract price cover

If a sale contract is cancelled entirely due to **damage** to **stock** sold by **you**, that is not delivered and is still **your** responsibility the amount **we** will pay **you** will be based on the contract price. The value of all **stock** where the sale contract is cancelled in the event of **damage** will also be settled on this basis.

Damage to landscaped gardens cover

We will pay **you** for the cost of restoring any **damage** to landscaped gardens, for which **you** are responsible, by the emergency services

in attending the **premises** as a result of any insured Cause.

The most **we** will pay is £1,000 in any one **period of insurance**.

Debris removal cover

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

- 1 removing debris from
- 2 dismantling and/or demolishing
- 3 shoring up or propping

the portion or portions of the **property insured** as a result of **damage** covered by this section.

We will not cover costs or expenses

- a incurred in removing debris except from the site of the damaged **property insured** and the area immediately adjacent to the site
- b arising from pollution or contamination of property not covered by this section.

The most **we** will pay for any item is the item sum insured shown in **your** schedule.

Exhibitions and trade fair cover

We will pay **you** for **damage** by an insured Cause to **stock** and **contents** whilst in any building used for an exhibition or trade fair within the **policy territories** and whilst in transit to and from the exhibition or trade fair.

The most **we** will pay is £10,000 for any one loss.

We will not cover theft or attempted theft from any unattended vehicles.

Fire brigade charges cover

We will pay **you** for the costs and expenses **you** incur charged by the local authority for extinguishing fire or fire fighting provided that these costs and expenses are necessary and reasonable.

Fire extinguishment cover

We will pay **you** for the cost of replacing and/or replenishing extinguishment materials when **you**, **your** employees or the fire brigade attempt to extinguish or minimise loss by fire

Contents section continued

provided that the costs and expenses cannot be recovered from the public authority responsible.

The most **we** will pay for any one claim is £25,000.

Glass breakage cover

We will pay **you** for or at **our** option make good any accidental or malicious breakage or scratching of all internal or external fixed glass including showcases, shelves, tops and mirrors and sanitaryware belonging to **you** or for which **you** are responsible at **your premises** during the **period of insurance** provided that the glass is in good condition at the start of this **policy**.

Following breakage of fixed glass **we** will also pay for the cost of

- 1** boarding up. **You** may instruct builders or glaziers to board up without **our** prior consent
- 2** repairing **damage** to window frames, framework, shutters and blinds
- 3** removing or replacing the fixtures and fittings necessarily incurred to replace the glass
- 4** repair of **damage** to the shop front for which **you** are responsible caused by accidental external means or malicious people

5 damage to goods incidental to the **business** caused by breakage of fixed glass in display windows

6 replacing lettering, alarm foil or other ornamental work on glass.

The most **we** will pay is £25,000 for any one claim.

We will not cover

- a** damage that is covered by the Buildings section or Shop front cover under the Buildings section if selected
- b** the **excess** shown in **your** schedule
- c** damage to any building which is **empty**.

Inflation protection cover

We will adjust the sum insured for items covered by this section in line with suitable indices of costs and the renewal premium for this section will be based on the adjusted sums insured.

Loss of metered water cover

We will pay **you** for the unit cost of metered water at the current rate per cubic metre consumed as a direct result of **damage** caused by an insured Cause

provided that

- 1** the most **we** will pay for any one claim is £2,500

Table of benefits

If bodily injury is the only and direct cause of		
1	Death *	£10,000
2	Total loss or total and permanent loss of use of one or more limbs *	£10,000
3	Total and permanent loss of all sight in one or both eyes *	£10,000
4	Permanent total disablement from engaging in or carrying out the insured persons usual occupation *	£10,000
5	Temporary total disablement from engaging in or carrying out the insured persons usual occupation for a period up to 104 weeks	£100 per week payable monthly while the insured person is disabled

* occurring within two years of the date of suffering the bodily injury.

Contents section continued

- 2 repairs are completed within 180 days of the **damage** being discovered.

The amount **we** pay will be based on the amount of water charges for the period of the occurrence less the charge paid by **you** for the corresponding period in the preceding year.

This will then be adjusted for changes in the suppliers charges and for variations affecting **your** water consumption during the intervening period.

We will not cover **damage** to any building which is **empty**.

Lottery equipment cover

We will pay **you** for **damage** by an insured Cause to lottery equipment belonging to the lottery operator for which **you** are responsible provided that such equipment has been included in the sum insured for **contents**.

Personal accident – assault cover

We will pay the **insured person**, or in the case of death, their personal representatives, the sums shown in the Table of benefits on page 27, if any **insured person** within the age limits 16 to 70 years suffers bodily injury, as the result of robbery or hold-up or any attempted robbery or hold-up in the course of the **business** which is then the direct cause of death or disablement.

We will not pay

- 1 the **insured person** for more than one benefit for the same bodily injury
- 2 where the **business** includes a sub Post Office.

Conditions applicable to personal accident assault

- 1 **You** must write to **us** as soon as possible when **you** need to make a claim but in any case within three months of the date of the event giving rise to the bodily injury.
- 2 At **your** expense, **you** must supply all certificates, information and evidence in a form that **we** may require. Where a claim for bodily injury is made, the **insured person** will undergo any medical examinations that **we** may require at **our** expense.

- 3 In the case of death of an **insured person**, **we** will be entitled to have a post-mortem examination at **our** expense.

Personal effects cover

We will also pay for **damage** to cash carrying devices or clothing and personal effects belonging to an **insured person** following an attempt by a person or persons to steal **money** up to a limit of £500 in respect of any one person.

Reinstatement of sum insured after loss cover

In the event of **damage** the sum insured by this section will be automatically reinstated from the date of **damage** unless **we** or **you** give written notice to the contrary.

Provided always that in the event of reinstatement **you** will

- 1 pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement
- 2 apply any additional risk improvements which **we** may reasonably require.

Seasonal increase cover

The sum insured in respect of **stock** is increased in each **period of insurance** by

- 1 20% during the months of November, December and January
- 2 and 20% for 14 days before and 14 days after a bank holiday if it does not fall within the period in **a** above
- 3 or 20% during any alternate three month period selected by **you** and notified in writing to Towergate Health and Beauty.

Signs cover

We will pay for **you** for **damage** to fixed signs at **your premises** up to £1,000 in any one **period of insurance**.

Subrogation waiver cover

In the event of a claim under this section **we** agree to waive any rights, remedies or relief which **we** might have become entitled by subrogation against

Contents section continued

- 1 any company standing in relation of parent to subsidiary (or subsidiary to parent) to **you**
- 2 any company which is a subsidiary of a parent company of which **you** are a subsidiary

in each case as defined by current law at the time of the **damage**.

Temporary removal cover

We will pay **you** for **damage**

- 1 to **property insured** by this section whilst temporarily removed to any premises not owned or occupied by **you** within the **policy territories** and whilst in transit to or from **your premises**
- 2 to deeds, documents and plans relating to any property while temporarily removed within the **policy territories**.

The most **we** will pay is 15% of the item sum insured shown in **your** schedule in any one **period of insurance**.

Theft damage to buildings cover

Where buildings are not insured under this **policy we** will pay **you** for **damage** to the buildings at **your premises** shown in **your** schedule resulting directly from theft or attempted theft covered by this section, provided that **you** are legally responsible for the **damage**.

We will not cover damage to buildings which are **empty**.

The most **we** will pay is £25,000 in any one **period of insurance**.

Theft of shop keys cover

We will pay **you** for the cost of changing the external door and safe locks with equivalent locks in the event of the keys to **your premises** or safe being stolen from **your premises** or from the private residence of an **insured person** authorised to hold such keys.

Keys to any safe must not be left at **your premises** when closed for business and left unattended, unless **you** or an employee lives at the **premises**.

The most **we** will pay is £1,000 in any one **period of insurance**.

Value added tax (VAT) cover

We will pay **you** for VAT, paid by **you**, which is not subsequently recoverable

provided that

- 1 **a your** responsibility for such VAT arises solely as a result of the reinstatement or repair of the **property insured** following **damage**
 - b we** have paid or have agreed to pay for the **damage**
- 2 **our** liability does not include amounts payable by **you** as penalties or interest for non payment or late payment of VAT
- 3 **you** have taken all reasonable precautions to insure adequately for VAT liability at the start of this **policy** and at each subsequent renewal date.

For the purpose of any average condition, reinstatement costs will be exclusive of VAT. **Our** liability may exceed the sum insured for the **property insured** where such excess amount is solely in respect of VAT.

Optional extensions of cover

Money cover

Your schedule will show if this is covered.

We will pay **you** for loss of **money** held in connection with the **business** for any one loss of

- 1 **non negotiable money** up to £250,000 for any one loss
- 2 **negotiable money**
 - a** from **your premises** during business hours up to £3,000 for any one loss
 - b** in a bank night safe
 - c** from **your premises** whilst in a locked safe when closed for business
 - d** in transit within the **policy territories**
 - e** from **your premises** whilst not in a locked safe when closed for business.

The most **we** will pay **you** for any one loss are the limits shown in **your** schedule

- f** whilst at the residence of any of **your** principals or authorised employees up to £500 for any one loss
- g** from gaming, amusement or vending machines up to £300 for any one event.

Conditions applicable to money cover

Money in transit condition

Whenever **negotiable money** in transit exceeds

- 1** £3,000 it must be accompanied by at least two responsible adults.
- 2** £6,000 it must be accompanied by at least three responsible adults.

No more than £3,000 must be carried by one responsible adult.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim.

Key security condition

Whenever **your premises** are closed for business all keys or notes of the combination codes of safes or strong rooms must be removed from **your premises** unless the **premises** are still occupied by **you** or any of **your** authorised employees. When keys are on the **premises** they must be kept in a secure place away from the safes or strongrooms.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim.

Record keeping condition

You will keep a daily record of the amount of **money** at **your premises** contained in safes or strong rooms and in transit. This record must be kept in a separate secure place and will need to be produced to support a claim under this section.

What is not covered – applicable to Money cover

We will not cover losses

- 1** arising from fraud or dishonesty of **your** employees unless the loss is discovered within 14 working days of the date of the loss

- 2** due to clerical or accounting errors
- 3** from unattended motor vehicles
- 4** of **money** which is the property of the Post Office.

X What is not covered

Aircraft or aerial devices exclusion

We will not cover damage caused by or consisting of pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

Date recognition exclusion

We will not cover damage directly or indirectly caused by, contributed to by or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

But **we** will cover subsequent **damage** resulting from an insured Cause, providing **damage** is covered elsewhere in the **policy**.

Electrical plant or apparatus exclusion

We will not cover damage to any electrical plant or apparatus caused by its own overrunning, short circuiting, excessive pressure, self-heating, mechanical or electrical breakdown or derangement, or arising from adjustment, maintenance or repair.

If the **damage** extends to other **property insured**, **we** will cover **you** for that **damage**.

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1** damage to or the destruction of any **computer systems**; or
- 2** any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar**

mechanism or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **damage** which is covered by this section, which itself results from causes **1** to **8** covered by this section, except for damage caused by malicious persons other than thieves.

Excess exclusion

Where a claim is covered under the Buildings, Contents and Specified all risks section **you** will only be responsible for one of the **excess** amounts shown in **your** schedule and the highest amount will apply.

Fraud and dishonesty exclusion

We will not cover **damage** which results from acts of fraud or dishonesty by **you**, **your** employees or any other person who is responsible for the, **contents** or **stock** or results from voluntarily parting with title or possession of any **contents**, or **stock** as a result of a fraudulent scheme, trick, device or false claim.

But **we** will cover **you** for subsequent **damage** which results from an insured Cause which is covered elsewhere in the **policy**.

Illegal activities exclusion

We will not cover damage caused by property being used, by **you** or any occupants, for illegal activities.

More specific insurance exclusion

We will not cover **you** for any property more specifically insured by **you** or on **your** behalf.

Pollution or contamination exclusion

We will not cover **you** for any loss caused by pollution or contamination unless the **damage** is caused by

- 1** pollution or contamination which results from Cause **1** to **10** provided that cause is covered by this section
- 2** Cause **1** to **10** provided that cause is covered by this section which itself results from pollution or contamination.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any **property insured**, or any **business interruption** 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 of that assembly.

Terrorism and Northern Ireland exclusion

We will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1** In England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.
- 2** In Northern Ireland
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
 - c** riot, civil commotion and (except for **damage** or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious people.

If any of the points above are found to be invalid or unenforceable, the remainder shall remain in full force and effect.

In any action, law suit or other proceedings or where **we** state that any loss, **damage**, cost or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Unexplained loss exclusion

We will not cover damage caused by or consisting of

- 1 disappearance, unexplained or inventory shortage
- 2 misfiling or misplacing of information.

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Average condition

If at the time of **damage** the sum insured is less than the value of the **property insured**, the amount **we** will pay will be reduced proportionately.

Construction of property condition

Unless otherwise stated the buildings shown in **your** schedule are of **standard construction**.

Electronic equipment security condition

- 1 Each item of electronic equipment with an individual replacement value of £10,000 or more must be securely anchored to the desk, workstation or to the structure of the building in accordance with the following Loss Prevention Standard (LPS) requirements
 - a in respect of electronic equipment such as PCs, laser printers or fax machines, all items must be secured in accordance with LPS 1214 requirements
 - b in respect of electronic equipment such as blade servers, computer cabinets and security enclosures, all items must be secured in accordance with LPS 1175 requirements.
- 2 All openings to any communications/server room type environments containing electronic equipment to be locked whenever **your premises** are unattended and keys removed from **your premises**.
- 3 All personal business items such as laptops, mobile telephones and other electronic equipment items designed for mobile or portable use with a replacement value over £250 must be secured in locked cupboards, cabinets or security containers with the keys removed from **your premises**.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim for theft or attempted theft.

Empty buildings condition

- 1 **You** must tell **us** immediately **you** become aware
 - a that any building or portions of buildings at **your premises** become **empty**
 - b of any **damage** to the **empty** buildings or portions of buildings at **your premises** whether the **damage** is insured or not.

Contents section continued

- 2** If **we** agree to provide cover **you** must ensure that in respect of any **empty** building or portion of buildings that
- a** the buildings are inspected internally and externally at least once a week by **you** or on **your** behalf and **you** maintain a written record of the inspection
 - b** all refuse and waste materials must be removed from the interior of the **premises** at least once a week
 - c** **you** must secure the **premises** and put all protective, locking devices and any alarm protection into effective operation
 - d** gas, water and electricity supplies (except electricity needed to maintain any fire or intruder alarm systems) and any fuel supplies are permanently shut off at the switch or stopcock where they enter the buildings (or where they enter the flat or unoccupied part of the building)
 - e** **you** must implement any additional protections that **we** may require within the time scale **we** specify
 - f** all **damage** to the **premises** must be rectified immediately
 - g** letterboxes must be sealed
 - h** the final exit door of the buildings must be secured by an appropriate mortice deadlock which has five or more levers and conforms to British Standard BS 3621 or European Norm EN 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim.

Explosion condition

You must ensure that any vessel, machinery or apparatus or its contents belonging to **you** or under **your** control, which needs examination to comply with any statutory regulations will be the subject of a contract providing the required inspection.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim resulting from explosion.

Fire extinguishing appliances condition

Fire extinguishing equipment must be

- 1** maintained in efficient working order
- 2** routinely tested and any defects promptly rectified.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Reinstatement condition

If any **property insured** covered by this section is to be reinstated or replaced by **us**, then **you** should at **your** own expense provide all such plans, documents, books and information that may be needed. **We** will not be required to reinstate the **property** exactly but only as circumstances permit and in a reasonable manner. **We** will not pay more than the sum insured for any one item insured.

Workmen's condition

Joiners and other tradesmen are allowed in or onto the building to make repairs or minor structural alterations without prejudice to this insurance.

Specified all risks section

Contents of this section

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Limit of cover	36
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What is not covered	36
Section conditions	38

Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 5. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Computer systems

Computer or other equipment or component or system or item which processes stores transmits or receives **data**.

Damage

Accidental loss, destruction or damage.

Data

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

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **computer systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**.

Insured cause

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in

Specified all risks section *continued*

labour disturbances, malicious people, theft, earthquake, storm, flood, escape of water from any tank, apparatus or pipe or impact by any road vehicle or animal.

Hacking

Unauthorised access to any **computer systems**, whether **your** property or not.

Phishing

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

Property insured

The items shown in **your** schedule.

Territory covered

The area shown in **your** schedule.

Terrorism

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

In the Channel Islands and the Isle of Man: An act of any person(s) 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 any government de jure or de facto.

Anywhere in the World that is not England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man: an act of any person(s) acting on behalf of or in connection with any organisation which carries out

activities directed towards the overthrowing or influencing by force or violence any government de jure or de facto.

Vermin

Rats, mice, grey squirrels, owls, pigeons, foxes, bees and wasps or hornets.

Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems, data** or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

✓ What is covered

We will pay **you** for **damage** to the **property insured** whilst anywhere within the **territory covered** during the **period of insurance**. **We** will pay the value of the **property insured** at the time of the **damage**, or for the amount of the **damage**, or at **our** option reinstate or replace the **property insured** or any part of it in accordance with the following Basis of claims settlement.

Basis of claims settlement

- 1 Claims for the total loss or destruction of **property insured** will be settled on the basis of replacement of property similar to but no better or more extensive than the **property insured** when new.
- 2 Claims for partial **damage** to **property insured** will be settled on the basis of restoration to a condition no better or more extensive than the condition of the **property insured** when new.

No payment will be made beyond the amount which would have been payable under this section in the absence of this cover until the cost of reinstatement has actually been incurred.

Limit of cover

The most **we** will pay **you** for any item covered by this section is the sum insured shown in **your** schedule for each item plus index linking in line with the Inflation protection condition.

Extensions of cover

Inflation protection cover

We will adjust the sum insured for items covered by this section in line with suitable indices of costs and the renewal premium for this section will be based on the adjusted sums insured.

Reinstatement of sum insured after loss cover

In the event of loss the sums insured by this section will be automatically reinstated from the date of the loss unless **we** or **you** give written notice to the contrary

provided always that in the event of reinstatement **you** will

- 1 pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement
- 2 apply any additional risk improvements which **we** may reasonably require.

Subrogation waiver cover

In the event of a claim under this section **we** agree to waive any rights, remedies or relief which **we** might have become entitled by subrogation against

- 1 any company standing in relation of parent to subsidiary (or subsidiary to parent) to **you**
- 2 any company which is a subsidiary of a parent company of which **you** are a subsidiary

in each case as defined by current law at the time of the **damage**.

x What is not covered

Aircraft or aerial devices exclusion

We will not cover damage caused by or consisting of pressure waves caused by

aircraft or other aerial devices travelling at sonic or supersonic speeds.

Cleaning and restoration exclusion

We will not cover damage caused by or arising from any process of cleaning, dyeing or restoring.

Confiscation or detention exclusion

We will not cover loss or damage caused by official confiscation or detention.

Date recognition exclusion

We will not cover damage directly or indirectly caused by, contributed to by or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

But **we** will cover subsequent **damage** resulting from an **insured cause**, providing **damage** is covered elsewhere in this **policy**.

Electrical plant or apparatus exclusion

We will not cover damage to any electrical plant or apparatus caused by its own overrunning, short circuiting, excessive pressure, self-heating, mechanical or electrical breakdown or derangement, or arising from adjustment, maintenance or repair.

If the **damage** extends to other **property insured**, **we** will cover **you** for that **damage**,

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 damage to or the destruction of any **computer systems**; or
- 2 any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

Specified all risks section *continued*

We will cover subsequent **damage** which is covered by this section, which itself results from an **insured cause** covered by this section, except for **damage** caused by malicious persons other than thieves.

Excess exclusion

We will not cover the **excess** shown in **your** schedule.

Where a claim is covered under the Buildings, Contents and Specified all risks section **you** will only be responsible for one of the **excess** amounts shown in **your** schedule and the highest **excess** amount will apply.

Fraud and dishonesty exclusion

We will not cover damage which results from acts of fraud or dishonesty by **you**, **your** employees or any other person who is responsible for the **property insured** or results from voluntarily parting with title or possession of any **property insured** as a result of a fraudulent scheme, trick, device or false claim.

But **we** will cover subsequent **damage** which results from an **insured cause** which is covered elsewhere in the **policy**.

Illegal activities exclusion

We will not cover damage caused by property being used, by **you** or any occupants, for illegal activities.

Miscellaneous damage exclusion

We will not cover damage to, caused by or consisting of mechanical or electrical breakdown, corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, **vermin** or insects.

But **we** will cover **you** for **damage** covered elsewhere in this **policy** which results from an **insured cause** covered elsewhere in this **policy**.

More specific insurance exclusion

We will not cover **you** for any property more specifically insured by **you** or on **your** behalf.

Pollution or contamination exclusion

We will not cover **you** for any loss caused by pollution or contamination unless the **damage** is caused by

- 1 pollution or contamination which results from an **insured cause** provided it is covered by this section
- 2 any **insured cause** provided that peril is covered by this section which itself results from pollution or contamination.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from **damage** to any **property insured**, or any **business interruption** 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 of that assembly.

Terrorism and Northern Ireland exclusion

We will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with:

- 1 in England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
- 2 in Northern Ireland
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**

Specified all risks section continued

c riot, civil commotion and (except for **damage** or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious people.

3 Anywhere in the World that is not England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man

a any act of terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to the loss

b any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism

If any of the points above are found to be invalid or unenforceable, the remainder shall remain in full force and effect.

In any action, law suit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Theft exclusion

We will not cover theft or any attempted theft not involving entry to or exit from the **premises**, by forcible and violent means.

Theft from unattended vehicles exclusion

We will not cover theft or attempted theft from an unattended motor vehicle unless the vehicle has all points of access securely closed and locked.

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

Wear and tear exclusion

We will not cover damage caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level or its own faulty or defective design or materials.

But **we** will cover subsequent **damage** which results from an **insured cause** covered elsewhere in the **policy**.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Average condition

If at the time of **damage** the sum insured is less than the value of the **property insured**, the amount **we** pay will be reduced proportionately.

Reinstatement condition

If any **property insured** by this section is to be reinstated or replaced by **us**, then **you** should at **your** own expense provide all such plans, documents, books and information that may be required. **We** will not be required to reinstate the **property insured** exactly but only as circumstances permit and in a reasonable manner. **We** will not pay more than the sum insured for any one item insured.

Business interruption section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 5. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Notes

- 1** For the purpose of the following defined meanings any adjustment implemented in current cost accounting will be disregarded.
- 2** To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section will be exclusive of such tax.
- 3** Adjustments will be made for trends of the **business** and for variations and other circumstances affecting the **business** either before or after the **damage** or which would have affected the **business** had the **damage** not occurred so that the amount paid represents as closely as possible the results which would have been expected if the **damage** had not occurred.

Customers

All **your** customers who obtain goods or services from **you** on a credit basis.

Damage

Accidental loss or destruction or damage caused by

- 1** an insured Cause under the Buildings or Contents section
- 2** damage to fixed glass or damage to the shop front where shown as covered in **your** schedule.

Indemnity period

The period during which the **business** is affected, starting on the date the **damage** occurred and ending not later than the number of months shown in **your** schedule.

Outstanding debit balances

The total amount of money owed to **you** by **your customers** at the date of the **damage** after adjustments for

- 1 bad debts and for amounts debited (or invoiced but not debited) and credited
- 2 debit and credit amounts owed and not passed through **your** books during the period between the last record and the date of the **damage**.

✓ What is covered

If any property used by **you** at **your premises** for the purpose of the **business** suffers **damage** during the **period of insurance**, and as a result **your business** is interrupted or interfered with then **we** will pay **you** for loss of profit by paying

- 1 an amount representing the difference between the sales less relative purchases during the **indemnity period** as compared to the difference between the sales less relative purchases during the equivalent period immediately before the **damage**
- 2 any reasonable additional expenses incurred in maintaining sales during the **indemnity period** but not more than the loss avoided under **1** above

less any amount saved during the **indemnity period** in respect of reduced expenses due to the **damage** or savings made due to salvage sold

provided that

- 1 the property is insured and a payment has been made or liability accepted, under the Buildings or Contents section of this **policy** or under any other insurance covering the buildings at **your premises**
- 2 such **damage** would not have been excluded by the Buildings or Contents section of this **policy**
- 3 the most **we** will pay under this section is the sum insured shown in **your** schedule adjusted in line with the Inflation protection condition plus professional accountants charges.

If the **damage** occurs in the first trading year the payment under **1** above will be based on the trading figures immediately prior to the loss.

Limit of cover

The most **we** will pay **you** during any one **period of insurance** is the gross profit sum insured shown in **your** schedule plus index linking in line with the Inflation protection condition, plus professional accountants charges.

Extensions of cover

Denial of access cover

We will pay **you** for any loss insured by this section resulting from interruption of or interference with the **business** as a result of **damage** to property within a one mile radius of **your premises** which prevents or hinders the access to or the use of **your premises** whether **your premises** or **your** property within it suffers **damage** or not.

We will not cover **damage** to property of any supply undertaking from which **you** obtain electricity, gas or water or telecommunications services, which prevents or hinders the supply of those services.

Failure of public supply cover

We will pay **you** for loss of profit following interruption of or interference with the **business** as a result of

- 1 the accidental failure of public supplies of electricity, gas or water at the terminal ends of **your** suppliers service feeds, meters or stop cocks to the **premises**.

We will not cover

- a **your** wilful act or neglect
- b a deliberate act of the supply undertaking in restricting or withholding supplies
- c weather conditions or drought
- d any industrial action
- e any failure of supply lasting for less than four hours

Business interruption section continued

2 damage to property at any land based **premises** of the public telecommunications undertaking from which **you** obtain telecommunications services.

This cover will apply for a period of up to three months beginning with the occurrence of the loss, during which the results of **your business** are affected as a result of accidental failure of public supplies or **damage**.

The most **we** will pay is £25,000 for any one claim.

Inflation protection cover

We will adjust the sum insured for items covered by this section in line with suitable indices of costs and the renewal premium for this section will be based on the adjusted sums insured.

Murder, suicide or disease cover

We will pay **you** for interruption of or interference with the **business** during the **indemnity period** following

1 the occurrence of any of the following specified human infectious or human contagious diseases suffered by any person at **your premises** or within a one mile radius of it:

acute encephalitis, acute poliomyelitis, anthrax, chicken pox, cholera, diphtheria, dysentery, legionellosis, legionnaires disease, leprosy, leptospirosis, malaria, measles, meningococcal infection, mumps, ophthalmia neonatorum, paratyphoid fever, plague, rabies, rubella, scarlet fever, smallpox, tetanus, tuberculosis, typhoid fever, viral hepatitis, whooping cough and yellow fever

2 murder or suicide at **your premises**

3 injury or illness sustained by any person arising from poisoning directly caused by the consumption of food or drink provided at **your premises**

4 **vermin** or pests in **your premises** that prevents the use of the buildings by order of a public authority

5 the closing of the whole or part of **your premises** by order of a competent public authority as a result of a defect in the drains or other sanitary arrangements at **your premises**.

This cover will apply for a period of up to three months beginning with the occurrence of the loss, during which the results of the **business** are affected as a result of murder, suicide or disease or **damage**.

Professional accountants charges cover

We will pay **you** for reasonable charges payable by **you** to **your** professional accountants for producing any details contained in **your** business books or such other proofs, information or evidence as **we** may require under the terms of the Claims notification and Claims procedure conditions and reporting that those details are in accordance with **your** business books or documents.

Reinstatement of sum insured cover

In the event of **damage** the sum insured for this section will be automatically reinstated from the date of the loss unless **we** or **you** give written notice to the contrary

provided that in the event of reinstatement **you** will

1 pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement

2 apply any additional risk improvements which **we** may reasonably require.

Suppliers and customer cover

We will pay **you** for any interruption of or interference with the **business** caused by one of the following Causes under the Contents section following **damage** at the **premises** of any of **your** suppliers or **customers** within the **policy territories**.

The most **we** will pay is 5% of the gross profit sum insured shown in **your** schedule or £25,000 whichever is the greater.

Optional extensions of cover

Book debts cover

Your schedule will show if this is covered.

If **your** accounts books or other **business** books or records used for the purpose of the **business** suffer **damage** whilst at **your**

premises or whilst temporarily removed during the **period of insurance**, which results in **your** inability to trace or establish the **outstanding debit balances we** will pay **you**

- 1** an amount representing the difference between the **outstanding debit balances** at the date of the **damage** and the total amount received in payment of them during the 12 months after the **damage**
- 2** any reasonable additional expenses incurred in tracing and establishing **outstanding debit balances** but not more than the loss avoided under **1**

provided that

- 1** **we** have made a payment or accepted liability under the Buildings or Contents section of this **policy**
- 2** if the sum insured shown in **your** schedule at the time of the **damage** is less than the **outstanding debit balances** the amount payable will be proportionately reduced
- 3** **you** keep a record of the total amount of **outstanding debit balances** at least once a week and keep a copy in a locked, fire-resistant safe or cabinet at **your premises** or away from **your premises**.

Limit of cover

The most **we** will pay **you** for **outstanding debit balances** during any one **period of insurance** is the sum insured shown in **your** schedule plus index linking in line with the Inflation protection extension of cover, plus professional accountants charges.

X What is not covered

Erasure of data exclusion

We will not cover damage arising directly or indirectly from

- 1** erasure, loss, distortion or corruption of information on computer systems or other records, programs or software deliberately caused by rioters, strikers, locked-out workers, people taking part in labour disturbances or civil commotion or malicious people

- 2** other erasure, loss, distortion or corruption of information on computer systems or other records, programs or software unless resulting from an insured Cause and it is covered elsewhere in the **policy**.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Alternative trading condition

If during the **indemnity period** goods are sold or services provided elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf the money paid or payable in respect of such sales or services will be included in arriving at the reduction of sales during the **indemnity period**.

Average condition

If the gross profit sum insured shown in **your** schedule is less than the difference between sales and purchases in the 12 months (or a proportionately increased multiple of this when the **indemnity period** exceeds 12 months) before the **damage** then the amount payable will be proportionately reduced.

Cessation or discontinuation of trading condition

If after the start of the **period of insurance** the **business** is wound up or carried on by a liquidator or receiver or permanently discontinued **we** will not cover **you** from the date of such change or alteration.

Claims procedure condition

We will not pay any claim under this section unless **you** provide **us** with a written statement at **your** own expense setting out the details of **your** claim, not later than 30 days after the expiry of the **indemnity period** (or within such further time as **we** may agree in writing).

Payments on account condition

At **your** request, payments on account may be made to **you** monthly during the **indemnity period**.

Reasonable precautions condition

We will not pay any claim under this section unless **you** take all action which may be reasonably necessary to minimise or stop any interruption of or interference with the **business** to avoid or reduce the loss.

Personal accident section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 5. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Accident

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

Hazardous pastimes

The **insured person** taking part in, or practising for

- 1 racing, competitions, rallies or trials on wheels or on horseback
- 2 hang-gliding, parachuting, parascending, paragliding or bungee jumping
- 3 mountaineering, rock climbing, potholing, caving or white water rafting
- 4 diving underwater involving the use of breathing apparatus
- 5 off piste skiing, sleighing or snow boarding.

Inception

The date that an **insured person** is first included in this insurance.

Injury

Identifiable physical injury caused by an **accident** which solely and independently of any other cause, results in the death or disablement of the **insured person**, within 24 months of the date of the **accident**. This includes illness arising directly from the injury or medical or surgical treatment made necessary by the injury.

Insured person

Each of the persons described in **your** schedule who is under 75 years of age.

Loss of limb

Permanent loss by physical separation of a hand at or above the wrist or of a foot at or above the ankle, or permanent total and irrecoverable loss of use of a hand, arm, foot or leg.

Personal accident section continued

Loss of sight, hearing or speech

Total and irrecoverable loss of

- 1 sight in one or both eyes
- 2 hearing
- 3 speech.

Permanent total disablement

Disablement which entirely prevents the **insured person** from attending to any occupation, to which they are reasonably suited by training, education or experience and which

- 1 lasts 12 months and
- 2 is beyond hope of improvement.

✓ What is covered

We will pay **you**, or in the event of **your** death, **your** personal representatives, in accordance with the benefits shown in the Table of benefits below, if at any time during the **period of insurance** an **insured person** sustains **injury**.

Disappearance cover

If during the **period of insurance**, an **insured person** goes missing and sufficient evidence is produced to confirm that the **insured person** sustained an **injury** likely to have caused death, it will be presumed after 12 months that death has occurred and **we** will pay the benefit shown

in **your** schedule. However if the **insured person** is subsequently found to be alive, **you** will be required to refund to **us** any amount already paid.

Maximum benefits cover

Benefit payable under this section will not exceed the amounts shown in **your** schedule for each **insured person**.

Payment of benefits cover

We will only pay under one of the benefits shown in **your** schedule as a result of one **accident**.

x What is not covered

Armed forces exclusion

We will not cover claims in any way caused or contributed to, by the **insured person** engaging in or taking part in armed forces service or operations.

Chemical weapon exclusion

We will not cover claims in any way caused or contributed to, by the actual or threatened malicious use of pathogenic or poisonous, biological or chemical materials.

Criminal act exclusion

We will not cover claims in any way caused or contributed to, by the **insured person's** own criminal act.

Table of benefits

If bodily injury is the only and direct cause of		
1	Death	£5,000
2	Total loss or total permanent loss of use of one or more limbs *	£5,000
3	Total and permanent loss of sight in one or both eyes*	£5,000
4	Permanent total disablement from engaging in or carrying out the insured persons usual occupation*	£5,000
5	Temporary total disablement from engaging in or carrying out the insured persons usual occupation for a period up to 104 weeks	£50 per week payable monthly while the insured person is disabled

* Occurring within two years of the date of suffering bodily injury.

Deliberate act exclusion

We will not cover claims in any way caused or contributed to, by the **insured person's** deliberate exposure to exceptional danger (except in an attempt to save human life).

Drugs and alcohol exclusion

We will not cover claims in any way caused or contributed to, by the **insured person** being under the influence of alcohol or drugs, not prescribed by a qualified medical practitioner.

Flying exclusion

We will not cover claims in any way caused or contributed to, by the **insured person** engaging in flying of any kind other than as a passenger.

Hazardous pastimes exclusion

We will not cover claims in any way caused or contributed to, by **hazardous pastimes**.

Pre-existing condition exclusion

We will not cover claims in any way caused or contributed to, by

- 1 any existing condition or chronic or recurring disease or disorder, or
- 2 any other condition which the **insured person** knew about and has
 - a sought advice, diagnosis, treatment or counselling
 - b become aware, or should reasonably have been aware
 - c been treatedin the 12 months immediately prior to **inception**.

Suicide and insanity exclusion

We will not cover claims in any way caused or contributed to, by the **insured person's** suicide, attempted suicide or intentional self-injury, or the **insured person** being in a state of insanity.

War risks exclusion

We will not cover

- 1 any claims caused by or happening through war, invasion, act of foreign enemy

hostilities (whether war is declared or not) civil war, rebellion, revolution, insurrection or military or usurped power

- 2 confiscation, nationalisation, requisition or destruction of or damage to property by or under the order of any government or public or local authority.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Change in circumstances condition

You must tell **us** as soon as **you** become aware of any **injury**, illness, disability or other condition where the **insured person** has become affected.

Claims evidence condition

- 1 The **insured person** must as early as possible seek the attention of a qualified medical practitioner in the event of **injury** or illness which causes or may cause a claim and all certificates, information and evidence required by **us** in connection with such **injury** or illness is to be provided at **your** or the **insured persons** expense.
- 2 All medical records, notes and correspondence in connection with a claim or a related pre-existing condition must be made available on request to any medical adviser appointed by **us** and that medical adviser is to be allowed to examine the **insured person** as often as necessary.
- 3 If the **insured person** dies **we** will be entitled to have a post mortem examination at **our** expense.

Public and products liability section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 5. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Additional persons insured

- 1** The personal representative of any deceased person entitled to the cover provided by this section but only in respect of liability incurred by the deceased person.
- 2** At **your** request
 - a** any principal for whom **you** are completing a contract for the performance of work, to the extent required by the contract conditions
 - b** any director or **employed person of yours** in connection with the **business**
 - c** any officer or member whilst undertaking their duties in connection with **your**
 - i** canteen, sports, social, educational or welfare organisations
 - ii** fire, security, first aid, medical or ambulance services
 - d** any director or officer of **yours** for whom private work is undertaken by any **employed person**, with **your** prior consent.

Asbestos

Asbestos in any form, asbestos fibres or particles or derivatives of asbestos or any material containing asbestos.

Bodily injury

Death, bodily injury, illness or disease.

Claim costs

Costs and expenses

- 1** of any claimant which **you** or any of the **additional persons insured** become legally liable to pay
- 2** incurred with **our** prior written consent, to investigate or defend a claim against **you** or any of the **additional persons insured** including solicitors fees at

Public and products liability section *continued*

- a** any coroner's inquest or fatal accident inquiry
- b** summary court proceedings.

Client

Person receiving **professional treatments**.

Contractual liability

Legal liability assumed by **you** under the express or intended terms of any contract or agreement that restrict **your** right of recovery, or increase **your** liability at law beyond that applicable in the absence of those terms.

Electronic data

Facts, concepts or information in a form usable for communications, interpretation or processing by electronic, electromechanical data processing or electronically controlled equipment and this includes programmes, software, firmware, operating systems or other coded instructions for the processing or manipulation of data.

Employed person(s)

Anyone

- 1** under a contract of service or apprenticeship with **you**
- 2** who is
 - a** employed by **you** or on **your** behalf on a labour only basis
 - b** self employed
 - c** hired to **you** or borrowed by **you** from another employer
 - d** a voluntary helper or taking part in a work experience or training scheme and under **your** control or supervision.

Event

Claim or series of claims against **you** or the **additional persons insured** as a result of or attributable to a single source or the same original, repeated or continuing cause.

Limit of indemnity

The amount shown in **your** schedule as the limit of indemnity.

Manslaughter costs

Costs and expenses of legal representation in connection with any criminal inquiry into, or court proceedings brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Offshore

On or working from, or travelling by sea or air, to, from or between an offshore rig, platform or similar offshore installation.

Operatives

Person or people authorised by **you** to carry out **professional treatments**.

Pollution or contamination

Pollution or contamination of buildings or other structures or of water, land or the atmosphere.

Loss, damage or **bodily injury** directly or indirectly caused by such pollution or contamination.

Products

Products that **you** supply, provide or deliver including containers, packaging, labelling, instructions or advice in connection with the product in the course of the **business**.

Professional treatments

Professional beauty treatments specified on **your** schedule and defined in Appendix 1.

Safety legislation costs

Costs and expenses of legal representation in connection with an alleged breach of statutory duty under Health and Safety, Consumer Protection or Food Safety legislation, enacted within the **policy territories**.

Terrorist act

Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.

✓ What is covered

Awards of damages cover

We will pay the amount of damages which **you**, or any of the **additional persons insured** are legally liable to pay as a result of accidental

- 1** **bodily injury** to any person
- 2** loss of or damage to material property
- 3** obstruction, trespass, nuisance or interference with any right of way, air, light or water
- 4** wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy

during the **period of insurance** in connection with **your business**.

Additional business activities cover

The cover under this section includes the following activities of the **business**

- 1** the management and upkeep of **your premises** and land at the same address
- 2** providing and managing facilities primarily used for fire prevention, safety or security at **your premises**
- 3** private work completed with **your** prior consent by an **employed person** for **your** directors, partners or officers
- 4** the sale or disposal of business assets.

Claims costs cover

We will pay **claim costs** in connection with a claim for which an award of damages is paid or may be payable under this section, but **we** will not cover **claim costs** for any part of a claim not covered by this section.

Compensation for court attendance cover

We will compensate **you** at the rate of £250 per day for each day that **we** request any director, partner or **employed person** to attend court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

Contingent motor liabilities cover

We will pay the amount of damages which **you** are legally liable to pay and **claim costs** as a result of accidental

1 **bodily injury**

- 2** loss of or damage to property not owned or held in trust by **you** or in **your** custody or control occurring during the **period of insurance** and arising out of

- a** the use by an **employed person** of their own motor vehicle within the European Union
- b** the movement of any motor vehicle, not owned by, or provided by **you**, or an **employed person** that is preventing access to, or causing an obstruction within **your** premises or any site at which **you** are working

and the Road Traffic Act exclusion in this section does not apply to this cover provided that **we** will not pay

- i** for loss of or damage to any motor vehicle referred to in **a** or **b** above
- ii** unless the motor vehicle is being driven with **your** permission and **you** have taken reasonable steps to ensure that the person driving holds a valid licence to drive the motor vehicle
- iii** where cover is provided (or would be provided but for a term of cover) by another insurance policy.

Cross liabilities cover

Any person, firm, company or organisation covered by this section, is entitled to cover as if a separate policy had been issued to each, but the total amount payable by **us** on behalf of all, will not exceed the **limit of indemnity** in any circumstances.

Data Protection cover

If **you** are registered or are in the process of registration under Data Protection legislation (and the application has not been refused or withdrawn) **we** will cover **you** as a result of **your** legal liability to pay compensation for damage

or distress occurring during the **period of insurance** in the course of the **business**.

We will not cover

- 1 recording or providing information for reward or for working out the financial status of any person
- 2 a deliberate act or failure.

The maximum amount **we** will pay in total during any one **period of insurance** is £250,000.

Defective premises Act cover

We will pay the amount of damages for which **you** are liable at law and **claim costs** as a result of accidental **bodily injury** or loss of or damage to material property, occurring during the **period of insurance** arising out of premises **you** have disposed of but had previously owned in connection with the **business**.

We will not cover loss of or damage to the land or premises disposed of or in connection with the cost of rectifying any defect or alleged defect in them.

We will not cover any liability which **you** are covered under any other insurance policy.

Manslaughter costs cover

We will cover **manslaughter costs**, as a result of any death occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** or any of the **additional persons insured** for damages covered by this section.

You must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or is withdrawn **we** will have no further liability other than for costs and expenses of legal representation incurred before the date of the claim payment or withdrawal of the claim.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual

consent), such appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you** in connection with the proceedings.

The most **we** will pay for **manslaughter costs** and costs awarded against **you** or any person entitled to cover under this section in total as a result of all occurrences, during any one **period of insurance**, is £1,000,000.

We will not cover

- 1 fines, penalties or awards of compensation imposed by a criminal court
- 2 costs and expenses of implementing any remedial order or publicity order
- 3 costs and expenses of an appeal against any fine, penalty, compensation award, remedial order or publicity order
- 4 costs and expenses incurred as a result of the failure to comply with any remedial order or publicity order
- 5 costs and expenses insured by any other policy
- 6 costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Personal liability cover

At **your** request, **we** will pay the amount of damages for which any of **your** directors, partners or **employed persons** or their spouse or children are liable at law and **claim costs**, as a result of accidental

- 1 **bodily injury**
- 2 loss of or damage to material property, not owned by or held in trust by **you** or them, nor in **your** or their custody or control

occurring during the **period of insurance**, incurred in a personal capacity during temporary visits anywhere in the world in connection with the **business**, other than

Public and products liability section continued

- a** arising out of the ownership or occupation of land or buildings
- b** where cover is provided under any other insurance
- c** in circumstances which a policy or section exclusion applies.

Safety legislation costs cover

We will cover **safety legislation costs**, as a result of any **bodily injury** or loss of or damage to material property occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** or any of the **additional persons insured**, for damages covered by this section.

You must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or is withdrawn **we** will have no further liability other than in respect of costs and expenses of legal representation incurred before the date of the claim payment or withdrawal of the claim.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), such appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you** in connection with the proceedings.

The most **we** will pay for **safety legislation costs** and costs awarded against **you** or any person entitled to cover under this section in total as a result of all occurrences, during any one **period of insurance**, is £1,000,000.

We will not cover

- 1** fines, penalties or awards of compensation imposed by a criminal court

- 2** costs and expenses of an appeal against improvement or prohibition notices
- 3** costs and expenses on indictment for manslaughter, corporate manslaughter, corporate homicide or culpable homicide, other than **safety legislation costs** already incurred
- 4** costs and expenses insured by any other policy
- 5** costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Teacher training extension cover

We will pay the amount of damages which **you** are legally liable to pay together with **claim costs** as a result of accidental

- 1** **bodily injury** to any person
- 2** loss of or **damage** to material property occurring within the **policy territories** in connection with the **business** during the **period of insurance** caused by any of **your** students but only whilst such person is working under **your** direction, control and supervision

provided that

- a** **You** would have been entitled to cover under this section if the claim had been made against **you**
- b** the full conduct and control of all claims is given to **us**
- c** such person is not entitled to cover under any other insurance
- d** the maximum amount **we** will pay under this extension for the total of all damages and **claim costs** as a result of all occurrences during any one **period of insurance** is the **limit of indemnity**
- e** **you** complied with all conditions relating to **professional treatments**
- f** the **bodily injury** is as a result of **professional treatments**.

Professional treatment cover – excluding bodily injury

This section is extended to include incidents where **you** are legally liable but there has been no **bodily injury** in respect of any claim

- 1 which is first made against **you** in writing and
- 2 is notified to **us**

during the **period of insurance** for breach of professional duty as a result of **your** neglect, error or omission in providing advice or treatment in the course of the **professional treatments** undertaken in the course of the **business**.

The most **we** will pay during any one **period of insurance** including costs and expenses incurred by **us** or with **our** consent in the defence and settlement of any claims shall not exceed £50,000 in total.

We will not pay for

- 1 for the first 10% of each and every claim
- 2 any cause happening before the retroactive date.

Extended claims notification period

If **we** do not invite renewal of this **policy** other than due to non-compliance with the terms of this **policy**, **we** will cover **you** under this extension arising out of any claim

- 1 which is first made against **you** in writing and
- 2 is notified to **us**

during the 90 days immediately following the final **period of insurance** as if the claim had first been made in writing against **you** and notified to **us** during that final **period of insurance**

provided that

- a there is no other policy in force that will provide cover
- b the most **we** will pay under this extension including costs and expenses incurred by **us** or with **our** consent will not exceed £50,000 in total for the final **period of insurance**.

For the purpose of this cover the retroactive date is defined as three years prior to the start date shown in **your** schedule.

Limit of cover

The most **we** will pay for the total of all damages arising from one **event** is the **limit of indemnity**. The **limit of indemnity** is also the most **we** will pay for all damages as a result of all occurrences during any one **period of insurance** caused or originating from

- 1 **pollution and contamination** and/or
- 2 **terrorist act** and/or
- 3 **products** and/or
- 4 **professional treatments**.

If **we** cover more than one person, firm, company or organisation, **our** liability to all, as a result of one **event**, will not be more than the **limit of indemnity**.

We will pay **claim costs** in addition to the **limit of indemnity**.

As a result of any claim or claims, **we** may at any time pay the **limit of indemnity**, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. **We** will not then be liable to make any further payment, except for **claim costs** incurred before the date of the claim payment.

X What is not covered

Aircraft and watercraft exclusion

We will not cover legal liability arising from **you** owning, possessing or using any

- 1 aircraft
- 2 watercraft or hovercraft (except watercraft not exceeding eight metres in length or any hand propelled boat or pontoon).

Asbestos exclusion

We will not cover legal liability in any way arising from or contributed to by

- 1 inhalation or ingestion of **asbestos**
- 2 exposure to or fear of the consequences of exposure to **asbestos**

Public and products liability section continued

- 3 the presence of **asbestos** in any property or on land
- 4 investigating, managing, removing, controlling or remediation of **asbestos**.

Contractual liability exclusion

We will not cover claims

- 1 for **contractual liability** in connection with **products**
- 2 where the terms of any contract or agreement made by **you**, prevent **us** from taking over the full defence or settlement of the claim
- 3 to pay liquidated damages, or any contractual fines or amounts payable under contractual penalty clauses.

Damage to products exclusion

We will not cover loss of or damage to property forming part of any **products** sold or supplied by **you** caused by or arising from a defect in or the unsuitability of those **products**.

Design and advice and treatment exclusion

We will not cover legal liability arising from

- 1 advice, instruction, consultancy, design, formula, specification, inspection, certification or testing undertaken or given for a fee
- 2 physical, mental or cosmetic treatment of any person (other than first aid treatment) and those procedures included as **professional treatments**
- 3 making up or dispensing of any medicine or medical cosmetic.

Electronic data exclusion

We will not cover claims caused by or arising from

- 1 authorised or unauthorised transmission of **electronic data**
- 2 the content of any website, **your** email, intranet or extranet
- 3 loss, distortion, erasure, corruption or alteration of **electronic data** or any loss of

use resulting in reduction of functionality, failure of electronic, electromechanical data processing or electronically controlled equipment or **electronic data** to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

Employee injury exclusion

We will not cover **bodily injury** sustained by any **employed persons** arising out of and in the course of their employment with **you**.

Excess exclusion

We will not cover the **excess** shown in **your** schedule. **You** will have to pay the **excess** for loss of or damage to property and this will apply to each **event**.

Foreign manual work exclusion

We will not cover legal liability arising outside the **policy territories**, except in respect of temporary visits elsewhere by persons ordinarily resident within the **policy territories**, where no manual work is involved.

North American exclusion

We will not cover legal liability or any allegation, claim, circumstances or proceedings for **bodily injury** or loss of or damage to property caused by or in connection with any **products**, which to **your** knowledge, are for export, either directly or indirectly, to the United States of America or Canada.

Offshore exclusion

We will not cover legal liability arising in connection with any person while **offshore**.

Pollution and contamination exclusion

We will not cover legal liability arising from **pollution or contamination**, other than caused by a sudden and unexpected incident which takes place at a specific time and place during the **period of insurance**. All **pollution or contamination** which arises out of one incident will be considered to have happened at the time the incident takes place.

Property under your control exclusion

We will not cover loss or damage to property owned by **you** or which is held in **your** care, custody or control.

But **we** will cover

- 1 premises** which are leased, let, rented, hired or lent to **you**, as long as a tenancy or other agreement does not
 - a** give rise to **contractual liability**
 - b** say that loss or damage must be insured under a property insurance policy arranged by **you** or on **your** behalf
- 2 premises** including **contents** which are not owned or rented by **you**, where **you** are temporarily carrying out work in connection with the **business**
- 3 employed persons** or visitors' vehicles or effects while on the **premises**.

Punitive damages exclusion

We will not cover claims to pay any award of punitive, exemplary or aggravated damages or additional damages resulting from the multiplication of compensatory damages, by a court of law outside the **policy territories**.

Radioactive contamination exclusion

We will not cover any claims directly or indirectly caused by or contributed to by, or resulting or arising from any type of nuclear radiation, nuclear material, nuclear waste, nuclear reaction or radioactive contamination.

Recall exclusion

We will not cover claims to pay any costs or expenses caused by or arising from any decision or requirement to recall or withdraw **products** from sale or use.

Rectification of defects exclusion

We will not cover claims to rectify, remedy, repair, replace, re-apply, modify, investigate, access or remove **products**, or to make any refund.

Road traffic Act exclusion

We will not cover legal liability arising out of the ownership, possession or use by **you** or on **your** behalf or use by any of the **additional persons insured** of any motor vehicle, trailer or mobile plant in circumstances where compulsory insurance or security is required by Road Traffic Legislation, or where cover is provided (or would be provided but for breach of the terms of cover) by another insurance.

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

Employers' liability section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 5. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Additional persons insured

1 The personal representative of any deceased person entitled to the cover provided by this section but only in respect of liability incurred by the deceased person.

2 At **your** request

a any principal for whom **you** are completing a contract for the performance of work, to the extent required by the contract conditions

b any director or **employed person of yours** in connection with the **business**

c any officer or member whilst undertaking their duties in connection with **your**

i canteen, sports, social, educational or welfare organisations

ii fire, security, first aid, medical or ambulance services

d any director or officer of **yours** for whom private work is undertaken by any **employed person**, with **your** prior consent.

We will only provide cover if each person keeps to the terms, exclusions and conditions of this **policy**.

Bodily injury

Death, bodily injury, illness or disease.

Claim costs

Costs and expenses

1 of any claimant which **you** or any of the **additional persons insured** become legally liable to pay

Employers' liability section continued

- 2** incurred with **our** prior written consent, to investigate or defend a claim against **you** or any of the **additional persons insured** including solicitors' fees at
- a** any coroner's inquest or fatal accident inquiry
 - b** summary court proceedings.

Contractual liability

Legal liability assumed by **you** under the express or intended terms of any contract or agreement that restrict **your** right of recovery, or increase **your** liability at law beyond that applicable in the absence of those terms.

Employed person(s)

Anyone

- 1** under a contract of service or apprenticeship with **you**
- 2** who is
 - a** employed by **you** or on **your** behalf on a labour only basis
 - b** self employed
 - c** hired to **you** or borrowed by **you** from another employer
 - d** a voluntary helper or taking part in a work experience or training schemeand under **your** control or supervision.

Limit of indemnity

The amount shown in **your** schedule as the limit of indemnity.

Manslaughter costs

Costs and expenses of legal representation in connection with any criminal inquiry into, or court proceedings brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Offshore

On or working from, or travelling by sea or air, to, from or between an offshore rig, platform or similar offshore installation.

Safety legislation costs

Costs and expenses of legal representation in connection with an alleged breach of statutory duty under Health and Safety, Consumer Protection or Food Safety legislation, enacted within the **policy territories**.

Terrorist act

Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.

✓ What is covered

Additional business activities cover

The cover under this section includes the following activities of the **business**

- 1** the management and upkeep of **your premises** and land at the same address
- 2** providing and managing facilities primarily used for fire prevention, safety or security at **your premises**
- 3** private work completed with **your** prior consent by an **employed person** for **your** directors, partners or officers
- 4** the sale or disposal of business assets.

Awards of damages cover

We will pay the amount of damages which **you**, or any of the **additional persons insured** are legally liable to pay and **claim costs** as a result of accidental **bodily injury** to any **employed person** resident in the **policy territories** caused during the **period of insurance** and arising out of and in the course of their employment by **you** in connection with the **business**.

Claim costs cover

We will pay **claim costs** in connection with a claim for which an award of damages is paid or may be payable under this section, but **we** will not cover **claim costs** for any part of a claim not covered by this section.

Compensation for court attendance cover

We will compensate **you** at the rate of £250 per day for each day that **we** request any director, partner or **employed person** to attend court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this section.

Injury to working partners cover

If **you** are a working partner the cover will apply as though **you** were an **employed person** as long as

- 1** **bodily injury** is sustained while **you** are working in connection with the **business**
- 2** **bodily injury** is caused by another partner or **employed person** while working in connection with the **business**
- 3** **you** have a valid right of action for negligence against the other partner or **employed person**.

Manslaughter costs cover

We will pay for **manslaughter costs** as a result of any death occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** or any of the **additional persons insured** for damages covered by this section.

You must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or is withdrawn **we** will have no further liability other than for costs and expenses of legal representation incurred before the date of the claim payment or withdrawal of the claim.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the opinion of Counsel (appointed by mutual consent), such appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you** in connection with the proceedings.

The most **we** will pay for **manslaughter costs** and costs awarded against **you**, or any person entitled to cover under this section, in total, as a result of all occurrences, in total during any one **period of insurance**, is £1,000,000.

We will not cover

- 1** fines, penalties or awards of compensation imposed by a criminal court
- 2** costs and expenses of implementing any remedial order or publicity order
- 3** costs and expenses of an appeal against any fine, penalty, compensation award, remedial order or publicity order
- 4** costs and expenses incurred as a result of the failure to comply with any remedial order or publicity order
- 5** costs and expenses insured by any other policy
- 6** costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Safety legislation costs cover

We will pay for **safety legislation costs**, as a result of any **bodily injury** or loss or damage to material property occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** or any of the **additional persons insured**, for damages covered by this section.

You must obtain **our** prior consent to legal representation and **we** will only agree to payment on a fee basis agreed by **us**.

If a claim for damages is settled or is withdrawn **we** will have no further liability other than in respect of costs and expenses of legal representation incurred before the date of the claim payment or withdrawal of the claim.

If at any time a claim for damages remains unsettled and **you** wish to appeal against conviction, **we** will agree to costs and expenses of legal representation, if in the

Employers' liability section continued

opinion of Counsel (appointed by mutual consent), such appeal is more likely to succeed than not and the total amount of damages and claimants costs are likely to exceed the total cost of legal representation.

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you** in connection with the proceedings.

The most **we** will pay for **safety legislation costs**, in total during any one **period of insurance**, is £1,000,000.

We will not cover

- 1 fines, penalties or awards of compensation imposed by a criminal court
- 2 costs and expenses of an appeal against improvement or prohibition notices
- 3 costs and expenses on indictment for manslaughter, corporate manslaughter, corporate homicide or culpable homicide, other than **safety legislation costs** already incurred
- 4 costs and expenses insured by any other policy
- 5 costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Unsatisfied court judgements cover

We will at **your** request pay an **employed person** or their legal personal representatives the amount of any award to that person as a result of a judgement which has been obtained for **bodily injury** against any company, partnership or individual conducting a business within the **policy territories** and if such award remains unpaid six months after the date of the judgement

we will only provide cover if

- 1 there is no outstanding appeal
- 2 the **bodily injury** was sustained during the **period of insurance** by the **employed person** while working in connection with the **business**

3 the judgement was obtained in a court within the **policy territories**

4 the **employed person** or their personal representative assigns the amount of the judgement to **us**.

Limit of cover

The most **we** will pay for the total of all damages and **claim costs** is the **limit of indemnity** A or B shown in **your** schedule and will apply to any one claim or series of claims by one or more of the **employed persons** arising from one occurrence.

Limit of indemnity A will apply unless the occurrence arises directly or indirectly in connection with a **terrorist act**.

Limit of indemnity B will apply to any occurrence arising directly or indirectly in connection with a **terrorist act**.

As a result of any claim or claims, **we** may at any time pay the **limit of indemnity**, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. **We** will not then be liable to make any further payment as a result of the claim or claims, except for **claim costs** incurred before the date of the claim payment.

X What is not covered

Offshore exclusion

We will not cover legal liability as a result of **bodily injury** to an **employed person** while **offshore**.

Radioactive contamination exclusion

We will not cover any claims caused by or arising from any type of nuclear radiation, nuclear material, nuclear waste, nuclear reaction or radioactive contamination in respect of

1 **contractual liability**

2 the liability of any principal for whom **you** are completing the contract.

Road Traffic Act exclusion

We will not cover legal liability for **bodily injury** to an **employed person** in circumstances where it is necessary to arrange compulsory motor insurance or security, under any Road Traffic Legislation.

Section condition

This condition of cover applies only to this section. **You** must comply with the following condition to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about this condition or whether **you** need to notify **us** about any matter, please contact **us**.

Right of recovery condition

The cover provided under this section is in line with any law relating to the compulsory insurance of liability to persons employed within the **policy territories**. **You** must repay to **us** all amounts **we** pay, which **we** would not have been liable to pay but for the law.

Terrorism section

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Your schedule will show if this section is covered.

Meanings of defined terms

You can find the meanings for words in bold blue on page 5. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Business interruption

Loss, resulting from interruption of or interference with the **business** carried on **you** at the **Premises** as a result of **damage** to property used by **you**, at the **premises**, for the purpose of the **business**.

Computer systems

Computer or other equipment or component or system or item which processes stores transmits or receives **data**.

Damage

Accidental loss or destruction or damage.

Data

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

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **computer systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**.

Terrorism section *continued*

Hacking

Unauthorised access to any **computer systems** whether **your** property or not.

Phishing

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

Terrorism

For risks located in England, Wales and Scotland:

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.

For risks located in the Channel Islands and Isle of Man:

An act of any person(s) 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 any government de jure or de facto.

Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems, data** or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

✓ What is covered

We will extend the cover provided under the following sections, where **your** schedule shows these as covered, to include **damage** to the property insured or business interruption where covered caused by happening through or as a result of **terrorism**.

- 1 Buildings
- 2 Contents
- 3 Specified All Risks
- 4 Business Interruption
- 5 Computer breakdown section

All losses arising within 72 hours caused by **terrorism** during the **period of insurance** will be treated as one loss and **you** can decide when the 72 hour period starts as covered by this section, provided that all **damage** occurs within the **period of insurance** and that no two periods overlap.

x What is not covered

Applicable to all locations

Excluded property exclusion

We will not cover **you** for any losses directly or indirectly caused by or resulting from loss, destruction or damage to any

- 1 property located outside England, Wales and Scotland, the Channel Islands and the Isle of Man and property in the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987
- 2 nuclear installation or nuclear reactor
- 3 property which is specifically excluded elsewhere in this **policy**.

Motor exclusion

We will not cover **you** for

- 1 any property covered by a motor policy other than a motor trade policy
- 2 property covered under a road risks section of a motor trade policy.

Other insurances exclusion

We will not cover **you** for any property which is insured by or would but for the existence of this **policy**, be insured by any form of transit, aviation or marine policy.

Applicable to risks in England, Wales and Scotland only

Electronic risks exclusion

We will not cover any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 damage to or the destruction of any **computer systems**
- 2 any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

But this exclusion will not apply where the loss

A) results directly from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea going or water going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such a vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any **computer systems**;

and

B) comprises

- (a) the cost of reinstatement, replacement or repair in respect of **damage** to or destruction of property insured by **you** and/or
- (b) **consequential loss** suffered directly by **you** as a direct result of either **damage** or destruction to property insured by **you** at a location covered by this **policy** or as a direct result of denial, prevention or hindrance of access to a location where property insured by **you** is covered by this **policy** as a result of **damage** caused by **terrorism** to property which is within one mile of the location.

However, under **A)** and **B)** above **we** will not cover **you** for any losses caused by **terrorism** where the organisation involved or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.

Subject only to the proviso set out in **C)** below, the following property is specifically excluded from the cover provided under **A)** and **B)** above

- (i) money, currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any financial instrument of any sort whatever

and

- (ii) **data**

C) However, in circumstances where loss otherwise falling within this section results indirectly from any alteration, modification, distortion, erasure or corruption of **data** because the occurrence of a peril or perils detailed under **A)** above results from any alteration, modification, distortion, erasure or corruption of **data** then notwithstanding **(ii)** above, such loss shall nonetheless be covered.

War risks exclusion

We will not cover any claims caused by or happening through riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

Applicable to risks in the Channel Islands and Isle of Man only

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 damage to or the destruction of any **computer systems**; or
- 2 any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

Pollution and contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss directly or indirectly caused by or contributed to by, or in connection with, or arising from biological or chemical pollution or contamination.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any property, 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 of that assembly.

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition seizure or destruction or damage to property by or under the order of any government or public or local authority.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**.

Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Limitation of liability condition

Our liability for all losses from any one event and in total in any one **period of insurance** will not exceed

- 1** the total sums insured under each section
- 2** the sum insured for any one item
- 3** any specific limit of **our** liability shown in the **policy** sections
- 4** the sum insured (or limit remaining) after the deduction for any other **damage** occurring during the same **period of insurance**

whichever is the less as shown in **your** schedule.

Proof of cover condition

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, costs or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Legal expenses section

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Your schedule will show if this section is covered.

Important information

Legal advice

You can obtain telephone based legal advice on UK law by calling the legal and tax advice line on 0330 024 5346 quoting **your policy** number.

Advice can be sought on a wide range of areas of law, including employment, health and safety and tax. The advice is provided by barristers, solicitors and tax consultants and is confidential and impartial. In the interests of monitoring the quality of legal advice given, conversations may be recorded.

The legal and tax advice line is not empowered to give advice on the admissibility of any **claim** under this section. If **you** wish to make a **claim you** must contact the **administrator's** claims department (please refer to the Notification of claims condition in this section).

Legal Expenses Claims Notification

If **you** need to notify a possible claim **you** should complete the online form at <http://informationcentre.arclegal.co.uk>. Alternatively please call the claims line on 0330 024 8991.

Employment disputes

Your attention is drawn to the fact that **you** must have sought and followed all advice from the legal and tax advice line as to the procedure to be adopted in connection with Employment disputes and **you** have received specific authorisation prior to taking action. Please refer to the Employment dispute cover under the heading 'What is covered'.

Acts of Parliament

All Acts of Parliament referred to in this section will include any subsequent amendments, re-enactments or regulations and equivalent legislation enforceable within the **policy territories**.

Meanings of defined terms

You can find the meanings for words in bold blue on page 5. There are some words that may only appear in this section or are defined differently and their meanings are shown here.

Administrator

Arc Legal Assistance Ltd administers and manages the legal expenses section of this **policy** on **our** behalf.

Arc Legal Assistance Ltd is authorised and regulated by the Financial Conduct Authority under registration number 305958. This can be checked on the FCA's website at www.fca.org.uk or by contacting them on 0845 606 1234. Their registered business address is Arc Legal Assistance Ltd, The Gatehouse, Lodge Park, Lodge Lane, Colchester, Essex CO4 5NE.

Any one claim

All **claim(s)** as a result of the same original cause, event or circumstance. For a **claim** under Tax and VAT investigation cover, an **HMRC investigation** into a later year's self assessment return, where a previous year's self assessment return is still subject to an open enquiry, will be deemed as any one claim.

Appointed representative

A consultant, solicitor, barrister or other appropriately qualified person appointed to act for the **insured persons** in accordance with the terms of this section.

Awards of compensation

Basic and compensatory awards and compensation for unlawful discrimination made against **you** by an employment tribunal or settlement of them, subject to the consent of the **administrator** but not including Additional awards under the Employment Rights Act 1996, Protective awards under Trade Union and Labour Relations (Consolidation) Act 1992, Interim relief under the Employment Rights Act 1996, arrears of

pay or awards of damages under the Equal Pay Act, or arising out of failure to comply with awards for reinstatement or re-engagement.

Claim(s)

A claim under this section for **legal expenses**, **professional expenses** or **awards of compensation**.

Contracting party

A person, firm or company within the **policy territories** with whom **you** have a direct contractual relationship.

Debt collection service

The debt collection service nominated by the **administrator**.

Due date

The date monies owed to **you** first become due and payable.

Employee(s)

Any person under a contract of service with **you**.

Injury

Physical bodily injury or death.

Insured persons

You and at **your** request, any of **your employee(s)** including a director or partner, conditional on the same **appointed representative** acting for all. Where **you** are charged under the Corporate Manslaughter and Corporate Homicide Act 2007 **you** may not request any of **your employee(s)** including a director or partner to be included as an insured person.

Inland Revenue investigations

1 Business self assessment full enquiry

The investigation which takes place when an officer of HM Revenue & Customs (HMRC) makes a request to examine all of **your** business books and records and issues a

Legal expenses section *continued*

formal notice under Section 9A or Section 12AC of the Taxes Management Act 1970 or under paragraph 24(1) Schedule 18 Finance Act 1998.

2 Employer compliance dispute

The enquiries which take place following an expression of dissatisfaction with **your** PAYE or National Insurance Contributions affairs, following an employer compliance visit by HMRC or following an expression of dissatisfaction with **your** P11Ds or P9Ds.

3 Business self assessment aspect enquiry

The enquiry which takes place when an officer of HMRC issues a formal notice under paragraph 24(1) Schedule 18 Finance Act 1998 or Section 9A or Section 12AC of the Taxes Management Act 1970 in order to make an aspect enquiry into certain boxes on **your** self assessment return.

HMRC investigation

Inland Revenue investigations and VAT disputes

Legal expenses

1 Fees

- a** any professional fees, expenses and other disbursements reasonably incurred by the **appointed representative** with the consent of the **administrator**
- b** any costs incurred by other parties where the **insured persons** have been held liable in court or tribunal proceedings to pay these costs or become liable to pay these costs under a settlement made with another party with the consent of the **administrator**, but excluding any costs which the **insured persons** may be ordered to pay by a court of criminal jurisdiction.

2 Witness attendance allowance

The amount of money per day **you** are liable to pay an **employee** where they are required by the **appointed representative** to attend as a witness at a court or tribunal hearing. Indemnity is limited to £100 per day and a maximum of £1,000 in **any one claim**.

Professional expenses

Any fees or expenses reasonably incurred by the **appointed representative** with the consent of the **administrator** but excluding any tax or VAT, additional tax or VAT, interest or penalties demanded, assessed or required by the relevant authorities or other penalties imposed by a court of criminal jurisdiction.

Property

Land or buildings owned or occupied by **you** or for which **you** are legally responsible.

Statutory licence

A licence or certificate of registration issued under statute, statutory instrument or by a Government or local authority to **you**, provided that the licence or certificate is necessary to engage in **your business**.

Terrorist act

Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.

VAT disputes

The enquiries which take place following a written decision, assessment or statement of alleged arrears made by HMRC into **your** Value Added Tax return or any related Value Added Tax default surcharges and misdeclaration penalties.

✓ What is covered

We will only pay the **insured persons** for **claim(s)** where the dispute, legal proceedings and **HMRC investigation** are within the **policy territories** and in connection with activities within the scope of **your business**. This is a 'claims made' section of the **policy**. It only pays **claim(s)** notified to the **administrator** during the **period of insurance**.

Contract disputes cover

We agree to pay **you** for **legal expenses** incurred in the pursuit or defence of any dispute or legal proceedings made by or brought against **you** in a contractual dispute with a **contracting party** over a contract for the sale of goods, the hire of goods or a contract for the supply of a service within the meaning of the Sale of Goods Act 1979, or the Supply of Goods and Services Act 1982 provided that

- 1 legal expenses** incurred in the pursuit of any dispute or legal proceedings are limited to 75% of the amount in dispute
- 2 we** will not be liable to provide indemnity unless the amount in dispute between **you** and the **contracting party**, to which indemnity applies exceeds £500
- 3** where the contract is a construction contract as defined by the Housing Grants, Construction and Regeneration Act 1996, the construction operations are or are intended to be carried out by the **contracting party** on property owned by **you** and the contract is for the repair or renovation of the **property**
- 4** where the dispute relates to monies owed to **you** and liability is not contested and **you** refer the debt to the **debt collection service**, within 30 days of the **due date**; this will be paid for by **you** and not covered by **us**. If the **debt collection service** exhausts its normal recovery procedure and recommends to the **administrator** that legal proceedings are necessary, **you** must immediately notify a **claim** under this section.

Criminal prosecution cover

We agree to pay the **insured persons legal expenses** incurred in

- 1** defending a prosecution against the **insured persons** in a court of criminal jurisdiction
- 2** an appeal by the **insured persons** against the service of an Improvement or Prohibition Notice under the Health and Safety at Work Act 1974 or the Food Safety Act 1990.

Data protection cover

We agree to pay **you** for **legal expenses** incurred in an appeal by **you**, against a refusal of an application for registration or alteration of registered particulars, or an appeal against an Enforcement, Deregistration or Transfer Prohibition Notice.

Employment disputes cover

We agree to pay **you** for **legal expenses** and **awards of compensation** incurred by **you** in defending legal proceedings brought against **you** by an **employee**, ex-**employee** or prospective **employee** in respect of their contract of employment with **you** or a breach of employment related legislation.

We have the right to refuse to pay **your claim** if **you** do not seek and follow all advice from the legal and tax advice line as to the procedure to be adopted and have received specific authorisation from the legal and tax advice line

- 1** prior to carrying out any disciplinary procedure, action or suspension of an **employee**
- 2** prior to dismissal of an **employee**
- 3** prior to notifying an **employee** of their intended retirement date or retiring an **employee**
- 4** prior to instituting a redundancy programme and prior to making an **employee** redundant
- 5** upon formal or informal notification of a grievance from an **employee** or ex-**employee**
- 6** upon formal or informal notification of a complaint relating to discrimination, victimization or harassment because of age, disability, gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation
- 7** prior to any adverse variation or proposed adverse variation of the terms and conditions of employment (including altering the hours, time or place worked, demotion or deduction from or reduction in an **employee's** remuneration)
- 8** immediately an **employee** walks out, with or without written notice

9 upon receipt of an appeal from an **employee** or ex-**employee**, against a decision taken as a result of a disciplinary or grievance procedure, retirement procedure or a decision to dismiss.

Personal injury cover

We agree to pay the **insured persons** against **legal expenses** incurred in the pursuit of any dispute or legal proceedings for **injury** to the **insured persons**.

Property disputes cover

We agree to pay **you** for **legal expenses** incurred in any dispute or legal proceedings made by or brought against **you**

- 1** over the physical possession of the **property**, provided that all statutory and contractual notices have been correctly served by **you**
- 2** over the terms of a tenancy agreement between **you** and a **contracting party** relating to the use or maintenance of the **property** including dilapidations
- 3** over the actual or alleged negligence, damage or nuisance to the **property** other than with a tenant, provided that **you** will suffer financial loss if **you** fail to pursue or defend the dispute or legal proceedings.

Statutory licence cover

We agree to pay **you** for **legal expenses** incurred in an appeal by **you**, against the suspension, revocation, imposed alteration of or refusal to renew a **statutory licence**.

Tax protection cover

- 1** Inland Revenue investigations

We agree to pay **you** for **professional expenses** incurred in representing **you** at an **Inland Revenue Investigation**, including representation at a First-tier Tribunal, Upper Tribunal and at an appeal against a decision following such a tribunal, provided that there is a reasonable prospect of reducing the liabilities alleged by HMRC.

- 2** VAT disputes

We agree to pay **you** for **professional expenses** incurred in representing **you** in a **VAT dispute** for the local review procedure in order to reach agreement with HMRC, a First-tier Tribunal Upper Tribunal or VAT Tribunal, including an appeal, provided that there is a reasonable prospect of reducing the liabilities alleged by HMRC.

Limit of cover

The most **we** will pay under this section are the limits shown in **your** schedule for

- 1** any one claim
- 2** all **claim(s)** notified during the **period of insurance**.

X What is not covered – A

Contract dispute exclusions

We will not cover **you** for **claims** arising out of or in connection with

- 1** contracts that provide or arrange credit, insurance, securities or guarantees
- 2** contracts where **your** liability or right of recovery is incurred through **your** agent or by assignment
- 3** franchise contracts
- 4** contracts governed by or alleged to be governed by the Consumer Credit Act 1974
- 5** contracts of employment
- 6** contracts for the use of **property**.

Criminal prosecution exclusions

We will not cover the **insured persons** for **claim(s)** arising out of or in connection with

- 1** any prosecution relating to or arising from investigations by HMRC
- 2** any prosecution for offences against the person, including offences of a sexual nature, other than charges under the Corporate Manslaughter and Corporate Homicide Act 2007
- 3** any prosecution for criminal damage
- 4** any prosecution alleging dishonesty

Legal expenses section continued

- 5 any prosecution for non-endorsable road traffic offences, except tachograph prosecutions and weight prosecutions
- 6 an allegation of speeding or driving whilst under the influence of alcohol or drugs
- 7 failure to insure a motor vehicle as required by law.

Employment dispute exclusion

We will not cover **you** for

- 1 any fine, award or damages incurred by deliberately avoiding a payment or liability under statutory requirements
- 2 any redundancy payment or any money due or properly payable, arising under or from a contract of employment, service agreement or related document to or from any related, implied or incorporated terms of a contract of service.

Property disputes exclusions

We will not cover **you** for any **claim** arising out of or in connection with

- 1 the payment or non payment or review of any tax, rent or service charge
- 2 a dispute relating to planning or building regulations, decisions, compulsory purchase orders or any actual, planned or proposed works by or under the order of any government, public or local authority
- 3 any dispute arising from the negotiation, review or renewal of a tenancy agreement or the subsequent purchase of the **property** whether or not the purchase is completed
- 4 any dispute where **you** have failed to maintain in full force and effect during the tenancy agreement, buildings insurance covering the standard range of perils if **you** were contractually obligated to have insurance in force
- 5 a dispute over subsidence or heave however caused
- 6 a contract dispute, other than where the contract is a tenancy agreement with a **contracting party**.

Statutory licence exclusions

We will not cover **you** for any **claim** arising out of or in connection with

- 1 any disciplinary or internal procedures conducted by authorities charged with **your** regulation in the performance of **your business** or for any appeal following these procedures
- 2 an alteration or refusal to renew a **statutory licence** which is imposed by an Act of Parliament
- 3 any costs incurred to comply with a notice or order.

Tax protection exclusions

We will not cover **you** for

- 1 technical or routine treatment of matters not connected with or under an expression of dissatisfaction with **your** affairs
- 2 the defence of any criminal prosecution
- 3 taxation proceedings which arise out of negligent misstatements or omissions made by **you** or on **your** behalf in respect of returns or accounts or where there has been a lack of reasonable care in the keeping of business books and records
- 4 any **HMRC investigation** which results solely from investigation of earlier accounts or records
- 5 any **claim** where the Tax Return is submitted outside the statutory time limits or in a penalty position
- 6 the preparation or correction of Self Assessment Returns, Accounts, Income Tax Returns, P11Ds, P35s, VAT returns or any other statutory returns
- 7 any enquiry under Public Notice 160 or Section 60 of the VAT Act 1994 or matters handled by HMRC Specialist investigations, Civil investigations or Fraud and Criminal investigations Sections. Also Code of Practice 8 and 9 cases
- 8 an enquiry into the validity of a **claim** for Working Families Tax Credit or a dispute concerning the payment of the Working Families Tax Credit by an employer

Legal expenses section continued

- 9 any dispute in connection with the payment of the National Minimum Wage
- 10 a dispute or enquiry in respect of IR35 legislation
- 11 any **claim** made where a Return submitted at the final filing date contains provisional figures for all of the trading income and expenditure items
- 12 an investigation under a voluntary disclosure made to the HMRC for omitted tax National Insurance Contributions or VAT liabilities which become due as a result of **your** deliberate act
- 13 an investigation by HMRC into a tax planning arrangement, where the Anti Avoidance Intelligence Unit of HMRC has allocated a number for inclusion on the relevant Self Assessment Return.
- 5 any **claim** relating to or arising from any cause, event or circumstance occurring prior to or existing at the start of this section, and which has or which **you** knew or ought reasonably to have known, may give rise to a dispute, legal proceedings or **HMRC investigation** by or against **you**
- 6 fines or other penalties imposed by a court or tribunal
- 7 any dispute, legal proceedings or **HMRC investigation** for which **you** are, or would be but for the existence of this section, entitled to indemnity under any insurance whether a legal expenses insurance or not, or under a legal aid certificate or representation order
- 8 any **claim** arising out of the **insured persons'** deliberate, conscious, intentional or negligent disregard of the need to take all reasonable steps to avoid and prevent **claim(s)**, disputes, legal proceedings or **HMRC investigations**

X What is not covered – B

The following exclusions apply to all or parts of the cover under this section.

We will not cover the **insured persons** for

- 1 defending civil legal proceedings arising from
 - a **injury** or disease including psychiatric injury and stress
 - b loss, destruction or damage of or to property
 - c alleged breach of any professional duty
 - d any tortious liability (other than as specified in the Property disputes cover)
- 2 any dispute, legal proceedings or **HMRC investigation** made, brought or started outside the **policy territories**
- 3 **legal expenses** or **professional expenses** incurred without the prior written consent of the **administrator** or in excess of the **administrator's** consent
- 4 **awards of compensation** where the **administrator's** consent to incur **legal expenses** has not been granted or has been withdrawn
- 9 any dispute or legal proceedings with government or local authority departments concerning the imposition of statutory charges
- 10 disputes or legal proceedings between **you** or with any parent company, subsidiary company or associated company or partner
- 11 any dispute between the **insured persons** and the **administrator, us, the appointed representative** or **your** insurance broker
- 12 a any dispute or legal proceedings arising out of breach or alleged breach of confidentiality or passing off, whether related to intellectual property or not
 - b any dispute or legal proceedings arising out of the ownership or existence of any intellectual property rights
- 13 any dispute or legal proceedings arising out of or in connection with actual or alleged defamation or false statement
- 14 any **legal expenses** or **professional expenses** incurred in respect of or in connection with a judicial review

Legal expenses section *continued*

- 15** appeals arising out of legal proceedings or **HMRC investigations** where the **administrator's** consent has not been granted
- 16** any claim, legal liability or any loss or damage to property directly or indirectly caused by or contributed to by any kind of seepage, pollution or contamination
- 17** any **legal expenses** or **professional expenses** which the **insured persons** should or would have had to incur irrespective of any dispute
- 18** any dispute or legal proceedings arising out of or in connection with **Terrorist act**.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Arbitration condition

Any dispute between **us** and the **insured persons** may be referred to a single arbitrator who shall be either a solicitor or barrister agreed upon by both parties, or failing agreement one who is nominated by the President of the appropriate Law Society or by the Bar Council or appropriate professional body within England and Wales. The apportionment of the costs of arbitration will be determined by the arbitrator.

Data Protection Act 1998 condition

You agree that any information provided to **us** regarding the **insured persons**, will be processed by **us** or the **administrator** in compliance with the provisions of the Data

Protection Act 1998 for the purposes of providing insurance and handling **claim(s)**, if any, which may necessitate providing such information to third parties.

Reasonable precautions condition

The **insured persons** must take all reasonable precautions to avoid and prevent **claim(s)**, **HMRC investigations**, legal proceedings and disputes. The **insured persons** must make every effort and take all reasonable measures to minimise the cost and effect of any **claim**.

If **you** do not comply with this condition **you** may not receive payment in respect of a **claim**.

Undisputed debts condition

An undisputed debt must be referred to the **debt collection service** within 30 days after the date the invoice was due for payment. The **debt collection service** is provided by a debt collection organisation which is not part of the **administrator**, but it can be accessed by telephoning the legal and tax advice line and asking to be transferred.

The use of the **debt collection service** is at **your** own cost. The fee charged by the **debt collection service** is a percentage of the amount of the debt recovered from the debtor. This **policy** does not cover this fee.

If the **debt collection service** recommends legal proceedings against the debtor to recover the debt, **you** must immediately submit a **claim** under the Contract disputes cover. **You** should contact the **administrator's** claims department for a claim form.

If at any time an undisputed debt referred to the **debt collection service** becomes disputed, **you** must contact the **administrator's** claims department.

Your insolvency and liquidation condition

If **you** become insolvent or are placed in liquidation, receivership, administration, bankruptcy or enter into a voluntary arrangement or deed of arrangement, or if any application is made to the court or meeting convened for the purpose, **we** have the right to immediately cease to provide indemnity

for **legal expenses, professional expenses** and **awards of compensation** even if the **administrator** may have previously granted consent.

Claims conditions

Administrator's consent condition

You must obtain the **administrator's** consent in writing to incur **legal expenses** or **professional expenses**. This consent will be given by the **administrator** on **our** behalf, if the **insured persons** can satisfy the **administrator** that

- 1** it is reasonable to incur **legal expenses** or **professional expenses** having regard to the proportionality between the remedy claimed and the **legal expenses** or **professional expenses** to be incurred and
- 2 a** where the **insured persons** are pursuing, there are reasonable prospects of proving the other party's legal liability and of recovering the damages claimed or other legal remedy sought, or
- b** where the **insured persons** are defending, the other party does not have reasonable prospects of proving the **insured persons'** legal liability, or
- c** for a criminal prosecution and where the **insured persons** plead guilty, there is a reasonable prospect of a significant mitigation of the **insured persons'** sentence or fine.

If during the course of a **claim** the **insured persons** cease to satisfy the **administrator** in respect of **1** or **2** above, indemnity will be withdrawn in respect of **legal expenses** and **professional expenses** and **awards of compensation**. The decision to grant consent or to withhold it will be taken on receipt of

- 1** a fully completed claim form
- 2** the information and documentation the **administrator** reasonably requests
- 3** a legal opinion from the **appointed representative** as to **1** and **2** above
- 4** any advice the **administrator** deems necessary to take.

With the **insured persons'** agreement, the **administrator** may provide assistance in settling disputes. These costs will be covered under this section subject to payment of the **excess** within the limits of **our** liability.

At its discretion, the **administrator** may require the **insured persons** to obtain an opinion from Counsel at the **insured persons'** expense, as to the merits of the **claim**. This opinion will cover the same issues that the **administrator** has in assessing the merits of any legal action. If based upon such opinion the **administrator** is satisfied in respect of **1** and **2** above, the **legal expenses** and **professional expenses** in obtaining that opinion, will be paid by **us** within the limits of **our** liability.

In granting **our** consent, **we** agree to provide the **insured persons** indemnity subject to the terms and conditions of this section, but the consent does not imply that all **legal expenses** or **professional expenses** or **awards of compensation** will be paid. In particular **legal expenses** or **professional expenses** beyond the immediate scope of the **claim** will be deemed by **us** to fall outside the indemnity provided by this section.

The **administrator** reserves the right to limit its consent by time or financial amount of **legal expenses** or **professional expenses** and or stage of proceedings, to allow for a review of their continued consent.

If after consent has been granted it is shown that the **claim** has not been brought within the terms and conditions of this section, **we** have the right to immediately cease to provide indemnity for **legal expenses, professional expenses** and **awards of compensation** even if the **administrator** may have previously granted consent. **We** will be entitled to recover any **legal expenses, professional expenses** and **awards of compensation** previously paid.

If the **insured persons** elect to proceed with the pursuit or defence of a dispute or legal proceedings where the **administrator's** consent has been refused through lack of reasonable prospects, as required in **2a** and **b** above, and the **insured persons** are successful in the pursuit or defence, **we** will

Legal expenses section *continued*

pay **legal expenses** or **professional expenses** incurred after the consent had been refused, subject to the terms of this section.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Appeal procedure condition

If, following legal proceedings to which the **administrator** has consented, the **insured persons** wish to appeal against the judgment or decision of a court or tribunal, the grounds for the appeal must be submitted to the **administrator** through the **appointed representative** immediately or as soon as practical, so that the **administrator** may consider whether to consent to further action.

If an appeal is lodged against a judgment or decision of a court or tribunal made in the **insured persons'** favour following legal proceedings where the **administrator** has consented, the **insured persons** must notify the **administrator** immediately in order that cover continues. The **administrator** will inform the **appointed representative** of its decision and the **insured persons** must co-operate in an appeal against the judgment or decision of a court or tribunal.

Disclosure condition

It is a condition of cover that

- 1 the **insured persons** must give the **appointed representative** and the **administrator** all necessary help and information, including a complete and truthful account of the facts of the case and all relevant documentary or other evidence in the **insured persons'** possession. The **insured persons** must provide or obtain all documents as necessary and attend meetings or conferences as requested
- 2 the **administrator** is entitled to receive from the **appointed representative** and the **insured persons** any information, document or advice in connection with any **claim** and the subject matter of any **claim** even if privileged. In addition, the **insured persons** must instruct the **appointed representative** to provide the **administrator** with regular updates on the progress of

the subject matter of any **claim** and inform the **administrator** as soon as possible if and when any circumstance adversely impacts the factors taken into account in granting the **administrator's** consent. On request, the **insured persons** will give to the **appointed representative** any instructions necessary to secure the required access.

Indemnity may be withdrawn if the **insured persons** fail to co-operate at all times or within a reasonable time, with the **administrator's** or the **appointed representative's** requests.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Instruction and choice of appointed representative and Counsel condition

The **administrator** will choose an **appointed representative** to act on the **insured persons'** behalf in any **claim** under Employment dispute cover or Tax protection cover.

Where recourse is necessary to a lawyer and there are enquiries or proceedings, the **insured persons** are free to choose an **appointed representative** to act in the name of and on behalf of the **insured persons** in any enquiry or legal proceedings where the **administrator** has consented, subject to **you** paying the first £1,000 of **any one claim**. The name and address of the **appointed representative you** propose to instruct must be notified to the **administrator** in writing. The **administrator** will accept the nomination provided they are satisfied the proposed **appointed representative** will co-operate and enable **you** to comply with the terms and conditions of this section and provided the proposed **appointed representative's** charging rates are fair and reasonable for the particular legal proceedings.

In all other claims the **administrator** will choose the **appointed representative** subject to the **excess** unless there is a conflict of interest between the **insured persons** and the **administrator** when **you** are free to choose an **appointed representative** to act in the name on behalf of the **insured persons** in any **claim** to which the **administrator** has consented.

A dispute arising from **your** choice may be referred to arbitration in accordance with the Arbitration condition.

The **insured persons** must not, without the written consent of the **administrator**, enter into any agreement with the **appointed representative** as to the basis of calculation of **legal expenses**.

In selecting the **appointed representative** the **insured persons** have a duty to minimise the cost of any **claim**.

In all cases the **appointed representative** will be appointed in the name of and on behalf of the **insured persons**. If in the course of any **claim** the **appointed representative** wishes to instruct Counsel or an expert, their name and an explanation of the necessity for the instruction must be submitted to the **administrator** for consent to the proposed instruction, which will not be unreasonably withheld.

Notification of claims condition

You must notify the **administrator** in writing during the **period of insurance** as soon as the **insured persons** are aware of any cause, event or circumstance which has given or may give rise to a **claim**, dispute, legal proceedings or **HMRC investigation** involving the **insured persons**. Where notification has been given, **we** agree to treat any subsequent **claim** for the cause, event or circumstance notified as though the **claim** had been notified during the **period of insurance**.

All notices and communications from **us** or **our** representatives to **you**, will be sent to **your** address that was last declared to the **administrator** or, in relation to any matters arising out of any **claim**, if sent to the **appointed representative**.

All notices and communications from the **insured persons** or the **appointed representative** to **us** will be sent to the **administrator**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Offer of settlement condition

The **insured persons** must inform the **administrator** in writing as soon as an offer to settle is received or the **insured persons** propose to make an offer of settlement. In any settlement, the **insured persons** must consider the **legal expenses**, **professional expenses** or **awards of compensation** incurred or likely to be incurred and their recovery.

No indemnity will be provided if the **insured persons** enter into any agreement to settle without the prior written consent of the **administrator** (consent not to be unreasonably withheld) and **we** will be entitled to recover any **legal expenses** or **professional expenses** or **awards of compensation** previously paid. If the **insured persons** unreasonably reject an offer of settlement, which the **administrator** recommends acceptance of or makes an offer which the **administrator** does not agree with, no further indemnity will be provided.

We may at **our** absolute discretion decide to pay the **insured persons** the amount of damages that the **insured persons** are claiming or are being claimed against the **insured persons**, instead of indemnifying the **insured persons** for **legal expenses**, **professional expenses** or **awards of compensation**. Where **we** exercise this discretion **we** will cease to be liable for any further **legal expenses**, **professional expenses** or **awards of compensation**. **We** may also require the **insured persons** to make an offer to pay an **awards of compensation** to an **employee** or **ex-employee** or prospective **employee** provided **we** agree to pay the **awards of compensation**. If the **insured persons** fail to make the offer **we** will cease to be liable for any further **legal expenses** or **awards of compensation**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Payment of legal expenses, professional expenses and awards of compensation condition

All bills for **legal expenses** or **professional expenses** which the **insured persons** receive from the **appointed representative** should be forwarded to the **administrator** without delay. If the **administrator** requests, the **insured persons** must ask the **appointed representative** to submit the bill of costs for assessment or certification by the appropriate Law Society, court or tribunal. The **insured persons** are responsible for payment of all **legal expenses** or **professional expenses** or **awards of compensation**. **We** may settle these direct if requested to do so by the **insured persons**. The payment of some **legal expenses** or **professional expenses** does not imply that all **legal expenses** or **professional expenses** or **awards of compensation** will be paid.

Recovery of costs condition

Whenever the **insured persons** are awarded costs or under the terms of any settlement where costs are included, those costs are to be repaid to **us**, the **insured persons** and the **insured persons' appointed representative** must make every effort to make a full recovery of costs. Where a settlement purports to be a global or a without costs settlement or where costs are awarded but not recovered, the **insured persons** agree that a fair and reasonable proportion of that settlement will be deemed costs and due to **us**. Where such a settlement is paid in instalments all costs will be paid to **us** first.

Value Added Tax condition

If **you** are registered for VAT, **we** will not pay the VAT element of any **legal expenses** or **professional expenses**.

Making a complaint

AXA Insurance aims to provide the highest standard of service to every customer. If **our** service does not meet **your** expectations, **we** want to hear about it so **we** can try to put things right.

All complaints **we** receive are taken seriously. Following the steps below will help **us** understand **your** concerns and give **you** a fair response.

How to make your complaint

The majority of complaints can be resolved quickly and satisfactorily by the department **you** are dealing with.

If **your** complaint relates to a claim on **your policy**, please contact the department dealing with **your** claim. If **your** complaint relates to anything else please contact Towergate Health and Beauty. Telephone contact is often the most effective way to resolve complaints quickly.

Alternatively **you** can write to Towergate Health and Beauty at

26-28 Pembroke Way
Sevenoaks
Kent
TN13 1XR

Tel: 0344 892 1609

Email: healthandbeauty@towergate.co.uk

When **you** make contact please tell **us** the following information

- Name, address and postcode, telephone number and e-mail address (if **you** have one).
- **Your policy** and/or claim number, and the type of policy **you** hold.
- The name of **your** insurance agent/firm (if applicable).
- The reason for **your** complaint.

Any written correspondence should be headed '**COMPLAINT**' and **you** may include copies of supporting material.

Beyond AXA

Should **you** remain dissatisfied following **our** final written response, **you** may be eligible to refer **your** case to the Financial Ombudsman Service (FOS).

The FOS is an independent body that arbitrates on complaints about general insurance products. The FOS can only consider **your** complaint if **we** have given **you our** final decision.

You have six months from the date of **our** final response to refer **your** complaint to the FOS. This does not affect **your** right to take legal action.

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR

Tel: 0800 023 4567 *

Tel: 0300 123 9123 **

Fax: 020 7964 1001

Email:

complaint.info@financial-ombudsman.org.uk

Web: www.financial-ombudsman.org.uk

Our promise to you

We will

- Acknowledge written complaints promptly.
- Investigate **your** complaint quickly and thoroughly.
- Keep **you** informed of progress of **your** complaint.
- Do everything possible to resolve **your** complaint.
- Learn from **our** mistakes.
- Use the information from complaints to continuously improve **our** service.

Telephone calls may be recorded and monitored.

* free for people phoning from a 'fixed line' (for example, a landline at home)

** free for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02

Legal advice services

If **you** have a complaint about the telephone legal or tax advice services **you** should contact Arc Legal Assistance Ltd who will liaise with Irwin Mitchell Solicitors:

Arc Legal Assistance Ltd
The Gatehouse, Lodge Park
Lodge Lane
Colchester
Essex
CO4 5NE

Tel: 0344 770 9000

If **you** are unhappy with the written response from Arc Legal Assistance Ltd, **you** may contact the Legal Ombudsman at:

PO Box 6806
Wolverhampton
WV1 9WJ

Tel: 0300 555 0333

Web: www.legalombudsman.org.uk

The Legal Ombudsman will only consider matters which have been submitted to it within the earliest of the following timescales:

- a** within one year from the act/omission complained of
- b** within one year from when the client should reasonably have known there was cause for a complaint, without taking advice from a third party and
- c** within six months of the client receiving a written reply from Arc Legal Assistance Ltd concerning the complaint.

Financial Services Compensation Scheme (FSCS)

AXA Insurance UK plc are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from the scheme in the unlikely event **we** cannot meet **our** obligations to **you**. This depends on the type of insurance, size of the business and the circumstances of the claim. Further information about the compensation scheme arrangements is available from the FSCS (www.fscs.org.uk).

The European Commission has also provided an Online Dispute Resolution Service for logging complaints. To use this service please go to: <http://ec.europa.eu/odr>

This document is available in other formats.

If you would like a Braille, large print or audio version, please contact your insurance adviser.

www.axa.co.uk

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