

## ***Small Business Insurance Certificate***

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## ***Part 1 Certificate Administration***

### **CA1.1 Preamble**

This is to certify that in accordance with the authorisation granted under the Contract to the undersigned by Brit Insurance Holdings PLC whose proportions underwritten by them which will be supplied on application can be ascertained by reference to the said (whom are hereinafter referred to as We and or Us) and in consideration of the premium specified herein We are hereby bound each for Our own part and not for another Our Executors and Administrators to insure in accordance with the terms and conditions contained herein or endorsed hereon

We hereby agree to the extent and in the manner hereinafter provided to indemnify You against loss or damage sustained or legal liability for accidents happening during the Period of Insurance stated in the Schedule after such loss damage or liability are proved provided always that

- (a) Our liability shall not exceed the limits of liability expressed in the said Schedule or such other limits of liability as may be substituted therefore by memorandum hereon or attached hereto signed by or on Our behalf
- (b) this Certificate insures in respect only of such of the sections hereof as are so specified in the Schedule

In witness whereof this Certificate has been signed 100% with Brit Insurance Holdings PLC in respect of all Sections evidenced by the Contract and which is effected through the Broker Intermediary or Agent as detailed on the Schedule

The policy to which this Certificate relates satisfies the requirements of the relevant law applicable in Great Britain Northern Ireland the Isle of Man the Island of Jersey the Island of Guernsey and the Island of Alderney or to offshore installations in any waters outside the United Kingdom to which the Employers' Liability (Compulsory Insurance) Act 1969 or any amending primary legislation applies

This Certificate (and the Schedule which forms an integral part of the Certificate) is a legal contract Please examine it thoroughly to ensure it meets your requirements If it does not please advise Your Broker Intermediary or Agent who arranged this Certificate immediately

This Certificate is made and accepted subject to all the provisions conditions warranties and exclusions set forth herein attached or endorsed all of which are to be considered

We would remind You that You are required to inform us immediately of any facts or changes that We would take into account in Our assessment or acceptance of this insurance Failure to do so may invalidate Your Certificate or result in certain covers not operating fully If You are in any doubt as to whether a fact is material or not please contact Your Broker Intermediary or Agent who arranged this Certificate

### **CA1.2 Scope of Cover**

This Certificate applies in respect of Your activities anywhere in the world but only in respect of Business conducted by Your companies specified in the Schedule

### **CA1.3 Certificate Jurisdiction**

Unless endorsed to the contrary the construction interpretation and meaning of the provisions of this Certificate shall be determined in accordance with the law of England and Wales and any disputes relating thereto shall be submitted to the exclusive jurisdiction of the Courts of England and Wales However where Your registered office or principal place of Business is situated in Scotland Northern Ireland Jersey Guernsey or the Isle of Man the law of that territory shall apply

Any legal references within this Certificate shall include any analogous legal provision in the jurisdiction where the Premises or any of Your work sites are situated provided that such jurisdiction falls with the territorial scope of the Certificate

### **CA1.4 Conditions Precedent**

These are conditions with which You must comply and failure to do so will invalidate Your right to indemnity under this Certificate

### **CA1.5 Termination**

If You wish to terminate the cover provided by this Certificate at any time after cover has commenced You should return all documents to Your Broker Intermediary or Agent who arranged this Certificate If there has been an insured event claim or circumstance (whether reported to Us or not) We shall be under no obligation to make any return of premium In all other circumstances You shall be entitled to the return of a proportionate part of the premium corresponding to the unexpired portion of the insurance

We may at any time cancel this Certificate (or any Section thereof) by giving 30 days notice by email to You at Your last known email address and in such event You shall become entitled to the return of a proportionate part of the premium corresponding to the unexpired portion of the insurance

Where the premium is paid by You by means of a premium instalment facility it is a condition precedent to Our liability that each instalment shall be paid when due otherwise all benefit under this Certificate shall be forfeited and this Certificate shall be cancelled from the date when any unpaid instalment was due and You shall surrender forthwith to Us any effective Certificate of Insurance whereupon We will credit to You a pro rata premium for the unexpired part of the Period of Insurance provided that no Claims or Circumstances have been reported to Us since the inception of such Period of Insurance

We reserve the right to terminate this Certificate immediately in the event of non-payment of the premium or default under any installment scheme or linked credit transaction

No refund will be made to You of any installment paid

Any return of premium will be subject to the application of Our scale of short period charges

Full details of minimum section premiums may be obtained in writing from Us

#### **CA1.6 Third Parties**

A person who is not party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement but this does not affect any right or remedy of a third party which exists or is available apart from the Act

#### **CA1.7 The Right to Cancel Cover**

If this cover does not meet Your requirements You should return all documentation to Xbridge Limited within 14 days of receipt whereupon We will return any premium paid in full However if there has been an insured event claim or Circumstance (whether reported to Us or not) We shall be under no obligation to make any return of such premium

#### **CA1.8 How to Make a claim**

Claims must be made in accordance with the claims notification provisions in Part 6 of this Certificate In the first instance You should contact Xbridge Limited quoting the Certificate number as specified in the Schedule

#### **CA1.9 Who Is Your Insurer?**

As set out in the Preamble above Small Business Insurance is underwritten by Brit Insurance Holdings and arranged, under a binding authority from the Underwriters by Xbridge Ltd Xbridge Ltd is authorised and regulated by the Financial Services Authority and is registered in England No 313348 and its registered Office is One Finsbury Square London EC2A 1AE

#### **CA1.10 Complaints and Enquiries**

We are dedicated to providing the highest possible level of customer satisfaction in all areas of Our business If for any reason You have a query or feel that the service You receive has fallen below those standards You should report this to Us at once All complaints will be handled promptly and a policy of open communication will be adopted

Any enquiry or complaint should be addressed in the first instance to

Brit Insurance Holdings PLC  
55 Bishopsgate  
London  
EC2N 3AS

Should You remain dissatisfied You can ask the Financial Ombudsman Service to review the Complaint The address is

The Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR

We are covered by the Financial Services Compensation Scheme (FSCS) You may be entitled to compensation from the scheme if we cannot meet Our obligations This depends on the type of business and the circumstances of the claim

For compulsory classes of insurance the advising and arranging of insurance is covered for 100% of the claim For other classes of insurance the advising and arranging of insurance is covered for 100% of the first GBP 2,000 of a claim and 90% of the remainder of the claim There is no upper limit in either case

Further information about the compensation scheme is available from the FSCS The contact details are

Financial Services Compensation Scheme  
7<sup>th</sup> Floor Lloyds Chambers  
Portsofen Street  
London  
E1 8BN

Telephone Number 0207 892 7300  
Facsimile Number 0207 892 7301  
E-mail address [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)  
Website address <http://www.fscs.org.uk>

Brit Insurance Holdings PLC is regulated by the Financial Services Authority whose address is

The Financial Services Authority  
25 The North Colonnade  
Canary Wharf  
London  
E14 5HS

## ***Part 2 Certificate Cover – General Definitions***

Each time We use one of the words or phrases listed below it will have the same meaning wherever it appears in Your Certificate unless We state otherwise

Any additional definitions will be listed in the Section to which they apply

A defined word or phrase will be printed in bold each time it appears in this Certificate except for headings and titles

### **GD1.1 Application**

The application or proposal form or written risk presentation with subsequent Statement of Fact including all supporting information submitted to Us by You or on Your behalf and based upon which We have underwritten the cover provided under this Certificate

### **GD1.2 Asbestos**

- (a) Crocidolite amosite chrysolite fibrous actinolite fibrous anthophyllite fibrous tremolite or any mixture containing these materials
- (b) Asbestos Dust
- (c) Asbestos Containing Materials

### **GD1.3 Asbestos Dust**

Fibres or particles of Asbestos

### **GD 1.4 Asbestos Containing Materials**

Any material containing Asbestos or Asbestos Dust

### **GD1.5 Bodily Injury**

Death bodily injury illness disease or mental injury

### **GD1.6 Business**

Activities directly connected with the business specified in the Schedule

### **GD1.7 Circumstance**

An incident occurrence fact matter act error omission or event which could reasonably be foreseen to give rise to a claim

### **GD1.8 Computer System**

Computers other computing and electronic equipment linked to computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation

### **GD1.9 Computer Virus**

Any computer program including but not limited to any file virus boot sector virus macro virus hostile applet trojan horse program Java virus ActiveX virus or other executable program which contains instructions to initiate an event on the infected computer causing modification of or Damage to such computer data memory or data media

### **GD1.10 Damage**

Accidental loss destruction or damage

### **GD1.11 Data**

Information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

### **GD1.12 Defined Territories**

Within England Scotland Wales Northern Ireland the Channel Islands and the Isle of Man

#### **GD1.13 Employee**

Any person who is or was at the time of any Circumstance or claim under a contract of service or apprenticeship with You whilst working under Your direct control and supervision in the conduct of Your Business

#### **GD1.14 Endorsement**

An alteration to the terms of this Certificate as specified in the Schedule

#### **GD1.15 Excess**

The amount shown in Your Certificate or the Schedule or any Endorsement which You must bear for each and every claim and which You shall reimburse to Us immediately upon request

Any Excess will be deducted after the application of all other terms and conditions of the Certificate including Average (Underinsurance)

Any Excess will be deducted at each separate location

#### **GD1.16 Failure of a Computer System**

The complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a Computer System whether or not owned by You to operate at any time as desired as specified or as required in the circumstances of Your Business activities

#### **GD1.17 Fungal Pathogens**

Any fungus or mycota or any by-product or type of infestation produced by such fungus or mycota including but not limited to mould mildew mycotoxins spores or any biogenic aerosols

#### **GD1.18 Government Action**

The action taken by the government as a direct consequence of War or Terrorism whether or not resulting from the adoption of emergency powers

#### **GD1.19 Indemnity Period**

The period during which the Business results are affected due to the Damage beginning with the date of the Damage and ending not later than the Maximum Indemnity Period

#### **GD1.20 Insured Person**

You Your directors principals or Employees as stated in the Schedule

#### **GD1.21 Maximum Indemnity Period**

The number of months following Damage stated in the Schedule unless amended in any Additional Contingency

#### **GD1.22 Microchip**

A unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers

#### **GD1.23 Period of Insurance**

The period from the effective date of this Certificate until the expiry date of this Certificate as specified in the Schedule

#### **GD1.24 Pollutants**

Any electronic solid liquid gaseous or thermal irritant or contaminant including but not limited to electromagnetic fields noise radio-waves smoke vapour water-borne disease soot fumes acids alkalis chemicals and waste Waste includes material to be recycled reconditioned or reclaimed

This Definition shall not include Asbestos

#### **GD1.25 Pollution**

- (a) Damage to buildings or other structures or of water or land or the atmosphere caused by Pollutants
- (b) Consequent pollution seepage or contamination caused by contributed to or arising from Pollutants
- (c) Bodily Injury directly or indirectly caused by Pollutants

#### **GD1.26 Premises**

The premises or location stated in the **Application** and specified in the **Schedule**

#### **GD1.27 Products**

Any commodity article or thing computer software or firmware (including its container packaging label and instructions for use) which is

- (a) manufactured sold supplied processed altered or treated
- (b) repaired serviced tested or maintained
- (c) installed commissioned constructed or erected

by You or on Your behalf and which is no longer in Your custody or control

#### **GD1.28 Property Insured**

The Property Insured as described in the **Schedule** used by You at the **Premises** for the purpose of the **Business**

For the purpose of determining where necessary the heading under which any property is insured We agree to accept the designation under which such property has been entered in Your books

#### **GD1.29 Schedule**

The document which specifies details of You the **Premises** the **Covers** insured and any **Excess Endorsements** and the **Period of Insurance** applicable to this Certificate

#### **GD1.30 Series of Claims**

A number of **Claims** (whether made by the same or different claimants and whether falling under one or more insuring clauses of the Certificate) that arise directly or indirectly from one source or originating cause

#### **GD1.31 Terrorism**

Any act anywhere in the world including but not limited to the use of force or violence or the threat of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political religious ideological or similar purposes including the intention to

- (a) influence or overthrow Her Majesty's government in the United Kingdom any other government de jure or de facto or any international governmental organisation or
- (b) put the public or any section of the public in fear

#### **GD1.32 War**

War invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny civil commotion assuming the proportions of or amounting to popular rising military rising insurrection rebellion revolution or military or usurped power

#### **GD1.33 We/Us/Our**

Brit Insurance Holdings PLC

#### **GD1.34 You/Your/Yourself/Certificate Holder**

- (a) The person company partnership unincorporated association or trading style specified in the **Schedule** as the Certificate Holder
- (b) Any person who is or was Your partner director principal or **Employee** but only in respect of their employment with You
- (c) Any internet website or email identity adopted by the person company partnership or unincorporated association specified in the **Schedule**
- (d) Any office-bearer or member of a social or sporting club or welfare organisation formed by You or with Your consent but only in respect of claims arising from duties connected with the activities of such club or organisation

- (e) Any Executor or Administrator of any person referred to in (c) above but only in respect of Your employment of such person
- (f) Any client with whom You have entered into a contract for or including the supply of Products or services as far as is necessary to meet the requirements of such contract but only in respect of Your liability arising out of the performance of such contract by You

## ***Part 3 Property Damage Section***

### ***PD1.0 Definitions***

The following definitions will apply in addition to Part 2 General Definitions to this Section of the Certificate only

#### **PD1.1 Buildings**

Buildings described in the Schedule and including

- (a) landlords' fixtures and fittings
- (b) outbuildings extensions annexes canopies fixed signs gangways conveniences lamp posts and street furniture
- (c) walls gates and fences
- (d) drains sewers piping ducting cables wires and associated control gear and accessories on the Premises and extending to the public mains but only to the extent of Your responsibility
- (e) yards car parks roads pavements forecourts all constructed of solid materials

#### **PD1.2 Capital Additions**

The following property situated on any land occupied or used by You in connection with the Business

- (a) any newly erected or newly acquired Building or
- (b) alterations additions and improvements to Buildings but not in respect of any appreciation in value

#### **PD1.3 Contents**

Contents in or on Your Premises or held by You in trust for which You are responsible including

- (a) improvements alterations and decorations made by You as a tenant
- (b) so far as they are not otherwise insured Employees' directors' and visitors' personal effects of every description (other than motor vehicles) for an amount not exceeding GBP500 in respect of any one person
- (c) contents of outbuildings or in open yards

but excluding

- (d) fixtures and fittings owned by Your landlord
- (e) Stock and materials in trade
- (f) money and stamps (including National Insurance stamps) in excess of GBP500
- (g) documents manuscripts and business books except for the cost of the materials and of clerical labour expended in reproducing such records
- (h) computer systems records except for an amount not exceeding GBP1000 in respect of the cost of the materials and of clerical labour and computer time expended in reproducing such records
- (i) any expense in connection with the production of the information to be recorded in documents manuscripts business books or computer systems records
- (j) vehicles licensed for road use including accessories thereon

#### **PD1.4 Declared Value**

Your assessment of the cost of reinstatement of the Property Insured arrived at in accordance with PD2.18 Reinstatement at the level of costs applying at the start of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with an allowance for

- (a) the additional cost of reinstatement to comply with European Union Legislation Act of Parliament or Bye-Laws of any public authority
- (b) professional fees
- (c) debris removal costs

**PD1.5 Defined Contingencies**

- 1 fire
- 2 lightning
- 3 explosion
- 4 aircraft or other aerial devices or articles dropped therefrom
- 5 riot civil commotion strikers locked-out workers persons taking part in labour disturbances
- 6 the actions of malicious persons (other than thieves)
- 7 earthquake
- 8 storm
- 9 flood
- 10 escape of water from any tank apparatus or pipe
- 11 impact by any mechanically propelled vehicle or by goods falling therefrom or animals
- 12 theft or attempted theft

**PD1.6 Intruder Alarm System**

An electrical installation to detect and indicate the presence entry or attempted entry of an intruder into Protected Premises

**PD1.7 Keyholder**

You or any person or keyholding company authorised by You who must be available at all times to accept notification of faults or alarm signals relating to the Intruder Alarm System attend and allow access to the Premises

**PD1.8 Protected Premises**

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

**PD1.9 Reinstatement**

- (a) the rebuilding or replacement of property lost or destroyed which provided Our liability is not increased may be carried out in any manner suitable to Our requirements upon another site
- (b) the repair or restoration of property which has suffered Damage in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

**PD1.10 Responsible Person**

You or any person authorised by You to be responsible for the security of the Premises

**PD1.11 Rent Payable**

Following Damage to Buildings We will pay You the amount of rent which continues to be payable by You in respect of the Building or portions of the Building whilst unfit for occupation due to the Damage for a period not exceeding the Maximum Indemnity Period

If at the time of the Damage the Sum Insured is less than the rent paid or payable by You during the twelve months immediately before the date of the Damage (proportionately adjusted where the Maximum Indemnity Period differs from twelve months) You shall be

- (a) responsible for the difference and
- (b) liable to pay a proportionate share of the loss

#### **PD1.12 Rent Receivable**

Following Damage to Buildings We will pay You

- (a) the amount by which the rent receivable by You during the Maximum Indemnity Period shall due to the Damage fall short of the rent which would have been received during the period had the Damage not occurred
- (b) the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the shortfall in rent which but for that expenditure would have taken place during the Maximum Indemnity Period due to the Damage but not exceeding the amount of loss of rent thereby avoided

less any savings in respect of expenditure payable out of rent receivable which reduces or ceases in consequence of the Damage

In determining the amount of rent receivable adjustments shall be made as necessary to provide for any trends variations or other circumstances occurring either before or after the Damage so that the amount of rent receivable adjusted thereby shall represent as nearly as reasonably practicable the rent which but for the Damage would have been obtained during the relative period after the Damage

If following Damage the amount of rent receivable is maintained by the provision of alternative accommodation by You such rent shall be taken into account in calculating the amount payable

If at the time of the Damage the Sum Insured is less than the rent received or receivable by You during the twelve months immediately before the date of the Damage (proportionately adjusted where the Maximum Indemnity Period differs from twelve months) You shall be

- (c) responsible for the difference and
- (d) liable to pay a proportionate share of the loss

#### **PD1.13 Stock**

- (a) Stock and materials in trade or property held by You in trust for which You are responsible in or on Your Premises
- (b)
  - (i) customers goods
  - (ii) goods for which Your customers are legally responsible

while these goods are temporarily in Your custody or control and for which You have accepted responsibility but only to the extent they are not more specifically insured elsewhere

#### **PD1.14 Sum Insured**

The amount specified in the Schedule which is the maximum amount We will pay You in respect of Damage to each specified item of Property Insured

Except where more specifically insured the Sum Insured for each item of Property Insured other than Stock shall include the costs of

- (a) architects surveyors consulting engineers legal and other fees necessarily and reasonably incurred in the reinstatement of the Property Insured consequent upon its Damage but not for preparing any claim provided that the liability for such Damage and fees shall together not exceed the Sum Insured
- (b) removal of debris
- (c) dismantling demolishing shoring up or propping of the parts of the Property Insured which have suffered Damage

#### **PD1.15 Unoccupied**

When the Premises are not going to be occupied for a period of 30 consecutive days or more

## **PD2.0 The Cover**

### **PD2.1 Property Damage**

In the event of the Property Insured suffering Damage during the Period of Insurance We will at Our discretion

- (a) in respect of Buildings and Contents (other than motor vehicles directors' partners' and Employees' personal effects )
  - (i) pay You the value of the Property Insured at the time of its Damage or
  - (ii) pay You the cost of making good the Damage or
  - (iii) reinstate or replace the Property Insured or any part of it
- (b) in respect of Stock and other Property Insured pay You the value of the Property Insured at the time of its destruction of the amount of Damage

provided that Our liability under this Section will not exceed

- (c) the total Sum Insured or in respect of any item its Sum Insured or any other limit of liability stated in the Schedule at the time of the Damage
- (d) the Sum Insured remaining after deduction for any other Damage occurring during the same Period of Insurance unless any such Sum Insured (or limit) is reinstated in accordance with clause PD2.2 Automatic Reinstatement of Sum Insured

### **PD2.2 Automatic Reinstatement of Sum Insured**

The Sums Insured stated in the Schedule will not be reduced by the amount of any claim unless We or You give notice to the contrary provided that

- (a) You pay Us the additional premium We require to reinstate the Sum Insured
- (b) You effect such additions to or variations in the protections of the Property Insured that We may require within the timescale specified by Us or anyone working for Us

### **PD2.3 Contract Price**

Where goods have been sold but not delivered for which You are responsible under a contract of sale and following Damage insured hereby such contract is cancelled We will pay You the contract price of the goods

### **PD2.4 Capital Additions**

We will pay You the for Damage to Capital Additions in so far as not otherwise insured

Provided that Our maximum liability shall not exceed 15% of the total Building Sum Insured by this Section or GBP250000 whichever is less

You shall provide Us with particulars of such additions as soon as possible and in any event after not more than 60 days and to pay the pro rata additional premium from the date of inception

For the purpose of Condition PD4.2 Average (Underinsurance) such additions will be added to the Sum Insured

### **PD2.5 Contracting Purchasers**

If at the time of Damage You have contracted to sell Your interest in any Building and the purchase has not have been completed the purchaser shall upon completion be entitled to benefit under this Section without prejudice to Our or Your rights and liabilities

Provided that

- (a) the Building is not otherwise insured against such Damage
- (b) Our maximum liability shall not exceed the Sum Insured for the Building

#### **PD2.7 Fire Extinguishment Expenses**

We will pay for the costs and expenses incurred in refilling recharging or replacing any of the following as a result of Damage as covered by this Section

- (a) fire extinguishing appliances
- (b) fire suppression systems
- (c) sprinkler installation heads or tanks where water costs are metered

However We will not pay for costs and expenses

- (d) recoverable from the appliance or system maintenance company or fire service
- (e) in respect of equipment which has not been maintained in accordance with the manufacturers instructions

The maximum We will pay in respect of any one claim under this clause is GBP1000

#### **PD2.8 Fire Brigade Damage**

We will pay for the costs and expenses necessarily and reasonably incurred in reinstating or repairing landscape gardens and grounds following Damage caused by Fire Brigade equipment or personnel in the course of combating fire

The maximum We will pay in respect of any one claim under this clause is GBP2500 or 10% of the Sum Insured whichever is the less

#### **PD2.9 Loss of Metered Water**

We will pay for the additional water charges caused by accidental loss of metered water from pipes or apparatus provided that

- (a) meters are to be checked at least once a month
- (b) a record of meter reading is to be maintained
- (c) any unusual fluctuations in meter readings to be reported immediately to the Water Authority

The maximum We will pay in respect of any one claim under this clause is GBP2500 or 10% of the Sum Insured whichever is the less

#### **PD2.10 Changing Locks**

Where Damage by theft is not excluded in its entirety We will pay You the reasonable expenses not exceeding GBP500 incurred for the necessary replacement of locks following the loss of keys to the Premises or any safe or strongroom therein caused by theft from the Premises or from Your private residence or that of an authorised Employee

#### **PD2.11 Removal of Debris**

In addition to the Sum Insured for each item other than Stock We will pay the costs and expenses You incur with Our consent for

- (a) removal of debris
- (b) dismantling or demolishing
- (c) shoring up or propping

However We will not pay You in respect of costs and expenses

- (d) incurred in removing debris from anywhere other than the site of the Damage and the area adjacent to it
- (e) arising from Pollution or Contamination of property not insured under this Section
- (f) more specifically insured

#### **PD2.12 Temporary Removal**

We will pay for Damage to the Property Insured (other than Stock Documents and Computer Systems Records) whilst temporarily removed for cleaning renovation repair or similar purposes elsewhere and in transit thereto and therefrom within the Defined Territories provided that

- (a) Our liability under this extension in respect of each item for **Damage** occurring elsewhere than at the **Premises** shall not exceed 10% of the **Sum Insured** for such item or GBP 250000 whichever is the less
- (b) this Cover shall not apply to property in so far as it is otherwise insured

**PD2.13 Temporary Removal – Documents and Computer System Records**

We will pay for

- (a) deeds and other documents manuscripts plans and writings of every description and books (but excluding computer system records) up to 10% of the total value of such property
- (b) computer system records up to GBP1000

whilst temporarily removed to premises within the **Territorial Limits** not in **Your** occupation

**PD2.14 Trace and Access**

We will pay reasonable costs and expenses incurred with **Our** consent in

- (a) locating the actual source of **Damage** and
- (b) any repairs directly arising from (a)

caused by the escape of water from any tank apparatus or pipe or leakage of fuel from any fixed oil heating installation provided such **Damage** is covered by this section

The maximum We will pay under this Cover is GBP2500 or 10% of the **Sum Insured** (whichever is the less) in any one **Period of Insurance**

**PD2.15 Workmen**

Workmen are allowed to work in the **Building** for the purposes of effecting any repairs minor additions and alterations or decorations without prejudice to the cover provided by this Section

**PD2.16 Theft Damage to Buildings**

We will pay for **Damage** to **Buildings** by

- (a) theft or attempted theft involving entry to or exit from buildings by forcible and violent means or
- (b) theft involving violence or threat of violence to **You** **Your** partners directors or **Employees**

**PD2.17 European Union & Public Authorities**

Following **Damage** to any item on **Buildings** We will pay the additional cost of reinstating the **Property Insured** necessary to comply with any European Union Legislation Act of Parliament or Bye-Laws of any Public Authority

However We will not pay for

- (a) costs incurred
  - (i) in respect of **Damage** not covered by this Section
  - (ii) where notice was served on **You** before the **Damage** occurred
  - (iii) where an existing requirement must be completed within a stipulated period
  - (iv) in respect of **Property Insured** or parts of the **Property Insured** (other than foundations) which have not suffered **Damage**
- (b) any charge or assessment arising from capital appreciation following compliance with this legislation

It is a condition precedent to **Our** liability under this clause that the reinstatement of the **Property Insured**

- (c) must begin and be carried out as quickly as possible in order to mitigate further loss
- (d) may be carried out on another site and in a manner suitable to **Your** needs where this does not increase **Our** liability

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

The maximum We will pay under this Clause in respect of any one item is

- (e) 15% of the item **Sum Insured** or
- (f) where the **Sum Insured** applies to property at more than one premises 15% of the amount We would have been liable to pay if the **Property Insured** by the item at the **Premises** where **Damage** occurred had been completely destroyed

#### **PD2.18 Reinstatement**

In respect of **Buildings** and **Contents** We will pay You the cost of **Reinstatement** of the **Damage** to the **Property Insured**  
However

- (a) The maximum amount We will pay for the partial **Damage** to the **Property Insured** shall not exceed the amount which would have been payable had the **Property Insured** been totally destroyed
- (b) We will not make any payment beyond the amount which would have been payable in the absence of this Clause
  - (i) unless reinstatement commences and proceeds without unreasonable delay
  - (ii) until the cost of reinstatement shall have been actually incurred
  - (iii) if the **Property Insured** at the time of its loss destruction or damage shall be insured by any other insurance effected by or on Your behalf which is not upon the same basis of reinstatement
- (c) All the terms and conditions of this Certificate shall apply
  - (i) in respect of any claim payable under the provisions of this Clause except in so far as they are varied hereby
  - (ii) where claims are payable as if this Clause had not been included

#### **PD2.19 Non-Invalidation**

The cover hereby shall not be invalidated by any act or omission or by any alteration whereby the risk of **Damage** is increased unknown to You or beyond Your control provided that immediately You become aware thereof You shall give notice to Us and pay an additional premium if required

### **PD3.0 Additional Covers**

The following **Additional Covers** only apply if stated in the **Schedule**

#### **PD3.1 Day One (Non Adjustable)**

For each **Item of Property Insured** to which this **Additional Cover** applies

- (a) The first and annual premiums are based upon the **Declared Value**
- (b) You must notify Us of the **Declared Value** at the start of each **Period of Insurance**  
If You fail to notify Us of the **Declared Value** at the start of any **Period of Insurance** We will use the last **Declared Value** notified to Us for the following **Period of Insurance**
- (c) Condition 4.3 Average (Underinsurance) is restated as follows  
  
If at the time of the **Damage** the **Declared Value** is less than the cost of reinstatement of the **Property Insured** arrived at in accordance with clause 3.1.(a) above at the start of the **Period of Insurance** Our liability for any **Damage** will be limited to that proportion which the **Declared Value** bears to the cost of reinstatement of the **Property Insured** arrived at in accordance with paragraph (a) of this **Additional Cover**
- (d) We will not pay under this **Additional Cover**
  - (i) until You have incurred the cost of replacing or repairing the property
  - (ii) if You or someone acting on Your behalf have insured the property under another **Policy** or **Certificate of insurance** which does not have the same basis of reinstatement
  - (iii) if You do not comply with any of the provisions of this **Additional Cover**
- (e) The maximum We will pay in respect of any one claim is as stated in the **Schedule** for each **Premises**

### PD3.2 Glass

In the event of accidental breakage of fixed glass for which You are responsible We will pay for

- (a) replacement of such glass with glass of a similar quality or as otherwise recommended by the British Standard Code of Practice BS6262
- (b) temporary boarding up necessarily incurred through breakage of the glass
- (c) damage to frames and framework of any description and the cost of removing or replacing any Stock or Contents which may have to be removed to replace the glass up to a limit of GBP500

We will not pay for

- (d) the cost of silvering embossing lettering bending or ornamenting glass in excess of GBP500 for any one claim
- (e) breakage of glass which was already cracked or scratched
- (f) breakage damage or loss resulting from repairs or alterations to the Premises or whilst the Premises are vacant or Unoccupied
- (g) breakage damage or loss caused by fire lightning explosion or earthquake

### PD3.3 Subsidence

We will pay for Damage at the Premises caused by subsidence or ground heave of the site of the Property Insured or landslip

We will only pay for Damage to

- (a) forecourts car parks roads driveways footpaths swimming pools terraces or patios and
- (b) walls gates hedges or fences

if

- (c) such property is specifically insured by this Section and
- (d) Damage also occurs to the building to which such property applies

We will not pay You for Damage caused by

- (e) collapse cracking shrinking or settlement of any building
- (f) coastal or river erosion
- (g) defective design or inadequate construction of foundations
- (h) demolition structural alteration or repair
- (i) settlement or movement of made up ground
- (j) movement of solid floor slabs

However We will pay You for Damage not otherwise excluded if there is Damage to the foundations beneath the exterior walls of the Premises at the same time

We will not pay for Damage commencing prior to the granting of cover under this insurance

## **PD4.0 Conditions**

### **PD4.1 Construction Heating and Occupation**

It is a condition precedent to Our liability that unless otherwise stated in the Schedule the Buildings are

- (a) built of brick stone or concrete and roofed with slates tiles concrete metal or asbestos
- (b) heated by
  - (i) low pressure hot water or steam
  - (ii) oil fired space heaters fed from a fuel tank in the open
  - (iii) overhead gas or electrical appliances
  - (iv) gas or electric fires in offices only
- (c) occupied for the sole purpose of the Business and otherwise only as a private dwelling

### **PD4.2 Average (Underinsurance)**

If at the time of Damage the Sum Insured is less than the total value of the Property Insured You shall be

- (a) responsible for the difference and
- (b) liable to pay a proportionate share of the loss

### **PD4.3 Fire Break Doors and Shutters Fire Extinguishing Appliances**

It is a condition precedent to Our liability that You

- (a) maintain all firebreak doors and shutters within Your custody or control in efficient working order and to keep them free from obstruction at all times
- (b) close all firebreak doors and shutters outside of Business hours
- (c) have fire extinguishing appliances serviced and maintained under an annual service contract with suppliers approved by the manufacturers of such appliances

### **PD4.4 Unoccupied Buildings**

It is a condition precedent to Our liability that You notify Us when any Building becomes Unoccupied or when an Unoccupied Building or portion thereof becomes occupied and pay any additional premium required by Us and We reserve the right to amend or exclude the cover provided

### **PD4.5 Other Interests**

Third parties may have a legal interest in part of the Property Insured by this Certificate and You undertake to declare the names nature and extent of any interest of any such parties at the time of the Damage

### **PD4.6 Automatic Sprinkler and Fire Alarm Installations**

It is a condition precedent to Our liability that if

- (a) a reduced premium rate is allowed due to such installation or
- (b) such an installation if required by Us as a condition of cover or
- (c) this Certificate covers Damage by the accidental escape of water from a sprinkler installation

You shall

- (d) take all reasonable steps to
  - (i) prevent frost and other damage to the installations and in so far as it is Your responsibility
  - (ii) maintain the installations (including the automatic external alarm signal) in effective working order
  - (iii) maintain ready access to the water supply control facilities

- (e) notify Us in writing of any proposed changes repairs or alterations to the installations and obtain Our written agreement prior to the work being carried out other than in respect of emergency repairs the details of which must be advised to Us in writing on the next working day
- (f) allow Us access to the Premises at all reasonable times for the purpose of inspecting the installations
- (g) carry out the routine tests laid down by Us and remedy promptly any defect revealed by a test

In the event that alterations or repairs become necessary to the automatic sprinkler installation We may at Our option suspend any cover for Damage by the accidental escape of water from the installation until the alterations or repairs have been carried out and approved by Us Notice of any such action will be given by Us in writing

## ***PD5.0 Additional Conditions***

The following Additional Conditions only apply if stated in the Schedule

### **PD5.1 Intruder Alarm System**

For the purpose of this Additional Condition only the following definitions apply

#### **PD5.1.1 Definitions**

- (a) Intruder Alarm System

An electrical installation to detect and indicate the presence entry or attempted entry of an intruder into Protected Premises

- (b) Protected Premises

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

- (c) Responsible Person

You or any person authorised by You to be responsible for the security of the Premises

- (d) Keyholder

You or any person or keyholding company authorised by You who must be available at all times to accept notification of faults or alarm signals relating to the Intruder Alarm System attend and allow access to the Premises

#### **PD5.1.2 Conditions**

It is a condition precedent to Our liability that

- (a) while the Premises are unattended they are protected by an Intruder Alarm System and means of communication used to transmit signals from such an Intruder Alarm System designed installed and maintained as agreed by Us and as stated in the Schedule
- (b) the Premises are not be left without at least one Responsible Person in attendance
  - (i) unless the Intruder Alarm System is set in its entirety with all means of communication used to transmit signals in full operation or
  - (ii) if the police have withdrawn their response to alarm calls

unless We give prior agreement to You in writing
- (c) in the event of notification of any activation of the Intruder Alarm System or interruption of any of the means of communication during any period that the Intruder Alarm System is set a Keyholder attends the Premises as soon as reasonably possible in order to confirm the security of the Premises and reset the Intruder Alarm System in its entirety If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation a Keyholder must remain at the Premises unless We give prior agreement to You in writing
- (d) You advise Us as soon as possible and in any event not later than 1000 hours on Our next working day (Our working days being Monday to Friday inclusive)
  - (i) that police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
  - (ii) of notice from a Local Authority or Magistrate imposing any requirement for abatement of nuisance

(iii) that the **Intruder Alarm System** and the means of communication used to transmit signals from such installation cannot be returned to or maintained in full working order

and You comply with any of Our subsequent requirements

- (e) no alteration or substitution of
- (i) any part of the **Intruder Alarm System**
  - (ii) the structure of the **Premises** or changes to the layout of the **Premises** which would affect the effectiveness of the **Intruder Alarm System**
  - (iii) the means of communication used to transmit signals from the **Intruder Alarm System**
  - (iv) the procedures agreed with Us for police or any other response to any activation of the **Intruder Alarm System**
  - (v) the maintenance contract
- be made unless We give prior agreement to You in writing
- (f) You and each **Keyholder** maintain secrecy of codes and security of keys and setting or unsetting devices for the operation of the **Intruder Alarm System** All keys and other setting or unsetting devices for the **Intruder Alarm System** must be removed from the **Premises** when they are left unattended
- (g) the **Intruder Alarm System** be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or other such company as agreed by Us
- (h) You appoint at least two **Keyholders** and lodge written details (which must be kept up to date) with the alarm company contracted to maintain the **Intruder Alarm System** and with the police if they so require

#### PD5.2 Minimum Security

It is a condition precedent to Our liability that

- (a) final exit doors are secured as follows
- (i) timber doors by mortice deadlocks having 5 or more levers or conforming to BS3621 with matching boxed striking plate
  - (ii) aluminium doors by cylinder mortice lock operating a swinging lock bolt
  - (iii) PVCu doors by key operated multi-point locking devices having three or more locking points
  - (iv) the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom
- and when the **Premises** are closed for **Business** all locks fitted to final exit doors are put into effect
- (b) all other external doors and internal doors leading to common areas or other premises are secured by
- (i) the means sets out in (a) or
  - (ii) key operated security bolts fitted top and bottom
- (c) all opening windows or rooflights accessible from the ground or via roofs pipework or other structures are secured by key operated locking devices or screwed permanently shut

However any door or window officially designated a fire exit by the Fire Authority is excluded from these requirements

#### PD5.3 Additional Security Requirements

It is a condition precedent to Our liability that

- (a) additional protection required by Us as specified in the **Schedule** shall be fitted in accordance with Our requirements and together with all other devices for the protection of the **Property Insured** shall be kept in good order and put into full and effective operation whenever the **Premises** are closed for **Business** to customers or callers or are unattended
- (b) all keys including duplicate keys relative to the security of the **Premises** or to any safe or strongroom containing **Property Insured** shall be removed from the **Premises** whenever they are closed for **Business** or left unattended

## **PD6.0 Exclusions**

We will not pay for

### **PD6.1** Damage caused by or consisting of

- (a) inherent vice latent defect gradual deterioration wear and tear frost change in water table level its own faulty or defective design or materials
- (b) faulty or defective workmanship operational error or omission on the part of **You** or any of **Your Employees**
- (c) the bursting by steam pressure of a boiler economiser vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under **Your** control other than a boiler used for domestic purposes only

but this shall not exclude such subsequent **Damage** which itself results from a cause not otherwise excluded

### **PD6.2** Damage caused by or consisting of

- (a) corrosion rust wet or dry rot mould shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insect
- (b) change in temperature colour flavour texture or finish
- (c) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
- (d) mechanical or electrical breakdown or derangement of the particular machine apparatus or equipment in which such breakdown or derangement originates

but this shall not exclude

- (i) such **Damage** not otherwise excluded which itself results from a **Defined Contingency** or from any other accidental loss destruction or damage
- (ii) subsequent **Damage** which itself results from a cause not otherwise excluded

### **PD6.3** Damage caused by or arising directly from theft or attempted theft

- (a) not involving
  - (i) breaking into or out of the **Buildings** of the **Premises** by forcible and violent means or
  - (ii) robbery or attempted robbery committed in the **Premises**
- (b) to that part of the **Buildings** of the **Premises** not occupied by **You**
- (c) to property on or in any garden yard open place or open sided **Building** nor any outbuilding unless specified in the **Schedule**
- (d) by any person lawfully on the **Premises**
- (e) of the fabric of the **Buildings**
- (f) of money cheques stamps (including National Insurance stamps) bonds credit cards or securities of any description
- (g) of jewellery precious stones precious metals bullion furs curiosities works of art or rare books

but this shall not exclude

- (i) such **Damage** not otherwise excluded which itself results from a **Defined Contingency** or from any other accidental loss destruction or damage
- (ii) subsequent **Damage** which itself results from a cause not otherwise excluded

### **PD6.4** Damage caused by **Pollution** or **Contamination** but this shall not exclude destruction of or damage to the **Property Insured** not otherwise excluded caused by

- (a) **Pollution** or **Contamination** which itself results from a **Defined Contingency**
- (b) a **Defined Contingency** which itself results from **Pollution** or **Contamination**

- (c) sudden identifiable unintended and unexpected **Pollution or Contamination** which itself results from all other **Damage**
- (d) all other **Damage** which itself results from sudden identifiable unintended and unexpected **Pollution or Contamination**

However the maximum amount that We will pay in respect of (c) and (d) in any one **Period of Insurance** is GBP25000

**PD6.5** **Damage** caused by or consisting of subsidence or ground heave of any part of the site on which the property stands or landslip unless specified in the **Schedule**

**PD6.6** **Damage** caused by or consisting of or arising directly or indirectly from disappearance unexplained or inventory shortage misfiling or misplacing of information

**PD6.7** **Damage** to a **Building** or structure caused by its own collapse or cracking unless resulting from a **Defined Contingency** in so far as it is not otherwise excluded

**PD6.8** **Damage** in respect of

- (a) movable property in the open fences and gates caused by wind rain hail sleet snow flood or dust
- (b) property in transit other than whilst at the **Premises** other than in respect of the cover provided by PD2.12 Temporary Removal and PD2.13 Temporary Removal - Documents and Computer System Records

**PD6.9** **Damage to Property Insured**

- (a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat
- (b) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair other than by fire or explosion

**PD6.10** **Damage** caused by

- (a) freezing
- (b) escape of water from any tank apparatus or pipe
- (c) malicious persons not acting on behalf of or in connection with any political organisation

in respect of any building which is empty or not in use for more than thirty consecutive days other than by fire or explosion

**PD6.11** Unless specifically mentioned as insured and unless **Damage** is caused by a **Defined Contingency** in so far as it is not otherwise excluded

- (a) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock water craft or aircraft
- (b) piers jetties bridges culverts or excavations
- (c) livestock growing crops or trees

**PD6.12** **Damage** to property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection other than such damage caused by

- (a) a **Defined Contingency**
- (b) theft or attempted theft involving entry to or exit from buildings by forcible and violent means or
- (c) theft involving violence or threat of violence to **You Your** partners directors or **Employees**

in so far as such **Damage Defined Contingency** theft or attempted theft is not otherwise excluded

**PD6.13** Property which at the time of the happening of **Damage** is insured by or would but for the existence of this Certificate be insured by any marine Policy or Certificate except in respect of any excess beyond the amount which would have been payable under the marine Policy or Certificate had this insurance not been effected

**PD6.14** Any loss or destruction of or damage to land

**PD6.15** Any property more specifically insured by **You** or on **Your** behalf

**PD6.16** Consequential loss of any kind or description except loss of rent when such loss is included in the cover under this Section

## ***PD7.0 Additional Claims Conditions***

### **PD7.1 Subrogation Waiver**

In the event of a claim arising under this Certificate We agree to waive any rights remedies or relief to which We might become entitled by subrogation against

- (a) any Company whose relationship to You is either a parent to subsidiary or subsidiary to parent
- (b) any Company which is a subsidiary of a parent company of which You are a subsidiary

As defined in or within the meanings of the relevant Companies Act or Companies (N.I.) Order current at the time of the Damage

## ***Part 3 Business Interruption Section Gross Profit***

### ***GP1.0 Definitions***

The following definitions will apply in addition to Part 2 General Definitions to this Section of the Certificate only

#### ***GP1.1 Annual Turnover***

The Turnover during the 12 months immediately before the date of the Damage

#### ***GP1.2 Consequential Loss***

Loss resulting from interruption of or interference with the Business carried on by You at the Premises as a result of Damage to the Property Insured during the Indemnity Period

#### ***GP1.3 Customers Accounts***

Your accounts for all customers who trade with You on a credit or hire purchase basis

#### ***GP1.4 Gross Profit***

The combined value of the Turnover closing stock and work in progress less the combined value of opening stock and work in progress and Uninsured Working Expenses

The values of opening and closing stocks and work in progress will

- (a) be calculated using Your usual accounting methods
- (b) make due provision for depreciation

The Sum Insured for which is stated in the Schedule

#### ***GP1.5 Outstanding Debit Balances***

The total amount outstanding in customers accounts as set out in Your accounts adjusted for

- (a) bad debts
- (b) any abnormal condition of trade which had or could have had a material effect on the Business so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have applied at the date of the Damage

#### ***GP1.6 Rate of Gross Profit***

Gross Profit earned on and expressed as a percentage of Turnover during the financial year immediately before the date of the Damage

#### ***GP1.7 Standard Turnover***

The Turnover during the period in the 12 months immediately before the date of the Damage which most closely corresponds with the Indemnity Period

Rate of Gross Profit Annual Turnover and Standard Turnover may be adjusted to reflect any trends or circumstances which

- (a) affect the Business before or after the Damage
- (b) would have affected the Business had the Damage not occurred

The adjusted figures will represent as near as possible the results which would have been achieved during the same period had the Damage not occurred

#### ***GP1.8 Sum Insured***

The amount or limit specified in the Schedule which is the maximum We will pay You in respect of Consequential Loss to each specified item

Except where more specifically insured the Sum Insured includes

- (a) any money paid or payable to You during the **Indemnity Period** for goods sold or services provided away from the **Premises**
- (b) Your auditors and professional accountants reasonable charges for producing information We require for investigating any **Claim** and confirming the information is in accordance with Your business books

#### **GP1.9 Turnover**

Money paid or payable to You for

- (a) goods sold and delivered
- (b) services provided

In the course of the **Business** at the **Premises**

#### **GP1.10 Uninsured Working Expenses**

- (a) Purchases less any discounts received
- (b) Discounts allowed
- (c) Any additional Uninsured Working Expenses stated in the **Schedule**

The words and expressions used in this definition will have the same meaning usually attached to them in Your books and accounts

## **GP2.0 The Cover**

### **GP2.1 Business Interruption**

In the event of **Consequential Loss** We will pay You in respect of each item in the **Schedule** the amount of loss resulting from such **Consequential Loss** provided that at the time of the **Consequential Loss** there was an insurance in force covering Your interest in the property which has suffered **Damage** at the **Premises** against such **Damage** and that

- (a) payment has been made or liability admitted therefor or
- (b) payment would have been made or liability admitted therefor but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

provided that Our liability under this Section will not exceed

- (c) the total **Sum Insured** or in respect of any item its **Sum Insured** or any other limit of liability stated in the **Schedule** at the time of the **Consequential Loss**
- (d) the **Sum Insured** remaining after deduction for any other **Consequential Loss** occurring during the same **Period of Insurance** unless any such **Sum Insured** is reinstated in accordance with clause GP2.2 Automatic Reinstatement of **Sum Insured**

### **GP2.2 Automatic Reinstatement of Sum Insured**

The **Sums Insured** stated in the **Schedule** will not be reduced by the amount of any **Claim** unless We or You give notice to the contrary provided that

- (a) You pay Us the additional premium We require to reinstate the **Sum Insured**
- (b) You effect such additions to or variations in the protections of the **Property Insured** that We may require within the timescale specified by Us or anyone working for Us

### **GP2.3 Value Added Tax**

All terms in this Section exclude Value Added Tax to the extent that You are accountable to the Tax Authorities for Value Added Tax

### **GP2.4 Cost Accounting**

Any adjustment made for current cost accounting will be ignored

## **GP3.0 Additional Covers**

The following Additional Covers only apply to this Section if stated in the Schedule and Our Liability under each Additional Cover for any one occurrence will not exceed

- (a) the amount or
- (b) the percentage of the Sum Insured (or 133.3% of the Estimated Amount)

stated in the Schedule as the Limit

### **GP3.1 Consequential Loss**

Consequential Loss as insured by this Section is extended to include Damage

- (a) at the undernoted premises or situations or
- (b) to the undernoted property

by any Additional Cover detailed below and stated in the Schedule as applying to such situations or property which results in interruption or interference with the Business

#### **GP3.1.1 Specified Suppliers**

The premises of Your suppliers stated in the Schedule

#### **GP3.1.2 Specified Customers**

The premises of Your customers stated in the Schedule

#### **GP3.1.3 Unspecified Suppliers**

Any of Your suppliers premises within the Defined Territories

We will not pay You in respect of Consequential Loss caused by Damage at any premises of suppliers of electricity gas water or telecommunications services

#### **GP3.1.4 Unspecified Customers**

Any of Your customers premises within the Defined Territories

#### **GP3.1.5 Property Stored**

Your property whilst stored in any premises not occupied by You but within the Defined Territories

#### **GP3.1.6 Transit**

Your property while in transit by road rail or inland waterway within the Defined Territories

#### **GP3.1.7 Contract Sites**

Any situation within the Defined Territories where You are carrying out a contract

#### **GP3.1.8 Exhibition Sites**

Any situation within the Defined Territories where You are exhibiting Your goods or services

#### **GP3.1.9 Public Utilities – Electricity Gas and Water**

Any

- (a) generating station or sub-station of Your electricity supplier
- (b) land based premises of Your gas supplier and any natural gas producer directly linked to Your gas supplier
- (c) water works or pumping station of Your water supplier

within the Defined Territories

#### **GP3.1.10 Public Utilities – Telecommunications**

Any land based premises of Your public telecommunications supplier within the Defined Territories

#### **GP3.1.11 Prevention of Access**

Property in the vicinity of the Premises which hinders or prevents access to the Premises

#### **GP3.1.12 Loss of Attraction**

Property in the vicinity of the Premises which causes a loss of custom to the Business directly due to a reduction in customers visiting the area

#### **GP3.2 Additional Increase in Cost of Working**

We will pay the additional expenditure incurred due to Damage to maintain the Business during the Indemnity Period which exceeds the amount recoverable under Increase in the cost of working as insured within the Specification to this Section and detailed within the Basis of Settlement therein

#### **GP3.3 Subsidence**

We will pay You for Consequential Loss caused by subsidence ground heave or landslip if such subsidence ground heave or landslip is insured under the Property Damage Section of this Certificate

#### **GP3.4 Public Emergency**

We will pay You for Consequential Loss resulting from interruption to or interference with the Business due to prevention of access to the Premises by the Police Authority by reason of danger or a disturbance in the vicinity of the Premises

#### **GP3.5 Full Failure of Utilities**

We will pay You for Consequential Loss resulting from interruption or interference with the Business as a result of the accidental failure of Your supply of utilities noted below if specified on the Schedule at the terminal ends of Your suppliers feed to the Premises other than

- (a) caused by the deliberate act of any supply authority or the exercise of their power to withdraw or restrict supplies or services or industrial action
- (b) outside the Defined Territories
- (c) lasting less than
  - (i) 6 consecutive hours in respect of GP3.5.1 Electricity Gas or Water
  - (ii) 24 consecutive hours in respect of GP3.5.2 Telecommunications
- (d) caused by drought atmospheric or other weather conditions unless equipment has suffered Damage
- (e) for GP3.5.2 Telecommunications the failure of any satellite to transmit

##### **GP3.5.1 Electricity Gas and Water**

##### **GP3.5.2 Telecommunications**

#### **GF3.6 Book Debts**

In the event of Damage to Your books of accounts or other business books or records at the Premises during the Period of Insurance and You in consequence You are unable to trace or establish the Outstanding Debit Balances in whole or in part due to You We will pay to You the amount of loss

We will not pay more than

- (a) the total Sum Insured stated in the Schedule at the time of the Damage
- (b) the Sum Insured remaining after deduction for any other Damage during the same Period of Insurance unless We have agreed to reinstate any such Sum Insured

#### **GF3.6.1 Basis of Settlement**

The following Basis of Settlement applies to this Additional Cover and not as detailed elsewhere within this Section

Our payment to you is limited to the loss sustained by You in respect of Outstanding Debit Balances directly due to the Damage and the amount payable in respect of any one occurrence of Damage shall not exceed

- a) the difference between
  - (i) **Outstanding Debit Balances** and
  - (ii) the total of the amounts received or traced in respect thereof
- (b) the additional expenditure incurred with **Our** prior consent in tracing and establishing customers' debit balances after the **Damage**

#### **GF3.6.2 Alteration Condition**

We will not pay **You** if

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

Unless **We** agree otherwise in writing

### **GP4.0 Basis of Settlement**

#### **GP4.1 Gross Profit**

We will pay for **Consequential Loss** due to

- (a) **Reduction in Turnover**  
The sum produced by applying the **Rate of Gross Profit** to the amount by which the **Standard Turnover** exceeds the **Turnover** during the **Indemnity Period** due to the **Damage**
- (b) **Increase in the cost of working**  
Any additional expenses **You** necessarily and reasonably incur solely to prevent or limit a reduction in **Turnover** during the **Indemnity Period** which but for such additional expenses would have taken place due to the **Damage**  
We will not pay more than the amount produced by applying the **Rate of Gross Profit** to the reduction in **Turnover** avoided by the expenditure

Less any savings during the **Indemnity Period** in business charges or expenses payable out of **Gross Profit** which reduce or cease due to the **Damage**

#### **GP4.2 Average (Underinsurance)**

If at the time of the **Damage** the **Sum Insured** is less than the sum produced by applying the **Rate of Gross Profit** to the **Annual Turnover** (proportionately adjusted where the **Maximum Indemnity Period** differs from twelve months) **You** shall be

- (a) responsible for the difference and
- (b) liable to pay a proportionate share of the loss

### **GP5.0 Exclusions**

We will not pay for

#### **GP5.1 Consequential Loss or Increase in Cost of Working caused by**

- (a) inherent vice latent defect gradual deterioration wear and tear frost change in water table level its own faulty or defective design or materials
- (b) faulty or defective workmanship operational error or omission on the part of **You** or any of **Your Employees**
- (c) the bursting by steam pressure of a boiler economiser vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under **Your** control other than any boiler or economiser on the **Premises** or a boiler used for domestic purposes only

but **We** will pay for subsequent **Consequential Loss** or **Increase in Cost of Working** which itself results from a cause not otherwise excluded

**GP5.2** Consequential Loss or Increase in Cost of Working caused by

- (a) corrosion rust wet or dry rot mould shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insect
- (b) change in temperature colour flavour texture or finish
- (c) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
- (d) mechanical or electrical breakdown or derangement of the particular machine apparatus or equipment in which such breakdown or derangement originates
- (e) **Consequential Loss or Increase in Cost of Working caused by the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunications services**

but We will pay for

- (f) such **Consequential Loss or Increase in Cost of Working** not otherwise excluded which itself results from a **Defined Contingency** or from any other accidental loss destruction or damage
- (g) subsequent **Consequential Loss or Increase in Cost of Working** which itself results from a cause not otherwise excluded

**GP5.3** Consequential Loss or Increase in Cost of Working arising directly from theft or attempted theft

- (a) not involving
  - (i) breaking into or out of the **Buildings of the Premises** by forcible and violent means or
  - (ii) robbery or attempted robbery committed in the **Premises**
- (b) to that part of the **Buildings of the Premises** not occupied by **You**
- (c) to property on or in any garden yard open place or open sided **Building** nor any outbuilding unless specified in the **Schedule**
- (d) by any person lawfully on the **Premises**
- (e) of the fabric of the **Buildings**

**GP5.4** Consequential Loss or Increase in Cost of Working resulting from **Pollution or Contamination** other than as a result of destruction of or damage to property used by **You** at the **Premises** for the purpose of the **Business** being not otherwise excluded but caused by

- (a) **Pollution or Contamination** at the **Premises** which itself results from a **Defined Contingency**
- (b) a **Defined Contingency** hereby insured against which itself results from **Pollution or Contamination**
- (c) sudden identifiable unintended and unexpected **Pollution or Contamination** at the **Premises** which itself results from all other **Damage**
- (d) all other **Damage** which itself results from sudden identifiable unintended and unexpected **Pollution or Contamination**

subject to a total limit of liability in respect of 4 (b) (c) and (d) in any one **Period of Insurance** of GBP25000

**GP5.5** Consequential Loss or Increase in Cost of Working caused by subsidence or ground heave of any part of the site on which the property stands or landslip unless specified in the **Schedule**

**GP5.6** Consequential Loss or Increase in Cost of Working caused by acts of fraud or dishonesty but this shall not exclude such **Consequential Loss or Increase in Cost of Working** if resulting from a cause which is not otherwise excluded

**GP5.7** Consequential Loss or Increase in Cost of Working arising directly or indirectly from

- (a) disappearance unexplained or inventory shortage misfiling or misplacing of information
- (b) erasure loss distortion or corruption of information on computer systems or other records programmes or software caused deliberately by persons participating in a riot strikers locked-out workers persons taking part in labour disturbances or civil commotion or malicious persons

- (c) other erasure loss distortion or corruption of information on computer systems or other records programmes or software unless resulting from a **Defined Contingency** in so far as it is not otherwise excluded

**GP5.8** Consequential Loss resulting from destruction of or damage to a **Building** or structure used by **You** at the Premises caused by its own collapse or cracking unless resulting from a **Defined Contingency** in so far as it is not otherwise excluded

**GP5.9** Consequential Loss or Increase in Cost of Working in respect of

- (a) movable property in the open fences and gates caused by wind rain hail sleet snow flood or dust  
 (b) property in transit other than whilst at the Premises

**GP5.10** Consequential Loss or Increase in Cost of Working

- (a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat  
 (b) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair other than by fire or explosion

**GP5.11** Consequential Loss or Increase in Cost of Working caused by

- (a) freezing  
 (b) escape of water from any tank apparatus or pipe  
 (c) malicious persons not acting on behalf of or in connection with any political organisation

in respect of any building which is empty or not in use for more than thirty consecutive days other than by fire or explosion

**GP5.12** Unless specifically mentioned as insured under the Property Damage Section Consequential Loss or Increase in Costs of Working caused by

- (a) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock water craft or aircraft  
 (b) piers jetties bridges culverts or excavations  
 (c) livestock growing crops or trees

**GP5.13** Consequential Loss in respect of property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection other than such damage or in respect of such Consequential Loss caused by

- (a) a **Defined Contingency**  
 (b) theft or attempted theft involving breaking into or out of the **Buildings** of the Premises by forcible and violent means  
 (c) robbery or attempted robbery committed in the Premises  
 in so far as it is not otherwise excluded

**GP5.14** Consequential Loss or Increase in Cost of Working caused by loss or destruction of or damage to land

## ***Part 3 Business Interruption Section Increase in Cost of Working***

### ***IC1.0 Definitions***

The following definitions will apply in addition to Part 2 General Definitions to this Section of the Certificate only

#### ***IC1.1 Consequential Loss***

Loss resulting from interruption of or interference with the **Business** carried on by **You** at the **Premises** as a result of **Damage** to the **Property Insured** during the **Indemnity Period**

#### ***IC1.2 Customers Accounts***

Your accounts for all customers who trade with **You** on a credit or hire purchase basis

#### ***IC1.3 Maximum Limit***

The **Sum Insured** divided by the number of separate **Buildings** at the **Premises**

If a special limit stated in the **Schedule** applies to one or more **Buildings** the **Maximum Limit** for the **Buildings** will be calculated by applying the **Percentage Limit** shown against each **Building** to the **Sum Insured**

The remainder of the **Sum Insured** will be divided equally between the other **Buildings** to produce the **Maximum Limit** for each

#### ***IC1.4 Outstanding Debit Balances***

The total amount outstanding in customers accounts as set out in **Your** accounts adjusted for

- (a) bad debts
- (b) any abnormal condition of trade which had or could have had a material effect on the **Business** so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have applied at the date of the **Damage**

#### ***IC1.5 Remainder Limit***

The **Maximum Limit** less any sum paid or payable for loss during the first three months of the **Indemnity Period**

#### ***IC1.6 Remainder Period***

The **Maximum Indemnity Period** less three months

#### ***IC1.7 Sum Insured***

The amount or limit specified in the **Schedule** which is the maximum **We** will pay **You** in respect of **Consequential Loss** to each specified item

Except where more specifically insured the **Sum Insured** includes

- (a) any money paid or payable to **You** during the **Indemnity Period** for goods sold or services provided away from the **Premises**
- (b) **Your** auditors and professional accountants reasonable charges for producing information **We** require for investigating any **Claim** and confirming the information is in accordance with **Your** business books

### ***IC2.0 The Cover***

#### ***IC2.1 Business Interruption***

In the event of **Consequential Loss** **We** will pay **You** in respect of each item in the **Schedule** the amount of loss resulting from such **Consequential Loss** provided that at the time of the **Consequential Loss** there was an insurance in force covering **Your** interest in the property suffering **Damage** at the **Premises** against such **Damage** and that

- (a) payment has been made or liability admitted therefor or
- (b) payment would have been made or liability admitted therefor but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

provided that Our liability under this Section will not exceed

- (c) the total Sum Insured or in respect of any item its Sum Insured or any other limit of liability stated in the Schedule at the time of the Consequential Loss
- (d) the Sum Insured remaining after deduction for any other Consequential Loss occurring during the same Period of Insurance unless any such Sum Insured is reinstated in accordance with clause IC2.2 Automatic Reinstatement of Sum Insured

#### **IC2.2 Automatic Reinstatement of Sum Insured**

The Sums Insured stated in the Schedule will not be reduced by the amount of any Claim unless We or You give notice to the contrary provided that

- (a) You pay Us the additional premium We require to reinstate the Sum Insured
- (b) You effect such additions to or variations in the protections of the Property Insured that We may require within the timescale specified by Us or anyone working for Us

#### **IC2.3 Value Added Tax**

All terms in this Section exclude Value Added Tax to the extent that You are accountable to the Tax Authorities for Value Added Tax

#### **IC2.4 Cost Accounting**

Any adjustment made for current cost accounting will be ignored

### **IC3.0 Additional Covers**

The following Additional Covers only apply to this Section if stated in the Schedule and Our Liability under each Additional Cover for any one occurrence will not exceed

- (a) the amount or
- (d) the percentage of the Sum Insured (or 133.3% of the Estimated Amount)

stated in the Schedule as the Limit

#### **IC3.1 Consequential Loss**

Consequential Loss as insured by this Section is extended to include Damage

- (a) at the undernoted premises or situations or
- (b) to the undernoted property

by any Additional Cover detailed below and stated in the Schedule as applying to such situations or property which results in interruption or interference with the Business

#### **IC3.1.1 Specified Suppliers**

The premises of Your suppliers stated in the Schedule

#### **IC3.1.2 Specified Customers**

The premises of Your customers stated in the Schedule

#### **IC3.1.3 Unspecified Suppliers**

Any of Your suppliers premises within the Defined Territories

We will not pay You in respect of Consequential Loss caused by Damage at any premises of suppliers of electricity gas water or telecommunications services

#### **IC3.1.4 Unspecified Customers**

Any of Your customers premises within the Defined Territories

#### **IC3.1.5 Property Stored**

Your property whilst stored in any premises not occupied by You but within the Defined Territories

#### **IC3.1.6 Transit**

Your property while in transit by road rail or inland waterway within the Defined Territories

#### **IC3.1.7 Contract Sites**

Any situation within the Defined Territories where You are carrying out a contract

#### **IC3.1.8 Exhibition Sites**

Any situation within the Defined Territories where You are exhibiting Your goods or services

#### **IC3.1.9 Public Utilities – Electricity Gas and Water**

Any

- (a) generating station or sub-station of Your electricity supplier
- (b) land based premises of Your gas supplier and any natural gas producer directly linked to Your gas supplier
- (c) water works or pumping station of Your water supplier

within the Defined Territories

#### **IC3.1.10 Public Utilities – Telecommunications**

Any land based premises of Your public telecommunications supplier within the Defined Territories

#### **IC3.1.11 Prevention of Access**

Property in the vicinity of the Premises which hinders or prevents access to the Premises

#### **IC3.1.12 Loss of Attraction**

Property in the vicinity of the Premises which causes a loss of custom to the Business directly due to a reduction in customers visiting the area

#### **IC3.2 Additional Increase in Cost of Working**

We will pay the additional expenditure incurred due to Damage to maintain the Business during the Indemnity Period which exceeds the amount recoverable under Increase in the cost of working as insured within the Specification to this Section and detailed within the Basis of Settlement therein

#### **IC3.3 Subsidence**

We will pay You for Consequential Loss caused by subsidence ground heave or landslip if such subsidence ground heave or landslip is insured under the Property Damage Section of this Certificate

#### **IC3.4 Public Emergency**

We will pay You for Consequential Loss resulting from interruption to or interference with the Business due to prevention of access to the Premises by the Police Authority by reason of danger or a disturbance in the vicinity of the Premises

#### **IC3.5 Full Failure of Utilities**

We will pay You for Consequential Loss resulting from interruption or interference with the Business as a result of the accidental failure of Your supply of utilities noted below if specified on the Schedule at the terminal ends of Your suppliers feed to the Premises other than

- (a) caused by the deliberate act of any supply authority or the exercise of their power to withdraw or restrict supplies or services or industrial action
- (b) outside the Defined Territories

- (c) lasting less than
  - (ii) 6 consecutive hours in respect of IC3.5.1 Electricity Gas or Water
  - (ii) 24 consecutive hours in respect of IC3.5.2 Telecommunications
- (d) caused by drought atmospheric or other weather conditions unless equipment has suffered Damage
- (e) for IC3.5.2 Telecommunications the failure of any satellite to transmit

**IC3.5.1 Electricity Gas and Water**

**IC3.5.2 Telecommunications**

**GF3.6 Book Debts**

In the event of Damage to Your books of accounts or other business books or records at the Premises during the Period of Insurance and You in consequence You are unable to trace or establish the Outstanding Debit Balances in whole or in part due to You We will pay to You the amount of loss

We will not pay more than

- (a) the total Sum Insured stated in the Schedule at the time of the Damage
- (b) the Sum Insured remaining after deduction for any other Damage during the same Period of Insurance unless We have agreed to reinstate any such Sum Insured

**GF3.6.1 Basis of Settlement**

The following Basis of Settlement applies to this Additional Cover and not as detailed elsewhere within this Section

Our payment to you is limited to the loss sustained by You in respect of Outstanding Debit Balances directly due to the Damage and the amount payable in respect of any one occurrence of Damage shall not exceed

- (a) the difference between
  - (i) Outstanding Debit Balances and
  - (ii) the total of the amounts received or traced in respect thereof
- (b) the additional expenditure incurred with Our prior consent in tracing and establishing customers' debit balances after the Damage

**GF3.6.2 Alteration Condition**

We will not pay You if

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

Unless We agree otherwise in writing

**IC4.0 Basis of Settlement**

We will pay Your additional expenditure which has been reasonably and necessarily incurred as a result of the Damage to continue the Business during the Indemnity Period

The maximum We will pay will not exceed

- (a) during the first three months of the Indemnity Period twenty five percent of the Maximum Limit
- (b) for each subsequent month of the Indemnity Period the proportion of the Remainder Limit which one month bears to
  - (i) the Remainder Period or
  - (ii) nine months whichever is longer

The maximum amount We will pay for any one Building is the Maximum Limit

- (c) the reduction in Turnover avoided by the additional expenditure

## **IC5.0 Exclusions**

We will not pay for

### **IC5.1** Consequential Loss or Increase in Cost of Working caused by

- (a) inherent vice latent defect gradual deterioration wear and tear frost change in water table level its own faulty or defective design or materials
- (b) faulty or defective workmanship operational error or omission on the part of You or any of Your Employees
- (c) the bursting by steam pressure of a boiler economiser vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under Your control other than any boiler or economiser on the Premises or a boiler used for domestic purposes only

but We will pay for subsequent **Consequential Loss** or Increase in Cost of Working which itself results from a cause not otherwise excluded

### **IC5.2** Consequential Loss or Increase in Cost of Working caused by

- (a) corrosion rust wet or dry rot mould shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insect
- (b) change in temperature colour flavour texture or finish
- (c) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
- (d) mechanical or electrical breakdown or derangement of the particular machine apparatus or equipment in which such breakdown or derangement originates
- (e) **Consequential Loss** or Increase in Cost of Working caused by the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunications services

but We will pay for

- (f) such **Consequential Loss** or Increase in Cost of Working not otherwise excluded which itself results from a **Defined Peril** or from any other accidental loss destruction or damage
- (g) subsequent **Consequential Loss** or Increase in Cost of Working which itself results from a cause not otherwise excluded

### **IC5.3** Consequential Loss or Increase in Cost of Working arising directly from theft or attempted theft

- (a) not involving
  - (i) breaking into or out of the **Buildings** of the Premises by forcible and violent means or
  - (ii) robbery or attempted robbery committed in the Premises
- (b) to that part of the **Buildings** of the Premises not occupied by You
- (c) to property on or in any garden yard open place or open sided **Building** nor any outbuilding unless specified in the **Schedule**
- (d) by any person lawfully on the Premises
- (e) of the fabric of the **Buildings**

### **IC5.4** Consequential Loss or Increase in Cost of Working resulting from **Pollution** or **Contamination** other than as a result of destruction of or damage to property used by You at the Premises for the purpose of the **Business** being not otherwise excluded but caused by

- (a) **Pollution** or **Contamination** at the Premises which itself results from a **Defined Peril**
- (b) a **Defined Peril** hereby insured against which itself results from **Pollution** or **Contamination**
- (c) sudden identifiable unintended and unexpected **Pollution** or **Contamination** at the Premises which itself results from all other **Damage**
- (d) all other **Damage** which itself results from sudden identifiable unintended and unexpected **Pollution** or **Contamination**

subject to a total limit of liability in respect of 4 (b) (c) and (d) in any one Period of Insurance of GBP25000

**IC5.5** Consequential Loss or Increase in Cost of Working caused by subsidence or ground heave of any part of the site on which the property stands or landslip unless specified in the Schedule

**IC5.6** Consequential Loss or Increase in Cost of Working caused by acts of fraud or dishonesty but this shall not exclude such Consequential Loss or Increase in Cost of Working if resulting from a cause which is not otherwise excluded

**IC5.7** Consequential Loss or Increase in Cost of Working arising directly or indirectly from

- (a) disappearance unexplained or inventory shortage misfiling or misplacing of information
- (b) erasure loss distortion or corruption of information on computer systems or other records programmes or software caused deliberately by persons participating in a riot strikers locked-out workers persons taking part in labour disturbances or civil commotion or malicious persons
- (c) other erasure loss distortion or corruption of information on computer systems or other records programmes or software unless resulting from a Defined Peril in so far as it is not otherwise excluded

**IC5.8** Consequential Loss resulting from destruction of or damage to a Building or structure used by You at the Premises caused by its own collapse or cracking unless resulting from a Defined Peril in so far as it is not otherwise excluded

**IC5.9** Consequential Loss or Increase in Cost of Working in respect of

- (a) movable property in the open fences and gates caused by wind rain hail sleet snow flood or dust
- (b) property in transit other than whilst at the Premises

**IC5.10** Consequential Loss or Increase in Cost of Working

- (a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat
- (b) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair other than by fire or explosion

**IC5.11** Consequential Loss or Increase in Cost of Working caused by

- (a) freezing
- (b) escape of water from any tank apparatus or pipe
- (e) malicious persons not acting on behalf of or in connection with any political organisation

in respect of any building which is empty or not in use for more than thirty consecutive days other than by fire or explosion

**IC5.12** Unless specifically mentioned as insured under the Property Damage Section Consequential Loss or Increase in Costs of Working caused by

- (a) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock water craft or aircraft
- (b) piers jetties bridges culverts or excavations
- (c) livestock growing crops or trees

**IC5.13** Consequential Loss in respect of property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection other than such damage or in respect of such Consequential Loss caused by

- (a) a Defined Peril
  - (b) theft or attempted theft involving breaking into or out of the Buildings of the Premises by forcible and violent means
  - (c) robbery or attempted robbery committed in the Premises
- in so far as it is not otherwise excluded

**IC5.14** Consequential Loss or Increase in Cost of Working caused by loss or destruction of or damage to land

## ***Part 3 Terrorism Section***

### ***TR1.0 Definitions***

The following definitions will apply in addition to Part 2 General Definitions to this Section of the Certificate only

#### **TR1.1 Act of Terrorism**

The following definition shall apply in place of that in Part 2 General Definitions to this Section of the Certificate only

Damage occasioned by or happening through or in consequence of an act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence

#### **TR1.2 Denial of Service Attack**

Any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems including the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

#### **TR1.3 Hacking**

Unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether Your property or not

#### **TR1.4 Nuclear Installation**

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

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

#### **TR1.5 Nuclear Reactor**

Any plant machinery equipment or appliance designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons

#### **TR1.6 Private Individual**

Any person other than a

- (a) Trustee or body of Trustees where insurance is arranged under the terms of a trust
- (b) person who owns Residential Property for the purpose of their business as a sole trader

Private Individual shall include two or more persons where insurance is arranged in their several names and/or the title of the Certificate holder includes the name of a financial institution for the purpose of noting their interest in the Property Insured

#### **TR1.7 Residential Property**

Houses blocks of flats and other dwellings including household contents and personal possessions

#### **TR1.8 Sum Insured**

The amount specified in the Schedule which is the maximum amount We will pay You in respect of Damage to each specified item of Property Insured

#### **TR1.9 Virus or Similar Mechanism**

Program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether or not involving self-replication and including trojan horses worms and logic bombs

## **TR2.0      *The Cover***

Notwithstanding any provisions to the contrary within this Certificate We will pay You for all losses arising from **Damage to Property Insured** and resulting **Consequential Loss** insured under this Certificate directly caused by an Act of Terrorism occurring during the **Period of Insurance** at the **Premises** but only in England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands

The maximum We will pay under this Section in any one **Period of Insurance** will not exceed the limit of liability or **Sum Insured** for each Section of this Certificate

In any action suit or other proceedings where We allege that any loss or damage is not covered by this Section the burden of proving that such loss or damage is covered shall be upon You

## **TR3.0      *Exclusions***

No exclusions apply to this Section other than those detailed below

We will not pay You for

- (a) any loss whatsoever or any expenditure resulting or arising therefrom or any **Consequential Loss** directly or indirectly caused by or contributed to by or arising from
  - (i) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
  - (ii) ionising radiation or contamination by radioactivity or from the combustion of any radioactive material
  - (ii) chemical biological or radiological irritants contaminants or pollutants in respect only of **Residential Property** insured in the name of a **Private Individual**
  - (iv) riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
  - (v) **Damage to any Nuclear Installation or Nuclear Reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **Nuclear Installation or Nuclear Reactor**
- (b) any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from
  - (i) **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) and whether the property of the Insured or not where such Damage is caused by Virus or Similar Mechanism or Hacking or Denial of Service Attack**
  - (ii) **Consequential Loss** directly or indirectly caused by or arising from **Virus or Similar Mechanism or Hacking or Denial of Service Attack**
- (c) more than the sums insured or limits stated in the **Schedule** for all losses arising out of any one occurrence and in total in any one **Period of Insurance**

## **TR4.0      *Special Condition***

Any terms in this Certificate which provide for adjustments of premium based upon declarations on expiry or during the **Period of Insurance** do not apply this Section

## ***Part 3 Goods in Transit Section***

### ***GT1.0 Definitions***

The following definitions will apply in addition to Part 2 General Definitions to this Section of the Certificate only

#### **GT1.1 In Transit**

Being carried from the time the **Property** is lifted to the time it is unloaded at its destination including

- (a) loading and unloading
- (b) the use of recognised roll-on roll-off vehicle ferries provided no unloading or re-loading of the **Vehicle** is involved
- (c) whilst temporarily housed on or off the **Vehicle** in the course of the said carriage but excluding any dismantling installation erection or testing

#### **GT1.2 Personal Effects**

Personal belongings of **Your** drivers or attendants excluding money credit cards radios cassette players televisions or jewellery

#### **GT1.3 Property**

Goods belonging to **You** or for which **You** are responsible all pertaining to the **Business**

#### **GT1.4 Unattended Vehicle**

A **Vehicle** having been left with no one in charge keeping it under observation and able to observe any attempt to interfere with it with a prospect of preventing any unauthorised interference

#### **GT1.5 Vehicle**

A mechanically driven conveyance including trailers whether attached or temporarily detached from the **Vehicle** during the course of the transit

#### **GT1.6 Working Hours**

The whole period during which the **Vehicle** is being operated by its driver

### ***GT2.0 The Cover***

We will pay **You** or at **Our** option repair reinstate or replace for

- (a) **Damage to**
  - (i) **Property** whilst in or on any road **Vehicle** operated by **You** or hauliers or by parcel post or by rail
  - (ii) tarpaulin sheets and ropes whilst being carried on any road **Vehicle** operated by **You**
  - (iii) **Personal Effects** up to GBP250 in total for any one event whilst in any **Vehicle** operated by **You**
- (b) expenses reasonably incurred with **Our** agreement in
  - (i) the transfer of **Property** to another **Vehicle** and the delivery to the original destination or return to the place of despatch necessitated by fire collision or overturning of any road **Vehicle** operated by **You**
  - (ii) the reloading on to any road **Vehicle** operated by **You** of any **Property** which has fallen from such **Vehicle**
  - (iii) the removal of debris and site clearance consequent upon the destruction of damage to **Property**
  - (iv) breaking up or dismantling the property
- (c) sue and labour costs falling to be paid by **You**

whilst in transit within the **Defined Territories**

### ***GT3.0 Condition***

#### **GT3.1 Average (Underinsurance)**

If the value of the Property contained in any one Vehicle or container at the time of Damage exceeds the Limit stated in the Schedule shall be

- (a) responsible for the difference and
- (b) liable to pay a proportionate share of the loss

### ***GT4.0 Exclusions***

We will not pay You for

- (a) Damage in respect of or arising out of
  - (i) depreciation delay inadequate documentation consequential loss
  - (ii) wear and tear breakdown of refrigeration defective packing mildew vermin contamination
  - (iii) the carriage of explosives or other dangerous goods as defined in the Road Haulage Association Conditions of Carriage
  - (iv) the carriage of livestock gold or silver articles precious metals or stones jewellery watches furs wines spirits tobacco cigars and cigarettes audio or video equipment non-ferrous metals and scrap money bonds securities or computers unless stated in the Schedule
  - (v) a soft topped open topped open sided or curtain sided vehicle or trailer caused by theft or attempted theft (unless the Vehicle or trailer is stolen at the same time) or storm
- (b) Damage from any Unattended Vehicle unless every window door roof and windscreen are closed securely locked and properly fastened
- (c) Damage from any Unattended Vehicle outside Working Hours unless such Vehicle is garaged in a securely locked building or a compound which has secure walls or fences and securely locked gates
- (d) containers trailers or demountable vans or the like
- (e) any consequence of riot strike or civil commotion occurring outside the Defined Territories confiscation nationalisation requisition destruction or damage by any government or local authority
- (f) Damage unless the Property has been adequately packed for the journey
- (g) inventory shortages or mysterious or unexplained disappearances
- (h) the dishonesty of any person to whom the Property has been entrusted

## ***Part 3 Liability Section***

### ***LI1.0 Definitions***

The following definitions will apply to all covers provided under this Section of the Certificate only in addition to or in place of those definitions in Part 2 General Definitions

#### **LI1.1 Abuse**

- (a) acts of hurting or injuring mentally or physically by maltreatment or ill-use
- (b) acts of forcing sexual activity rape molestation or
- (c) repeated or continuing contemptuous coarse or insulting words or behaviours

#### **LI1.2 Business**

The following definition will apply in place of that specified in Part 2 General Definitions to this Section of the Certificate only

- (a) activities directly connected with the business described in the **Application Form** and specified in the **Schedule**
- (b) ownership use and upkeep of **Your** premises
- (c) upkeep of vehicles and plant owned and used by **You**
- (d) canteen social sports educational and welfare organisations provided by **You** for the benefit of any **Employee**
- (e) **Your** first aid fire security and ambulance services
- (f) **Your** participation in exhibitions
- (g) private work by any **Employee** with **Your** prior consent for **You** or for any director partner or **Employee** of **Yours**

#### **LI1.3 Compensation**

Damages including interest awarded by a court in settlement of a claim

#### **LI1.4 Costs and Expenses**

- (a) Fees for **Your** legal representation at
  - (i) any Coroner's Inquest or Fatal Accident Inquiry
  - (ii) proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty
- (b) Costs and expenses incurred with **Our** written consent
- (c) Any claimant's legal costs for which **You** are legally liable
- (d) Up to GBP300 per day in quantified expenses when any current or former director partner or **Employee** of **Yours** attends court as a witness in connection with a claim for which **You** are entitled to indemnity under this Certificate

in connection with any event which **We** will or may pay for under this Section of the Certificate

#### **LI1.5 Personal Injury**

- (a) **Bodily Injury**
- (b) Wrongful arrest detention or imprisonment

#### **LI1.6 Property**

Material property but not including **Data**

#### **LI1.7 Territorial Limits**

Anywhere in the world in connection with the **Business** conducted by **You** from premises within the **Defined Territories**

We will not provide indemnity in respect of **Bodily Injury** to any **Employee** engaged by **You** outside the **Defined Territories** for the purpose of work by any such **Employee** outside the **Defined Territories**

#### **LI1.8 The Works**

All works completed or to be completed by **You** or on **Your** behalf including

- (a) all materials incorporated or to be incorporated
- (b) plant tools equipment and temporary buildings used or to be used

for the period during which **You** are responsible under contract conditions

### **LI2.0 Employers Liability**

This cover is underwritten on a losses-occurring basis This means that **We** will only handle and settle claims that first occur during the **Period of Insurance** and are notified in accordance with the **Claims Conditions** in Part 6 of this Certificate and any **Additional Claims Conditions** specified in this Section

#### **LI2.1 The Cover**

We will pay **You** for

- (a) legal liability to pay **Compensation** and
- (b) **Costs and Expenses**

in respect of **Bodily Injury** caused during the **Period of Insurance** to any **Employee** arising out of and in the course of his employment by **You** in the **Business** within the **Territorial Limits**

#### **LI2.2 Limit of Indemnity**

The **Limit of Indemnity** for **Employers Liability** is specified as such in the **Schedule** shall apply in respect of any one claim or **Series of Claims** and the **Costs and Expenses** incurred under Cover LI2.1 (b) above shall be included within the **Limit of Indemnity**

#### **LI2.3 Unsatisfied Court Judgments**

We will at **Your** request pay any **Employee** or his personal representative the amount of damages and costs awarded to such person as a result of a judgment which has been obtained for **Bodily Injury** against any company registered in or any individual domiciled in the **Defined Territories** and which remain unpaid six months after the date of such judgment

Payment will only be made where

- (a) the **Bodily Injury** was caused during any **Period of Insurance** to the **Employee** arising out of and in the course of employment by **You** in the **Business**
- (b) the judgment was obtained in a court within the **Defined Territories**
- (c) there is no appeal outstanding against the judgment
- (d) the **Employee** or his personal representative assigns the judgment debt to **Us**

#### **LI2.4 Our Right of Recovery**

The cover granted by this Section is deemed to be in accordance with the provisions of any law relating to the compulsory insurance of liability to employees in Great Britain Northern Ireland the Isle of Man or the Channel Islands However **You** will repay to **Us** all sums **We** would not have been liable to pay but for the provisions of such law

#### **LI2.5 Cross Liabilities**

We will pay each party named as the **Certificate Holder** in the **Schedule** as if a separate Certificate had been issued to each but the total amount payable will not exceed the **Limit of Indemnity** regardless of the number of parties to be paid

#### **LI2.6 Exclusion**

The following **Exclusion** will apply to the **Employers Liability** Cover provided under this Section of the Certificate only in addition to those **Exclusions** in Part 4 Certificate **Exclusions**

We will not pay

### **LI2.7 Motor Vehicles**

any claim arising from **Bodily Injury** sustained by any **Employee** when such person is carried in or upon a vehicle entering or getting on to or alighting from a vehicle where any road traffic legislation requires insurance or security

### **LI3.0 Public and Products Liability**

This cover is underwritten on a losses-occurring basis This means that We will only handle and settle claims that first occur during the **Period of Insurance** and are notified in accordance with the **Claims Conditions** in Part 6 of this Certificate

#### **LI3.1 The Cover**

We will pay You

- (a) up to the **Limit of Indemnity** for Your legal liability to pay **Compensation** and
- (b) for Your legal liability to pay **Costs and Expenses**

in respect of accidental

- (i) **Personal Injury**
- (ii) **Damage to Property**
- (iii) obstruction trespass nuisance or interference with any right of way air light or water

which arises in connection with the **Business** and which happens within the **Territorial Limits** during the **Period of Insurance**

#### **LI3.2 Limit of Indemnity**

The **Limits of Indemnity** for **Public Liability** and **Products Liability** specified as such in the **Schedule** shall apply as follows

- (a) In respect of any one event or all events of a series consequent on or attributable to one original cause
  - (i) caused by any **Products**
  - (ii) for **Pollution**

the **Limit of Indemnity** shall apply in total in respect of all claims arising during any one **Period of Insurance**
- (b) For all other claims under this Cover the **Limit of Indemnity** shall apply in respect of any one claim or **Series of Claims**

#### **LI3.3 Excess**

In respect of each and every event resulting in **Damage to Property** We will not pay the amount of **Compensation Costs** and **Expenses** specified in the **Schedule** as the **Excess**

#### **LI3.4 Defective Premises**

We will pay You for Your legal liability for accidental **Bodily Injury** or **Damage to Property** arising under

- (a) the **Defective Premises Act 1972**
- (b) the **Defective Premises (Northern Ireland) Order 1975** or the **Defective Premises (Landlord's Liability) Act (Northern Ireland) 2001**

in connection with any premises which You previously owned or occupied for the purposes of the **Business**

We will not pay for the cost of rectifying any defect or alleged defect in such premises

#### **LI3.5 Cross Liabilities**

We will pay each party named as the **Certificate Holder** in the **Schedule** as if a separate Certificate had been issued to each but the total amount payable will not exceed the **Limit of Indemnity** regardless of the number of parties to be paid

#### **LI3.6 Contractual Liability**

We will pay for Your liability for **Bodily Injury** imposed on You solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in Us

However We will not pay for

- (a) Your liability arising from any agreement for or including the performance of work outside the Defined Territories
- (b) claims arising from contract work completed by You once this has been handed over to Your employer

#### **LI3.7 Employees' and Visitors' Personal Belongings**

We will pay You for Your legal liability for accidental Damage to Employees' and visitors' vehicles and personal Property which are in Your custody or control

We will not pay where such vehicle or personal Property is

- (a) loaned leased hired or rented to You
- (b) stored for a fee or other consideration by You
- (c) in Your custody or control for the purposes of being worked upon

#### **LI3.8 Hired or Rented Premises**

We will pay You for Your legal liability for accidental Damage to premises (including fixtures and fittings) within the Defined Territories which are hired rented or loaned to You in connection with the Business

However We will not pay

- (a) the first GBP250 of Compensation Costs and Expenses in respect of such Damage caused other than by fire or explosion
- (b) for liability imposed on You solely by reason of the terms of any hiring or renting agreement
- (c) for Damage caused by fire or any other peril against which any hiring or renting agreement specifies that insurance is taken out by You

#### **LI3.9 Motor Contingent Liability**

We will pay You for Your legal liability for accidental Bodily Injury and Damage to Property which arises from any vehicle or trailer attached thereto which is

- (a) not owned by and not loaned leased hired or rented to You nor provided by You and
- (b) being used in connection with the Business in the Defined Territories

However We will not pay

- (c) for Damage to the vehicle or trailer or goods carried in or on the vehicle or trailer
- (d) while the vehicle is being driven by
  - (i) You
  - (ii) any person who to Your knowledge or that of Your representatives does not hold a licence to drive the vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- (e) where indemnity is provided by another Policy or Certificate of insurance

#### **LI3.10 Overseas Personal Liability**

We will pay You and at Your request any director partner or Employee of Yours (including any accompanying spouse and dependent children) for Your or their legal liability for accidental Bodily Injury or Damage to Property incurred in a personal capacity whilst such persons are temporarily outside the Defined Territories in connection with the Business

Where You are an individual this cover will also apply to Your personal liability whilst away from Your business premises in connection with the Business but within the Defined Territories

However We will not pay

- (a) where liability arises from
  - (i) any agreement unless liability would have existed otherwise

- (ii) ownership or occupation of land or buildings
  - (iii) the carrying on of any trade or profession
  - (iv) ownership possession or use of wild animals firearms (other than sporting guns) mechanically propelled vehicles aircraft or watercraft
- (b) where indemnity is provided by another insurance Policy or Certificate

### **LI3.11 Exclusions**

The following Exclusion will apply to the Public and Products Liability Cover provided under this Section of the Certificate only in addition to those Exclusions in Part 4 Certificate Exclusions

We will not pay for

### **LI3.12 Employers Liability**

Personal Injury to any Employee arising out of and in the course of his employment by You in the Business

### **LI3.13 Transport Liability**

Your liability arising from the ownership possession or use by You or on Your behalf of any

- (a) aircraft aerial device or hovercraft
- (b) watercraft exceeding 8 metres in length
- (c) motor vehicle trailer or plant in circumstances where compulsory insurance or security is required by any road traffic legislation other than
  - (i) where described in LI3.9 Motor Contingent Liability
  - (ii) the loading or unloading of any such vehicle trailer or plant where indemnity is not provided by another insurance Policy or Certificate

### **LI3.14 Property in Your Charge or Under Your Control**

Damage to Property which

- (a) You own or is loaned leased hired or rented to You
- (b) is held in trust by You or in Your custody or control
- (c) is held in trust by or in the custody or control of any other party who is carrying out work on Your behalf other than in the circumstances described in LI3.7 Employees and Visitors Personal Belongings Clause or LI3.8 Hired or Rented Premises
- (d) which requires to be insured under the terms of Clause 21.2.1 of the Standard Form of Building Contract issued by the Joint Contracts Tribunal or a clause of similar intent under other contract conditions

### **LI3.15 Product Recall & Replacement**

- (a) Damage to or the cost incurred by anyone in repairing removing replacing reapplying rectifying or reinstating
  - (i) Products (other than Products under a separate contract)
  - (ii) The Works
- (b) recalling or making refunds in respect of
  - (i) Products supplied or not supplied
  - (ii) The Works

### **LI3.16 Professional Indemnity**

Your liability arising from advice instruction consultancy design formula specification inspection certification or testing performed or provided separately for a fee or under a separate contract

### **LI3.17 Avionics and Nuclear**

Your liability arising from the carrying out of any work or any Products which affect or could affect

- (a) the navigation propulsion or safety of any aircraft or other aerial device
- (b) the safety or operation of nuclear installations

#### **LI3.18 Pollution**

Your liability arising from **Pollution** other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance**  
All **Pollution** which arises out of one incident will be deemed to have happened at the time such incident takes place

#### **LI3.19 Contractual Liability**

Liability imposed on You solely by reason of the terms of any contract conditions or agreement in connection with **Products**

#### **LI3.20 Abuse**

Your legal liability arising from **Abuse** to any person other than an **Employee**

### ***LI4.0 Legal Expenses arising from Health & Safety Legislation***

#### **LI4.1 The Cover**

We will pay You for

- (a) Your legal fees and expenses incurred with Our written consent for defending proceedings including an appeal against prosecution
- (b) costs of prosecution awarded against You

which arise from any health and safety inquiry or criminal proceedings for any breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978

#### **LI4.2 Limit of Indemnity**

- (a) The Limit of Indemnity specified in the **Schedule** shall apply in respect of any one claim or **Series of Claims**
- (b) Where We are liable to indemnify more than one person the total amount of indemnity shall not exceed the **Limit** of Indemnity specified in the **Schedule**

### ***LI4.3 Exclusions***

We will not pay

#### **LI4.4 Acts Committed Outside the Period of Insurance**

unless the proceedings relate to an actual or alleged act omission or incident committed during the **Period of Insurance** within the **Defined Territories** and in connection with the **Business**

#### **LI4.5 Deliberate Acts**

for proceedings which result from any deliberate act or omission by You

#### **LI4.7 Court Awards**

compensation ordered or awarded by a court of criminal jurisdiction

#### **LI4.9 Bodily Injury and Property Damage**

where **Bodily Injury** or loss of or damage to **Property** has occurred

### ***LI4.5 Additional Condition***

The following **Condition** will apply to the **Legal Expenses** arising from **Health & Safety Legislation** Cover provided under this Section of the Certificate only in addition to those conditions in Part 5 General Conditions

#### **LI4.6 Suspension of Cover**

We may at any reasonable time inspect any property and in the event of any defect or danger being apparent We may by written notice to You suspend all our liability that might otherwise arise from such defect or danger

#### **LI4.7 Additional Claims Condition**

The following Exclusion will apply to the Legal Expenses arising from Health & Safety Legislation Cover provided under this Section of the Certificate only in addition to those Exclusions in Part 4 Certificate Exclusions

#### **LI5.4 Special Provision**

We will pass notification to an independent third party service provider with whom We have an agreement which shall thereafter administer claims settlement on Our behalf

#### **LI5.0 Exclusions**

The following Exclusions shall apply to all covers provided under this Section of the Certificate only in addition to those Exclusions in Part 4 Certificate Exclusions

We will not pay for

##### **LI5.1 Offshore**

Your liability arising from

- (a) Work in or on and travel to from or within
- (b) the supply of Products to

any offshore accommodation exploration drilling or production rig or platform or support vessel

##### **LI5.2 Damages Penalties Fines**

- (a) liquidated damages
- (b) penalty clauses
- (c) fines
- (d) aggravated restitutionary punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages

## ***Part 3 Professional Indemnity (Miscellaneous) Section***

### ***IT1.0 Definitions***

The following definitions will apply to this Section of the Certificate only in addition to or in place of those definitions in Part 2 General Definitions

#### **IT1.1 Avionics**

Any Product fitted within any aircraft spacecraft or other aerial device and used in connection with the control of flight or maintenance of orbit

#### **IT1.2 Documents**

(a) Documents whether written printed or reproduced by any other method (excluding any bearer bonds coupons bank or currency notes or other negotiable instruments)

(b) Electronic Documents

entrusted to or deposited with You in the ordinary course of Your Business and for which You are responsible

#### **IT1.3 Electronic Documents**

Computer records or any document in electronic format

#### **IT1.4 Premises**

The following definition shall apply in place of that in Part 2 General Definitions to this Section of the Certificate only

The premises stated in the Application and specified in the Schedule and any other premises or work site within the United Kingdom the Channel Islands or the Isle of Man from which You conduct Your Business

#### **IT1.5 Retroactive Date**

The earlier of

(a) the inception date of the first Period of Insurance in which this certificate was effective or

(b) the retroactive date of the policy or certificate of insurance in force immediately prior to the inception date of the first Period of Insurance in which this certificate was effective

#### **IT1.6 Territory**

The Territory specified in the Schedule

#### **IT1.7 You/Your/Yourself**

The following definition shall apply in place of that in Part 2 General Definitions to this Section of the Certificate only

(a) The person company partnership unincorporated association or trading style specified in the Schedule as the Certificate Holder or any predecessor in business of such person company partnership unincorporated association or trading style declared to Us in the Application

(b) any person who is or was your partner director principal or Employee but only in respect of their employment with you

(c) any Executor or Administrator of any person referred to in (a) or (b) above but only in respect of your employment of such person

(d) any contractor or subcontractor working for you but only in respect of your liability for such contractor or subcontractor

(e) any office-bearer or member of a social or sporting club or welfare organisation formed by you or with your consent but only in respect of claims arising from duties connected with the activities of such club or organisation

- (f) any internet website or email identity adopted by any person company partnership unincorporated association or trading style specified in the **Schedule** as the Certificate Holder

## **IT2.0 The Cover**

This cover is underwritten on a claims-made basis This means that We will only handle and settle claims that are first made during the **Period of Insurance** and notified in accordance with the Claims Conditions in Part 6 of this Certificate and any Additional Claims Conditions specified in this Section

### **IT2.1 Claims Made Against You**

We will pay all sums for which You shall become legally liable in respect of any breach of Your professional duty that results in a **Circumstance** or claim against You for

- (a) economic loss not accompanied by **Bodily Injury** or **Damage** including economic loss arising from a term implied into a contract by virtue of
- (i) Section 14 of the Sale of Goods Act 1979 (or any super-ceding legislation)
  - (ii) Section 13 of the Supply of Goods and Services Act 1982 (or any super-ceding legislation)
- or any common law or any enactment outside the United Kingdom which has the same legal effect
- (b) (i) accidental **Bodily Injury** and/or **Damage** to physical property not caused by any **Product**
- (ii) economic loss consequent upon such accidental **Bodily Injury** and/or **Damage**
- (c) unintentional breach infringement or unauthorised use of confidential information trade secrets copyrights trademarks designs or computer routines and programs not owned by You and committed in good faith
- (d) loss of or **Damage** to **Documents** not owned by You
- (e) unintentional defamation
- (f) the dishonest or fraudulent action of any **Employee**
- (g) the inadvertent transmission of any **Computer Virus** provided that such **Computer Virus** is not written by You
- provided that such **Circumstance** or claim
- (i) is discovered by You made against You or intimated to You for the first time during the **Period of Insurance**
  - (ii) is notified to Us during the **Period of Insurance**
  - (iii) arises from a negligent act error or omission committed by You on or after the **Retroactive Date** and does not form part of an inter-related series of acts errors omissions or events which commenced prior to the **Retroactive Date**
  - (iv) arises in connection with the conduct of Your **Business** within the **Territory**

### **IT2.2 Limit of Indemnity**

- (a) The Limit of Indemnity for Professional Indemnity is specified as such in the **Schedule** and shall apply in respect of any one claim or **Series of Claims**
- (b) We will pay a further Limit of Indemnity in respect of costs incurred under Clause IT2.4 Costs and the total amount payable in respect of such costs shall not exceed the Professional Indemnity Limit of Indemnity specified in the **Schedule** in respect of any one claim or **Series of Claims**

Notwithstanding IT2.2 (a) and (b) above the maximum amount payable by Us under Claims Made Against You Clause IT2.1 (d) shall be GBP100 000 in respect of all such claims made during any one **Period of Insurance**

### **IT2.3 Excess**

- (a) In respect of any one claim or **Series of Claims** We will not pay the amount of the **Excess** specified as the **Excess** applicable to Professional Indemnity in the **Schedule** (or any lesser amount for which a claim may be settled)
- (b) We shall only pay that part of each and every claim (excluding the costs and expenses incurred in the investigation defence and settlement of such claim) which exceeds the amount of the **Excess** specified in the **Schedule**

- (c) The Excess shall not apply to claims where the sole payment is made under Clause IT2.4 Costs

#### **IT2.4 Costs**

We will also pay

- (a) all other costs and expenses incurred by Us or by You
- (b) GBP300 per person for every day that any Employee is required by Your legal representatives to attend court
- (c) the fees of any accountant or other professional advisor incurred to substantiate the amount of any loss for the dishonest or fraudulent action of any Employee

in connection with any claim or Circumstance under this Section of the Certificate provided that all such costs are incurred with Our prior written consent

#### **IT2.5 Irrecoverable Fees & Rectification Costs**

We may at Our discretion indemnify You up to the value of

- (a) any fee owed to You by Your client where such client is alleging that You are in respect of a breach of Your professional duty or
- (b) the expenses directly incurred in rectifying a breach of professional duty of which Your client is unaware

where in Our sole opinion the client is likely to make a valid claim against You in respect of such breach and for which this Certificate would provide indemnity

provided that such dispute or need for rectification

- (c) is notified to You by the client during the Period of Insurance
- (d) is notified by You to Us during the Period of Insurance
- (e) arises from Your negligent act error or omission committed on or after the Retroactive Date
- (f) arises in connection with the conduct of Your Business

and also provided that

- (g) where it is imperative for You to carry out such rectification and Our prior written consent cannot be obtained You must satisfy Us that You have carried out such works
  - (i) to the same level of quality as the original work and
  - (ii) at the minimum cost necessary to achieve the same level of quality as the original work
  - (iii) the amount payable to You by Us does not include any element of Your profit or mark-up
  - (iv) the value of a claim that could be made by such client would be equal to or greater than the amount of such outstanding fee and
  - (v) in the event of Us or You subsequently being able to recover all or part of such fee the full amount recovered shall be repaid to Us

### ***IT3.0 Exclusions***

We will not pay

#### **IT3.1 Fraud and Dishonesty**

any claim arising out of dishonest or fraudulent action save to the extent that such claim arises by reason of and was solely and directly caused by the (actual or alleged) dishonest or fraudulent action of any Employee (whether committed alone or in collusion with others) and results in any client of Yours suffering a loss and provided always that

- (a) no indemnity shall be afforded in respect of any claim arising out of such dishonest or fraudulent on the part of any party committing or condoning such dishonest or fraudulent action
- (b) no indemnity shall be afforded in respect of any claim arising out of such dishonest or fraudulent action which was known or ought reasonably to have been known by You

- (c) any claim or Series of Claims arising out of dishonest or fraudulent action whether of a similar nature or otherwise committed by a person or persons acting in collusion with others shall for the purposes of this Certificate be treated as one claim and only one Limit of Indemnity shall apply
- (d) Your annual accounts (and client accounts where applicable) have been certified by an independent and properly qualified accountant or auditor

**IT3.2 Property Transport and Occupiers Liability**

- (a) any claim arising from the ownership possession or use by You of any buildings premises structures land aircraft watercraft or vehicle
- (b) any claim for loss of or Damage to property owned by leased hired rented or entrusted to You or otherwise in Your care custody or control save that this Exclusion shall not apply in respect of claims for loss of or Damage to Documents not owned by You (as insured by Claims Made Against You Clause PI2.1 (d))

**IT3.3 Pollution**

any claim caused by contributed to by or arising out of Pollution

**IT3.4 Product Recall**

any claim for damages costs or expenses relating to the removal from sale withdrawal inspection repair modification or replacement of any Product or of any other item of which such Product forms part where such Product or other item is withdrawn from the market or from use because of any known alleged or suspected harmful nature or other deficiency therein

**IT3.5 Controlling Interest**

any claim arising from or brought by

- (a) any firm company or organisation in which You have a controlling interest or
- (b) any entity that has a controlling interest in You by virtue of their having a majority financial or executive interest in Your operation

unless such claim originates from a source independent of such firm company organisation or entity whereupon the maximum amount payable by Us shall be limited to the amount of compensation paid to such party together with Your Costs as defined by Clause IT2.4 Costs

**IT3.6 Joint Ventures**

any claim arising from a partnership or joint venture of which You are a member unless such partnership or joint venture is specified in the Schedule

**IT3.7 Subrogation**

any claim in respect of which You have agreed to exclude or limit Your rights of recovery from another party unless We have approved such agreement and endorsed this Certificate accordingly

**IT3.8 Patent Infringement**

any claim arising from Your infringement of any patent

**IT3.9 Deliberate Acts and Known Defects**

any claim caused by or arising from

- (a) any deliberate act error or omission by You
- (b) the specification of or provision by You of any Product or the provision by You of any service which You knew or which You ought reasonably to have known to be deficient or ineffective and incapable of substantially fulfilling the essential purpose for which it is intended or to perform as specified warranted (whether express or implied) guaranteed

**IT3.10 Fines Penalties and Damages**

any fines punitive penal multiple or exemplary damages where such can be identified separately within any court award

**IT3.11 Contractual Liability**

- (a) any claim arising from an agreement by You to assume liability where Your liability under such agreement exceeds the amount of Your liability in the absence of such an agreement

- (b) any claim arising from an agreement by You to pay penalties or liquidated damages

**IT3.12 Liability arising out of Employment**

any claim in respect of

- (a) Bodily Injury to any Employee
- (b) any breach of any contractual statutory or other obligation owed by You as an employer to any Employee

**IT3.13 Trading Losses**

any claim arising out of or in connection with Your insolvency (including any claim made by Your liquidator provisional liquidator or administrator) or any trading losses or trading liabilities incurred by any business managed or carried on by You

**IT3.14 Directors and Officers Liability**

- (a) any claim against You in Your capacity as a director officer or trustee in respect of Your performance or non-performance of Your duties as a director officer or trustee
- (b) any claim made against Your principal partner director or executive officer in respect of a breach of his legal duty to manage You in accordance with his legal and/or regulatory obligations

**IT3.15 Unethical Conduct**

any claim made in respect of any actual or alleged violation of any law relating to unconscionable conduct any anti-trust or competition law or other law prohibiting restraint of trade business or profession

**IT3.16 USA and Canada**

any claim made or action instituted

- (a) within the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada
- (b) to enforce a judgment obtained in any Court of the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada

***IT4.0 Additional Claims Conditions***

The following Condition will apply to this Section of the Certificate only in addition to those conditions in Part 6 Claims Conditions

**IT4.1 Claims Made Requirement**

Any claim arising from Circumstances notified to Us shall be deemed to have been made during the Period of Insurance in which such notice is or was first given

## ***Part 3 Contract Works Plant and Tools Section***

### ***CW1.0 Definitions***

The following definitions will apply in addition to Part 2 General Definitions to this Section of the Certificate only

#### **CW1.1 Contract**

Any contract or agreement entered into by You to carry out work in the course of the Business where the estimated Maximum Contract Price does not exceed the amount stated in the Schedule

#### **CW1.2 Contract Site**

A site within the Defined Territories at which You are carrying out work under a Contract

#### **CW1.3 Employee's Tools**

Employee's tools and personal belongings while on or adjacent to any Contract Site and in transit between Your Premises and the Contract Site other than motor vehicles gold or silver articles watches or jewellery or money

#### **CW1.4 Estimated Original Contract Price**

The estimated valuation of the Works to be carried out or the estimated Contract price at the commencement date of the Contract or Works

#### **CW1.5 Existing Structures**

Any property (including fixtures fittings and contents) which prior to the commencement of any Contract forms part of any structure

#### **CW1.6 Free Issue Materials**

Materials for incorporation into the Contract issued free to You by or on behalf of Your employer and for which You are responsible under the conditions of the Contract the value of which will not be included in the final valuation of the Works carried out or the final contract price and which are not otherwise excluded from this Section

#### **CW1.7 Hired in Plant**

Plant hired in by You for use in connection with any Contract while anywhere within the Defined Territories including transit other than by sea or air

#### **CW1.8 Maintenance Period**

The period indicated in the conditions of the Contract but not exceeding 12 months during which You are responsible for rectifying defects

#### **CW1.9 Maximum Contract Price**

The maximum price of any Contract for which We will provide indemnity as stated in the Schedule

#### **CW1.10 Plant**

Plant scaffolding tools equipment site huts and temporary buildings owned by You while anywhere within the Defined Territories including transit other than by sea or air

#### **CW1.11 Practical Completion**

Works which are completed or complete except for the prospective buyer or tenants' choice of decorations or final fittings

#### **CW1.12 Sum Insured**

The amount specified in the Schedule which is the maximum amount We will pay You in respect of Damage to each specified item of Works Your Plant Hired in Plant and Employee's Tools

Except where more specifically insured the Sum Insured for each item of Property Insured shall include the costs of

- (a) Architects Surveyors Consulting Engineers Legal and other Fees including those of Agricultural Valuers necessarily and reasonably incurred in the reinstatement of the Property Insured consequent upon its Damage but not for preparing any Claim provided that the liability for such Damage and fees shall together not exceed the Sum Insured

- (b) removal of debris
- (c) dismantling demolishing shoring up or propping of the parts of the Property Insured which have suffered Damage

**CW1.13 Works**

- (a) Temporary or permanent Works completed or to be completed as part of any Contract and
- (b) Materials for incorporation whilst on or adjacent to the Contract Site and in transit to or from the Contract Site other than by sea or air

**CW1.14 Property Insured**

The following definition will apply in place of that in Part 2 General Definitions to this Section of the Certificate only  
Works Your Plant Hired in Plant and Employee's Tools which You own or are responsible for as stated in the Schedule

**CW2.0 The Cover**

We will pay You for Damage to the Property Insured during the Period of Insurance and within the Defined Territories

The maximum that We will pay for of any one occurrence which gives rise to a claim under this Section is as follows

- (a) Works

125% of the Estimated Original Contract Price including the value of Free Issue Materials in respect of any Contract or Works including any liability We may have in respect of the cover provided under the Clauses detailed in this Section below

We will not pay You where the Estimated Original Contract Price plus the value of Free Issue Materials exceeds the Sum Insured stated in the Schedule at the time of Damage

- (b) Your Plant

The Sum Insured stated in the Schedule at the time of Damage

- (c) Hired in Plant

The Sum Insured stated in the Schedule at the time of Damage

In addition We will pay You for Your legal liability to pay continuing hire charges as a result of Damage to any item of Hired in Plant insured under this Section

- (d) Employee's Tools

The Sum Insured stated in the Schedule at the time of Damage

The maximum that We will pay in respect of any one Employee is the limit stated in the Schedule

**CW2.1 Additional Interests**

We will to the extent required by the conditions of the Contract include the interest as joint Insured of any employer or contractor

**CW2.2 Automatic Reinstatement of Sum Insured**

The Sums Insured stated in the Schedule will not be reduced by the amount of any claim unless We or You give notice to the contrary provided that

- (a) You pay Us the additional premium We require to reinstate the Sum Insured
- (b) You effect such additions to or variations in the protections of the Property Insured that We may require within the timescale specified by Us or anyone working for Us

**CW2.3 Consecutive Damage**

Damage to Property Insured at any one Contract Site during a period of 72 consecutive hours caused by earthquake storm flood or other water damage or subsidence or collapse will be considered for the purpose of applying any Excess as one occurrence of Damage

#### **CW2.4 Expediting Expenses**

We will pay You for the reasonable costs and expenses that You incur for night work overtime work on public holidays or special delivery to reinstate or repair **Property Insured** following **Damage**

The maximum that We will pay for any one claim is 25% of the amount which reinstatement repair or replacement would have cost if these expenses had not been incurred

#### **CW2.5 Immobilised Plant**

We will pay for costs necessarily and reasonably incurred by You to recover **Property Insured** which has become accidentally immobilised during normal operations other than by its own explosion mechanical or electrical breakdown failure breakage or derangement (including but not limited to **Damage** caused by any failure to maintain the **Property Insured** in accordance with the manufacturers recommendations but not including **Damage** caused by the error or omission of the driver or operator of the **Property** other than in respect of failure to maintain) provided that

- (a) Our liability shall not exceed GBP25000 in respect of all recoveries during any **Period of Insurance**
- (b) such costs do not exceed the sum which would otherwise have been payable under the terms of this Certificate had such costs not been incurred
- (c) We shall not be liable in respect of **Damage** in order to effect recovery of **Property Insured**

#### **CW2.6 European Union and Public Authorities**

Following **Damage** to Works We will pay the additional cost of reinstating the **Property Insured** necessary to comply with any European Union Legislation Act of Parliament or Bye-Laws of any public authority

We will not pay You for

- (a) costs incurred
  - (i) in respect of **Damage** not insured by this Section
  - (ii) where notice was served on You before the **Damage** occurred
  - (iii) where an existing requirement must be completed within a stipulated period
  - (iv) in respect of property or parts of the property other than foundations (unless foundations are specifically excluded) which have not suffered **Damage**
- (b) any charge or assessment arising from capital appreciation following compliance with this legislation

The reinstatement repair or replacement

- (c) must begin and be carried out as quickly as possible
- (d) may be carried out on another site if necessary provided this does not increase Our liability

If Our liability under this Section is reduced by the application of any terms of this Certificate Our liability under this Clause will be similarly reduced

The maximum We will pay under this Clause for any one Contract is the **Sum Insured** as stated in the **Schedule**

#### **CW2.7 Indemnity to Sub-Contractors**

We will to the extent required by Contract conditions provide indemnity to nominated or domestic sub-contractors in respect of **Damage** to the **Property Insured**

#### **CW2.8 Loss of Keys**

If the key to any immobiliser permanently fitted to a vehicle included as **Your Plant** or **Hired in Plant** is lost or stolen We will pay You for the cost of replacing the cylinder of the lock up to GBP500 in respect of any one claim

We will not pay You for the first GBP50 of each claim

#### **CW2.9 Off-Site Storage**

The Works includes materials anywhere within the **Defined Territories** separately stored and identified for inclusion in any Contract

The maximum We will pay for any one loss is either the value of the materials as detailed in an interim certificate under any standard printed contract conditions or GBP25000 whichever is the lower

### **CW2.10 Redrawing Plans or Documents**

We will pay You for the cost of rewriting or redrawing plans drawings or other Contract documents following Damage up to GBP5000

### **CW2.11 Show Properties**

We will pay You for Damage to show properties including their contents up to GBP5000 in respect of the contents of any one show property

### **CW2.12 Speculative Building**

We will pay You for Damage to any private dwelling You have erected on a speculative basis

We will not pay You after

- (a) the date You sell lease or rent the property or
- (b) 60 days from Practical Completion whichever is the earlier

### **CW2.13 Taken Into Use**

We will pay You for Damage to any part of the permanent Works taken into use as private dwellings or offices

We will not pay You after

- (a) a certificate of completion has been issued or
- (b) the permanent Works have been completed and handed over to Your employer

## **CW3.0 Conditions**

### **CW3.1 Contractors Plant Registration**

It is a condition precedent to Our liability that each and every item of Your Plant with an individual Sum Insured in excess of GBP 2500 is registered by Buckley Scott Associates Limited (<http://www.buckleyscott.com/home/index.htm>) TER - The National Plant and Equipment Register or other plant registration company which has been approved by Us in writing

### **CW3.2 Scaffolding Equipment**

It is a condition precedent to Our liability that each and every item of scaffolding equipment is security marked

### **CW3.3 Stoppage of Work**

In the event of no work being undertaken for a period of 90 consecutive days on the Contract Site all Cover under this Section shall become inoperative unless agreed by Us in writing

## **CW4.0 Exclusions**

We will not pay You for

- (a) Damage to any part of the permanent Works for which a certificate of completion has been issued or which has been completed and handed over to Your employer or taken into use unless the Damage occurs
  - (i) during the Maintenance Period but caused before the beginning of the Maintenance Period or
  - (ii) while You are carrying out Your obligations under the Maintenance Period or
  - (iii) within 14 days of the issue of a certificate of completion but only to the extent You are responsible under the conditions of the Contract
- (b) Damage as a result of
  - (i) gradual deterioration wear and tear rust mould or mildew
  - (ii) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
  - (iii) confiscation nationalisation or requisition or destruction by or under the order of any government or public authority

- (c) Repair to or replacement of any item of **Your Plant** or **Hired in Plant** caused by its own mechanical or electrical breakdown failure breakage or derangement other than in respect of **Hired in Plant** and for which **You** are responsible under the terms of a hire agreement not being a leasing or hire purchase agreement
- (d) **Damage to**
  - (i) **Existing Structures**
  - (ii) any mechanically propelled vehicle including any trailer attached licensed for road use and for which a Policy or Certificate of motor insurance is required other than a vehicle used solely as a tool of trade aircraft or waterborne vessel
  - (iii) property for which **You** are relieved of responsibility by the conditions of the **Contract**
  - (iv) **Employee's Tools** on or attached to a vehicle licensed for road use
- (e) **Damage**
  - (i) by disappearance or shortage discovered only when an inventory is taken or
  - (ii) which is not traceable to an event
- (f) **Damage** caused by **Pollution or Contamination** other than that of or to the **Property Insured**
- (g) Liquidated damages fines or any other penalties under **Contract** for delay or non-completion
- (h) Consequential loss or damage of any kind
  - (i) The cost of normal upkeep or making good
- (j) **Damage** to and the cost necessary to reinstate or repair
  - (i) **Property Insured** which is in a defective condition due to a defect in design plan or specification or materials or workmanship of or of any part of that **Property Insured**
  - (ii) other **Property Insured** to enable the reinstatement or repair of **Property Insured** excluded by (i) above

This exclusion will not apply to other **Property Insured** which is free of the defective condition but suffers **Damage** as a result

**Property Insured** will not be considered as having suffered **Damage** solely by virtue of the existence of any defect in design plan specification materials or workmanship in or in any part of that **Property Insured**

## Part 4 Certificate Exclusions

We will not pay You under any Section of this Certificate for

### PE1.1 War Government Action and Terrorism

- (a) Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
  - (i) War Government Action or Terrorism
  - (ii) civil commotion in Northern Ireland
- (b) Damage to any property whatsoever or any loss or expense whatsoever directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism
- (c) legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War Government Action or Terrorism

However subject otherwise to the terms definitions exclusions provisions and conditions of this Certificate We will pay You

- (i) under the Liability Section LI2.0 Employers Liability provided that in respect of any one occurrence or series of occurrences arising out of any one original cause Our liability for all legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism shall not exceed GBP5000000
- (ii) under the Liability Section LI3.0 Public and Products Liability provided that in respect of Public Liability any one occurrence or series of occurrences arising out of any one original cause Our liability for all legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism shall not exceed GBP2000000
- (iii) under the Liability Section LI3.0 Public and Products Liability provided that in respect of Products Liability any one Period of Insurance Our liability for all legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism shall not exceed GBP2000000

In any action suit or other proceedings where We allege that any such Damage or resulting loss or expense or consequential loss is not covered by this insurance the burden of proving that such Damage loss expense or consequential loss is covered shall be upon You

### PE1.2 Sonic Bangs

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

### PE1.3 Radioactive Contamination and Nuclear Assemblies

Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from

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

However as far as concerns Bodily Injury caused to any Employee of Yours if such Bodily Injury arises out of and in the course of employment or engagement of such person by You this Exclusion shall apply only in respect of

- (i) the liability of any Principal
- (ii) liability assumed by You under agreement and which would not have attached in the absence of such agreement

### PE1.4 Computer Virus and Hacking

- (a) Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether Your property or not where such Damage is caused by a Computer Virus or hacking

- (b) financial loss directly or indirectly caused by or arising from **Computer Virus** or hacking but this shall not exclude **Damage** or financial loss which is not otherwise excluded from this Certificate and which results from fire lightning explosion earthquake aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances the acts of malicious persons (including the acts of thieves but excluding the acts of malicious persons which do not involve physical force or violence) storm flood escape of water or oil from any tank apparatus or pipe sprinkler leakage or impact by any vehicle or animal

However this Exclusion shall not apply to Part 3 Professional Indemnity (if insured under this Certificate)

#### **PE1.5 Cyber Liabilities**

any claim or loss arising out of business conducted transacted or any other actions performed via any internet extranet or via **Your** own website internet site web-address or via the transmission of electronic mail or documents by electronic means

However this Exclusion shall not apply to Part 3 Professional Indemnity (if insured under this Certificate)

#### **PE1.6 Mould and Fungus**

**Damage** to any property or any loss cost or expense or legal liability directly or indirectly arising out of or resulting therefrom or any consequential loss in any manner related to **Fungal Pathogens** whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss

#### **PE1.7 Asbestos**

any claim caused by contributed to by or arising from **Asbestos** (including any claim arising from the fear of suffering **Bodily Injury** as a result of actual or suspected exposure to **Asbestos**) whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss

However as far as concerns **Bodily Injury** caused to any **Employee of Yours** if such **Bodily Injury** arises out of and in the course of employment or engagement of such person by **You** this Exclusion shall apply only in respect of

- (a) the liability of any Principal
- (b) liability assumed by **You** under agreement and which would not have attached in the absence of such agreement

#### **PE1.8 Previous Claims and Circumstances**

any claim **Circumstance** or occurrence which has been notified or is notifiable under any other policy or certificate of insurance attaching prior to the effective date of this Certificate or which would have been notifiable had **You** not been uninsured at the time **You** first became aware of such claim **Circumstance** or occurrence

#### **PE1.9 Other Insurances**

- (a) **Damage** to property which at the time of the happening of the **Damage** is insured by or would but for the existence of this Certificate be insured by any marine policy except in respect of any **Excess** beyond the amount which would have been payable under the marine policy had this Certificate not been effected
- (b) Any claim where **You** are entitled to indemnity under any other insurance except in respect of any excess beyond the amount which would have been payable under such insurance had this Certificate not been effected However if any other such insurance is subject to any provision whereby it is excluded from ranking concurrently with this Certificate whether in whole or in part or from contributing proportionately then **Our** liability hereunder shall be limited to any excess beyond the amount which would have been payable under such other insurance had this Certificate not been effected

#### **PE1.10 Electronic Risk Exclusion**

We will not pay for

- (a) **Damage to Data** which shall include but shall not be limited to
- (i) **Damage to or corruption of Data** whether in whole or in part
  - (ii) unauthorised appropriation of use of access to or modification of **Data**
  - (iii) unauthorised transmission of **Data** to any third parties
  - (iv) **Damage** arising out of any misinterpretation use or misuse of **Data**
  - (v) **Damage** arising out of any operator error in respect of **Data**

(b) **Damage** arising directly or indirectly from

- (i) the transmission or impact of any **Virus**
- (ii) unauthorised access to a **System**
- (iii) interruption of or interference with electronic means of communication used in the conduct of **Your Business** including but not limited to any diminution in the performance of any website or electronic means of communication
- (iv) **Failure of a Computer System**
- (v) anything described in (a) above

but in respect of (b)i) (b)ii) (b)iii) and (b)iv) this shall not exclude subsequent **Damage** which itself results from a cause not otherwise excluded provided that such **Damage** does not arise by reason of any malicious act or omission

However this Exclusion shall not apply to Part 3 Liability and Part 3 Professional Indemnity (if insured under this Certificate)

## ***Part 5 General Conditions***

### **GC1.1 This Certificate**

This Certificate and the Sections referred to in the Schedule and any Endorsement shall be read together as one document

At all times the masculine shall include the feminine and neuter and the singular shall include the plural and vice versa

### **GC1.2 Misrepresentation**

- (a) This Certificate shall be voidable in the event of misrepresentation misdescription or nondisclosure in any material particular
- (b) If **You** make any claim under this Certificate knowing the same to be false or fraudulent as regards amount or otherwise this Certificate shall become void and all claims hereunder shall be forfeited and **You** shall repay to us any claims already paid

### **GC1.3 Reasonable Precautions**

It is a condition precedent to **Our** liability under this Certificate that **You**

- (a) take all reasonable precautions to prevent or minimise **Damage** accident or **Bodily Injury** including taking all reasonable measures (which shall include the implementation and regular up-dating of current computer protection software) to protect yourselves from unauthorised use or of access to **Your** records and **Computer Systems** (including **Your** internet website)
- (b) take back-up copies of all data web pages and programs not less frequently than weekly and store them elsewhere than at the **Premises**
- (c) maintain the **Premises** machinery equipment and furnishings in a good state of repair
- (d) exercise reasonable care in the selection and supervision of **Employees** and ensure that they are provided with adequate resources to maintain the level of competence necessary to fulfil their duties
- (e) comply with all relevant statutory requirements manufacturers' recommendations and other regulations relating to the use inspection and safety of property and the safety of persons

### **GC1.4 Change of Risk or Interest**

This Certificate shall be cancelled if

- (a) **Your** interest ceases other than by death or
- (b) the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued or
- (c) any alteration is made either in the **Business** or in the **Premises** or in any property therein or in any other circumstance whereby the risk is increased at any time after the effective date of this Certificate unless its continuance be admitted in writing signed by or on **Our** behalf

unless **We** have consented to such alteration in writing

### **GC1.5 Premium Payment**

It is a condition precedent to **Our** liability under this Certificate that

- (a) **You** have paid the premium to **Us** within the period specified in the Schedule as the premium payment period whereupon **We** will provide the insurance stated herein otherwise all benefit under the Certificate shall be forfeited and the Certificate will be avoided from the effective date
- (b) where the premium is paid by **You** by means of a premium instalment facility each instalment shall be paid when due otherwise all benefit under the Certificate shall be forfeited and the Certificate shall be cancelled from the date when any unpaid instalment was due and **You** shall surrender forthwith to **Us** any effective Certificate(s) of Insurance whereupon **We** will credit to **You** a pro rata premium for the unexpired part of the **Period of Insurance** provided that no claims or **Circumstances** have been reported **Us** since the effective date of such **Period of Insurance**

**GC1.6 Interest Clause**

The interests of third parties **You** are required to include on this Certificate under the terms of any mortgage property lease hiring leasing or hire purchase agreement are automatically noted subject to **Your** advising **Us** as soon as is reasonably practicable

**GC1.7 Partial Damage**

In the event of partial **Damage** to property the maximum amount **We** will pay shall be the cost which would have been incurred had such property been totally destroyed

**GC1.8 Value Added Tax**

To the extent that **You** are accountable to the tax authorities for Value Added Tax all terms in this Certificate shall be exclusive of such tax

**GC1.9 Our Liability**

For all purposes including but not limited to the application of any stated Benefits Sums Insured Limits or Limits of Indemnity and consideration of when and how this Certificate will respond all parties insured under this Certificate or all persons entitled to Indemnity under this Certificate shall be treated as one party or legal entity so that there will be only two parties to the contract namely **Us** and **You** both as defined herein

**GC1.10 Application of Conditions**

Every condition to which this Certificate or any Section or clause thereof is or may be made subject shall from the time the Condition attaches apply and continue to be in force during the whole currency of this Certificate

## **Part 6**                      **Claims Conditions**

### **CC1.1**    **Our Right to Defend & Settle Claims**

We shall be entitled at any time to conduct in **Your** name the defence or settlement of any claim and it is a condition precedent to **Our** liability under this Certificate that **You** do not agree that any other party may take over the conduct and control of any claim without **Our** prior written consent

### **CC1.2**    **No Admission of Liability**

It is a condition precedent to **Our** liability under this Certificate that **You** will not admit liability for or settle any claim or incur any costs or expenses in connection therewith without **Our** prior written consent

### **CC1.3**    **Provision of Information by You**

**You** shall provide **Us** at **Your** own expense with all information required by **Us** or any party acting on **Our** behalf in respect of the investigation or defence of any claim

### **CC1.4**    **Our Rights of Recovery**

Following a payment in respect of a claim **We** may at **Our** absolute discretion seek recovery from any other party however **We** will not exercise such rights against any of **Your** principals partners directors executive officers or other **Employees** unless such claim arises as a result of or is contributed towards by the dishonest fraudulent malicious or criminal act or omission of such person

### **CC1.5**    **Claim Notification**

It is a condition precedent to **Our** liability under this Certificate that **You** give written notice to **Us** within 14 days of any claim or intimation to **You** of possible claim against **You** or upon **Your** becoming aware of any **Circumstances** which might give rise to a claim under this Certificate regardless of any **Excess**

Written notice shall be provided to **Us** by writing to

The Director of Claims  
Brit Insurance Holdings PLC  
55 Bishopsgate  
London  
EC2N 3AS

### **CC1.6**    **Police Notification**

It is a condition precedent to **Our** liability that **You** give immediate notification to the police in respect of all

- (a)        vandalism
- (b)        theft or any attempt thereat
- (c)        loss of money by any cause whatsoever

### **CC1.7**    **Provision of Information & Assistance by You**

**You** will upon request give to **Us** all such information and assistance as **We** may reasonably require and will in all such matters do and concur in doing all such things in the timescale specified by **Us** or any party acting on **Our** behalf

### **CC1.8**    **Contesting Claims - Queen's Counsel's Opinion**

Neither **We** nor **You** shall be required

- (i)        to contest any legal proceedings or
- (ii)       to take any steps to effect recovery from any person committing or conspiring to commit or condoning any dishonest or fraudulent act or omission or from the personal representatives of such person including the taking of legal proceedings against such person

unless a Queen's Counsel (to be mutually agreed upon between **You** and **Us**) advises that such action actually has a reasonable prospect of success taking into consideration the economics of the matter the damages and Costs which are likely to be recovered by the claimant the likely Costs and the prospects of **You** successfully defending the claim

The cost of such Senior Counsel's opinion shall be regarded as part of the Costs

**CC1.9 Payment of the Sum Insured or Limit of Indemnity**

In connection with any claim against You We may at any time pay the Certificate Holder specified in the Schedule the Limit of Indemnity or Sum Insured specified in the Schedule (after deduction of any sums already paid as damages or claimant's costs and expenses in respect of such claim) or any lesser amount for which such claim can be settled and thereupon We will relinquish the control of such claim and be under no further liability in connection therewith except for costs and expenses for which We may be responsible under this Certificate and which We have consented to incur prior to the date of such payment

**CC1.10 Prejudice**

Where Your breach or non-compliance with any condition of this Certificate has resulted in prejudice to the handling or settlement of any claim the indemnity afforded by this Certificate in respect of such claim (including costs and expenses) shall be reduced to such sum as on Our opinion would have been payable in the absence of such prejudice

**CC1.11 Arbitration**

If any difference shall arise as to the amount to be paid under this Certificate (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions regarding arbitration in force at the time

Where any difference is so referred to arbitration the making of an award shall be a condition precedent to any right of action against Us

**CC1.12 Claims Insured Under More Than One Section - Application of Excess**

If We agree to pay a claim under more than one Section of this Certificate as a result of the happening of a single incident occurrence fact matter act error omission or event and if an Excess applies under more than one of these Sections then only one Excess being the highest of those which would have applied separately under each Section will be deducted from the total claim payment