



Motor Trade

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Welcome to AXA

Thank you for choosing AXA. Please read carefully all documents that **we** have provided and keep them in a safe place.

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

Your Policy

Your policy is divided into a number of **sections**. The **sections** of cover that apply are shown under the Sections in Force heading in the **schedule**.

Your policy is a contract of insurance between **you** and **us** (other than for Section 14 – Engineering Inspection) and **you** have a duty to make a fair presentation of the risk to **us** in accordance with the law.

The **policy** describes the cover for which **we** have accepted **your** premium. The **policy**, **schedule**, any **endorsements** and Certificate of Motor Insurance must be read together.

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

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

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

Under the heading 'What is covered' **we** give information on the insurance provided. This must be read with 'What is not covered', the Policy conditions and any conditions of cover that are applied to each **section**.

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

Important information

Legal advice

You can obtain telephone based legal advice on UK law by calling the AXA legal advice line on 0330 024 5346 quoting AXA COMMERCIAL.

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

The legal advice line is not empowered to give advice on whether any claim is valid under **your policy**. If **you** wish to make a claim **you** must contact the claims department of Arc Legal Assistance Ltd.

Please note that calling the helpline does not mean that **you** have notified a possible claim. Please see the Making a Claim **section**.

Data Protection Notice

AXA Insurance UK plc is part of the AXA Group of companies which takes **your** privacy very seriously. For details of how **we** use the personal information **we** collect from **you** and **your** rights, please view **our** privacy policy at www.axa.co.uk/privacy-policy.

Making a Claim

If **you** need to make a claim please first check **your policy** to make sure **you** are covered or contact **your** insurance adviser for further assistance. **You** must then follow the Claims notification condition and Claims procedures condition as detailed under the Policy Conditions **section**. Please contact **your** insurance adviser who will help **us** deal with **your** claim.

For all Motor Trade Claims, other than under Section 5 – Road Risks Part 4 – Uninsured loss recovery and Motor prosecution defence and Section 12 – Legal Expenses please contact **our** dedicated UK Motor Trade Claims Service.



UK Motor Trade Claims Service

0370 900 1753

Address:

PO Box 654, Bolton, BL6 4SD

Email:

mtp.INS@axa-insurance.co.uk

Our 24-hour helpline will immediately take action to help **you**, if **you** need to make a claim or if **you** think **you** do or **you** accidentally fill **your insured vehicle** with the wrong fuel. Please quote **your** policy number when **you** call.



Windscreen and Glass Replacement or Repair Claims Service

If **you** have Comprehensive cover please call the AXA dedicated customer telephone lines for one of **our** authorised windscreen and glass replacement and repair service providers:

Autoglass

01663 308138 or 0800 363 636*

National Windscreens

01827 304138 or 0800 622 122*

Auto Windscreens

0800 587 6868*

*Free when calling from a 'fixed line' (for example, a landline at home)

Important note:

A claim limit applies as stated in **your policy** for any windscreen and glass replacement or repair not carried out by one of the above approved repairers or any alternative not authorised by **us** in advance. (For further information please refer to What is not covered under Part 1 of Section 5 – Road Risks subsection 1.c.)



Uninsured loss recovery and Motor Prosecution Defence**

0370 241 4140

You can obtain telephone-based Motor legal advice including queries relating to uninsured loss recovery specifically and to report a claim for motor prosecution defence. Please quote reference 34035 when **you** call.



Legal Expenses claims notifications***

0330 024 8991

Commercial Legal Protection and Advice***

0330 024 5346

If **you** need to notify a possible claim **you** should complete the on-line claims form at <https://claims.arclegal.co.uk>. Alternatively please call the claim line number above and they will e-mail or post a claim form to **you**.

You can obtain telephone-based legal advice on UK law by calling the AXA legal advice line. Please quote AXA COMMERCIAL when **you** call.

Cover under this **section is provided by Lawclub Legal Protection which is a trading name of Allianz Insurance plc registered in England no 84638 at 57 Ladymead, Guildford, Surrey GU1 1DB, United Kingdom. Allianz Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register No. 121849.

***Arc Legal Assistance Ltd administers and manages the legal expenses **section** of this **policy** on **our** behalf. Their registered business address is Arc Legal Assistance Ltd, The Gatehouse, Lodge Park, Lodge Lane, Colchester, Essex CO4 5NE. Arc Legal Assistance Ltd is authorised and regulated by the Financial Conduct Authority under registration number 305958. This can be checked on the FCA's website at www.fca.org.uk or by contacting them on 0800 111 6768.

Policy Definitions

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

Advanced Driver Assistance Systems (ADAS)	Integrated in-vehicle technology to assist, complement or automate the function of the motor vehicle .
Business	The business description shown in your schedule . Additional activities as defined below are included to the extent that they are conducted at or from the premises by you <ul style="list-style-type: none"> a) providing and managing amenities for the benefit and welfare of employed persons b) owning, repairing, maintaining and decorating your own property or premises you use c) providing and managing facilities primarily used for fire prevention, safety or security at your premises d) maintaining and repairing vehicles and machinery owned or used by you e) private work you allow employed persons to do for your directors, partners or officers, as long as this work is done with your prior permission f) the sale or disposal of business assets.
Company/our/us/we	AXA Insurance UK plc (other than Section 12 – Legal Expenses, and Section 14 – Engineering Inspection).
Computer systems	Computer or other equipment or component or system or item which processes, stores, transmits or receives data .
Cyber act	An unauthorised, malicious or criminal act or series of related unauthorised, malicious and criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any computer systems .
Cyber incident	<ul style="list-style-type: none"> a) Any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any computer systems; or b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any computer systems.
Data	Any data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

Defined peril	<ul style="list-style-type: none"> • aircraft or other aerial devices or articles dropped from them • civil commotion • earthquake • escape of water from any tank apparatus or pipe • explosion • falling trees • impact by any road vehicle or animal • escape of fuel from any fixed oil heating installation • fire • flood • lightning • locked out workers • malicious persons other than thieves • persons taking part in labour disturbances • riot • strikers • storm • theft
Denial of service attack	Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or computer systems . Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other computer systems .
Endorsement(s)	A clause or condition that adds to or changes the cover provided by the policy .
Excess	The first amount of any claim or claims for which you are responsible.
Flood	<ol style="list-style-type: none"> a) the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam b) inundation from the sea c) inundation by rainwater or rainwater induced run off other than where the inundation is solely caused by or solely results from ingress of rainwater through or via the roof of the building <p>whether resulting from storm or not.</p>
Goods carrying vehicle	A motor vehicle manufactured or adapted for the carriage of goods.
Hacking	Unauthorised access to any computer systems whether your property or not.
Insured/you/your/yours	The person, firm, company, business or organisation shown in the schedule as the Insured and the Policyholder shown in the Certificate of Motor Insurance.

Money	<ul style="list-style-type: none"> • authenticated travel tickets • bank and currency notes • bills of exchange • cash • cheques • credit card counterfoils • credit company sales vouchers • crossed bankers drafts • current postage stamps • customer redemption vouchers • debit card sales vouchers • gift tokens • holiday-with-pay stamps • lottery tickets (excluding scratch cards held in stock for resale) • luncheon vouchers • money orders • National Insurance stamps • National Savings stamps and certificates • phonecards (excluding phonecards held in stock for resale) • postal orders • premium bonds • premium bond certificates • promissory notes • savings bonds • securities for money and travel warrants • trading stamps • VAT purchase receipts • unused units in franking machines
Motorcycle	A two or three-wheeled mechanically and or electrically propelled motor vehicle (excluding stand on mopeds or stand on scooters) with a seat and with or without a sidecar or trailer attached.
Motor vehicle(s)	Any <ul style="list-style-type: none"> a) motor vehicle b) trailer c) caravan d) motorcycle e) agricultural implement including its fixed accessories and spare parts whilst on or temporarily detached from your vehicle.
Period of insurance	The period from the effective date to the renewal date shown in your schedule and where applicable the Certificate of Motor Insurance or any further period that we have agreed to insure you for.
Phishing	Any access or attempted access to data made by means of misrepresentation or deception.
Policy	Your policy wording and most recent schedule including any endorsements .

Policy territories	<ul style="list-style-type: none"> a) Great Britain b) Northern Ireland c) Isle of Man d) Channel Islands
Premises	The premises shown in your schedule .
Private car	A passenger-carrying motor vehicle with not more than 8 seats excluding the driver.
Schedule	The schedule forms part of this policy and details the sections of the policy that apply, the premium, policy cover and details any endorsement(s) which may apply.
Section(s)	The parts of this policy that detail the insurance cover provided.
Storm	Storm excluding damage by flood .
Terrorism	<ul style="list-style-type: none"> a) For England, Scotland and Wales – Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of His Majesty’s Government in the United Kingdom or any other government de jure or de facto. b) For the Channel Islands and the Isle of Man – An act of any person(s) acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of any government de jure or de facto. c) For Northern Ireland or any other territory – An act including but not limited to the use of force or violence and or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological or similar purposes including the intention to influence any government and or put the public or any section of the public in fear.
Virus or similar mechanism	Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, computer systems , data or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

Policy Exclusions

Your policy is subject to exclusions and these tell **you** what is not covered.

The **policy** exclusions are set out below and apply throughout **your policy** unless otherwise stated.

Where exclusions apply to one specific **section** of **your policy** they are stated in ‘What is not covered’ under that **section**.

Additionally exclusions may be applied by **endorsement** and if so they will be stated in **your schedule**.

What is not covered

1. Aircraft or aerial devices exclusion

This exclusion does not apply to:

- Section 9 – Public and Products Liability
- Section 10 – Employers Liability
- Section 11 – Terrorism

We will not cover **you** for loss, destruction or damage caused by or occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

2. Motor sports exclusion

We will not cover any claims arising out of participation in, or participation in practice for, motor sports determined by time or speed, or arising at any part of any premises where such motor sports or practice for them is taking place and which only competitors, members of their support team, organisers, marshals and other authorised people are allowed access and any public road (within the meaning of the Road Traffic Acts or other road traffic legislation) or derestricted toll road including the Nurburgring Nordschleife whether or not as part of an organised competitive event.

3. Northern Ireland exclusion

This exclusion does not apply to:

- Section 9 – Public and Products Liability
- Section 10 – Employers Liability
- Section 11 – Terrorism

We will not cover loss, damage, cost, expense or consequential loss of any nature in Northern Ireland whether directly or indirectly caused by, resulting from or in connection with riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers, locked-out workers, or persons taking part in labour disturbances or malicious persons.

4. Radioactive contamination exclusion

This exclusion does not apply to:

- Section 9 - Public and Products Liability
- Section 10 - Employers Liability
- Section 11 - Terrorism

We will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss, directly or indirectly caused by or contributed to by or arising from

- a) ionising radiations or contamination by radioactivity from any nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- b) buildings, plant or equipment for the generation of nuclear power, or production, use or storage of nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- c) transportation of nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- d) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly
- e) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

5. War risk exclusion

In respect of all Sections other than:

- Section 9 – Public and Products Liability
- Section 10 – Employers Liability
- Section 11 – Terrorism

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

In respect of:

- Section 9 – Public and Products Liability

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

Policy Conditions

These conditions apply throughout the **policy** (other than for Section 14 – Engineering Inspection). Each **section** will have their own conditions which apply throughout or to specific parts of the **section** and need to be read in conjunction with (and override where applicable) the **policy** conditions.

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

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

1. Applicable law condition

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

2. Arbitration condition

This condition does not apply to:

- Section 9 – Public and Products Liability
- Section 10 – Employers Liability

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid, the amount of the difference will be referred to an arbitrator who is jointly appointed in accordance with the statutory requirements. **You** will not be able to take legal action against **us** over this disagreement until the arbitrator has made their award.

3. Cancellation condition

- a) **You** may cancel **your policy** within 14 days of receiving **your policy** at inception and within 14 days of renewal, if for any reason **you** are dissatisfied or the **policy** does not meet **your** requirements.
- b) **You** may cancel **your policy** at any time if the **business** is sold by **you** or **you** cease trading or **you** sell all the property insured shown in **your schedule**.
- c) Other than where Policy Condition 10 (Fraud) applies **we** can cancel **your policy**
 - i) at any time by giving **you** 7 days written notice to **your** last known address
 - ii) immediately, without giving **you** notice if the premium has not been paid to **us**.

Where **your policy** is cancelled in accordance with any of the above provisions, **we** will refund part of the premium paid, proportionate to the unexpired **period of insurance** following cancellation, provided that no claim has been paid or is outstanding in the current **period of insurance**.

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

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

4. Care of your vehicle

Applicable to:

- Section 1 – Material Damage
- Section 5 – Road Risks
- Section 9 – Public and Products Liability

You must

- a) maintain and update any **advanced driver assistance system** when requested, notified or published by

the manufacturer. If **you** suspect or are advised of any defect in the operation of any **advanced driver assistance system** of an **insured vehicle** **you** must arrange for the defect to be rectified or replaced by the manufacturer

- b) ensure the **advanced driver assistance system** within the windscreen of the **insured vehicle** is re-calibrated by **us** or a qualified technician following a windscreen replacement or repair covered on **your policy**.

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

5. Change in risk condition

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

- a) to the **business**
- b) to the **premises**
- c) in the person, firm, company or organisation shown in **your schedule** as the **insured**
- d) to the information **you** provided to **us** previously or any new information that increases the risk of injury, loss, damage or liability as insured under any **section of your policy**.

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

We do not have to accept any request to make changes to **your policy**. If **you** wish to make any alteration to **your policy** **you** must disclose any change to the information **you** previously provided or any new information that could affect this insurance. If **we** accept any alteration to **your policy**, an increase in the premium or different terms or conditions of cover may be required by **us**.

6. Claims notification condition

This condition does not apply to:

- Section 12 – Legal Expenses. See Conditions for claims settlement under this **section**.

You must

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

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

7. Claims procedures condition

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

- c) **You** may not accept, negotiate, pay, settle, admit or repudiate any claim without **our** written consent.
- d) Following a claim **you** must allow **us** or anyone authorised by **us**
 - i) access to **premises**
 - ii) to take possession of, or request delivery to **us** of any property insured.
- e) **You** may not abandon any property to **us**.
- f) **We** will be allowed complete control of any proceedings and settlement of any claim.

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

8. Discharge of liability condition

We may pay the limit of indemnity or the sum insured (after deducting any sum already paid) or any lesser amount for which any claim or claims against **you** can be settled. **We** will be under no further liability with regards to the claim except for costs incurred prior to the date of payment.

9. Fair presentation of risk condition

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

- a) if the failure to make a fair presentation of the risk is deliberate or reckless **we** can elect to make **your policy** void and keep the premium. This means treating the **policy** as if it had not existed and that **we** will not return **your** premiums, or
- b) if the failure to make a fair presentation of the risk is not deliberate or reckless and **we** would not have provided cover had **you** made a fair presentation, then **we** can elect to make **your policy** void and return **your** premium, or
- c) if the failure to make a fair presentation of the risk is not deliberate or reckless and **we** would have issued cover on different terms had **you** made a fair presentation of the risk then **we** can:
 - i) reduce proportionately any amount paid or payable in respect of a claim under **your policy** using the following formula. **We** will divide the premium actually charged by the premium which **we** would have charged had **you** made a fair presentation and calculate this as a percentage. The same percentage figure will be applied to the full amount of the claim to arrive at the proportion of the claim to be paid or payable; and/or
 - ii) treat **your policy** as if it had included the different terms (other than payment of the premium) that **we** would have imposed had **you** made a fair presentation.
- d) Where **we** elect to apply one of the above then
 - i) if **we** elect to make **your policy** void, this will be from the start of the **policy**, or the date of variation or from the date of renewal
 - ii) **we** will apply the formula calculated by reference to the premium that would have been charged to claims from the start of the **policy**, or the date of variation or from the date of renewal
 - iii) **we** will treat the **policy** as having different terms imposed from the start of the **policy**, or the date of variation or from the date of renewal
 depending on when the failure to make a fair presentation occurs.

10. Fraud condition

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

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

- a) knowingly makes a fraudulent or exaggerated claim under **your policy**;

- b) knowingly makes a false statement in support of a claim (whether or not the claim itself is genuine); or
- c) knowingly submit a false or forged document in support of a claim (whether or not the claim itself is genuine),

we will:

- i) refuse to pay the claim;
- ii) declare the **policy** void from the date of the fraudulent act without any refund of premiums.

We may also inform the police of the circumstances.

11. Instalments condition

If **you** fail to pay a premium instalment to **us** on the date due, this will result in **your policy** being cancelled from the date the missed instalment was due. **You** will not be entitled to any return of premium where this happens. If a claim has been made or there has been any incident likely to lead to a claim during the current **period of insurance** the annual premium remains due in full.

12. Other insurance condition

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

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

13. Reasonable care condition

You must take reasonable steps to

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

If required by **us**, **you** must allow access to **your premises** and or activities of **your business** to carry out inspection or survey. **You** must complete any risk improvements that **we** ask for, within a reasonable period of time advised by **us** and ensure that all such improvements remain in place throughout the duration of this **policy**.

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

14. Reinstatement condition

If any property insured is to be reinstated or replaced by **us**, **you** will at **your** own expense provide plans, documents, books and any information as may be reasonably required. **We** will not be bound to reinstate exactly, only as circumstances permit and in a reasonably sufficient manner and will not in any case pay more than the sum insured for any one of the items insured.

15. Sanctions condition

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

16. Subrogation (our rights) condition

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

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

17. Third party rights condition

A person or company who is not a party to this **policy** has no right under the Contracts (Rights of Third Parties) Act 1999 or any subsequent legislation to enforce any term of this **policy** but this does not effect any right or remedy of a third party which exists or is available apart from such Act.

Making a Complaint

AXA Insurance aims to provide the highest standard of service to every customer.

If **our** service does not meet **your** expectations **we** want to hear about it so **we** can try to put things right.

All complaints **we** receive are taken seriously. Following the steps below will help **us** understand **your** concerns and give **you** a fair response.


If **your** complaint relates to the legal and tax advice, the legal expenses services or engineering inspection service then please refer to the specific guidance at the end of this **section**.

How to make your complaint

The majority of complaints can be resolved quickly and satisfactorily by the department **you** are dealing with. If **your** complaint relates to a claim on **your policy**, please contact the department dealing with **your** claim. If **your** complaint relates to anything else, please contact the agent or AXA office where **your policy** was purchased. Telephone contact is often the most effective way to resolve complaints quickly.

Alternatively **you** can write to **us** at

AXA Insurance complaints



AXA Insurance
Commercial complaints
AXA House
4 Parklands
Lostock
Bolton
BL6 4SD

All claims complaints



Tel: **01204 815359**



Email: **commercial.complaints@axa-insurance.co.uk**

When **you** make contact please tell **us** the following information:

- Name, address and postcode, telephone number and e-mail address (if **you** have one).
- **Your** policy and or claim number, and the type of policy **you** hold.
- The name of **your** insurance agent/firm (if applicable).
- The reason for **your** complaint.

Any written correspondence should be headed 'COMPLAINT' and **you** may include copies of supporting material.


Beyond AXA


Should **you** remain dissatisfied following **our** final written response, **you** may be eligible to refer **your** case to the Financial Ombudsman Service (FOS).


The FOS is an independent body that arbitrates on complaints about general insurance products. The FOS can only consider **your** complaint if **we** have given **you our** final decision or if **we** have not provided a final response after 8 weeks.

You have six months from the date of **our** final response to refer **your** complaint to the FOS. This does not affect **your** right to take legal action.

The Financial Ombudsman Service

 Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR

 Telephone: **0800 023 4567***
or **0300 123 9123****
Fax: **020 7964 1001**

 Email: **complaint.info@financial-ombudsman.org.uk**
Website: **www.financial-ombudsman.org.uk**

* free for people phoning from a 'fixed line' (for example, a landline at home)

** free for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02

Our promise to you

We will

- Acknowledge written complaints promptly.
- Investigate **your** complaint quickly and thoroughly.
- Keep **you** informed of progress of **your** complaint.
- Do everything possible to resolve **your** complaint.
- Learn from **our** mistakes.
- Use the information from complaints to continuously improve **our** service.

Telephone calls may be monitored and recorded.

Legal and tax advice helpline or legal expenses services complaints

If **you** have a complaint about the legal and tax advice or the legal expenses services **you** should contact Arc Legal Assistance Ltd:

Arc legal and tax advice complaints

 Arc Legal Assistance Ltd
The Gatehouse, Lodge Park
Lodge Lane
Colchester
Essex
CO4 5NE

 Tel: **01206 615000**

You can also refer to the Financial Ombudsman Service (FOS) if **you** cannot settle **your** complaint with Arc or before they have investigated if both parties agree.

Arc are also covered by the Financial Services Compensation Scheme (FSCS).

Engineering inspection service complaints

If **you** have a complaint about the engineering inspection service please refer to the 'Making a complaint' section within Section 14 - Engineering Inspection.

Financial Services Compensation Scheme (FSCS)

AXA Insurance UK plc are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation in the unlikely event **we** cannot meet **our** obligations to **you**. This depends on the type of insurance, size of the business and the circumstances of the claim. Further information about the compensation scheme arrangements is available from the FSCS (www.fscs.org.uk).

Section 1 – Material Damage

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within your Material Damage section. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout your policy, and not just this section, can be found within the Policy Definitions section of your policy. If the same word or phrase appears in both the Policy Definitions and this section, the section definition will apply.

Alarmed buildings	The building(s) or those portions of the building(s) used by you at the premises protected by the intruder alarm system .
Average	If at the time of damage the sum insured is less than the value of the property covered, the amount we will pay will be reduced proportionately.
Building(s)	Buildings at the premises shown in your schedule including <ul style="list-style-type: none"> a) landlords fixtures and fittings, CCTV systems, entry and exit systems b) outbuildings, canopies, annexes, gangways, foundations or footings, extensions, lamp posts, aerials, satellite dishes c) fire escapes, walls, gates, fences and hedges d) forecourts, yards, car parks, roads, pavements, paved terraces, patios, paths, drives e) underground pipes, drains, piping, ducting, wires, cables and associated switchgear and accessories on the premises and extending to the public mains f) fixed glass in windows, doors, fixed signs, fanlights, skylights, partitions and fixed sanitary ware g) electric vehicle charge points fixed to your building(s) and their tethered cables and connectors to a total value of £5,000 at any one premises belonging to you or for which you are responsible.
Communicable disease	Any disease which can be transmitted by means of any substance or agent from any organism to another organism where: <ul style="list-style-type: none"> a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
Customers motor vehicles	Motor vehicles in your custody or control but not the insureds motor vehicles .
Damage	Physical loss, destruction or damage to the property insured .

Declared value	Your assessment of the cost of reinstatement of the property insured at the start of the period of insurance , ignoring inflationary factors which may operate subsequently together with <ul style="list-style-type: none"> a) the additional cost of reinstatement to comply with public authority requirements b) professional fees c) debris removal costs.
Insureds motor vehicle(s)	Motor vehicle(s) belonging to you or leased or held by you on consignment.
Intruder alarm system	The components including the means of communication used to transmit signals to the alarm-receiving centre.
Key holder	You or any person or key holding company authorised by you who is available at all times to accept notification of faults to or alarm signals from the intruder alarm system and to attend and allow access to the premises .
Machinery, plant and all other contents	Machinery, plant, tools and all other contents whilst at the premises including <ul style="list-style-type: none"> a) office furniture and equipment b) documents, manuscripts, business books and computer system records but only for the cost of the materials, clerical labour and computer time needed in reproducing any records excluding any amount in excess of £10,000 for any one loss subject to a maximum of £25,000 during any one period of insurance for computer system records c) patterns, moulds, models, plans or designs for an amount not exceeding the cost of the labour and materials for reinstatement d) fixed fuel and electric vehicle charging installations, including fuel pumps and electric vehicle charging points, underground tanks and associated pipes and cables excluding any fuel stocks e) tenants improvements f) detachable electric vehicle charging cables, adapters and connectors for use with any motor vehicle.
Non standard construction	Constructed of materials other than those detailed in the definition standard construction .
Portable hand tools	Portable hand tools of every description (including hand held electronic vehicle diagnostic equipment) used in connection with the business belonging to you or those which you accept responsibility for which belong to your employees and are not more specifically insured.
Property insured	<ul style="list-style-type: none"> a) Property as shown in the schedule (excluding the contents and commercial loads of customers vehicles) <ul style="list-style-type: none"> i) belonging to you ii) in your custody or control iii) for which you are responsible under any lease, hire, rental or similar contractual agreement. b) Personal effects excluding motor vehicles and money belonging to directors, partners, customers, visitors and employees for an amount not exceeding £1,000 for any one person whilst the property is on the premises or whilst they are working or travelling in connection with the business if not more specifically insured.

Reinstatement/ reinstate	<p>a) The rebuilding or replacement of property lost or destroyed which provided our liability is not increased may be completed</p> <p>i) in any manner suitable to your requirements</p> <p>ii) upon another site.</p> <p>b) The repair or restoration of property lost or destroyed.</p> <p>To a condition equivalent to or the same as but not better or more extensive than its original condition when new.</p>
Standard construction	Brick, stone or concrete built and roofed with slates, tiles, metal, concrete, asphalt or sheets or slabs composed entirely of non-combustible mineral ingredients and plastic roof lights. Buildings constructed of metal or composite panels insulated with materials other than polystyrene will be regarded as standard construction.
Stock	Stock and materials in trade, merchandise, finished goods and work in progress, including spare parts, fuel and oil stocks other than motor vehicles . The maximum amount we will pay for tobacco, cigarettes, wines, spirits, clothing, in vehicle entertainment and satellite navigation equipment, CDs, DVDs, digital music players and mobile phones is £5,000 for any one loss, unless a higher amount is shown in your schedule .
Tenants improvements	Structural fixtures, fittings, improvements, glass and sign writing, interior decorations belonging to you as a tenant of the premises .
Time element loss	Business interruption, contingent business interruption or any other consequential losses.
Unoccupied	Any building(s) or any portions of the building(s) which are wholly empty, mainly empty or not in use by you or any of your tenants for more than 30 consecutive days.

What is covered

We agree that for **damage** to

1. any of the **property insured** specified in the **schedule**
2. any **motor vehicle** specified in the **schedule** as a result of theft or attempted theft whilst in or on the **premises**, provided that when the **premises** are unattended all **motor vehicles** in the open are securely locked at all points of access and all **motor vehicle** keys and key cards or lock transmitters for keyless **motor vehicles** are removed from the **premises** or if kept within the building at the **premises** placed in a locked metal proprietary vehicle keys safe or equivalent alternative as agreed by **us** in advance and its key(s) removed from the **premises** or to a part of the **premises** in which the person responsible for their safe custody actually lives then

we will pay **you** the value of the property at the time of its **damage** or the amount of the **damage** or at **our** option **reinstate** or replace the property or any part of it, but if you fail to comply with item 2 above **you** will (after the application of the condition of **average** and any **excess**) be responsible for 25% of each and every loss under this **section** with **our** payment being limited to 75% of such loss. This is subject to

- a) the sum insured by each item specified in the **schedule** other than those items in b) below (including items applying to rent, fees, removal of debris and contents of **customers motor vehicles**) and any item subject to the Day One Average Special Clause being separately subject to **average**

- b) the sum insured by each item under **insureds motor vehicles, customers motor vehicles and stock** in the **schedule** being separately subject to **average** if this sum at the time of any **damage** is less than 85% of the value of the item covered within the sum insured

provided that **our** liability under this **section** does not exceed

- i) 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 **damage**
- ii) the sum insured or limit remaining after costs for any other **damage** have been deducted during the same **period of insurance** unless **we** have agreed to **reinstate** any sum insured or limit

adjusted in line with the inflation protection clause (if applicable).

Extensions of cover

1. Additional expenses cover

Should any **damage** occur to **your customers motor vehicle** which **you** become legally liable for, **we** will pay any additional expenses incurred with **our** consent up to a maximum of £5,000 for any one **customers motor vehicle**.

2. Architects, surveyors, legal and consulting engineers fees cover

The cover provided for the **building(s), machinery, plant and all other contents** includes an amount for architects, surveyors, legal and consulting engineers fees necessarily incurred, with our written consent, in the reinstatement or repair of the **property insured**, as a result of its **damage**, but **we** will not cover any costs or expenses for preparing any claim.

We will not pay more for any item than the item sum insured shown in **your schedule**.

3. Automatic reinstatement cover

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

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

- a) pay the necessary premiums that may be required for the reinstatement, from the date of reinstatement
- b) complete any additional risk improvements which **we** may reasonably require.

4. Capital additions cover

We will cover **you** for

- a) any newly acquired and or newly erected **building(s)** or **building(s)** under construction (excluding any property which a building contractor is responsible for), machinery and plant which is not insured elsewhere for which **you** are responsible

and

- b) alterations, additions and improvements to the **building(s)**, machinery and plant but not any appreciation in value

anywhere within the **policy territories** during the **period of insurance** provided that

- i) at any one **premises** this cover will not exceed 15% of the sum insured for the **building(s), machinery, plant and all other contents** items
- ii) **you** give **us** details in writing of the addition as soon as possible but in any event within 30 days and before the expiry of the **period of insurance**
- iii) **you** will ensure specific insurance is arranged with **us** from the date **you** became responsible
- iv) **you** pay the additional premium that may be required
- v) the provision of this cover will be fully maintained in addition to any specific insurance effected under iii) above.

5. Contents and commercial loads of customers vehicles cover

We will cover **your** legal liability for **damage** to the contents of a **motor vehicle** belonging to or held in trust by **your** customer whilst stored on the **premises** or in transit or on any **motor vehicle** in **your** custody or control, and carried in connection with the **business** for an amount not exceeding

- a) £100,000 for a commercial load in any one **customers motor vehicle**
- b) £5,000 for all other contents any one claim

subject to a maximum of £300,000 for all claims during any one **period of insurance**.

We will not cover **you** for

- a) any kind of consequential loss
- b) liabilities assumed by **you** under any contract or agreement unless the liability would have been in place in the absence of any contract or agreement
- c) property belonging or hired to **you** or any member of **your** family, household or any director, partner or employee or any member of their family or household.

6. Contract sale price cover

If a sale contract is cancelled entirely due to **damage** to the **stock** or **motor vehicles** sold by **you**, that is not delivered and still **your** responsibility, **our** liability will be based on the contract price. For this Extension, the value of such **stock** or **motor vehicles** where the sale contract is cancelled in the event of **damage** will also be settled on this basis.

7. Debris removal cover

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

- a) removing debris from
- b) dismantling and or demolishing
- c) shoring up or propping

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

We will not cover any costs or expenses

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

Our liability for any item under this cover will not exceed the sum insured for the item shown in **your schedule**.

8. Drains clearance cover

We will cover **you** for the costs and expenses necessarily and reasonably incurred by **you** in clearing, cleaning and or repairing drains, gutters and or sewers to **your building(s)** or for which **you** are responsible following **damage** covered by this section.

9. Electric vehicles cover

Following **damage** to any electric or hybrid **motor vehicle** covered by this section, if required we will make **our** payment to the owner of the battery or batteries if the battery is leased or hired.

In addition, and regardless of **damage** to the **motor vehicle** itself, we will pay for **damage** to:

- a) **your** detachable electric vehicle charging cables, adapters and connectors
- b) **your** electric vehicle charging point
- c) the battery of an electric or hybrid **motor vehicle**, including as a result of a power surge whilst charging.

You will not be responsible for the **excess** stated on **your schedule** for each and every **claim** under a) and b) above.

10. Employees tools cover

We will pay for **damage** to **portable hand tools** belonging to **your** employees which **you** accept responsibility for and are being used in connection with the **business**, whilst removed from the **premises** to anywhere within the **policy territories** including whilst in transit (provided the sums insured in the **schedule** are adequate).

The maximum we will pay for any one employee is £5,000.

11. Exhibitions cover

We will cover **you** for **damage** to the **property insured** anywhere in the United Kingdom

- a) whilst at any exhibition which does not exceed seven days
- b) including accidental **damage** during the course of demonstration, erection, dismantling or construction by **you** whilst at any exhibition.

Our liability for any one claim is

- i) £100,000 in respect of **motor vehicles**
- ii) £10,000 in respect of all other **property insured** (excluding **motor vehicles**).

We will not cover **you** for

- a) **damage** due to theft or any attempted theft other than entry to or exit from any building storing the property by forcible and or violent means or hold up by violence or threats of violence
- b) **damage** due to theft or attempted theft from any **motor vehicle** which is left unattended, unless the vehicle is securely locked, its keys, key card or remote control transmitter removed and all windows are securely closed and all security devices are set to operate
- c) any computer equipment.

12. Explosives cover

We will cover **you** for **damage** to any **property insured** shown in **your schedule**, directly or indirectly caused by or as a result of the use of explosives for any theft or any attempted theft at the **premises**. We will only cover **you** if the risk of explosion is not insured under any other policy by **you** or on **your** behalf for the same property.

Our liability for any one **period of insurance** will not exceed £50,000 for each **premises**.

13. Financial loss – new vehicles cover

If **you** have to discount the sale price of a new and unregistered **motor vehicle** not previously owned which is held for sale by **you** as the direct result of **you** having to declare

- a) damage repair
- or
- b) that the vehicle was stolen

to a prospective purchaser, **we** will make a payment to **you** to the value of the discount given, providing **we** had agreed to the level of discount given prior to the sale.

The maximum **we** will pay under this extension for any one **motor vehicle** is £5,000 and £25,000 for any one event.

14. Fire brigade charges cover

We will cover **you** for the costs and expenses incurred by **you** charged by the Local Authority for extinguishing fire or fire fighting, provided that these costs and expenses are necessary and reasonable.

15. Fire extinguishment expenses cover

We will cover **you** for the cost of replacing or refilling, recharging and or replenishing extinguishment materials when **you**, **your** employees or the fire brigade attempt to extinguish or minimise **damage**, provided that these costs and expenses are not recoverable from the responsible public authority.

Our liability for any one claim will not exceed £10,000.

16. Hire agreements cover

If **property insured** under this **section** is subject to hire agreements it is understood that the interest of the owners will be included in this insurance. **You** will declare the name of any other interested party in the event of loss.

17. Inflation protection cover

We will adjust the sum insured for the **building(s), machinery, plant and all other contents** at each renewal in line with suitable indices and the renewal premium for this **section** will be based on the adjusted sums insured.

18. Landscaped grounds cover

This **section** includes costs incurred by **you** with **our** consent in:

- a) reinstating or repairing landscaped grounds
- b) removing fallen trees

belonging to **you** or for which **you** are responsible at the **premises** following **damage** to **property insured** at the **premises**.

Our liability for any one claim is £10,000.

We will not cover **you** for any subsequent costs arising due to the failure of trees, shrubs, plants, turf and the like to germinate or become established.

19. Leased vehicles cover

If any **insureds motor vehicle** leased by **you** is:

- a) not in its first year of registration since new, and
- b) not more than 4 years old from the date of first registration since new, and
- c) not held by **you** for sale

and is lost or damaged beyond economic repair and declared a total loss by **us** **we** will pay the difference between the insured value at the time of the loss or **damage** and the settlement figure required under the lease contract.

Where the settlement figure exceeds the insured value, at the time of the loss or **damage**, and that settlement figure incorporates any fees or arrears of repayments **we** will only pay the settlement figure less the amount of those fees and arrears.

Our liability for any one **motor vehicle** is £1,000 and £5,000 during any one **period of insurance**.

20. Machinery re-erection costs cover

The cover for **machinery, plant and all other contents** extends to include the cost of re-erection and fixing of machinery and plant, testing and commissioning as a result of **damage** insured by this **policy**. The amount recoverable for any **damage** will not exceed the sum insured shown in the **schedule**.

21. Metered water or gas cover

We will cover **you** for the additional metered water and or gas charges incurred by **you** as a result of **damage** to the **building(s)** shown in **your schedule**, but **we** will not pay for the charges incurred for any **building(s)** which is **unoccupied**, provided that repairs are completed within 30 days of the **damage** being discovered.

The most **we** will pay is based on the amount of the water or gas or electricity charges for the period when the **damage** occurs, less the charge paid by **you** for the corresponding period in the preceding year. This will then be adjusted for changes in the suppliers' charges and for variations affecting **your** water or gas or electricity consumption during the intervening period.

Our liability during any one **period of insurance** will not exceed £10,000.

22. Miscellaneous property cover

Cover for **buildings** and **machinery, plant and all other contents** also includes

- a) telephone, gas, water and electrical instruments, meters, piping, cabling and all accessories including similar property in adjoining yards, roadways or underground pertaining to the **premises** insured by this **section** and for which **you** are responsible

- b) plant, conveyors, trunk cables, lines, wire, service pipes and other equipment including all supporting structures in the open or adjoining or connected with a **building(s)**.

23. Mortgagees cover

The act of neglect of any mortgagor or occupier of any **premises** covered by this **section** where the risk of **damage** is increased without the authority or knowledge of any mortgagee will not prejudice the interest of the latter party (or parties) in this **section**, provided they tell **us** immediately when they become aware of any increased risk, pay any necessary additional premium and comply with any additional terms agreed with **us**.

24. Munitions of war cover

The War risks exclusion will not apply to **damage** to **property insured** under this **section** from or occasioned by the detonation of World War II munitions of war only or parts thereof in or within five miles of the **premises** situated in the United Kingdom.

We will not pay under this cover for any **property insured** located outside of the United Kingdom.

25. New for old vehicle replacement cover

If during the twelve month period from the date of first registration any **motor vehicle** which is either

- a) owned or registered by **you** since new (or within the first year of registration from manufacture if subject to a hire purchase, lease or contract hire agreement)
- or
- b) a **private car, motor cycle or goods carrying vehicle** under 4 tonnes gross vehicle weight, owned and registered in the name of **your** customer since new (or within the first year of registration from manufacture if subject to a hire purchase, lease or contract hire agreement) and is within **your** custody and control in connection with the **business**

and is either

- a) lost by theft and not recovered within 28 days of the date from when the theft is first reported to **us**
- or
- b) damaged to an extent greater than 50% of its list price (inclusive of VAT) at the time of the **damage**

we will at **your** request (and subject to the consent of any other interested parties known to **us**), replace the vehicle with a new one of the same manufacture and model subject to availability. The damaged or recovered vehicle will then become **our** property.

If a replacement vehicle of the same manufacture and model is not available, the most **we** will pay is the market value of the vehicle and any permanently fitted accessories and spare parts immediately prior to the **damage** giving rise to the claim.

26. Non invalidation cover

The cover provided by this **section** will not be invalidated by any act or omission or an alteration where the risk of **damage** is increased unknown to **you** and beyond **your** control, provided that when **you** become aware of it, **you** tell **us** immediately and pay any necessary additional premium and comply with any additional terms agreed with **us**.

27. Personalised registration plates

If any **motor vehicle** bearing a personalised registration number plate is written off and declared a total loss by **us** following **damage** insured by this **section**, **we** will give **you** 30 days from the date the total loss settlement is made by **us** to transfer that personalised registration number onto a DVLA Retention Certificate. If **you** do not tell **us** that **you** wish to keep the personalised registration number plate, **we** will dispose of it with the **motor vehicle**.

28. Property in transit cover

The insurance for **stock, machinery, plant and all other contents** extends to cover the **property insured** whilst in transit by road, rail, air and sea including loading and unloading anywhere within the **policy territories** but excluding

- a) any amount exceeding £5,000 any one claim
- b) employees tools
- c) contents and commercial loads of **customers motor vehicles** and personal property in any other vehicle
- d) **money**.

29. Public Authorities (including undamaged properties) cover

The insurance provided for **buildings, machinery, plant and all other contents** extends to include any additional costs for **reinstatement** that may be incurred solely to comply with building or other Regulations under any Act of Parliament or Byelaws of any Public Authority

referred to as 'the Stipulations' for

- a) the lost, destroyed or damaged **property insured**
- b) undamaged portions.

Excluding

- a) the cost incurred in complying with the Stipulations
 - i) for **damage** occurring prior to the granting of this extension
 - ii) for **damage** not insured by the **section**
 - iii) under which notice has been served upon **you**, prior to the **damage** happening
 - iv) for which there is an existing requirement which has to be implemented within a given period
 - v) for property entirely undamaged by any **defined peril**
- b) the additional cost that would have been required to make good the property lost, destroyed or damaged to a condition equal to the condition when new, had the need to comply with any of the Stipulations not arisen
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner for the reason of complying with the Stipulations.

Special conditions

1. **Reinstatement** work must begin and be carried out without unreasonable delay and in any case must be completed within twelve months after the **damage**, unless **we** agree such further time (during the

said twelve months) and the work may be carried out upon another site (if the Stipulations necessitate), subject to **our** liability under this extension not being increased.

2. If **our** liability under this **section**, apart from this extension, is reduced by the application of any terms and conditions of the **policy** then **our** liability under this extension will be reduced by the same proportion.
3. The maximum amount **we** will pay under any item of this **section** under this extension will not exceed
 - a) in respect of the lost, destroyed or damaged property
 - i) 15% of its sum insured
 - ii) where the sum insured by the item applies to property at more than one **premises**, 15% of the total amount for which **we** would have been liable had the **property insured** by the item at the **premises** where the **damage** occurred been wholly destroyed
 - b) for undamaged portions of property (other than foundations) 15% of the total amount for which **we** would have been liable, had the **property insured** by the item at the **premises** where the **damage** occurred been wholly destroyed.
4. The total amount **we** will pay under any item of this **section** will not exceed its sum insured.
5. All terms and conditions of the **policy**, except where they have been varied by this extension, will still apply.

30. Reinstatement cover

(This extension is not applicable to **motor vehicles**, personal effects or **stock**)

Subject to the following special conditions the amount payable in respect of **property insured** under sums insured marked 'R' on the **schedule** will be calculated as **reinstatement** of the property, lost, destroyed or damaged.

Special conditions

1. **Our** liability for the repair or restoration of property damaged in part only will not exceed the amount **we** would have been liable for had the property been wholly destroyed.
2. If the sum insured at the time of any **damage** is less than 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item, at the time of rebuilding or replacement, the amount payable by **us** will be proportionately reduced.
3. No payment will be made beyond the amount which would have been payable in the absence of this extension
 - a) unless **reinstatement** commences and proceeds without unreasonable delay
 - b) until **reinstatement** costs have been actually incurred
 - c) if the **property insured** at the time of its loss, destruction or **damage** has any other insurance in force, which is not on the same basis of **reinstatement**.
4. All terms and conditions of the **policy** will apply
 - a) to any claim payable under this extension unless they have been amended by this extension
 - b) if any claim is payable as if this extension had not been included.

31. Rent cover

Any cover on rent only applies if the **premises** or any part of them is unfit for occupation following **damage**.

The amount payable will not exceed the proportion of the sum insured on rent relating to the period necessary for **reinstatement**.

32. Replacement locks and keys cover

We will cover **you** for the cost of replacing locks or lock mechanisms, keys, key cards, remote control transmitters, central locking interfaces, parts of the engine control units, alarms or immobilisers necessary to maintain the security of

- a) **motor vehicles** in the event of theft or loss of the keys, key cards or remote control transmitters provided that there is reasonable belief that the keys, key cards or remote control transmitters are in the possession of someone other than **you** and that person will know the identity of the garaging address of the **motor vehicle**
- b) the **premises** or any safe or strongroom, against access following theft of keys by force or violence including any threat against any director, partner or employee of **yours** from
 - i) the **premises**
 - ii) **your** home
 - iii) the home of any director, partner or employee of **yours**.

The maximum we will pay in respect of a) is £25,000 any one loss up to a maximum of £50,000 during any one **period of insurance**.

The maximum we will pay in respect of b) is £10,000 for any one loss.

33. Seasonal increase cover

The **insureds motor vehicles** sum insured shown in **your schedule** will be increased by 30% during the months of

- a) February and March
- b) August and September.

34. Subrogation waiver cover

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

- a) any company standing in relation of parent to subsidiary (or subsidiary to parent) to **you**
- b) any company which is a subsidiary of a parent company of which **you** are a subsidiary in each case as defined by current law at the time of the **damage**.

35. Temporary removal cover

This **section** extends to cover **property insured** other than **motor vehicles** whilst temporarily removed from the **premises** for **business** purposes anywhere in the **policy territories** excluding

- a) any amount in excess of 10% of the item sum insured shown in the **schedule** or £25,000 whichever is the less
- b) property whilst at any exhibition
- c) employees tools

- d) property in **motor vehicles**
- e) **stock** and property in transit
- f) property which is removed from the **premises** for more than 90 consecutive days, unless **we** agree a longer period in writing
- g) mobile phones, laptops, tablets and other similar hand-held portable computer and communication devices or equipment including cameras and other photographic devices or equipment used away from the **premises**
- h) property which is more specifically insured.

36. Temporary work cover

We will in addition to the sum insured pay the reasonable costs of temporary work necessary to secure the **premises** against entry following **damage** by theft in order to protect the **property insured** pending completion of permanent repairs.

37. Theft damage to buildings cover

Where there is no **building(s)** insurance in force under this **section**, **we** will cover **you** for **damage** to the **building(s)** at the **premises** shown in **your schedule** resulting directly from theft or attempted theft covered by this **section**, provided that **you** are the owner of the **premises** or are legally responsible for the **damage**.

We will not pay for **damage** to any **building(s)** which are **unoccupied**.

38. Theft of building fabric cover

We will cover **you** for

- a) **damage** to the external fabric of any **building(s)** insured by this **section** as a result of theft or attempted theft
- b) **damage** following entry of rainwater as a result of theft or attempted theft of the external fabric of the **building(s)**.

This cover excludes any buildings which are **unoccupied**.

39. Trace and access cover

We will cover **you** for the reasonable costs necessarily incurred by **you**, and subsequent making good of **damage**, in locating the source of the leak resulting from

- a) the escape of water from any tank, apparatus or pipe
- b) the leakage of fuel from any fixed oil heating installation
- c) physical damage to cables, underground pipes and drains serving the **premises** insured.

Our liability for any one claim will not exceed £10,000.

40. Transfer of interest cover

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

41. Workmen cover

Joiners and other tradesmen are allowed in or on the **premises** covered by this **section** to make repairs or minor structural alterations without prejudice to this insurance provided that if the repairs or minor structural alterations involve the use of heat, **you** must comply with the Hot work permit system condition if applicable.

What is not covered

1. Business interruption exclusion

We will not cover **you** for any loss, damage, cost or expense of any kind which occurs as a result of business interruption under this **section**, except loss of rent payable where this is shown as covered in **your schedule**.

2. Collapse exclusion

We will not cover **you** for any loss, damage, cost or expense to the **building(s)** or structure caused by its own collapse or cracking other than for **damage** caused by a **defined peril** which is covered by this **section**.

3. Collusion exclusion

We will not cover **you** for any loss, damage, cost or expense by theft or attempted theft caused by or in collusion with **you** or any of **your** partners, directors or employees, or any member of **your** family or any other people lawfully at the **premises**.

4. Cyber exclusion

We will not cover **you** for any loss, damage, cost or expense, directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from

- a) any **cyber act** including but not limited to **hacking, phishing, denial of service attack** or the transmission of any **virus or similar mechanism**
- b) any **cyber incident**.

This exclusion shall not apply to claims for **damage** resulting from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them covered by this **section**.

5. Date recognition exclusion

We will not cover **you** for any loss, damage, cost or expense directly or indirectly caused by, contributed to by, or arising from, the failure of equipment (including **computer systems**) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

This exclusion shall not apply to claims for **damage** resulting from a **defined peril** covered by this **section**.

6. Deliberate loss or damage exclusion

We will not cover **you** for any loss, damage, cost or expense caused, or allowed to be caused, deliberately, wilfully, maliciously, illegally or unlawfully by **you**.

7. Disease exclusion

- a) Notwithstanding any provision to the contrary within this **policy**, this **section** excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- b) Subject to the other terms, conditions and exclusions contained in this **policy**, this **section** will cover physical damage to **property insured** and any **time element loss** directly resulting therefrom where such physical damage or **time element loss** is covered by this **section** and is directly caused by or arising from any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, or impact by any road vehicle or animal, **storm**, earthquake, **flood**, subsidence, landslip, landslide, riot, riot attending a strike, civil commotion, vandalism and malicious persons, theft, escape of water from any tank apparatus or pipe, escape of fuel from any fixed oil heating installation.

8. Electric vehicle charger exclusion

We will not cover **you** for any loss, damage, cost or expense to an electric vehicle charger:

- a) elsewhere than at the **premises** as specified on the **schedule**
- b) unless it has been installed, inspected or modified by an officially approved installer
- c) if it is not appropriate for the **insured vehicle** and is not used in accordance with the manufacturers' recommendations.

9. Excess exclusion

We will not cover **you** for the amount shown below after the application of **average** (if applicable), for each and every loss in respect of each separate **premises** shown in **your schedule**, in respect of

a) damage caused by fire, lightning, explosion, aircraft, riot and civil commotion, strikers, locked-out workers, persons taking part in labour disturbances or earthquake	£350
b) all other insured damage	£350

10. Faulty or defective workmanship exclusion

We will not cover **you** for any faulty or defective workmanship, operational error or omission on the part of **you** or any of **your** employees, but we will cover subsequent **damage** which results from a **defined peril** covered by this **section**.

11. Fraud and dishonesty exclusion

We will not cover **you** for any acts of fraud or dishonesty by **you**, **your** employees or any partner, director or member of **your** family, but we will cover subsequent **damage** which results from a **defined peril** covered by this **section**.

12. Glass exclusion

We will not cover **you** for any amount in excess of £500 for the repair or replacement of sign writing, lettering, alarm foil or other ornamentation work on glass.

13. Loss of value exclusion

We will not cover **you** for loss of value following the repair of any **motor vehicle**, other than provided by the 'Financial loss - new vehicles cover' under Extensions of cover within this **section**.

14. Miscellaneous damage exclusion

We will not cover **you** for any loss, damage, cost or expense caused by or consisting of

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

other than for **damage** caused by a **defined peril** which is covered by this **section**.

15. Motor vehicles and other property exclusion

We will not cover **you** for any loss or damage to, cost or expense arising from

- a) **motor vehicles** or their contents, unless in or on the **premises**, railway locomotives, rolling stock, watercraft or aircraft
- b) property or structures in the course of construction or erection and materials or supplies in connection with all such property
- c) land, piers, jetties, bridges, culverts or excavations
- d) livestock, growing crops or trees
- e) pitch fibre pipes
- f) electronic cryptographic or virtual currency or currencies of any kind

unless specifically covered by this **section**.

16. Other insurance exclusion

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

17. Other insurance – marine exclusion

We will not cover **you** for any property which at the time of the **damage** is insured by any marine policy except for any excess beyond the amount payable under the marine policy had this **section** not been effected.

18. Pollution or contamination exclusion

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

- a) pollution or contamination which itself results from a **defined peril** provided that peril is covered by this **section**
- b) any **defined peril** provided that peril is covered by this **section**, which itself results from pollution or contamination.

19. Process exclusion

We will not cover **you** for any loss, damage, cost or expense (other than by fire or explosion) to the **property insured** resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair.

20. Property in the open exclusion

We will not cover **you** for any loss, damage, cost or expense to fences, gates and movable property in the open, other than any item(s) on **motor vehicles**, caused by wind, rain, hail, sleet, snow, **flood** or dust.

21. Steam pressure exclusion

We will not cover **you** for any loss, damage, cost or expense caused by or consisting of the bursting by steam pressure of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machine or apparatus where internal pressure is due to steam only belonging to **you** or under **your** control.

We will cover subsequent **damage** which results from a cause covered by this **section**.

22. Subsidence exclusion

We will not cover **you** for any loss, damage, cost or expense caused by or resulting from

- a) subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
- b) coastal or river erosion
- c) normal settlement or bedding down of new structures.

23. Terrorism exclusion

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

- a) any act of **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- b) any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

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

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

24. Theft by deception exclusion

We will not cover **you** for any loss, damage, cost or expense resulting from **you** or any director, partner or employee of **yours** voluntarily parting with title or any rights of ownership of any property if induced to do so by any fraudulent scheme, trick or false pretence.

25. Theft by force (excluding vehicles) exclusion

We will not cover **you** for any loss, damage, cost or expense caused by theft or any attempted theft

- a) not involving entry to or exit from the **premises** by forcible and violent means or threat of violence to **you, your family or employees**
- b) of property in the open or property not contained in a locked **building**.

This exclusion will not apply to **motor vehicles** on the **premises**.

26. Unexplained loss exclusion

We will not cover **you** for any loss, damage, cost or expense caused by or consisting of disappearance unexplained or inventory shortage, misfiling or misplacing of information.

27. Unoccupied buildings exclusion

We will not cover **you** for any loss, damage, cost or expense to any building which is **unoccupied** or 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 (other than by fire or explosion)
- d) theft or any attempted theft damage to the building
- e) fixed glass
- f) theft of fabric of the building.

28. Valuables exclusion

We will not cover **you** for any loss, damage, cost or expense to

- a) jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art or rare books
- b) property in transit, other than provided by the 'Property in transit cover' under Extensions of cover within this **section**
- c) china, earthenware, marble or other fragile or brittle objects
- d) computers or data processing equipment
- e) **money**, stamps, bonds, credit cards, electronic cryptographic or virtual currency of any kind or securities of any description

but **we** will cover subsequent **damage** which results from a **defined peril** covered by this **section**.

29. Wear and tear, deterioration exclusion

We will not cover **you** for any loss, damage, cost or expense caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level or its own faulty or defective design or materials but **we** will cover subsequent **damage** which itself results from a **defined peril** covered by this **section**.

Conditions

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

1. Changes in occupancy and unoccupied premises condition

You must tell **us** as soon as **you** become aware

- a) of all changes in tenancy or occupation within the **premises**
- b) of any buildings or portions of buildings at the **premises** becoming **unoccupied** or **unoccupied** buildings or portions of **unoccupied** buildings at the **premises** becoming occupied and you agree to
 - i) pay any necessary additional premium as may be required by **us**
 - ii) complete any additional risk improvements which **we** may reasonably require
- c) of any **damage** to the **unoccupied** buildings or **unoccupied** portions of buildings whether the **damage** is covered or not.

In respect of **unoccupied** buildings or **unoccupied** portions of buildings, **you** must ensure that

- a) the buildings are inspected internally and externally at least once a week by **you** or on **your** behalf and a written record of the inspection is maintained by **you**
- b) all refuse and waste materials are removed from the interior of the buildings and removed from the **premises**
- c) **you** will secure the **premises** and put all protective, locking devices and any alarm protection in effective operation
- d) gas, water and electricity services (except electricity supply to maintain any fire or intruder alarm systems) and any fuel supplies are permanently shut off at the switch or stopcock where they enter the buildings (or in the case of individual flats or portions of a building, where they enter the flat or **unoccupied** part of the building)
- e) **you** implement any additional protections that **we** may require within the time scale **we** specify
- f) all **damage** to the **premises** must be rectified immediately
- g) letterboxes must be sealed
- h) the final exit door of the building(s) must be secured as follows
 - i) timber doors must be fitted with an appropriate mortice deadlock which has 5 or more levers conforming to British Standards BS 3621 or a cylinder lock conforming to European Norm EN 1303 together with a matching metal box striking plate, installed in accordance with the manufacturer's recommendations
 - ii) aluminium doors must be fitted with integral cylinder key operated mortice deadlocks to EN 1303
 - iii) UPVC doors must be fitted with key operated multi-point locking devices incorporating swinging/claw locking bolts
 - iv) the first closing leaf of double leaf doors must be fitted internally with bolts top and bottom.

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

2. Designation condition

For the purpose of determining the heading under which any property is insured **we** agree to accept the designation under which the property has been entered in **your** books.

3. Explosion condition

For any vessel, machinery or apparatus or its contents belonging to **you** or under **your** control, which need examination to comply with any Statutory Regulations, cover against **damage** caused by an explosion is subject to the provision that the vessel, machinery or apparatus will be the subject of a policy or another contract providing the required inspection. If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

4. Fire protections condition

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

5. Protections condition

For cover to operate in respect of **damage** caused by theft or any attempted theft **you** must ensure that all locks, bolts, bars, window fasteners and other protective and locking devices installed are maintained and put into operation whenever the **premises** are closed for **business** or left unattended. If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

6. Records condition

You will maintain a complete record of **stock** and **motor vehicles** received and sold.

7. Security of premises condition

If this insurance has been granted following a survey of **your premises**, **you** must not alter door and window fastenings and other security devices (except as may be required in the Further Protection Clause if shown in the **schedule**), without **our** written consent. In **your** own interest, please give early notification of any proposed changes so that if necessary a further survey can be undertaken. If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

8. Waste condition

You must ensure that:

- a) all greasy and or oily waste and cloths are placed in metal lidded receptacles and removed from the **premises** once a week
- b) all other hazardous, combustible and or flammable waste be removed daily before the **premises** are closed for business, to a secure waste disposal area 10 metres, or as far away as possible, from any building(s) and away from building openings pending removal from the **premises**
- c) all highly flammable liquids to be used and stored in compliance with The Control of Substances Hazardous to Health (COSHH) Regulations 2002 (as amended), and the Dangerous Substances and Explosive Atmospheres Regulations 2002 (DSEAR).

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

Special clauses

*Clauses 1 to 5 apply only if the clause number(s) appear in the **schedule**.*

1. Day one average

Subject to the following special conditions, the amount payable for **property insured** under sums marked DA in the **schedule** will be calculated as **reinstatement** of the property lost, destroyed or damaged.

The premium has been calculated according to the **declared value** specified in the **schedule** in brackets below the sum insured for each of the specific items which **you** have stated in writing.

Special conditions

- a) At the inception of each **period of insurance** **you** must notify **us** of the **declared value** of the **property insured** by each of the item(s). In the absence of this declaration the last amount will be taken as the **declared value** for the ensuing **period of insurance**.
- b) If at the time of **damage** the **declared value** of the property covered by each item is less than the cost of **reinstatement** at the inception of the **period of insurance**, **our** liability for any **damage** will not exceed that proportion of which the **declared value** is relative to the cost of **reinstatement**.
- c) **Our** liability for repair or restoration of property damaged in part only, will not exceed the amount which would have been payable had the property been wholly destroyed.
- d) No payment will be made beyond the amount that would have been payable in the absence of this special clause
 - i) unless **reinstatement** commences and proceeds without unreasonable delay
 - ii) until the cost of **reinstatement** has been incurred
 - iii) if the **property insured** at the time of the **damage** is insured by any other insurance which is not upon the same basis of **reinstatement**.

All the terms and conditions of this **policy** apply

- i) for any claim payable under the provisions of this special clause, except if they are varied by the special conditions
- ii) where claims are payable as if this special clause had not been incorporated except that the sum insured will be limited to 115% of the **declared value**.

2. Stock declaration conditions

The premium for any item in the **schedule** where the sum insured is marked 'D', is provisional and subject to adjustment as below.

The value of the property on the last day of each calendar month will be declared by **you** to **us** within 30 days. If a declaration is not given **you** will be deemed to have declared the sum insured as the value.

On the expiry of each **period of insurance** the actual premium will be calculated at the rate applicable on the total of the amounts declared, divided by the number of declarations. If the actual premium is greater than the provisional premium **you** will pay the difference to **us**. If it is less **we** will pay the difference to **you**.

In the event of a claim the sum insured will not be reduced by the amount of any loss. **You** will have to pay an appropriate extra premium on the amount of the loss from the date of the loss until the expiry of the **period of insurance**.

Any other insurance on such property covering **damage** must be on a similar basis of declaration adjustment.

3. Temporary cover

The first premium has been calculated to take into account the cost of temporary cover (in accordance with details lodged with us) pending issue of this **policy**.

4. Long term agreement

The discount shown in the **schedule** is allowed off the net premiums on this **section** in return for **you** giving an undertaking (expiring on the date stated in the **schedule**) to offer annually the insurance under this **section** based on the terms and conditions in force at the expiry of each **period of insurance** and to pay the premium annually in advance, it being understood that

- a) **we** will be under no obligation to accept an offer made
- b) where appropriate the sum insured may be reduced at any time to correspond with any reduction in value.

The above-mentioned undertaking applies to any **section(s)** which may be issued by **us** in substitution for this **section** and the same discount as shown in the **schedule** will be allowed off the net premiums on any substituted **section(s)** issued by **us**.

Payment of the premium due at the expiry date shown in the **schedule** will be deemed acceptance by **you** of the terms of this special clause.

5. Intruder alarm

For cover to operate in respect of **damage** following entry or attempted entry to, or exit from the **alarmed buildings** by forcible and violent means **you** must ensure that the following are complied with

- a) the **alarmed buildings** must be protected by an **intruder alarm system** designed, installed and maintained to British Standard BS4737 or European Norm EN50131 including, where stipulated by **us** or the local police authority, BS8243 for the installation of intruder alarm systems designed to generate confirmed alarms
- b) the intruder alarm installation and maintenance company must be both
 - i) a member of an alarm inspectorate which is accredited by the United Kingdom Accreditation Service (UKAS) to BS EN ISO / IEC 17065 or BS EN 17021and
 - ii) recognised as an approved company by National Security Inspectorate (NSI) or Security Systems and Alarm Inspectorate Board (SSAIB) for the design, installation and maintenance of intruder alarm systems.
- c) the **intruder alarm system** must be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance, as per the requirements of BS4737 or EN50131 with the installing company or such other company as agreed with **us**. Where remote alarm signalling is required, the signal transmission must be transmitted to an alarm-receiving centre fully compliant with BS5797 or BS EN 50518 and operated by a company accredited and operating to a Quality Management System in accordance with EN ISO 9000.
- d) no alteration to or substitution of
 - i) any part of the **intruder alarm system**
 - ii) the maintenance contract

- iii) the structure of the **alarmed buildings** or changes to their layout which would affect the effectiveness of the **intruder alarm system**
- iv) the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**

be made without **our** written agreement.

- e) the **alarmed building** will not be left unattended without **our** agreement:
 - i) unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals, (including both alarm transmission systems for dual signalling systems) in full operation
 - ii) if the police have withdrawn their response to alarm activations.

If the alarm system is not fully operative **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational.

- f) **you** must keep all security codes for the **intruder alarm system** confidential and all codes and keys must be removed from the **premises** when they are left unattended.
- g) **you** will appoint at least two **key holders** and give written details (which must be kept up to date) to the alarm company and either the police or the alarm-receiving centre.
- h) in the event of notification of any activation of the **intruder alarm system** or interruption of means of communication, including one or both alarm transmission systems for dual signalling systems, during any period the **intruder alarm system** is set, a **key holder** will attend the **premises** as soon as reasonably possible.

If the alarm cannot be reset following the **key holder** attendance **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational.

- i) in the event of **you** receiving any notification
 - i) that the police attendance in response to alarm signals or calls from the **intruder alarm system** may be withdrawn, or the level of response reduced or delayed
 - ii) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
 - iii) that the **intruder alarm system** cannot be returned to, or maintained in full working order.

You must tell **us** as soon as possible but in any event within 7 days and comply with any subsequent requirements stipulated by **us**.

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

Section 2 - Selected All Risks

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Selected All Risks **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

Alarmed buildings	The building(s) or those portions of the building(s) used by you at the premises protected by the intruder alarm system .
Communicable disease	Any disease which can be transmitted by means of any substance or agent from any organism to another organism where: a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
Damage	Physical loss, destruction or damage.
Europe	Anywhere in Europe.
Intruder alarm system	The components including the means of communication used to transmit signals to the alarm-receiving centre.
Key holder	You or any person or key holding company authorised by you who is available at all times to accept notification of faults to or alarm signals from the intruder alarm system and to attend and allow access to the premises .
Time element loss	Business interruption, contingent business interruption or any other consequential losses.
United Kingdom	Anywhere in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
Worldwide	Anywhere in the World.

What is covered

We will cover **you** for **damage** to the described items specified in **your schedule** occurring during the **period of insurance** at the location shown in **your schedule** which are

1. lost, stolen or destroyed and which cannot be recovered or found. We will cover **you** for an amount equal to the replacement value of the property at the date of the loss subject to a suitable deduction for wear and tear
2. damaged in any other way. We will cover **you** for an amount sufficient to repair the damaged property or at **our** option replace or reinstate such property or any part of it.

We will pay **you** up to the sum insured shown in **your schedule** for any one item adjusted in accordance with the Inflation Protection Clause below.

Extension of cover

Munitions of war cover

The War risks exclusion will not apply to **damage** to property insured under this **section** from or occasioned by the detonation of World War II munitions of war only or parts thereof in or within five miles of the **premises** situated in the United Kingdom.

We will not pay under this cover for any property insured located outside of the United Kingdom.

What is not covered

1. Cyber exclusion

We will not cover **you** for any loss, damage, cost or expense, directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from

- a) any **cyber act** including but not limited to **hacking, phishing, denial of service attack** or the transmission of any **virus or similar mechanism**
- b) any **cyber incident**.

This exclusion shall not apply to claims for **damage** resulting from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them covered by this **section**.

2. Date recognition exclusion

We will not cover **you** for any loss, damage, cost or expense directly or indirectly caused by, contributed to by, or arising from, the failure of equipment (including **computer systems**) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

This exclusion shall not apply to claims for **damage** resulting from a **defined peril** covered by this **section**.

3. Deliberate loss or damage exclusion

We will not cover **you** for any loss, damage, cost or expense caused, or allowed to be caused, deliberately, wilfully, maliciously, illegally or unlawfully by **you**.

4. Disease exclusion

- a) Notwithstanding any provision to the contrary within this **policy**, this **section** excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- b) Subject to the other terms, conditions and exclusions contained in this **policy**, this **section** will cover physical damage to property insured and any **time element loss** directly resulting therefrom where such physical damage or **time element loss** is covered by this **section** and is directly caused by or arising from any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, or impact by any road vehicle or animal, **storm**, earthquake, **flood**, subsidence, landslip, landslide, riot, riot attending a strike, civil commotion, vandalism and malicious persons, theft, escape of water from any tank apparatus or pipe, escape of fuel from any fixed oil heating installation.

5. Electronically driven machinery exclusion

We will not cover **you** for any loss, destruction or damage to any electrically driven machine or apparatus directly caused by its own overrunning, short-circuiting, excessive pressure, self-heating or by the application of excessive electrical energy or mechanical derangement not arising from external impact.

6. Excess exclusion

We will not cover **you** for the first £350 of each claim. Where there is **damage** to more than one item described in **your schedule** as a result of a loss, we will only apply one **excess**, this being the highest amount shown against any of the items specified that have suffered **damage**.

7. External conditions exclusion

We will not cover **you** for any loss, destruction or damage arising from or attributable to the action of light, atmosphere, moths, parasites or vermin.

8. Pollution or contamination exclusion

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

- a) pollution or contamination which itself results from a **defined peril** provided that peril is covered by this **section**
- b) any **defined peril** provided that peril is covered by this **section**, which itself results from pollution or contamination.

9. Temporary removal exclusion

We will not cover **you** for any loss, destruction or damage to any component part of any insured item, while such part is removed from its normal position in the item.

10. Terrorism exclusion

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

- a) any act of **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- b) any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

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

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

11. Theft by force from premises exclusion

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

12. Wear, tear and deterioration exclusion

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

We will cover subsequent **damage** which itself results from a **defined peril** covered by this **section**.

Clauses

1. Average Clause

If at the time of **damage** the sum insured is less than the value of the item described in **your schedule**, the amount **we** will pay will be reduced proportionately.

2. Inflation Protection Clause

We will adjust the sum insured in line with suitable indices and the renewal premium for this **section** will be based on the adjusted sum insured.

3. Reinstatement Clause

Where the sum insured on the **schedule** is marked R, the basis of claims settlement will be the cost of repair or the current replacement value without deduction for wear and tear provided that all necessary repairs or replacements are carried out without delay.

Special Clauses

*Clauses 1 to 3 apply only if the clause numbers appear in the **schedule**.*

1. Temporary Cover

The first premium has been calculated to take into account the cost of temporary cover (in accordance with details lodged with **us**) pending issue of this **policy**.

2. Long Term Agreement

The discount shown in the **schedule** is allowed off the net premiums on this **section** in return for **you** giving an undertaking (expiring on the date stated in the **schedule**) to offer annually the insurance under this **section** based on the terms and conditions in force at the expiry of each **period of insurance** and to pay the premium annually in advance, it being understood that

- a) **we** will be under no obligation to accept an offer made
- b) where appropriate the sum insured may be reduced at any time to correspond with any reduction in value.

The above-mentioned undertaking applies to any **section(s)** which may be issued by **us** in substitution for this **section** and the same discount as shown in the **schedule** will be allowed off the net premiums on any substituted **section(s)** issued by **us**.

Payment of the premium due at the expiry date shown in the **schedule** will be deemed acceptance by **you** of the terms of this special clause.

3. Intruder alarm

For cover to operate in respect of **damage** following entry or attempted entry to, or exit from the **alarmed buildings** by forcible and violent means **you** must ensure that the following must be complied with

- a) the **alarmed buildings** must be protected by an **intruder alarm system** designed, installed and maintained to British Standard BS4737 or European Norm EN50131 including, where stipulated by **us** or the local police authority, BS8243 for the installation of intruder alarm systems designed to generate confirmed alarms.
- b) the intruder alarm installation and maintenance company must be both
 - i) a member of an alarm inspectorate which is accredited by the United Kingdom Accreditation Service (UKAS) to BS EN ISO / IEC 17065 or BS EN 17021and
 - ii) recognised as an approved company by National Security Inspectorate (NSI) or Security Systems and Alarm Inspectorate Board (SSAIB) for the design, installation and maintenance of intruder alarm systems.
- c) the **intruder alarm system** must be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance, as per the requirements of BS4737 or EN50131 with the installing company or such other company as agreed with **us**. Where remote alarm signalling is required, the signal transmission must be transmitted to an alarm-receiving centre fully compliant with BS5797 or BS EN 50518 and operated by a company accredited and operating to a Quality Management System in accordance with EN ISO 9000.

- d) no alteration to or substitution of
 - i) any part of the **intruder alarm system**
 - ii) the maintenance contract
 - iii) the structure of the **alarmed buildings** or changes to their layout which would affect the effectiveness of the **intruder alarm system**
 - iv) the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**

be made without **our** written agreement.
 - e) the **alarmed building** will not be left unattended without **our** agreement:
 - i) unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals, (including both alarm transmission systems for dual signalling systems) in full operation
 - ii) if the police have withdrawn their response to alarm activations.

If the alarm system is not fully operative **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational.
 - f) **you** must keep all security codes for the **intruder alarm system** confidential and all codes and keys must be removed from the **premises** when they are left unattended.
 - g) **you** will appoint at least two **key holders** and give written details (which must be kept up to date) to the alarm company and either the police or the alarm-receiving centre.
 - h) in the event of notification of any activation of the **intruder alarm system** or interruption of means of communication, including one or both alarm transmission systems for dual signalling systems, during any period the **intruder alarm system** is set, a **key holder** will attend the **premises** as soon as reasonably possible.
- If the alarm cannot be reset following the **key holder** attendance **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational.
- i) in the event of **you** receiving any notification
 - i) that the police attendance in response to alarm signals or calls from the **intruder alarm system** may be withdrawn, or the level of response reduced or delayed
 - ii) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
 - iii) that the **intruder alarm system** cannot be returned to, or maintained in full working order.

You must tell **us** as soon as possible but in any event within 7 days and comply with any subsequent requirements stipulated by **us**.

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

Section 3 – Money, Assault and Wrongful Conversion

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Money, Assault and Wrongful Conversion **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

Accident	Bodily injury caused by violent, external and visible means.
Alarmed buildings	The building(s) or those portions of the building(s) used by you at the premises protected by the intruder alarm system .
Business hours	Your usual business hours (including overtime) while you or your employees entrusted with money , are at your premises or your contract sites for the purposes of the business .
Communicable disease	Any disease which can be transmitted by means of any substance or agent from any organism to another organism where: <ul style="list-style-type: none"> a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
Damage	Physical loss, destruction or damage.
Insured person(s)	You and any of your principals, partners, directors or employees.
Intruder alarm system	The components including the means of communication used to transmit signals to the alarm-receiving centre.
Key holder	You or any person or key holding company authorised by you , who is available at all times to accept notification of faults to or alarm signals from the intruder alarm system and to attend and allow access to the premises .
Money	Negotiable money and non-negotiable money belonging to you or which you are responsible for.
Negotiable money	Bills of exchange, uncrossed promissory notes, cash, bank and currency notes, uncrossed cheques, giro cheques including preauthenticated giro cheques, uncrossed postal orders, uncrossed money orders, uncrossed warrants, current postage stamps, unused units in franking machines, National Savings stamps and certificates, National Insurance stamps, trading stamps, gift tokens, gaming machine tokens, lottery tickets (excluding scratch cards held in stock for resale), customer redemption vouchers, authenticated travel tickets, phone cards (excluding phone cards held in stock for resale), holiday with pay stamps, luncheon vouchers, securities for money and travel warrants but excluding electronic cryptographic or virtual currency or currencies.

Non-negotiable money	Crossed warrants, credit company sales vouchers, debit card sales vouchers, crossed cheques, crossed giro drafts, crossed postal orders, crossed money orders, crossed national giro bank, crossed promissory notes, crossed bankers drafts, premium bond certificates, VAT purchase receipts, credit card counterfoils, premium bonds, savings bonds, stamped National Insurance cards and National Savings certificates but excluding electronic cryptographic or virtual currency or currencies.
Time element loss	Business interruption, contingent business interruption or any other consequential losses.

Part 1 – Money

What is covered under Part 1

We will cover you for

1. **damage** to money belonging to **you** or for which **you** are responsible in connection with the **business** as follows
 - a) **negotiable money**
 - i) in transit within the **policy territories**
 - ii) at any of **your premises**
 - iii) in a bank night safe
 - iv) at the residence of any **insured person**
 - b) **non-negotiable money**
 - c) **damage** to safes and strongrooms belonging to **you** or for which **you** are responsible resulting from theft or any attempted theft of **money** anywhere within the **policy territories**.

Our liability for any one claim will not exceed the limits shown in your schedule

2. **damage** to clothing and personal effects belonging to the **insured person** caused by robbery or attempted robbery occurring in the course of the **business** subject to a limit of £500 for any one **insured person**
3. **damage** to
 - a) any stamp franking machine
 - b) money belts, waistcoats, cash-carrying cases and similar cash-carrying devices designed for the safe carriage of **money** as a result of robbery or attempted robbery occurring in the course of the **business**
4. costs necessarily incurred in
 - a) opening or attempting to open any safe or strongroom
 - b) the replacement of locks of any safe or strongroom following the theft of or **damage** to the keys to the safe or strongroom belonging to **you** for which **you** are responsible
5. the War risks exclusion will not apply to **damage to money** and property insured under this **section** from or occasioned by the detonation of World War II munitions of war only or parts thereof in or within five miles of the **premises** situated in the **policy territories**.

Extensions to Part 1

1. Credit cards cover

We will cover **you** for costs necessarily incurred by an **insured person** for the purpose of the **business** as a direct result of a credit card, charge card, debit card or bank card being lost or stolen and it being fraudulently used by someone other than **you** or any **insured person**.

We will not cover **you** in respect of credit cards, charge cards, debit cards or bank cards for

- a) any loss, damage, cost or expense as a result of any failure to comply with the terms under which the card was issued
- b) any card issued personally to an **insured person**
- c) any loss, damage, cost or expense arising after 48 hours from discovery of the loss of the card
- d) losses covered in whole or in part by any other insurance.

Our liability for any one claim will not exceed £500 during any one **period of insurance**.

2. Bank Holidays cover

The sums insured shown in the **schedule** of this **section** for **money** in transit on the **premises** and in a bank night safe are automatically increased by 25% during each and every official Bank Holiday in the United Kingdom until twelve noon on the next working day.

What is not covered under Part 1

Please also refer to 'What is not covered' under Parts 1, 2 and 3.

1. Clerical errors exclusion

We will not cover **you** for any loss due to clerical or accounting errors.

2. Excess exclusion

We will not cover **you** for the first £350 of each and every claim.

3. Fraud and dishonesty exclusion

We will not cover **you** for any loss arising from the fraud or dishonesty of **your** partners, directors or employees unless the loss is discovered within 14 working days of the date of the loss.

4. Unattended vehicles exclusion

We will not cover **you** for any loss, destruction or damage from unattended **motor vehicles**.

5. Unexplained loss exclusion

We will not cover **you** for loss, destruction or damage caused by or consisting of

- a) disappearance, unexplained or inventory shortage
- b) misfiling or misplacing of information.

Conditions to Part 1

These conditions of cover apply only to Part 1 of this **section**. **You** must comply with these conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

1. Contribution condition

If the cover provided by this **section** is covered by any other policy, **we** will only cover **you** for loss or **damage** up to the limit shown in **your schedule** above the amount payable under such policy.

2. Transit security condition

It is agreed that **negotiable money** in transit other than by an approved security organisation will be accompanied by the following number of able-bodied adults and that no more than £3,000 will be carried by any one person.

Amount at any one time	Number of persons
Up to £3,000	One
£3,001 to £6,000	Two
£6,001 to £9,000	Three
£9,001 and over	Approved security organisation

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

Part 2 – Personal Accident – Assault

What is covered under Part 2

We will pay the **insured person**, or in the case of death their personal representatives, compensation if any **insured person** suffers bodily injury sustained in the course of the **business**, as a result of

- a) robbery or attempted robbery, or
- b) hold-up or attempted hold-up.

Payments will be made in accordance with the following Table of compensations.

Table of compensations

The amounts shown below represent one unit of cover, **your schedule** will show how many units apply.

Benefit	Amount
1. Death*	£10,000
2. Total loss or permanent and total loss of use of one or more limbs*	£10,000
3. Total and irrecoverable loss of all sight in one or both eyes*	£10,000

4. Total disablement from engaging in or carrying out the insured person's usual profession or occupation	£10,000
5. Temporary total disablement (while the insured person is disabled) for a period not exceeding 104 weeks in respect of any one injury calculated from the date of the accident at the rate of:	£100 per week
6. Temporary partial disablement (while the insured person is disabled) for a period not exceeding 104 weeks in respect of any one injury calculated from the date of the accident at the rate of:	£50 per week
7. Reimbursement of incurred medical expenses*	up to £500
8. Reimbursement of incurred counselling costs*	up to £1,000

*occurring within 2 years of the date of the event giving rise to the **accident**.

We will not pay

1. compensation to the **insured person** under more than one of the benefits of the table of compensations for the same bodily injury
2. the weekly benefit under compensation 5 or 6 until the weekly amount payable has been agreed
3. under the compensation payable for benefit 5 or 6 more than the average weekly remuneration paid by **you** to the **insured person** over the period of 13 weeks immediately prior to the event which caused the **accident** to the **insured person** who has suffered the bodily injury.

Where a compensation payment has already been made under benefit 5 or 6 and one of the benefits 1, 2, 3 or 4 is also payable, the **insured person** may at their option request payment under the alternative benefit of compensation, in which case the compensation already paid under compensation 5 or 6 will be deducted from the alternative benefit of compensation now payable under 1, 2, 3 or 4.

Conditions to Part 2

These conditions of cover apply only to Part 2 of this **section**. **You** must comply with these conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

1. **You** must write to **us** as soon as possible when **you** need to make a claim but in any case within 3 months of the date of the event giving rise to the **accident**.
2. At **your** expense, **you** must supply all certificates, information and evidence in a form that **we** may require. Where a claim for bodily injury is made, the **insured person** will undergo any medical examinations that **we** may require at **our** expense.
3. In the case of death of an **insured person**, **we** will be entitled to have a post-mortem examination completed at **our** expense.

Part 3 – Wrongful conversion

Your **schedule** will show if Part 3 - Wrongful conversion is covered.

What is covered

We will cover **you** for loss sustained by **you** in connection with any vehicle purchased by **you** in the course of the **business** during the **period of insurance** within the **policy territories** for which

- a) the rightful and lawful owner has substantiated a valid claim for the return of the **motor vehicle** or its value
- b) the person with whom **you** have contracted to sell the **motor vehicle** has substantiated a valid claim for damages for breach of implied warranty of title.

We will also pay costs

- a) recovered by any claimant against **you** where **we** contest the claim or the claim is contested with **our** written consent
- b) for the defence of any claim incurred with **our** written consent.

Provided always that

- a) **you** will be responsible for the first £500 or 20% of each claim whichever is the greater. If **you** have subscribed to the HPI Gold check the amount of co-insurance reduces to 15% or £500 whichever is the greater
- b) all payments for **motor vehicles** purchased by **you** or allowances for part exchange will be settled by cheque, credit or debit card, Clearing House Automated Payment System (CHAPS), Bankers' Automated Clearing Services (BACS) or credit against a new purchase
- c) no payment will be made by **you** until HPI Ltd, Experian Ltd or MotorCheck Ltd have confirmed that the **motor vehicle** being purchased is not subject to any Hire Purchase Interest or adverse information against it. If confirmation is obtained by telephone no payment will be made by **us** until written confirmation is received from HPI Ltd, Experian Ltd or MotorCheck Ltd
- d) notice of any claim or potential claim must be given as soon as **you** are aware and be received by **us** during the **period of insurance** when the **motor vehicle** was purchased by **you** or within six months of the purchase of the **motor vehicle** during the previous **period of insurance**.

What is not covered under Parts 1, 2 and 3

1. Cyber exclusion

We will not cover **you** for any loss, damage, cost or expense, directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from

- a) any **cyber act** including but not limited to **hacking, phishing, denial of service attack** or the transmission of any **virus or similar mechanism**
- b) any **cyber incident**.

This exclusion shall not apply to claims for **damage** resulting from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them covered by this **section**.

2. Date recognition exclusion

We will not cover **you** for any loss, damage, cost or expense, directly or indirectly caused by, contributed to by, or arising from, the failure of equipment (including any **computer systems**) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

This exclusion shall not apply to claims for **damage** resulting from a **defined peril** covered by this **section**.

3. Deliberate loss or damage exclusion

We will not cover **you** for any loss, damage, cost or expense caused, or allowed to be caused, deliberately, wilfully, maliciously, illegally or unlawfully by **you**.

4. Disease exclusion

- a) Notwithstanding any provision to the contrary within this **policy**, this **section** excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- b) Subject to the other terms, conditions and exclusions contained in this **policy**, this **section** will cover physical damage to property insured and any **time element loss** directly resulting therefrom where such physical damage or **time element loss** is covered by this **section** and is directly caused by or arising from any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, or impact by any road vehicle or animal, **storm**, earthquake, **flood**, subsidence, landslip, landslide, riot, riot attending a strike, civil commotion, vandalism and malicious persons, theft, escape of water from any tank apparatus or pipe, escape of fuel from any fixed oil heating installation.

5. Terrorism exclusion

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

- a) any act of **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
- b) any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

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

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

Conditions to Parts 1, 2 and 3

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

1. Key security condition

You must ensure that the keys of safes or strongrooms are not left at the **premises** out of **business hours**, unless the **premises** are still occupied by **you** or any of **your** authorised employees.

When the **premises** are still occupied by **you** or any of **your** authorised employees' keys at the **premises** must be deposited in a secure place not in the vicinity of safes or strongrooms.

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

2. Premium adjustment condition

If the premium for this **section** has been calculated on an estimate provided by **you**, **you** will need to keep an accurate record of all relevant details and allow **us** to inspect the record within one month from the expiry of each **period of insurance**. **You** will need to supply **us** with an accurate account of the amount of bank and currency notes and or coins in transit during the previous **period of insurance**. The premium for that period will be adjusted and the difference paid by or allowed to **you** subject to **us** retaining 75% of the deposit premium for the period or £75, whichever is the greater.

3. Reasonable precautions condition

You must take all reasonable precautions

- a) to prevent accidents or injury or **damage** to **your** property or the property of others
- b) for the safety of **money** covered by this **section** and on becoming aware of any event giving rise or likely to give rise to a claim under this **section** **you** must
 - i) give immediate notice to the police and notify **us** as soon as possible. Take all reasonable steps for the discovery and punishment of the guilty person or persons and to trace and recover the **money**
 - ii) give immediate notice to HM Revenue & Customs of any loss of stamped National Insurance cards
 - iii) within 14 days of **you** being aware of the event that may give rise to a claim, provide **us** with a detailed statement of the loss in writing
 - iv) provide all explanations, vouchers, proof of ownership and other evidence to substantiate the claim. If deemed necessary by **us**, **we** may require further evidence to support the statements of **you** or **your** employees.

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

4. Record keeping condition

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

Special clauses

The following clauses only apply if shown in your schedule.

1. Temporary cover

The first premium has been calculated to take into account the cost of temporary cover (in accordance with details lodged with us) pending issue of this policy.

2. Long term agreement

The discount shown in the **schedule** is allowed off the net premiums on this **section** in return for **you** giving an undertaking (expiring on the date stated in the **schedule**) to offer annually the insurance under this **section** based on the terms and conditions in force at the expiry of each **period of insurance**, and to pay the premium annually in advance, it being understood that

- a) **we** will be under no obligation to accept an offer made
- b) where appropriate the sum insured may be reduced at any time to correspond with any reduction in value.

The above-mentioned undertaking applies to any **section(s)** which may be issued by **us** in substitution for this **section** and the same discount as shown in the **schedule** will be allowed off the net premiums on any substituted **section(s)** issued by **us**.

Payment of the premium due at the expiry date shown in the **schedule** will be deemed acceptance by **you** of the terms of this special clause.

3. Intruder Alarm

For cover to operate in respect of **damage** following entry or attempted entry to, or exit from the **alarmed buildings** by forcible and violent means **you** must ensure that the following are complied with

- a) the **alarmed buildings** must be protected by an **intruder alarm system** designed, installed and maintained to British Standard BS4737 or European Norm EN50131 including, where stipulated by **us** or the local police authority, BS8243 for the installation of intruder alarm systems designed to generate confirmed alarms
- b) the intruder alarm installation and maintenance company must be both
 - i) a member of an alarm inspectorate which is accredited by the United Kingdom Accreditation Service (UKAS) to BS EN ISO / IEC 17065 or BS EN 17021and
 - ii) recognised as an approved company by National Security Inspectorate (NSI) or Security Systems and Alarm Inspectorate Board (SSAIB) for the design, installation and maintenance of intruder alarm systems.
- c) the **intruder alarm system** must be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance, as per the requirements of BS4737 or EN50131 with the installing company or such other company as agreed with **us**. Where remote alarm signalling is required, the signal transmission must be transmitted to an alarm-receiving centre fully compliant with BS5797 or BS EN 50518 and operated by a company accredited and operating to a Quality Management System in accordance with EN ISO 9000.

- d) no alteration to or substitution of
 - i) any part of the **intruder alarm system**
 - ii) the maintenance contract
 - iii) the structure of the **alarmed buildings** or changes to their layout which would affect the effectiveness of the **intruder alarm system**
 - iv) the procedures agreed with **us** for police or any other response to any activation of the **intruder alarm system**

be made without **our** written agreement.

- e) the **alarmed building** will not be left unattended without **our** agreement:
 - i) unless the **intruder alarm system** is set in its entirety with the means of communication used to transmit signals, (including both alarm transmission systems for dual signalling systems) in full operation
 - ii) if the police have withdrawn their response to alarm activations.

If the alarm system is not fully operative **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational.

- f) **you** must keep all security codes for the **intruder alarm system** confidential and all codes and keys must be removed from the **premises** when they are left unattended.
- g) **you** will appoint at least two **key holders** and give written details (which must be kept up to date) to the alarm company and either the police or the alarm-receiving centre.
- h) in the event of notification of activation of the **intruder alarm system** or interruption of means of communication, including one or both alarm transmission systems for dual signalling systems, during any period the **intruder alarm system** is set, a **key holder** will attend the **premises** as soon as reasonably possible.

If the alarm cannot be reset following the **key holder** attendance **you** must make arrangements for the **premises** to be attended until the **intruder alarm system** is fully operational.

- i) in the event of **you** receiving any notification
 - i) that the police attendance in response to alarm signals or calls from the **intruder alarm system** may be withdrawn, or the level of response reduced or delayed
 - ii) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
 - iii) that the **intruder alarm system** cannot be returned to, or maintained in full working order.

You must tell **us** as soon as possible but in any event within 7 days and comply with any subsequent requirements stipulated by **us**.

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

Section 4 – Goods in Transit – Own Goods

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Goods in Transit **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

Business interruption	Loss, cost or expense resulting from interruption or interference with your business as a result of any loss destruction or damage to property .
Communicable disease	Any disease which can be transmitted by means of any substance or agent from any organism to another organism where: <ul style="list-style-type: none"> a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
Damage/damaged	Physical loss, destruction or damage.
Enclosed premises	A locked building or a compound, bound on each side by a substantial wall, fence or similar structure and having a locked gate.
Geographical limits	Anywhere in Great Britain, Northern Ireland, the Channel Islands, the Isle of Man and Eire including the sea crossings in or between them.
Property	Goods and trade tools belonging to you or for which you are responsible, relating to the business shown in your schedule .
Time element loss	Business interruption , contingent business interruption or any other consequential losses.
Unattended	A vehicle will be considered unattended if you or the person in charge of the vehicle are not in such a position as to have reasonable prospects of preventing loss or damage. For the purpose of clarification a vehicle will not be regarded as unattended whilst the driver of the vehicle on which property is loaded is asleep in the vehicle .
Vehicle(s)	Motor vehicle, articulated vehicle, trailer or semi-trailer owned or operated by you .

What is covered

We will cover you for **damage to property** occurring during the **period of insurance** whilst in transit to destinations within the **geographical limits** by any means of conveyance described in **your schedule**, including

1. loading prior to despatch from the point of actually lifting **property** by or onto the means of conveyance
2. unloading and movement to the first resting place at the final destination.

Basis of claims settlement

We will pay you for the invoice value of **property** at the time of its **damage** or we may repair, replace or reinstate the **property**.

If an invoice has not been raised at the time of **damage**, the valuation will be based on the sale or re-sale value of the **property** at the time of the start of the transit.

If the **damaged property** is not new, we will deduct a reasonable amount for wear, tear and depreciation as part of the claims settlement.

In the event of **damage** to any machinery or equipment, which when complete for sale or use consists of several separate parts, we will only pay for the part or parts actually **damaged**, including any replacement charges. In all circumstances we will not pay more than the value of the complete machine or equipment.

Claims for the total loss or destruction of ropes and sheets cover, personal effects cover and electronic equipment cover will be settled on the basis of value at the time of **damage** with adjustment for wear and tear, but we will not pay more than the limit specified for the cover in respect of any one claim.

Additional expenses cover

We will pay up to £10,000 any one claim for expenses reasonably incurred by you in

1. the removal of debris and site clearance from the immediate area of the site where **damage to property** in transit by **vehicle** has occurred
2. transferring **property** to any other conveyance, following fire, collision, overturning or impact of the conveying **vehicle**, including carrying the **property** to the original destination or to a place of collection
3. reloading onto the **vehicle** any **property** which has fallen from the **vehicle**
4. re-securing the **property** where there is dangerous movement of the load in transit by **vehicle**.

Electronic equipment cover

We will pay up to £500 any one claim for **damage** to portable electronic equipment belonging to you occurring during the **period of insurance** within the **geographical limits**, whilst being used by the driver of a **vehicle** in the course of transit of **property**, in connection with the **business**.

Personal effects cover

We will pay up to £500 any one claim for driver's personal effects, where **damage** arises out of an occurrence for which there is also a valid claim for **damage to property** in or on a **vehicle**.

Reinstatement of sum insured cover

We will automatically reinstate the sum insured per **vehicle** as shown in **your schedule** for this **section** from the date of any loss, unless written notice to the contrary is given by **us**.

Ropes and sheets cover

We will pay up to £500 any one claim for **damage** to tarpaulins, sheets, trailer curtains, ropes, chains, webbing straps and packing materials belonging to **you** or for which **you** are responsible, not insured under any other policy, occurring during the **period of insurance** within the **geographical limits**, whilst carried on a **vehicle**.

Temporary cover for fleet additions cover

If **your vehicle(s)** are individually specified in the **schedule** for this **section**, subject to the **section** terms, **we** will insure **property** carried in any road **vehicle** **you** operate which is to be added on a permanent basis to the fleet but is not currently included, provided that

- a) after fourteen days from the date **you** take custody or control of the **vehicle**, cover will cease unless during this period, terms have been mutually agreed between **us** and **you**
- b) a sum insured per **vehicle** of £2,000 will apply.

Temporary vehicle substitution cover

If **your vehicle(s)** are individually specified in the **schedule** for this **section**, **we** will insure **property** carried in any similar road **vehicle**, subject to the terms and security requirements in this **section**, when **your own vehicle** is out of use, undergoing repair, maintenance or testing.

Extensions

These only apply if shown in the **schedule** for this **section**.

1. Travellers samples cover

We will cover **you** for **damage** to travellers stock or samples occurring during the **period of insurance** within the **geographical limits**, whilst in transit or temporarily removed from a **vehicle** during transit and kept in a locked room or a locked building, provided that the stock or samples remain under the custody or control of **you** or **your** employee.

2. Stockroom and hotel cover

We will cover **you** for **damage** to **property** and travellers stock or samples whilst temporarily removed from the **vehicle** and kept in a stockroom, hotel or private dwelling house, provided that they remain in the custody and control of **you** or **your** employee.

3. Livestock cover

We will cover **you** against death, loss of, or injury to livestock caused by either fire, accidental means or theft whilst being loaded onto, carried by, or unloaded from any **vehicle** described in the **schedule** for this **section**, anywhere in Great Britain.

Loading starts as the animal mounts the ramp and unloading finishes as the animal leaves the ramp.

We will pay up to £500 for any one animal.

The Livestock exclusion applying to this Extension is deleted.

Conditions

- a) Any **vehicle** used must be constructed specifically for the safe carriage of livestock.
- b) The loading and unloading operations must be done under adequate supervision and by means of a specially constructed ramp.

4. Property on approval with customers cover

We will pay up to £20,000 for **damage** to **property** during the **period of insurance** within the **geographical limits** whilst

- a) in transit to or from **your** customer's premises for the purposes of approval
- b) on the customer's premises where the **property** is being approved.

We will not cover any **damage** to **property** caused by or through its own use.

5. Property on demonstration cover

We will pay up to £20,000 for **damage** to **property** during the **period of insurance** within the **geographical limits** whilst

- a) in transit to or from **your** customer's premises for the purposes of demonstration
- b) on the customer's premises where the **property** is being demonstrated.

We will not cover any **damage** caused by or through its own demonstration.

6. Exhibitions cover

We will cover **you** for **damage** to **property** and stands belonging to **you** or in **your** custody or control whilst at exhibitions.

We will not cover any

- a) loss or damage due to atmospheric, climatic or weather conditions of any kind including flood
- b) loss or damage to machinery due to its own running or operation
- c) breakage of china, glass or scientific instruments or any other property of a brittle or fragile nature unless resulting from fire.

Limit of cover

1. The maximum amount **we** will pay for any one claim or series of claims arising from one occurrence is the limit of any one event shown in **your schedule**.
2. The sum insured per **vehicle** shown in **your schedule** is the maximum amount we will pay for all **property** sent at any one time
 - a) in one or more packages and in one load by **vehicle** or carrier to the same destination
 - b) for any one self-contained package sent by post.

What is not covered

1. Business interruption exclusion

We will not cover **you** for any **business interruption** other than as specified under the Additional expenses cover.

2. Cyber exclusion

We will not cover **you** for any loss, damage, cost or expense, directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from

- a) any **cyber act** including but not limited to **hacking, phishing, denial of service attack** or the transmission of any **virus or similar mechanism**
- b) any **cyber incident**.

This exclusion shall not apply to claims for **damage** resulting from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them covered by this **section**.

3. Date recognition exclusion

We will not cover **you** for any loss, damage, cost or expense, directly or indirectly caused by, contributed to by, or arising from, the failure of equipment (including any **computer systems**) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

This exclusion shall not apply to claims for **damage** resulting from a **defined peril** covered by this **section**.

4. Delay exclusion

We will not cover any loss, damage, cost or expense to **property**, directly or indirectly caused by or arising from a delay.

5. Deliberate loss or damage exclusion

We will not cover **you** for any loss, damage, cost or expense caused, or allowed to be caused, deliberately, wilfully, maliciously, illegally or unlawfully by **you**.

6. Derangement exclusion

We will not cover any electrical or mechanical derangement unless caused by impact.

7. Disease exclusion

- a) Notwithstanding any provision to the contrary within this **policy**, this **section** excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- b) Subject to the other terms, conditions and exclusions contained in this **policy**, this **section** will cover physical damage to **property** insured and any **time element loss** directly resulting therefrom where such physical damage or **time element loss** is covered by this **section** and is directly caused by or arising from any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them or impact by any road vehicle or animal, **storm**, earthquake, **flood**, subsidence, landslip, landslide, riot, riot attending a strike, civil commotion, vandalism and malicious persons, theft, escape of water from any tank apparatus or pipe, escape of fuel from any fixed oil heating installation.

8. Excess exclusion

The **excess** shown as 'policy excess' in **your schedule** will apply to each claim or series of claims arising from one occurrence.

9. Livestock exclusion

We will not cover any loss or destruction of or injury to living creatures.

10. Natural deterioration exclusion

We will not cover any loss, damage, cost or expense arising from natural deterioration of **property**.

11. Temperature-controlled property exclusion

We will not cover the deterioration of **property** conveyed in frozen, chilled or insulated conditions due to

- a) faulty stowage
- b) incorrect setting or operation of the equipment
- c) variations in temperature unless directly caused by fire, accident (but not breakdown) to the means of conveyance, theft or attempted theft.

12. Terrorism exclusion

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

- a) any act of **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- b) any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

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

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

13. Valuables exclusion

We will not cover any loss, destruction or damage to

- a) money, securities for money (which includes certificates of bond, stock certificates, bills of exchange, promissory notes) or stamps
- b) watches, precious stones, jewellery or bullion.

Conditions

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

1. Average condition

If at the time of any loss or damage the total value of the **property** on the conveying **vehicle** to which this insurance relates exceeds the sum insured for the **property** and **your vehicle(s)**, then the amount **we** pay will be reduced proportionately. This will be the amount that the sum insured per **vehicle** as shown in **your schedule** is, as a proportion to the value of the **property**.

2. Carrier notification condition

If loss or damage is caused by a carrier, **you** must notify the carrier in writing as soon as **you** are aware of the loss or damage, as well as notifying **us**. **You** may be asked to complete the carriers claim form and any compensation **you** receive from a carrier must be paid to **us** if **we** have paid the claim.

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

3. Premium adjustment condition

If the estimates shown in **your schedule** are marked as adjustable, then **you** must, at **our** request, tell **us** the actual figures on the expiry of the **period of insurance** so that the final premium can be calculated using the agreed rates. If the adjusted premium is less than the estimated premium **we** will not return more than 25% of the original premium.

If the estimates shown in **your schedule** are marked as index linked, the renewal premium for each **period of insurance** will be calculated on an adjusted amount in line with suitable indices of costs.

4. Your duty of care condition

You must take all reasonable care to prevent and minimise loss or damage to **property**. If the **vehicle(s)** are left **unattended** **you** must ensure that all the doors and the boot are securely locked and windows and other openings are securely closed. If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Special clauses

The following clauses only apply if shown in your schedule.

a) Overnight theft restriction

This section does not cover theft or attempted theft from any **unattended vehicle(s)** outside of **your** normal business hours, unless it is secured at all points of access and is garaged within **enclosed premises** which are securely locked or have a watchman in constant attendance.

b) Forcible entry to vehicle restriction

This section does not cover theft or attempted theft from any **unattended vehicle(s)** unless there are outward signs of forced entry to the **vehicle(s)**.

c) Immobiliser requirement

You must ensure that all **vehicle(s)** are fitted with a key operated immobiliser approved by **us** and that whenever the **vehicle(s)** are left **unattended** the immobiliser is put into operation.

d) Alarm requirement

You must have all **vehicle(s)** fitted with an alarm system approved by **us**. The alarm system must always be switched on and operational when the **vehicle(s)** are left **unattended**. **You** must have the alarm system regularly serviced and maintained by a qualified person approved by **us** and **you** must not make any alterations to the alarm system without **our** agreement.

e) Never left unattended requirement

When **vehicle(s)** are carrying **property** **you** must ensure that they will not be left **unattended** and will always be guarded by **you** or a responsible able bodied adult.

f) Exclusion of overnight theft cover

This section does not cover theft or attempted theft from any **unattended vehicle(s)** between 9pm and 6am.

g) Exclusion of theft cover in London

This section does not cover theft or attempted theft which occurs within the perimeter of the M25.

Section 5 – Road Risks

Your schedule will show if this section is covered, and which parts of this section apply.

Cover options

The cover provided under your policy is shown in your schedule. The parts of this section that apply to each type of cover are as follows

Comprehensive	All parts of this section apply.
Semi Comprehensive	All parts of this section apply however cover is limited to the cost of parts and sundries. Labour costs are not included for vehicles owned or registered by you.
Third Party Fire & Theft	All parts of this section apply but part 1 – Loss or damage applies only to loss or damage caused directly by fire or theft as described in part 1, sub-section 2 – Fire and theft.
Third Party Only	All parts of this section except for part 1 – Loss or damage.

Meanings of defined terms

These meanings apply within your Road Risks section. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout your policy, and not just this section, can be found within the Policy Definitions section of your policy. If the same word or phrase appears in both the Policy Definitions and this section, the section definition will apply.

Accessories	Any items permanently attached to the insured vehicle which are not directly related to its function as a vehicle but form an integral part of the vehicle and are not designed to operate independently. In addition, this includes your detachable electric vehicle charging cables, adapters and connectors for use with the insured vehicle .
BHP (Brake Horsepower)	As specified by the vehicle manufacturer for the actual make and model variant of insured vehicle when new according to its engine size where relevant and year of manufacture or where the power output of the insured vehicle is measured in Kilowatts or another alternative then the converted equivalent back to BHP.
Certificate of Motor Insurance	The certificate of motor insurance is legal evidence of your motor insurance.
Employed person	<ul style="list-style-type: none"> a) Anyone who is under a contract of service or apprenticeship with you. b) Anyone who is <ul style="list-style-type: none"> i) employed by you or on your behalf on a labour only basis ii) self employed iii) hired to you or borrowed by you from another employer iv) a voluntary helper or taking part in a work experience or training scheme and under your control or supervision.

European Union	Countries who have agreed to abide by common international treaties and have been accepted as full members of the European Union by the European Council of Ministers.
Hazardous goods	Goods covered by the following regulations: a) The Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations 2009 b) The Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations (Northern Ireland) 2010 c) The 'Approved List of Dangerous Substances' as published by the Health and Safety Executive Or any update or replacement of such regulations and any other legislation of similar intent (including subsequent legislation) if applicable.
Inexperienced	Anyone who holds a) a provisional licence, or b) a full licence for less than 12 months which was issued within the policy territories or any other European Union country, or c) a full licence that has been in force for less than two years which was issued outside of the policy territories or any non- European Union country.
Insured value	The actual market value of the insured vehicle at the time of the loss or damage.
Insured vehicle	a) Any motor vehicle (including accessories) as detailed on the effective Certificate of Motor Insurance under paragraph 1. Description of Vehicle. b) Any disabled motor vehicle and or any trailer attached to a vehicle described in a) above for the purpose of being towed. c) Any vehicle and or trailer whilst being conveyed on a vehicle or trailer described in a) or b) above used in connection with the business or otherwise in accordance with paragraph 6. Limitations as to Use on the effective Certificate of Motor Insurance . Excluding any i) motor vehicle transporter (or motor vehicle transporter and trailer) capable of carrying more than two motor vehicles at any one time ii) motor vehicle(s) carried by a motor vehicle transporter (or motor vehicle transporter and trailer) capable of carrying more than two motor vehicles(s) at any one time iii) motor vehicles(s) that are owned, hired or leased by any director, or employed person or relative of yours or any vehicles lent, leased or hired by you under a hire purchase agreement to them iv) motor vehicle(s) loaned or hired from you under sponsorship agreements unless the vehicle(s) is: a) specifically agreed and accepted by us in advance or b) in your custody or control for the purposes of sale, repair, alteration, testing, servicing, maintenance, cleaning or inspection.
Misfuelling	Accidental filling of the fuel tank of the insured vehicle , being a private car , motorcycle or goods carrying vehicle not exceeding 7.5 tonnes gross vehicle weight, with the inappropriate fuel for the type of engine.

<p>Terrorism</p>	<p>In the United Kingdom, “terrorism” shall follow the interpretation as set out in Part 1 of the Terrorism Act 2000 or as per any subsequent amendments thereto or successors thereof (as replicated hereunder). In any other territory, which has equivalent legislation to the Terrorism Act 2000, “terrorism” will follow the definition in that legislation. In any other territory the UK Terrorism Act 2000 or subsequent amendments thereto or successors thereof will be deemed to be the applicable definition as follows:</p> <ul style="list-style-type: none"> a) In this Act “terrorism” means the use or threat of action where <ul style="list-style-type: none"> i) the action falls within subsection b) ii) the use or threat is designed to influence the government or an international governmental organisation or to intimidate the public or a section of the public, and iii) the use or threat is made for the purpose of advancing a political, religious or ideological cause. b) Action falls within this subsection if it: <ul style="list-style-type: none"> i) involves serious violence against a person ii) involves serious damage to property iii) endangers a person’s life, other than the person committing the action iv) creates a serious risk to the health or safety of the public or a section of the public v) is designed to interfere with or seriously disrupt an electronic system. c) The use or threat of action falling within the subsection b) which involves the use of firearms or explosives is terrorism whether or not subsection a) ii) is satisfied.
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Part 1 – Loss or damage

What is covered under Part 1

We will indemnify you against loss of or damage to the **insured vehicle** up to the **insured value** occurring during the **period of insurance** and within the **policy territories**, by

1. Loss or damage

any cause including fire and theft more specifically described in 2. below.

2. Fire and theft

- a) fire, self-ignition, lightning or explosion
- b) theft or attempted theft

including the reasonable cost of

- a) protection and removal to the nearest repairers
- b) delivery to the **premises** after repair.

If to **our** knowledge the **insured vehicle** is subject to a hire purchase, leasing or contract hire agreement **we** will pay any outstanding amount due to the owner described in the agreement first with any balance being paid to **you**.

Clause applicable to Part 1

Claims settlement

We may at **our** own option repair, reinstate or replace the **insured vehicle** or pay in cash the amount of the loss or damage.

The maximum amount payable by **us** for any claim for loss or damage will be the **insured value** immediately prior to the loss or damage, not exceeding the limit of indemnity stated in the **schedule** or in any **endorsement** applicable, unless **you** are entitled to claim for a new replacement vehicle as described in the 'New for old vehicle replacement cover' under the Extensions to Part 1 within this **section**.

Extensions to Part 1

1. Accompanied demonstration cover

We will cover **you** while **your insured vehicle** is being driven for the purpose of demonstration or tuition or official driving test with **your** permission by any person not in **your** employ provided that such person is accompanied by **you** or any **employed person** named in the current **Certificate of Motor Insurance** or an Official Examiner of the Driver and Vehicle Standards Agency.

Provided always that such person shall

- a) be treated as though the **insured** and be subject to the terms of this **policy** in so far as they can apply

- b) not be entitled to indemnity under any other **policy**
- c) hold a licence to drive such vehicle or has held and is not disqualified from holding or obtaining such a licence.

Subject otherwise to the terms of this **policy**.

2. Child car seats cover

We will pay up to £250 for the replacement of any portable child car seat fitted as an accessory in any **insured vehicle** following an accident involving the **insured vehicle** which itself is covered under this **section**.

We will pay for the replacement regardless of whether any visible damage has been caused to the child car seat.

You will not be responsible for the **excess** stated in **your policy schedule** for each and every claim under this extension.

3. Contents of customers vehicles cover

We will cover **you** against loss of or damage to the contents of customers vehicles whilst in **your** custody or control. **Our** liability is limited to £5,000 for any one claim.

4. Contract sale price cover

We will cover **you** if an **insured vehicle** sold by **you** which is undelivered and **your** responsibility suffers loss or damage insured by this **section** and with regard to which under the conditions of sale the sale contract is cancelled, or cancelled to the extent of such loss or damage then **our** liability will be based on the contract price and not the **insured value**.

5. Electric vehicles cover

Following **damage** to any electric or hybrid **motor vehicle** covered by this **section**, if required we will make **our** payment to the owner of the battery or batteries if the battery is leased or hired.

In addition and regardless of **damage** to the **motor vehicle** itself we will pay for the loss of or damage to:

- a) **your** detachable electric vehicle charging cables, adapters and connectors
- b) **your** electric vehicle charging point
- c) the domestic electric vehicle charging point at the property of **your employed person** at **your** request and provided there is no other insurance cover for this item elsewhere
- d) the battery of an electric or hybrid **motor vehicle**, including as a result of a power surge whilst charging.

You will not be responsible for the **excess** stated in **your schedule** for each and every claim under a), b) and c) above.

6. Financial loss – new vehicles cover

If **you** have to discount the sale price of a new and unregistered **motor vehicle** not previously owned which is held for sale by **you** as the direct result of **you** having to declare

- a) damage repair
- or
- b) that the vehicle was stolen

to a prospective purchaser, **we** will make a payment to **you** to the value of the discount given, providing **we** had agreed to the level of discount given prior to the sale.

The maximum **we** will pay under this extension for any one **insured vehicle** is £5,000 and £25,000 any one claim.

7. Hotel expenses and alternative transport cover

If **your insured vehicle** whilst being driven by **you** or any **employed person** for social, domestic and pleasure purposes within the **policy territories** suffers loss or damage insured by this **section** and as a direct result of such loss or damage **your insured vehicle** is not roadworthy and **you** cannot complete your planned journey, **we** will pay for either:

- a) one nights accommodation, including the cost of meals and drinks for the driver and passengers of **your insured vehicle**; or
- b) public transport for the driver and the passengers of **your insured vehicle** to return home or onto the original planned destination.

The maximum **we** will pay under this extension is £250 any one claim and £1,000 during any one **period of insurance**.

Subject also to the terms, conditions and exclusions of this **policy**.

8. Leased vehicles cover

If the **insured vehicle** leased by **you** is:

- a) not in its first year of registration since new, and
- b) not more than 4 years old from the date of first registration since new, and
- c) not held by **you** for sale

and is lost or damaged beyond economic repair and declared a total loss by **us** **we** will pay the difference between the **insured value** at the time of the loss or damage and the settlement figure required under the lease contract.

Where the settlement figure exceeds the **insured value**, at the time of the loss or damage, and that settlement figure incorporates any fees or arrears of repayments **we** will only pay the settlement figure less the amount of those fees and arrears.

The maximum **we** will pay under this extension for any one **insured vehicle** is £1,000 and £5,000 during any one **period of insurance**.

9. Misfuelling cover

If **you** accidentally fill the **insured vehicle** with the wrong fuel please do not start the engine. Please call **us** on 0370 900 1753 as soon as possible.

If the **insured vehicle** is subject to misfuelling during the **period of insurance** and provided that **you** notify **us** immediately and follow all advice given **we** will pay for:

- a) drainage and cleaning of the fuel tank on site using a specialist roadside vehicle or
- b) recovery of the **insured vehicle**, the driver and up to 6 passengers to the nearest repairer to drain and clean the fuel tank

- c) replenishing the fuel tank with 20 litres of the correct fuel
- d) damage to the **insured vehicle** caused solely and directly by misfuelling.

You will not be responsible for the **excess** stated in **your policy schedule** for each and every claim under subsection a), b) and c) above.

We will not pay for:

- a) the **excess** as stated in **your policy schedule** for each and every claim under subsection d) above
- b) claims for misfuelling occurring outside the **policy territories**
- c) fuel, other than up to 20 litres of the correct fuel to replenish the fuel tank after draining and cleaning has been carried out
- d) any claim resulting from any foreign matter entering the fuel system other than diesel and petroleum
- e) any reduction in the market value of the **insured vehicle** or loss of warranty.

10. New for old vehicle replacement cover

If during the twelve month period from the date of first registration any **insured vehicle** which is either

- a) owned or registered by **you** since new (or within the first year of registration from manufacture if subject to a hire purchase, lease or contract hire agreement);

or

- b) a **private car, motorcycle** or **goods carrying vehicle** under 4 tonnes gross vehicle weight owned and registered in the name of **your** customer since new (or within the first year of registration from manufacture if subject to a hire purchase, lease or contract hire agreement) and is within **your** custody and control whilst in connection with the **business**

and is either

- i) lost by theft and not recovered within 28 days of the date from when the theft is first reported to **us**
- or
- ii) damaged to an extent greater than 50% of its list price (inclusive of VAT) at the time of the damage.

We will at **your** request and subject to the consent of any other interested parties known to **us**, replace the **insured vehicle** with a new one of the same manufacture and model subject to availability. The damaged or recovered vehicle will then become **our** property.

If a replacement vehicle of the same manufacture and model is not available, the most **we** will pay is the **insured value** of the vehicle and any permanently fitted **accessories** and spare parts immediately prior to the loss or damage giving rise to the claim.

11. Personalised registration plates cover

If any **insured vehicle** bearing a personalised registration number plate is written off and declared a total loss by **us** following damage insured by this **section**, **we** will give **you** 30 days from the date the total loss settlement is agreed by **us** to transfer that personalised registration number onto a DVLA Retention Certificate. If **you** do not tell **us** that **you** wish to keep the personalised registration number plate, **we** will dispose of it with the **insured vehicle**.

12. Replacement locks and keys cover

We will cover **you** for the cost of replacing locks or lock mechanisms, keys, key cards, remote control transmitters, central locking interfaces, parts of the engine control units, alarms or immobilisers necessary to maintain the security of the **insured vehicle** in the event of the theft or loss of the keys, key cards or remote control transmitters provided there is reasonable belief that

- a) such keys, key cards or remote control transmitters are in the possession of someone other than **you** and
- b) that person will know the identity of the garaging address of the **insured vehicle**.

The maximum we will pay is £10,000 any one claim subject to a maximum of £50,000 during any one **period of insurance**.

13. Sub-contractors cover

If an **insured vehicle** is removed from the **premises** and sustains loss or damage whilst in the possession of a sub-contractor appointed by **you** for service, repair, cleaning or examination by a qualified MOT tester the **vehicle** will be deemed to be in **your** custody or control.

14. Uninsured driver promise cover

If **you** have Comprehensive cover as shown in **your policy schedule** and **you** make a claim where the driver of the other vehicle involved in the accident is found to be uninsured, **you** will not have to pay **your excess** or lose any part of your No Claims Discount (NCD), if applicable, provided that:

- a) **you** are able to provide the make, model and registration number of the other vehicle involved, and
- b) **we** can establish **you** were not at fault in any way.

It will also help if **you** are able to provide details of the other driver involved and details of any independent witnesses if possible.

When **you** first notify **us** of **your** loss **you** may have to pay **your excess** and **your** NCD, if applicable, may be affected.

However, once **we** have confirmed **you** are not at fault and the other vehicle was uninsured, **your excess** will be refunded and **your** NCD, if applicable, restored.

What is not covered under Part 1

We will not pay for

1. the following **excesses**
 - a) the **excess** as stated in **your policy schedule** for each and every claim following loss of or damage to each and every **insured vehicle** as though separately insured other than:
 - i) any incident involving one or more **insured vehicle** causing damage to another **insured vehicle** where the **excess** will apply to the incident
 - ii) where the only damage to the **insured vehicle** is a broken window or windscreen including any resulting scratched body work
 - b) in addition to the above and any other amount stated elsewhere in **your policy**, the amounts specified below will be applied while the **insured vehicle** is being driven by or is in the charge of for the purpose of being driven by any person who is

- i) under 21 years of age - £300
- ii) 21 to 24 years of age inclusive - £200
- iii) **inexperienced** and 25 years of age and over - £200

The additional **excess** will not apply for loss or damage by fire, self-ignition, lightning, explosion, theft or attempted theft or where the only damage to the **insured vehicle** is a broken window or windscreen including any resulting scratched body work

- c) £150 for each and every loss arising from loss of or damage to windscreens, windows, sunroofs or panoramic roof glass and any resulting scratched body work to an **insured vehicle**. This **excess** will be reduced to £25 if the window, windscreen, sunroof or panoramic roof glass is repaired rather than replaced.

The maximum **we** will pay after allowance of the **excess** payable by you is £150 unless the repair or replacement is carried out by a replacement provider authorised by **us**.

2. loss of use other than as provided under Part 2 – Third party liability
3. depreciation and wear and tear
4. mechanical, electronic or electrical breakdowns, failures or breakages
5. computer and electronic equipment failure or malfunction
6. loss of value following the repair of any **insured vehicle** other than as provided by the ‘Financial loss – new vehicles cover’ under Extensions to Part 1 within this **section**
7. damage to tyres by the application of brakes or by punctures, cuts or bursts
8. loss or damage as a consequence of or arising during riot or civil commotion occurring in Northern Ireland or outside the **policy territories**
9. loss or damage caused by any malicious act or by theft or any attempted theft by any **employed person** or brought about in any way by them
10. loss or damage through deception by someone pretending to be a buyer or that person’s agent
11. any costs arising from the need for
 - a) the repair of the original work or alteration undertaken by **you** or any sub-contractor appointed by **you** that caused loss of or damage to the **insured vehicle**
 - b) carrying out again the service, maintenance, treatment, test or examination undertaken by **you** or any sub-contractor appointed by **you** that caused loss of or damage to the **insured vehicle**
12. failure by equipment (including hardware or software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date
13. loss of or damage to an electric vehicle charger:
 - a) at **your employed person’s** permanent domestic residential address unless **you** have provided that **employed person** with an electric vehicle
 - b) unless it has been installed, inspected or modified by an officially approved installer
 - c) if it is not appropriate for the **insured vehicle** and is not used in accordance with the manufacturers’ recommendations
 - d) if any other insurance is in place elsewhere.

Part 2 – Third party liability

What is covered under Part 2

1. Your liability to third parties cover

We will insure **you** against **your** legal liability resulting from any one accident involving the **insured vehicle** during the **period of insurance** and within the **policy territories** (including the use of the **insured vehicle** while charging) and during the operation of loading or unloading of the **insured vehicle** for:

- a) accidental death of or bodily injury to anyone
- b) accidental damage to property of which we will not pay more than
 - i) £10,000,000 (excluding the costs and expenses from claimants and any remaining expenses and costs) for any one claim or number of claims arising out of one event involving any **insured vehicle**
 - ii) £2,000,000 (excluding the costs and expenses from claimants and any remaining expenses and costs) for any one claim or number of claims arising out of one event involving any **insured vehicle** carrying **hazardous goods**
 - iii) £5,000,000 for the costs and expenses from claimants and any remaining expenses and costs for any one claim or number of claims arising out of one event for any **insured vehicle**.

2. Terrorism cover

In respect of **terrorism** where **we** are liable under Road Traffic Acts the maximum **we** will pay for damage to property as a result of any accident or accidents caused by the **insured vehicle** driven or used by **you** or any other person and for which cover is provided under this **section** will be:

- a) £5,000,000 including costs and expenses incurred with **our** written consent in respect of all claims consequent on one originating cause, or;
- b) such greater sum as may in the circumstances be required by the Road Traffic Acts.

3. Liability of other people driving or using your vehicle cover

We will also insure the following people on the same basis that **we** insure **you**

- a) anyone **you** give permission to drive or use the **insured vehicle**, provided that **your** effective **Certificate of Motor Insurance** allows that person to drive
- b) at **your** request any passenger travelling in, or getting into or out of the **insured vehicle**.

4. Legal defence costs cover

For any event where **we** provide indemnity under Part 2 – Third party liability, **we** will pay

- a) the solicitors' fees to represent anyone insured under this Part at any coroner's inquest or fatal accident inquiry
- b) for the defence in any Court of Summary Jurisdiction
- c) the cost of legal services to defend a charge of manslaughter or causing death by careless or dangerous driving

- d) any other costs and expenses which **we** agree in writing
- e) legal fees and expenses incurred in connection with defending proceedings, including appeals and costs of prosecution awarded against **you** arising from a health and safety inquiry or criminal proceedings for any breach of the
 - i) Health and Safety at Work etc Act 1974
 - ii) Health and Safety at Work (Northern Ireland) Order 1978
 - iii) Corporate Manslaughter and Corporate Homicide Act 2007.

Provided that for paragraph e) above **you** have **our** written consent and that **we** will not be liable:

1. for more than £5,000,000 in total for any action or series of actions, arising from any one insured event and in total during any one **period of insurance**
2. unless the proceedings relate to an actual or alleged act, omission or incident committed during the **period of insurance** within the **policy territories** in connection with the **business**
3. unless the proceedings relate to an actual or alleged act, omission or incident arising from the ownership, possession or use, by or on behalf of **you** of any **motor vehicle**, where compulsory insurance or security is required by the Road Traffic Acts
4. for proceedings which result from any deliberate act or omission by **you**
5. where indemnity is provided by another insurance policy
6. for fines or penalties or the cost of implementing any remedial order or publicity order
7. for any appeal against any fine, penalty, remedial order or publicity order
8. for costs incurred as a result of the failure to comply with any remedial order or publicity order
9. for costs and expenses insured by any other policy
10. for fees of any solicitor or counsel appointed by, or on behalf of, anyone entitled to indemnity unless the appointment has been agreed by **us**.

5. Indemnity to personal representatives cover

In the event of the death of anyone insured under Part 2 – Third party liability, **we** will continue to provide insurance for their personal representatives for legal liability incurred by that person in accordance with the limitations of this **policy**.

6. Emergency treatment fees cover

We will pay for emergency treatment fees required by any road traffic legislation arising from the use of an **insured vehicle** in respect of which indemnity is provided. Any payment made by **us** will not affect **your** entitlement to a No Claims Discount, if applicable.

7. Application of limits of indemnity cover

In the event of any accident involving indemnity to more than one person, the maximum amount **we** will pay will not exceed the limit of indemnity, regardless of the number of people claiming to be indemnified.

8. Cross liabilities cover

We will insure each party named as the **insured** in the **schedule** and this Part 2 – Third party liability will apply as if a separate policy had been issued to each. We agree to waive all rights of subrogation against any of these people, provided that the total amount payable for all claims does not exceed any limit of indemnity stated in the **policy**.

9. Contingent motor liability cover

We will insure **you** against **your** legal liability arising in connection with

- a) any **motor vehicle** which does not
 - i) belong to **you**nor
 - ii) is in **your** custody or controlwhilst it is being used in the course of the **business** within the **policy territories**
- b) an **insured vehicle** whilst
 - i) in the custody or control of **your** sub-contractor
 - ii) loaned to **your** customer
 - iii) hired to **your** customer whilst the customer's vehicle is in **your** custody or control for repair, alteration, testing, servicing, maintenance, cleaning or inspection

provided that insurance is not available under any other policy.

10. Compensation for court attendance cover

We will compensate **you** at the rate of £500 per day, for each day that **we** request any director, partner or **employed person** to attend court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this **section**.

11. Unauthorised movement cover

We will indemnify **you** against **your** legal liability for death, bodily injury or damage to property (including damage to the vehicle being moved) arising out of the movement of any **motor vehicle** which does not belong to **you** nor is in **your** custody or control (with or without the owners permission) by **you** or any partner, director or **employed person** of **yours** for the purpose of

- a) parking
- b) loading or unloading
- c) allowing free passage of

any **insured vehicle**.

12. Unauthorised use cover

We will insure **you** for damage to an **insured vehicle** and **your** legal liability arising from the use of an **insured vehicle** when used without the knowledge or consent of an authorised official of **you**. There will be no liability to indemnify the person driving or using the vehicle.

13. Loss of use (customers vehicles) cover

We will indemnify **you** for **your** legal liability to pay for the consequential loss arising from the loss of use of a customer's vehicle following accidental loss, destruction or damage whilst in **your** custody or control which is insured under Part 1 – Loss or damage provided that

- a) **you** repair or replace the customer's vehicle as quickly as possible
- b) **our** liability is limited to £50,000 for any one claim.

14. Driving other vehicles cover

We will indemnify **you** or any partner or director of **yours** who is driving for social, domestic or pleasure purposes any **motor vehicle**

- a) not owned by or in the custody or control of **you** in connection with the **business**
or
- b) not owned by or hired under a hire purchase agreement to such partner or director
provided that
 - i) indemnity is not provided under any other policy
 - ii) the limit of indemnity will not be exceeded as a result of indemnifying more than one person
 - iii) indemnity is not provided for use to secure the release of any **motor vehicle** which has been seized by or on behalf of any government or public authority which was not **your** property or in **your** custody or control at the time of the seizure
 - iv) there is a current and valid policy of insurance in force under another insurance policy for the **motor vehicle** being driven under this extension.

Each indemnified person will be subject to the terms of this **policy** so far as they apply.

15. Trailers cover

We will insure **you** in terms of subsection 1. **Your** liability to third parties of this Part 2 – Third party liability for any damage or injury caused by any trailer owned by **you** or in **your** custody or control whilst detached from any vehicle, only so far as it is necessary to meet the requirements of any law relating to compulsory insurance in the territory concerned, providing that the insurance of the trailer is **your** responsibility.

What is not covered under Part 2

We will not be liable

1. for loss, damage, bodily injury or death caused or happening outside the limits of any carriageway or thoroughfare in connection with the bringing of a load to the **insured vehicle** (for loading on to it) or taking a load away from the **insured vehicle** (having unloaded it), other than by the driver or attendant of the **insured vehicle**
2. for death of or bodily injury to anybody arising due to their employment by the person claiming indemnity, except as is required by any road traffic legislation

3. under subsections 3, 4 or 5 of this Part 2 – Third party liability to indemnify any person
 - a) if anyone insured under this **section** does not observe the terms, exceptions and conditions of this **policy**
 - b) if anyone is entitled to indemnity under any other policy
4. for loss or damage to property belonging to, held in trust by or in the custody or control of the person claiming to be indemnified including property being carried in or on the **insured vehicle**
5. for loss or damage to the **insured vehicle**
6. for death, bodily injury or damage (except so far as is necessary to meet the requirements of any road traffic legislation) in respect of operational risks whilst the **insured vehicle**, or any plant forming part of such vehicle is being used as a tool of trade, unless the operation is a necessary requirement in its overhaul, upkeep or repair
7. for any contractual liability
8. for death or bodily injury to anyone or damage arising from the presence of the **insured vehicle**, in or on that part of an aerodrome, airport, airfield or military base used for
 - a) the take off or landing or movement of aircraft
 - b) aircraft parking aprons and the associated service roads, refuelling areas, ground equipment, parking areas, maintenance areas and hangars

except so far as is necessary to meet the requirements of any road traffic legislation
9. loss, damage, injury, consequential loss or legal liability directly or indirectly caused by, contributed to by, or arising from, **terrorism** or any action taken in controlling, preventing, suppressing or in any way relating to **terrorism** except where such liability is required to be covered by the Road Traffic Acts.

Part 3 – European cover

What is covered under Part 3

1. If **you** take an **insured vehicle** abroad, the **policy territories** are extended to provide indemnity in line with EU Directives to meet the laws on compulsory insurance of **motor vehicles** in
 - a) any other country which is a member of the **European Union**
 - b) any country which the European Commission is satisfied has made arrangements to meet the requirements of Article 7(2) of EC Directive 72/166/EEC relating to civil liabilities arising from the use of a **motor vehicle**. (**Your** insurance adviser should be able to tell **you** the list of countries to which this applies.)

The level of cover provided will be the minimum that is required to comply with the laws on the compulsory insurance of **motor vehicles** of the country in which the accident occurs.

Where an accident occurs in another **European Union** member state and the minimum cover required by the laws of Great Britain is wider than that member state's, then the level of cover provided will be that of the minimum cover required by the laws of Great Britain.

2. In addition **we** will provide insurance cover as set out in the **policy**, the **schedule** and the **Certificate of Motor Insurance** for any **insured vehicle** used in, or travelling between such countries as noted in 1a) and b) above for Social Domestic and Pleasure purposes.

General average contributions and other charges

We will insure **you** against general average contributions, salvage and sue and labour charges incurred during the transportation of the **insured vehicle** by air or sea within such countries as noted in 1 and 2 above.

Customs duty

We will insure **you** against customs duty on the **insured vehicle** after its temporary importation into any country within the **policy territories**.

What is not covered under Part 3

This insurance will not be valid if **you** intend to take an **insured vehicle** to countries not mentioned in 1 a) or b) above. **You** will need to contact **us** to see whether **we** will extend the **policy territories** to include the country in which **you** wish to use the **insured vehicle**.

What is not covered under Parts 1, 2 and 3

1. Driving and use of the insured vehicle exclusion

You are not covered for any accident, injury, loss or damage while any **insured vehicle** is

- a) in or on **premises** owned by **you** or in **your** occupation in connection with the **business** except so far as is necessary to meet the requirements of any road traffic legislation
- b) being used or driven other than in accordance with the terms of **your** effective **Certificate of Motor Insurance** except in respect of which indemnity is provided by the Unauthorised use cover under What is covered under Part 2 within this **section**
- c) being used or driven by **you** if **you** do not hold a licence to drive the **insured vehicle** or have held and are not disqualified from holding or obtaining such a licence
- d) being used or driven by anyone else with **your** permission who to **your** knowledge does not hold a licence to drive the **insured vehicle** has never held one or is disqualified from holding or obtaining one
- e) in storage at any other premises
- f) registered and being used or driven outside the **policy territories**.

Exclusion b) above will not apply and **we** will insure **you** if the claim arises because the **insured vehicle** was stolen or taken without **your** permission.

Exclusions c) and d) will not apply when a licence to drive is not required by law.

2. Social domestic and pleasure use and vehicle limits for young drivers exclusion

We will not cover **you** under this **section** in respect of:

1. any **insured vehicle**
 - a) exceeding 115 **BHP**, or
 - b) which has been altered or adapted in any way to increase its performance beyond the manufacturers specification

whilst being used for social, domestic and pleasure purposes and is in the custody or control of any person who

- i) is under 21 years of age, or
- ii) holds a provisional licence, or
- iii) holds a full licence for less than 12 months which was issued outside the **policy territories** or any other **European Union** country.

2. any **insured vehicle**

- a) exceeding 150 **BHP**, or
- b) which has been altered or adapted in any way to increase its performance beyond the manufacturers specification

whilst being used for social, domestic and pleasure purposes and is in the custody or control of any person who

- i) is under 25 years of age, or
- ii) holds a full licence for less than 12 months which was issued within the **policy territories** or any other **European Union** country, or
- iii) holds a full licence for 12 months or more but less than 2 years which was issued outside of the **policy territories** or any **European Union** country.

If **we** have agreed to extend **policy** cover to include any or all of the following for any **insured vehicle**:

- a) loaned or hired to **your** customer while their motor vehicle is in **your** custody or control for overhaul, upkeep or repair
- b) used by a purchaser or prospective purchaser for accompanied or unaccompanied demonstration

the terms, conditions and exclusions within the specific Extension of cover replaces the restrictions imposed by this exclusion whilst any **insured vehicle** is being used for the purposes of the extended cover.

Subject otherwise to the terms, conditions and exclusions of this **policy**.

Conditions

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

1. Reasonable precautions

You must

- a) take all reasonable steps to keep the **insured vehicle** from being lost or damaged
- b) maintain the **insured vehicle** in an efficient and roadworthy condition and **we** must be able to inspect it at any time.

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

2. Motor Insurance Database

Information relating to **your policy** will be added to the Motor Insurance Database (MID) managed by the Motor Insurers' Bureau (MIB). MID and the data stored on it may be used by certain statutory and or authorised bodies including the police, the Driving and Vehicle Licensing Agency (DVLA), Driving and Vehicle Licensing Agency Northern Ireland (DVLANI), the Insurance Fraud Bureau and other bodies permitted by law for purposes not limited to but including:

- a) Electronic Licensing
- b) Continuous Insurance Enforcement
- c) Law enforcement (prevention, detection, apprehension and or prosecution of offenders)
- d) The provision of government services and or other services aimed at reducing the level and incidence of uninsured driving.

If **you** are involved in a road traffic accident (either in the UK, the European Economic Area or certain other territories), insurers and or the MIB may search the MID to obtain relevant information.

Persons (including his or her appointed representatives) pursuing a claim in respect of a road traffic accident (including citizens of other countries) may also obtain relevant information which is held on the MID.

It is vital the MID holds **your** correct registration number. If it is incorrectly shown on the MID **you** are at risk of having **your** vehicle seized by the police. **You** can check that **your** correct registration number details are shown on the MID at www.askmid.com

You should show this condition to anyone insured to drive the vehicles covered under this **policy**.

3. Avoidance of certain terms and rights of recovery

Nothing in this **policy**, will affect the right of any people indemnified or of anyone else to recover an amount under the provisions of the law within the **policy territories** of the **policy** relating to the insurance of liability to third parties.

However **you** will repay to **us** all sums paid by **us** which **we** would not have been liable to pay but for the provisions of such law.

4. No claims discount

If **your** premium has been calculated in accordance with a No Claims Discount as shown as 'NCD' on **your schedule** the renewal premium will be reduced in accordance with **our** current scale of No Claims Discount, providing no claim has been made under **your policy**.

If **you** make a claim under **your policy**, **your** NCD will be reduced as detailed by the table below:

NCD at policy start date or previous renewal	NCD following a claim or claims		
	One	Two	Three
1 year	Nil	Nil	Nil
2 years	Nil	Nil	Nil
3 years	1 year	Nil	Nil
4 years or more	2 years	Nil	Nil

No Claims Discount is not transferable.

A payment made in respect of a claim arising under Part 1 of this **section** where the only loss or damage sustained by the **insured vehicle** is breakage of glass in the windscreen or windows (or any scratching of bodywork resulting solely and directly from such breakage) will not be deemed to be a claim for the purpose of this condition.

5. Payments for car sharing arrangements

You may accept payments from passengers as a part of a car sharing arrangement or other similar purposes. Accepting these payments will not affect **your** insurance cover if:

- a) the vehicle cannot carry more than eight people (including the driver)
- b) **you** are not carrying the passengers in the course of a business of carrying passengers
- c) the total payments **you** receive for the journey does not provide a profit.

This condition applies to private cars only.

Part 4 – Uninsured loss recovery and Motor prosecution defence

This part of **your policy** gives **you** 24 hours a day telephone access to Lawphone for advice on any commercial legal matter. The advice **you** get will always be in accordance with the laws of Great Britain and Northern Ireland.

Please note that all calls are recorded for **your** protection.

Phone: 0370 241 4140

When **you** call Lawphone quote **34035**.

All claims and calls to Lawphone will be managed by **Lawclub** on **our** behalf.

Lawclub Legal Protection is a trading name of Allianz Insurance plc registered in England no 84638 at 57 Ladymead, Guildford, Surrey GU1 1DB, United Kingdom. Allianz Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register No. 121849.

Important information about reasonable prospects of success

At all times during **your** legal action, **reasonable prospects of success** must exist in order for **Lawclub** to begin, and continue, providing cover under the policy.

In order for **Lawclub** to decide whether **reasonable prospects of success** exist, **Lawclub** will seek the opinion of the **legal representative**. If **Lawclub** and the **legal representative** do not agree on whether **reasonable prospects of success** exist, **Lawclub** will also seek the opinion of any other legally qualified advisor or other expert appropriate to **your** claim that **Lawclub** feel it is necessary to consult.

If **Lawclub** believe that **reasonable prospects of success** do not exist, **Lawclub** will end **your** claim.

Definitions

Where **we** have explained what a word means it will be highlighted in bold and will have the same meaning wherever it is used in Part 4 of this **section**.

These definitions are in addition to the **policy** definitions and the definitions for this **section**.

If the same word appears in both the **policy** and **section** definitions, the definition given below will apply.

Costs	<p>Under this Part 4 of Section 5 – Road Risks, we will pay</p> <ul style="list-style-type: none">a) the professional fees and expenses reasonably and properly charged by the legal representative on a standard basis, up to the standard rates set by the courts, which you cannot recover from your opponentb) your opponent's costs in civil cases which you are ordered to pay by a court or tribunal or which you pay your opponent with the written agreement of Lawclub. <p>We will only pay costs which we consider are necessary and in proportion to the value of your claim.</p> <p>We will only start to cover costs from the time we have accepted your claim and Lawclub have appointed the legal representative on your behalf.</p>
Lawclub	Lawclub Legal Protection, whose address is PO Box 10623, Wigston, LE18 9HJ.

Legal representative	The solicitor or other person appointed with the agreement of Lawclub under this Part 4 of section 5 – Road Risks of your policy to represent you .
Reasonable prospects of success	There are reasonable prospects of success if, at all times during your legal action against your opponent, it is more likely than not that a court would: <ul style="list-style-type: none"> a) decide the legal action under Uninsured Loss Recovery in your favour (this includes making a successful appeal or successfully defending an appeal following a decision made in respect of your claim by a court); or b) award you a more favourable settlement than has already been offered by your opponent; and c) if you are seeking damages from your opponent, you will recover them.
Standard basis	The normal method used by the court to assess costs which the court decides are proportionate to your legal action and have been reasonably incurred by the legal representative and your opponent.
Territorial limits	For uninsured loss recovery, the territorial limit is Great Britain, Northern Ireland, the Channel Islands, the Isle of Man plus any member country of the European Union and Iceland, Liechtenstein, Norway and Switzerland. For motor prosecution defence, the territorial limit is Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.
You/Your	The person shown on your schedule as the insured and <ul style="list-style-type: none"> a) anyone allowed by the Certificate of Motor Insurance to drive the insured vehicle and b) anyone who, with your permission, is in, getting into, or out of, the insured vehicle.

What is the most we will pay

We will pay up to £100,000 in **costs** for all claims arising out of any one event.

What is covered under Part 4

1. Uninsured loss recovery

We will pay the **costs** incurred by the **legal representative** to take legal action against **your** opponent to recover **your** damages arising from a road accident that **Lawclub** and the **legal representative** agree is not **your** fault, is caused by **your** opponent and causes:

- a) **your** death or bodily injury while **you** are in, on or getting into or out of the **insured vehicle**
- b) damage to the **insured vehicle**
- c) damage to property which **you** own or are legally responsible for and which is in or on the **insured vehicle**.

We will provide this cover as long as:

- a) the accident happened within the **territorial limits** and during the **period of insurance**; and
- b) the legal action will be decided by a court within the **territorial limits**; and
- c) **reasonable prospects of success** exist.

2. Motor prosecution defence

We will pay the **costs** of defending **your** legal rights (including making an appeal against **your** conviction or sentence) after any event which results in criminal proceedings being brought against **you** for a breach of road traffic laws or regulations relating to **your** owning or using an **insured vehicle**. The cover includes **costs** in respect of pleas in mitigation, provided that there is more than 50% prospect that such plea will materially affect the outcome. **You** must advise **us** of **your** summons no later than 7 days after receiving it.

We will provide this cover as long as:

- a) the event giving rise to the criminal proceedings happened within the **territorial limits** and during the **period of insurance**; and
- b) the criminal proceedings will be decided by a court within the **territorial limits**.

What is not covered under Part 4

We will not pay for any

1. claim arising out of a contract **you** have with another person or organisation
2. claim for an event which is also covered under Part 1 – Loss or damage to the **insured vehicle** or Part 2 – Third party liability of this **policy**
3. claim for an event resulting in legal proceedings where **you** are accused of corporate manslaughter or corporate homicide
4. claim for an event which is not covered under **your** current motor insurance **policy**
5. claim where the **insured vehicle** is being used for racing, rallies or competitions
6. disputes between **you** and **us** or **Lawclub**
7. fines, penalties or compensation awards
8. **costs** or expenses **you** are ordered to pay by a criminal court
9. application for a judicial review
10. disputes or claims arising from **your** deliberate, conscious, intentional or careless disregard of the need to take all reasonable steps to avoid, prevent and limit any dispute or claim
11. **costs we** have not agreed to in writing
12. **costs** covered by another insurance policy
13. **costs you** have paid directly to the **legal representative** or any other person without the permission of **Lawclub**
14. VAT which **you** can recover from elsewhere
15. parking offences for which **you** do not get points on **your** licence
16. any criminal proceedings brought against **you**:
 - a) where **you** are alleged to be under the influence of alcohol or drugs; or
 - b) which relate to **your** deliberate criminal act or omission; or
 - c) which allege dishonesty or intentional violence
17. criminal proceedings brought against **you** because **you** have allowed other people to use an **insured vehicle**

18. claim where **you** do not have a valid
 - a) motor insurance policy
 - b) road fund licence or MOT certificate for the **insured vehicle**
 - c) driving licence
19. claim while
 - a) **you** are insolvent (or have committed an act of insolvency or bankruptcy)
 - b) **you** have made an arrangement with the people **you** owe money to
 - c) **you** have entered into a deed or arrangement
 - d) **you** are in liquidation
 - e) part or all of **your** affairs, assets or property are in the care or control of a receiver or a liquidator
 - f) there is an administration order over **your** affairs, assets or property
20. **costs** where **you** knowingly and materially mislead **Lawclub** or the **legal representative**, or fail to pass important information to **Lawclub** or the **legal representative** in connection with any claim made under this Part 4 of Section 5 – Road Risks. If this happens **we** can reclaim from **you** any money already paid in respect of any relevant claim.

Conditions

If **you** do not keep to the conditions **we** will have the right to cancel this Part 4 of Section 5 – Road Risks of **your** policy and **Lawclub** will have the right to refuse any claim and withdraw from any current claim.

1. You must

- a) give **us** written details of **your** claim as well as any other information **we** or **Lawclub** ask for
- b) make **your** claim within six months of the date of the event which led to the dispute or as soon as reasonably practicable providing there has been no prejudice to **Lawclub**
- c) not appoint a **legal representative**
- d) follow the **legal representative's** advice and provide any information they request
- e) take every step to recover **costs** and pay them to **us**
- f) get **Lawclub's** written permission before making an appeal
- g) instruct the **legal representative** to keep to condition 2 below.

2. The legal representative must do the following

- a) get **Lawclub's** written permission before instructing a barrister or expert witness
- b) tell **Lawclub** if there is no longer a reasonable chance of a successful defence, recovering damages or getting any other remedy
- c) tell **Lawclub** immediately if the other party makes a payment into court or any offer to settle the matter
- d) report the result of the claim to **Lawclub** when it is finished.

3. Lawclub will have the right to

- a) take over and conduct any claim or proceedings in **your** name
- b) ask **us** to settle a claim by paying the amount in dispute
- c) appoint the **legal representative**, in **your** name, and on **your** behalf
- d) have any legal bill audited or assessed
- e) contact the **legal representative** at any time, and have access to all statements, opinions, reports and any other information to do with **your** claim
- f) end **your** cover if, during the course of the claim, **Lawclub** think there is no longer a reasonable chance of success. If **you** continue the claim and get a better settlement than **we** expected, **we** will pay **your** reasonable **costs** which **you** cannot get back from anywhere else
- g) settle the **costs** covered by this Part 4 of Section 5 – Road Risks at the end of the claim
- h) end **your** claim and get any **costs** back from **you** that **we** have paid or agreed to pay if
 - i) the **legal representative** reasonably refuses to go on acting for **you** because of any unreasonable act or failure to act by **you** or
 - ii) **you** unreasonably withdraw **your** claim from the **legal representative** without the agreement of **Lawclub** and
 - iii) **Lawclub** do not agree to appoint another **legal representative** to continue **your** claim.

4. Your agreements with others

We or **Lawclub** will not be bound to any agreement between **you** and the **legal representative** or **you** and any other person or organisation.

5. Choosing the legal representative

At any time before **Lawclub** agree that legal proceedings need to be issued or defended, they will choose the **legal representative**. **You** can only choose the **legal representative** if **Lawclub** agree that legal proceedings need to be issued or defended or if a conflict of interest arises which means that the **legal representative** cannot act for **you**. **You** must send their name and address to **Lawclub**.

If **Lawclub** agree to appoint a **legal representative** that **you** choose, he or she will be appointed on the same terms as they would have appointed their chosen **legal representative**. **Lawclub** may decide not to accept **your** choice of **legal representative**. If **Lawclub** do not agree with **your** choice, the matter will be settled using the procedure as set out under condition 6.

When choosing the **legal representative**, **you** must remember **your** duty to keep the cost of any legal proceedings as low as possible.

6. Disputes

If there is a dispute between **you** and **Lawclub**, the matter may be referred to an arbitrator. If **you** and **Lawclub** cannot agree on an arbitrator, the President of the Law Society or the Chairman of the Bar Council will choose one.

The loser of the arbitration must pay all the costs involved. If the decision is not clearly made against either **you** or **Lawclub**, the arbitrator will decide how the costs will be shared.

7. Notices


Every notice which needs to be given under this Part 4 of Section 5 – Road Risks must be given in writing. If **you** give **us** notice, **you** must send it to **our** address. If **we** give **you** notice, **we** must send it to **your** last known address.

8. How to make a claim

Your claim will be managed by **Lawclub** on **our** behalf.

If **you** need to make a claim for uninsured loss recovery contact **us** on 0370 9000 860. **We** will pass the details of **your** claim on to a **legal representative**.

If **you** need to make a claim for motor prosecution defence call the Lawphone legal helpline and follow the instructions. A claim form will be sent to **you**, please fill it in and send it to:

Lawclub claims	
	The Claims Department Lawclub Legal Protection PO Box 10623 Wigston LE18 9HJ

Lawclub will contact **you** once they have received the claim form. **You** must not appoint a solicitor **yourself**.

If **you** have already seen a solicitor before **Lawclub** have accepted **your** claim, **we** will not pay any fees or other expenses that **you** have incurred. If **your** claim is covered, **Lawclub** will appoint the **legal representative** that they have agreed to in **your** name and on **your** behalf and **we** will only start to cover the **costs** from the time **Lawclub** have accepted the claim and appointed the **legal representative** in **your** name and on **your** behalf.

Section 6 – Business Interruption and Loss of Licence

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Business Interruption and Loss of Licence **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

Note 1: to the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this **section** will be exclusive of such tax.

Note 2: for the purpose of these definitions, any adjustments implemented in current cost accounting will be disregarded.

Accounts receivable	The total amount of the balances debited to customers in your accounts as declared in the last statement given under the provisions of the premium adjustment clause after equitable allowances have been made for bad debts, and for amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through books at the time of the incident) to customers accounts in the period between the date of the statement and the date of the incident .
Annual gross rentals	The gross rentals during the twelve months immediately before the date of the incident .
Annual gross revenue	The gross revenue during the twelve months immediately before the date of the incident .
Annual turnover	The turnover during the twelve months immediately before the date of the incident .
Communicable disease	Any disease which can be transmitted by means of any substance or agent from any organism to another organism where: a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
Customers	All of your customers who obtain goods or services from you on a credit basis.
Estimated gross profit	The amount declared by you to us as the anticipated gross profit which will be earned by the business during the financial year concurrent with the period of insurance (or a proportionately increased multiple of the anticipated gross profit where the maximum indemnity period exceeds twelve months).

Estimated gross rentals	The amount declared by you to us as the anticipated gross rentals which will be earned by the business during the financial year concurrent with the period of insurance (or a proportionately increased multiple of the anticipated gross rentals where the maximum indemnity period exceeds twelve months).
Estimated gross revenue	The amount declared by you to us as the anticipated gross revenue which will be earned by the business during the financial year concurrent with the period of insurance (or a proportionately increased multiple of the anticipated gross revenue where the maximum indemnity period exceeds twelve months).
Gross profit	The amount by which the sum of the amount of the turnover and the amounts of the closing stock and work in progress will exceed the sum of the amount of the opening stock and work in progress and the amount of uninsured working expenses . Note: the amounts of the opening and closing stocks (including work in progress) will be calculated in accordance with your usual accounting methods with provision also made for depreciation.
Gross revenue	The money paid or payable to you for services rendered in the course of the business at the premises , less the amount of any uninsured working expenses .
Gross rentals	The money paid or payable to you for tenancies and other charges and for services rendered in the course of the business at the premises .
Incident	Physical loss, destruction or damage to property used by you at the premises for the purposes of the business or Physical loss, destruction or damage to your books of account, other business books or records at the premises for any item on accounts receivable .
Indemnity period	The period during which the business will be affected beginning when the incident occurred and ending not later than the maximum indemnity period .
Maximum indemnity period	As stated in the schedule .
Rate of gross profit	The rate of gross profit earned on the turnover during the financial year immediately before the date of the incident .
Standard gross rentals	The gross rentals during the period which corresponds with the indemnity period twelve months immediately before the date of the incident .
Standard gross revenue	The gross revenue during the period which corresponds with the indemnity period twelve months immediately before the date of the incident .
Standard turnover	The turnover during the period in the twelve months immediately before the date of the incident which corresponds with the indemnity period .
Time element loss	Business interruption, contingent business interruption or any other consequential losses.
Turnover	The money paid or payable to you for goods sold and delivered and for services rendered in the course of the business at the premises .
Uninsured working expenses	As stated in the schedule .

What is covered

Indemnity Clause A

(Applicable to all items other than items on **accounts receivable** or Loss or Licence)

We agree that if any building or other property used by **you** at the **premises** or whilst in transit for the purpose of the **business** is physically lost, destroyed or damaged by the risks insured against under Section 1 – Material Damage and or Section 5 – Road Risks and as a consequence the **business** is interrupted or interfered with, then **we** will pay **you** for each item in the **schedule** the amount of the consequential loss resulting from the interruption or interference provided that

1. at the time of the physical loss, destruction or damage there is an insurance in force covering **your** interest in the property against such loss, destruction or damage and that
 - a) payment has been made or liability admitted under such insurance
 - or
 - b) payment would have been made or liability admitted but for the clauses in the specified insurance, excluding liability for losses below a specified amount.
2. **our** liability under this **section** will not exceed
 - a) the total sum insured or for any item its sum insured, at the time of the physical loss, destruction or damage
 - b) the sum insured remaining after deduction for any other interruption or interference as a consequence of a claim following physical loss, destruction or damage occurring during the same **period of insurance**, unless **we** have agreed to reinstate the sum insured

adjusted in accordance with the Inflation Protection Clause if applicable.

Adjustments will be made as necessary to allow for the trends of the **business** and variations and other circumstances affecting the **business**, either before or after the **incident**, or which would have affected the **business** had the **incident** not occurred so that the adjusted figures represent as closely as possible, the results which would have been obtained during the relative period after the **incident**.

Indemnity Clause B – Accounts receivable

(Applicable to any item on **accounts receivable**)

We agree that if any of **your** books of account or other books or records of the **business** at the **premises** are destroyed or damaged by the risks insured under Section 1 – Material Damage and it is impossible for **you** to obtain from **customers** all amounts due to **you** and outstanding at the date of the damage, then **we** will pay **you** the amount **you** may be entitled to recover under the provisions of this **section** provided **our** liability does not exceed

- a) the total sum insured or for any item its sum insured at the time of the loss, destruction or damage
- b) the sum insured remaining after deduction for any other interruption or interference as a consequence of a claim following loss, destruction or damage occurring during the same **period of insurance**, unless **we** have agreed to reinstate **the** sum insured

adjusted in accordance with the Inflation Protection Clause if applicable.

Adjustments will be made as necessary to allow for the trends of the **business** and variations and other circumstances affecting the **business**, either before or after the **incident**, or which would have affected the **business** had the **incident** not occurred so that the adjusted figures represent as closely as possible, the results which would have been obtained during the relative period after the **incident**.

Basis of loss settlement

These terms of settlement apply only if the paragraph title appears in the **schedule** for this **section**.

1. Gross profit/Estimated gross profit

The insurance under this item is limited to loss of **gross profit** due to a) reduction in **turnover** and b) increase in cost of working and the amount payable will be

- a) for reduction in **turnover**: the sum produced by applying the **rate of gross profit** to the amount by which the **turnover**, during the **indemnity period**, will fall short of the **standard turnover** as a consequence of the **incident**
- b) for increase in cost of working: the additional cost (subject to the provisions of the **uninsured working expenses** clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing a reduction in **turnover** which would have taken place during the **indemnity period** as a consequence of the **incident**, but not exceeding the sum produced by applying the **rate of gross profit** to the amount of the reduction which has been avoided by this additional cost

less any amount saved during the **indemnity period** for the charges and expenses of the **business**, payable out of **gross profit** that may stop or be reduced as a consequence of the **incident**.

Provided that if the sum insured by the item on **gross profit** is less than the sum produced by applying the **rate of gross profit** to the **annual turnover** (or to a proportionately increased multiple where the **maximum indemnity period** exceeds twelve months), the amount payable will be proportionately reduced.

2. Gross revenue/Estimated gross revenue

The insurance under this item is limited to a) loss of **gross revenue** and b) increase in cost of working and the amount payable will be

- a) for loss of **gross revenue**: the amount by which the **gross revenue**, during the **indemnity period**, will fall short of the **standard gross revenue** as a consequence of the **incident**
- b) for increase in cost of working: the additional cost necessarily and reasonably incurred for the sole purpose of avoiding or diminishing a reduction in **gross revenue** which would have taken place during the **indemnity period** as a consequence of the **incident**, but not exceeding the amount of the reduction in **gross revenue** which has been avoided by this additional cost

less any amount saved during the **indemnity period** for the charges or expenses of the **business**, payable out of **gross revenue** that may stop or be reduced as a consequence of the **incident**.

Provided that if the sum insured by the item on **gross revenue** is less than the **annual gross revenue** (or a proportionately increased multiple where the **maximum indemnity period** exceeds twelve months), the amount payable will be proportionately reduced.

3. Additional increased cost of working

The insurance under this item is limited to further additional costs beyond those recoverable under paragraphs 1b), 2b) or 5b) that **you** necessarily and reasonably incur during the **indemnity period** as a consequence of the **incident**, for the sole purpose of avoiding or diminishing a reduction in **turnover, gross revenue or gross rentals**.

4. Increase in cost of working

The insurance under this item is limited to increased cost of working and the amount payable will be the additional expenditure necessarily and reasonably incurred by **you** as a consequence of the **incident** in order to prevent or minimise the interruption of the **business** during the **indemnity period**. We will not be liable for more than 50% of the sum insured during the first 3 months of the **indemnity period** and the balance will follow in equal monthly proportions.

5. Gross rentals/Estimated gross rentals

The insurance under this item is limited to a) loss of **gross rentals** and b) increase in cost of working and the amount payable will be

- a) for loss of **gross rentals**: the amount by which the **gross rentals** will fall short of the **standard gross rentals** as a consequence of the **incident** during the **indemnity period**
- b) for increase in cost of working: the additional cost necessarily and reasonably incurred for the sole purpose of avoiding or diminishing a loss of **gross rentals** which would have taken place during the **indemnity period** as a consequence of the **incident**, but not exceeding the amount of the reduction in **gross rentals** which had been avoided by this additional cost

less any amount saved during the **indemnity period** for the expenses and charges payable out of **gross rentals** that may stop or be reduced as a consequence of the **incident** provided that, if the sum insured by the item on **gross rentals** is less than the **annual gross rentals** (or a proportionately increased multiple where the **maximum indemnity period** exceeds twelve months) the amount payable will be proportionately reduced.

6. Accounts receivable

The insurance under this item is limited to a) loss of **accounts receivable**, and b) additional cost and the amount payable will be

- a) for loss of **accounts receivable**: the difference, solely due to the **incident**, between the amount of the **accounts receivable** at the date of the **incident** and the total amount received in payment of them during the twelve months after the **incident**
- b) for additional cost: the additional cost necessarily and reasonably incurred for the sole purpose of avoiding or diminishing a loss of **accounts receivable** which would have taken place as a consequence of the **incident**, but not exceeding the amount which would otherwise have been payable under a) above by this additional cost.

Provided that if at the time of the **incident** the sum insured by this item is less than the total amount of the **accounts receivable**, the amount payable will be proportionately reduced.

New Business Clause

For the purpose of any claim for an **incident** occurring before the first years trading of the **business** at the **premises** is completed. The following terms will have these meanings and not as otherwise stated.

Rate of gross profit	The rate of gross profit earned on the turnover during the period between the date of the start of the business and the date of the incident .
Annual turnover	The proportional equivalent for a twelve month period, of the turnover produced during the period between the start of the business and the date of the incident .
Standard turnover	The proportional equivalent for a period equal to the indemnity period , of the turnover produced during the period between the start of the business , and the date of the incident .
Annual gross revenue	The proportional equivalent for a twelve month period of the gross revenue gained during the period between the start of the business and the date of the incident .
Standard gross revenue	The proportional equivalent for a period equal to the indemnity period of the gross revenue gained during the period between the start of the business and the date of the incident .
Annual gross rentals	The proportional equivalent for a twelve month period of the gross rentals gained during the period between the start of the business and the date of the incident .
Standard Gross Rentals	The proportional equivalent for a period equal to the indemnity period of the gross rentals gained during the period between the start of the business and the date of the incident .

Adjustments will be made as necessary for trends of the **business** and variations and other circumstances affecting the **business**, either before or after the **incident**, or which would have affected the **business** had the **incident** not occurred so that the adjusted figures represent as closely as possible, the results which would have been obtained during the relative period after the **incident**.

Extensions

Any loss insured by this **section**, resulting from interruption of or interference with the **business** as a consequence of physical loss, destruction or damage at the premises or situations specified within items 1 to 6 below will be deemed to be an **incident**.

Provided that after the application of all other terms, conditions and provisions of the **policy**, **our** liability does not exceed for any one loss the percentage of the total of the sums insured or the specified monetary amount (or 133 1/3% of the sum insured by any item on **estimated gross profit**, **estimated gross revenue** or **estimated gross rentals**) or the specified monetary amount shown below as the limit.

1. Property stored

Your property whilst stored anywhere within the **policy territories** other than at the **premises** in your occupation provided that **our** liability does not exceed 15% of the sum insured or £1,000,000 whichever is the less.

2. Customers

The premises of any of your customers anywhere within the **policy territories** who, at the time of the loss, destruction or damage you have agreed to supply goods or services provided that **our** liability does not exceed 15% of the sum insured or £1,000,000 whichever is the less, for a maximum indemnity period of 12 months.

3. Exhibition sites

Any site within the **policy territories** not in your occupation where you are exhibiting your goods for sale provided that **our** liability does not exceed 15% of the sum insured or £1,000,000 whichever is the less.

4. Suppliers

The premises of any of your suppliers, including any motor vehicle manufacturer or any manufacturer supplying them with components or materials provided that **our** liability does not exceed 25% of the sum insured or

- a) £1,000,000 whichever is the less for any of your suppliers situated within the **policy territories**
- b) £500,000 whichever is the less for any of your suppliers situated within any other member country of the European Union, but only so far as any loss, destruction or damage is caused following fire, aircraft or explosion
- c) £100,000 whichever is the less for any of your suppliers situated anywhere in the world within territories situated outside a) and b) above, but only so far as any loss, destruction or damage is caused following fire, aircraft or explosion

for a maximum indemnity period of 12 months.

Cover does not apply to the premises of any supplier from where you obtain electricity, gas, water or telecommunications services.

5. Public utilities (terminal ends)

We will cover you for any loss insured by this section during the **period of insurance** resulting from interruption of or interference with the **business** conducted by you at your premises caused by the accidental failure and unplanned disruption of:

1. the public electricity supply at the 'terminal ends' of your supplier's service feeds to your premises
2. the public gas supply at your supplier's meters to your premises
3. the public water supply at your supplier's main stop cock serving your premises (other than by drought)
4. the public telecommunications services supply (other than satellite services) at the incoming line, terminals or receivers to your premises

from which you obtain electricity, gas, water or telecommunications services.

Provided that

- a) **your** supplier is situated within the **policy territories**
- b) such accidental failure is a direct result of physical loss, destruction or damage by the **insured peril(s)** not otherwise excluded
- c) after the application of all other terms and conditions of this **section**, the most **we** will pay under this Extension for any one claim and in total during any one **period of insurance** will not exceed the lower of either £50,000 or 25% of the annual figure on which **your** Business interruption **section** Sum Insured is based or the amount of loss resulting from interference or interruption with **your business** for up to a maximum period of 3 months regardless of the number of incidents or **premises** insured
- d) the insurance provided by this Extension in any one **period of insurance** shall only apply for the period beginning with the accidental failure(s) of supply or service at **your premises** and ending 3 months thereafter in total during which time the results of **your business** are affected regardless of the number of incidents, **premises** insured or the number of **your** suppliers affected
- e) Clause 5. Automatic reinstatement of sum insured shall not apply in respect of this Extension.

We will not cover

- a) any failure:
 - i) involving interruption or interference with **your business** due to a cessation of supply or service that is less than 12 hours duration
 - ii) due to an excluded cause
- b) loss resulting from failure caused by:
 - i) the deliberate act of any supplier or by them using their power to withhold or restrict supply or services
 - ii) strikes or any labour or trade disputes
 - iii) solar flare or other atmospheric or weather conditions but **we** will cover failure due to accidental loss, destruction or damage to equipment caused by these conditions.

If a claim is made under this Extension **you** cannot claim under any other Extension insured by this **section** for the same incident.

In any action, lawsuit or other proceedings or where **we** allege that any loss, destruction or damage is not covered by this Extension or **section**, it will be **your** responsibility to prove that it is covered.

For the purposes of this Extension the following additional definition will apply:

Insured Peril(s)

Fire, lightning, explosion, aircraft or other aerial devices dropped from them, theft, malicious persons, accidental damage, earthquake, **storm, flood**, escape of water from any tank apparatus or pipe, escape of fuel from any fixed oil heating installation, impact by any road vehicle or animal.

6. Prevention of access

We will cover **you** for any loss insured by this **section** during the **period of insurance** resulting from interruption of or interference with the **business** conducted by **you** at **your premises** as a result of accidental loss, destruction or damage by the **insured peril(s)**, not otherwise excluded, to property within a 1 mile radius of **your premises** which prevents or hinders the use of **your premises** or access to it, whether **your premises** or property is damaged or not.

Provided that

1. these **insured peril(s)** are covered by **us** under Section 1 - Material Damage in respect of **your premises**
2. the insurance provided by this Extension in any one **period of insurance** shall only apply for a maximum of 3 months in total beginning with the prevention or hindrance of use or access and ending 3 months thereafter, regardless of the number of incidents or **premises** insured, during which time the results of **your business** are affected
3. the most **we** will pay under this Extension for any one claim and in total during any one **period of insurance** will not exceed either 25% of the annual figure on which **your** Business interruption **section** Sum Insured is based or £1,000,000 whichever is less, regardless of the number of incidents or **premises** insured
4. Clause 5. Automatic reinstatement of sum insured shall not apply in respect of this Extension.

We will not cover **you** where use or access to **your premises** is restricted or hindered as a result of

- a) any loss, destruction or damage to property of any supply undertaking from which **you** obtain electricity, gas, water or telecommunications services which prevent or hinder the supply of these services
- b) any incident involving interference or interruption with **your business** that is less than 12 hours duration.

For the purposes of the cover provided under this Extension, any references to damage or **incident** within the meaning of the defined terms (including the notes thereto), the basis of loss settlement provisions, provisions, clauses, conditions and exclusions applicable to this **section**, Policy Conditions and Policy Exclusions shall be read as if they were references to the cover provided under this Extension.

Adjustments will be made as necessary to allow for the trends of **your business** and variations and other circumstances affecting **your business**, either before or after the incident, or which would have affected **your business** had the incident not occurred so that the adjusted figures represent as closely as possible, the results which would have been obtained during the relative period after the incident.

For the purposes of this Extension the following additional definition will apply:

Insured Peril(s)

Fire, lightning, explosion, aircraft or other aerial devices dropped from them, theft, earthquake, **storm, flood**, escape of water from any tank apparatus or pipe, escape of fuel from any fixed oil heating installation, impact by any road vehicle or animal.

Clauses

1. Fire resisting safes

Your books of account, other business books or records in which **customers** accounts are shown must be kept in fire resisting safes or fire resisting cabinets when not in use. If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

2. Premium adjustment

- a) The premium paid may be adjusted by **us** following a declaration of **gross profit, gross revenue** or **gross rentals** earned during the financial year concurrent with the **period of insurance** as reported by **your** auditors.

If any **incident** occurred giving rise to a claim for loss of **gross profit, gross revenue** or **gross rentals**, the above declaration will be increased by **us** for the purpose of premium adjustment by the amount by which **gross profit, gross revenue** or **gross rentals** was reduced during the financial year solely as a consequence of the **incident**.

If either declaration (adjusted as above and proportionately increased where the **maximum indemnity period** exceeds 12 months) is less than the sum insured on **gross profit, gross revenue** or **gross rentals** for the relative **period of insurance**, **we** will allow a pro rata return of premium not exceeding 25% of the **premium** paid.

NB Accountants may be substituted for auditors for companies exempt from credit requirements.

- b) Where **accounts receivable** are insured by this **section** **you** must, within thirty days of the end of each month, deposit with **us** a signed statement showing the total amount of the balance in **your** accounts, debited to **customers** and remaining unpaid as at the end of the month in review.

In the event of the average amount of the signed statements, during any annual **period of insurance**, being less than the sum insured by the item on **accounts receivable**, a pro rata return of premium not exceeding 25% of the premium paid on the sum insured for the **period of insurance** will be made in respect of the difference.

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

3. Subrogation rights waiver

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

- a) any company standing in relationship of parent to subsidiary (or subsidiary to parent) to **you**
b) any company which is a subsidiary of a parent company of which **you** are a subsidiary in each as defined by current law at the time of the loss.

4. Alternative trading

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

5. Automatic reinstatement of sum insured

In the event of any loss the sum insured stated in the **schedule** will not be reduced by the amount of any claim unless there is written notice by **us** or **you** to the contrary. **You** will have to pay an additional premium for this.

6. Inflation protection

We will adjust the sum insured in line with suitable indices of costs. The renewal premium for this **section** will be based on the adjusted sum insured.

7. Professional accountants

Any particulars or details contained in **your** books of account, other business books or documents that are required by **us** for investigating or verifying any claim, may be produced by professional accountants if, at the time they are regularly acting for **you**. Their report will be accepted evidence of the particulars and details that the report relates to unless proven otherwise.

We will pay **you** the reasonable charges that **you** have to pay for professional accountants in producing the particulars or details or any other proofs, information or evidence as **we** may require and reporting these particulars or details are in accordance with **your** books of account, other business books or documents.

Provided that the sum of the amount payable under this clause, and the amount otherwise payable under the extension does not exceed the sum insured as specified in the **schedule**.

What is not covered

1. Cyber exclusion

We will not cover **you** for any loss, damage, cost or expense, directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from

- a) any **cyber act** including but not limited to **hacking, phishing, denial of service attack** or the transmission of any **virus or similar mechanism**
- b) any **cyber incident**.

This exclusion shall not apply to claims for **damage** resulting from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them covered by this **section**.

2. Date recognition exclusion

We will not cover **you** for any loss, damage, cost or expense directly or indirectly caused by, contributed to by, or arising from, the failure of equipment (including **computer systems**) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

This exclusion shall not apply to claims for **damage** resulting from a **defined peril** covered by this **section**.

3. Disease exclusion

- a) Notwithstanding any provision to the contrary within this **policy**, this **section** excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **communicable disease** or

the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.

- b) Subject to the other terms, conditions and exclusions contained in this **policy**, this **section** will cover physical damage to property insured and any **time element loss** directly resulting therefrom where such physical damage or **time element loss** is covered by this **section** and is directly caused by or arising from any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, or impact by any road vehicle or animal, **storm**, earthquake, **flood**, subsidence, landslip, landslide, riot, riot attending a strike, civil commotion, vandalism and malicious persons, theft, escape of water from any tank apparatus or pipe, escape of fuel from any fixed oil heating installation.

4. Pollution or contamination exclusion

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

- a) pollution or contamination which itself results from a **defined peril** provided that peril is covered by this **section**
- b) any **defined peril** provided that peril is covered by this **section**, which itself results from pollution or contamination.

5. Liquidation, receivership or winding-up exclusion

We will not cover **you** if after the commencement of this insurance, the **business** is wound up or carried on by a liquidator, receiver or is permanently discontinued.

6. Steam pressure exclusion

We will not cover **you** for the bursting of any vessel, machine or apparatus (not being a boiler or economiser on the **premises** or a boiler used for domestic purposes only) in which internal pressure is due to steam only, belonging to **you** or under **your** control.

7. Terrorism exclusion

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

- a) any act of **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- b) any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

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

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

Special clauses

Clauses 1-4 apply only if the clause numbers appear in the schedule.

1. Deposit premium

The first and annual premiums are provisional being 75% of the premium which is payable at the start of the **period of insurance** and the balance of 25% to be paid within 6 months of the expiry of that period. Except for any item on **gross profit, gross revenue** or **gross rentals** the premium paid will be adjusted on receipt by **us** of a declaration of **gross profit, gross revenue** or **gross rentals** earned during the financial year most closely concurrent with the year of insurance as reported by **your** auditors.

If any **incident** occurred giving rise to a claim for loss of **gross profit, gross revenue** or **gross rentals**, the above declaration will be increased by **us** for the purpose of premium adjustment by the amount by which the **gross profit, gross revenue** or **gross rentals** was reduced during the financial year solely as a consequence of the **incident**.

If the declaration (adjusted as above and proportionately increased where the **maximum indemnity period** exceeds 12 months)

- a) is less than 75% of the sum insured on **gross profit, gross revenue** or **gross rentals** for the relative period **we** will allow a pro rata return of premium not exceeding 33 1/3% of the provisional premium paid
- b) is greater than 75% of the sum insured on **gross profit, gross revenue** or **gross rentals** for the relative period **you** will pay a pro rata additional premium not exceeding 33 1/3% of the provisional premium paid.

In the event that no declaration is received within 6 months of the expiry of the **period of insurance**, the balance of 25% will be paid by **you**.

Part a) of the Premium Adjustment Clause is deleted.

2. Declaration linked

- a) Prior to each renewal **you** must furnish **us** with the **estimated gross profit, estimated gross revenue** or **estimated gross rentals** for the financial year most closely concurrent with the ensuing year of insurance.
- b) The first and annual premiums for each item on **estimated gross profit, estimated gross revenue** and **estimated gross rentals** are provisional and are based on the **estimated gross profit, estimated gross revenue** or **estimated gross rentals**.

No later than six months after the expiry of the **period of insurance** **you** must provide **us** with a declaration confirmed by **your** auditors, of the **gross profit, gross revenue** or **gross rentals** earned during the financial year most closely concurrent with the **period of insurance**.

Accountants may be substituted for auditors for companies exempt from audit requirements.

If any **incident** occurred giving rise to a claim for loss of **gross profit, gross revenue** or **gross rentals**, the above declaration will be increased by **us**, for the purpose of premium adjustment by the amount which the **gross profit, gross revenue** or **gross rentals** was reduced during the financial year solely as a consequence of the **incident**.

If the declaration (adjusted as above and proportionately increased where the **maximum indemnity period** exceeds 12 months)

- i) is less than the **estimated gross profit, estimated gross revenue or estimate gross rentals** for the relative **period of insurance we** will allow a pro rata return of the premium paid on the **estimated gross profit, estimated gross revenue or estimated gross rentals** but not exceeding 50% of such premium.
- ii) is greater than the **estimated gross profit, estimated gross revenue or estimated gross rentals** for the relative **period of insurance you** shall pay a pro rata addition to the premium paid on the **estimated gross profit, estimated gross revenue or estimated gross rentals**.
- c) Despite proviso 2 in Indemnity Clause A under 'What is covered', **our** liability will not exceed for **gross profit, gross revenue or gross rentals** 133 1/3% of the **estimated gross profit, estimated gross revenue or estimated gross rentals** stated and for each other item 100% of the sums insured by the items or other amounts, as may be substituted by memorandum signed by or on **our** behalf.

Part a) of the Premium Adjustment Clause is deleted.

3. Temporary cover

The first premium has been calculated to take into account the cost of temporary cover (in accordance with details lodged with **us**) pending issue of this **policy**.

4. Long term agreement

The discount shown in the **schedule** is allowed off the net premiums on this **section** in return for **you** giving an undertaking (expiring on the date stated in the **schedule**) to offer annually the insurance under this **section** based on the terms and conditions in force at the expiry of each **period of insurance** and to pay the premium annually in advance it being understood that

- a) **we** will be under no obligation to accept an offer made
- b) the sum insured may be reduced at any time to correspond with any reduction in **business**.

The above-mentioned undertaking applies to any **section(s)** which may be issued by **us** in substitution for this **section** and the same discount as shown in the **schedule** will be allowed off the net premiums on any substituted **section(s)** issued by **us**.

Payment of the premium due at the expiry date shown in the **schedule** will be deemed acceptance by **you** of the terms of this special clause.

Loss of Licence Extension

Your schedule will show if this extension is covered.

Meanings of defined terms

These meanings apply within **your** Loss of Licence Extension. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**.

Note 1: to the extent that **you** are accountable to the tax authorities for Value Added Tax all the terms in this extension will be exclusive of such tax.

Note 2: for these definitions, any adjustments implemented in the current cost accounting will be disregarded.

Annual turnover	The turnover during the period in the twelve months immediately before the date of suspension or withdrawal of the MOT licence .
Communicable disease	Any disease which can be transmitted by means of any substance or agent from any organism to another organism where: <ul style="list-style-type: none"> a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
Gross profit	The amount by which <ul style="list-style-type: none"> a) the sum of the amount of the turnover and the amounts of the closing stock and work in progress will exceed b) the sum of the amount of the opening stock and work in progress, less purchases, discounts received and discounts allowed. <p>Note: The amounts of the opening and closing stocks (including work in progress) will be calculated in accordance with your usual accounting methods with provision also made for depreciation.</p>
Indemnity period	The period beginning with the suspension or withdrawal of the MOT licence and ending not later than the maximum indemnity period during which the results of the business will be affected as a consequence of the suspension or withdrawal of the MOT licence .
Maximum indemnity period	As stated in the schedule .

MOT licence	The licence granted by the Vehicle and Operator Services Agency or any successor or government agency to carry out tests on motor vehicles under Section 45 of the Road Traffic Act 1988 or subsequent legislation issued to you as an authorised examiner or to a nominated tester, employed by you in connection with the business .
Rate of gross profit	The rate of gross profit earned on the turnover during the financial year immediately before the date of the suspension or withdrawal of the MOT licence .
Standard turnover	The turnover during the period in the twelve months immediately before the suspension or withdrawal of the MOT licence which corresponds with the indemnity period .
The business	Vehicle and Operator Services Agency testing and retesting. Vehicle repair work carried out and/or goods supplied directly in connection with such testing conducted solely at or from the premises .
Time element loss	Business interruption, contingent business interruption or any other consequential losses.

What is covered

Indemnity

If during the **period of insurance** the **MOT licence** is suspended or withdrawn and **your business** that is carried on from or at the **premises** is interrupted or interfered with as a consequence **we** will pay **you** the amount of loss resulting from the interruption or interference provided that **our** liability does not exceed the limit shown in the **schedule**.

Basis of loss settlement

The insurance, under the item Loss of Licence as shown in **your schedule** is limited to loss of **gross profit** due to

- a) reduction in **turnover** and
- b) increase in cost of working and

the amount payable will be

- a) for reduction in **turnover**: the sum produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** will fall short of the **standard turnover** as a consequence of the suspension or withdrawal of the **MOT licence**
- b) for increase in cost of working: the additional cost (subject to the provisions of the uninsured working expenses clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **turnover** during the **indemnity period** as a consequence of the suspension or withdrawal of the **MOT licence**, but not exceeding the sum produced by applying the **rate of gross profit** to the amount of the reduction which has been avoided by this additional cost

less any amount saved during the **indemnity period** for the charges and expenses of **the business**, payable out of **gross profit** that may stop or be reduced as a consequence of the suspension or withdrawal of the **MOT licence**.

Provided that, if the sum insured by the item Loss of Licence as shown in **your schedule** is less than the sum produced by applying the **rate of gross profit** to the **annual turnover** (or to a proportionately increased multiple where the **maximum indemnity period** exceeds twelve months), the amount payable will be proportionately reduced.

Adjustments will be made as necessary for trends of **the business** and variations and other circumstances affecting **the business**, either before or after the suspension or withdrawal of the **MOT licence**, or which would have affected **the business** had the suspension or withdrawal of the **MOT licence** not occurred so that the adjusted figures will represent as closely as possible, the results which would have been obtained during the relative period after the suspension or withdrawal of the **MOT licence**.

What is not covered

1. Cyber exclusion

We will not cover you for any loss, damage, cost or expense, directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from

- a) any **cyber act** including but not limited to **hacking, phishing, denial of service attack** or the transmission of any **virus or similar mechanism**
- b) any **cyber incident**.

This exclusion shall not apply to claims for damage resulting from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them covered by this **section**.

2. Disease exclusion

- a) Notwithstanding any provision to the contrary within this **policy**, this Loss of Licence Extension excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- b) Subject to the other terms, conditions and exclusions contained in this **policy**, this Loss of Licence Extension will cover physical damage to property insured and any **time element loss** directly resulting therefrom where such physical damage or **time element loss** is covered by this Loss of Licence Extension and is directly caused by or arising from any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, or impact by any road vehicle or animal, **storm**, earthquake, **flood**, subsidence, landslip, landslide, riot, riot attending a strike, civil commotion, vandalism and malicious persons, theft, escape of water from any tank apparatus or pipe, escape of fuel from any fixed oil heating installation.

3. Pollution or contamination exclusion

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

- a) pollution or contamination which itself results from a **defined peril** provided that peril is covered by this **section**
- b) any **defined peril** provided that peril is covered by this **section**, which itself results from pollution or contamination.

4. Miscellaneous exclusion

We will not cover **you** for any loss, damage, cost or expense arising from

- a) where **you** or a principal or director has received a final warning for the suspension or withdrawal of the **MOT licence** within the five years prior to the inception of this cover
- b) where **you** have a warning for the suspension or withdrawal of the **MOT licence** which is current at the inception of this cover
- c) a suspension or warning received during the four weeks immediately following the inception of this cover
- d) actual or proposed compulsory purchase of the **premises**
- e) any scheme of town or country planning improvement or development
- f) any policy by the Vehicle and Operator Services Agency to reduce the number of authorised examiners and nominated testers
- g) any alteration after the commencement of cover of any relevant law, unless confirmed in writing by **us** that cover will continue
- h) failure to maintain the **premises**, equipment or machinery in good general repair
- i) failure to keep accurate and up to date documentation as required by the Vehicle and Operator Services Agency
- j) a criminal conviction.

Conditions

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

In the event of the **MOT licence** being suspended or withdrawn **you** will

1. give **us** written notice within 48 hours of being made aware, stating the reason why the **MOT licence** was suspended or withdrawn
2. give **us** all the assistance **we** may require for an appeal against the suspension or withdrawal and allow **us** and **our** solicitors full discretion in the conduct of the proceedings
3. apply if required by **us** for the grant of a new **MOT licence** for the same or alternative **premises** that will enable **you** to continue **the business** in a similar or alternative form
4. provide a statement of **your** loss, if any, together with documents, statements and accounts that **we** may require to verify the loss, and make a statutory declaration as to their truth, accuracy and comprehensiveness, if required by **us**.

Clauses

1. Alternative trading

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

2. Automatic reinstatement of sum insured

In the event of any loss the sum insured stated in the **schedule** will not be reduced by the amount of any claim unless there is written notice by **us** or **you** to the contrary. **You** will have to pay an additional premium for this.

3. Inflation protection

We will adjust the sum insured in line with suitable indices of costs. The renewal premium for this **section** will be based on the adjusted sum insured.

4. New Business

For the purpose of any claim for the suspension or withdrawal of the **MOT licence** occurring before the first years trading of **the business** at the **premises** is completed. The following terms will have these meanings and not as otherwise stated

Rate of gross profit	The rate of gross profit earned on the turnover during the period between the date of the start of the business and the date of the suspension or withdrawal of the MOT licence .
Annual turnover	The proportional equivalent for a twelve month period, of the turnover produced during the period between the start of the business and the date of the suspension or withdrawal of the MOT licence .
Standard turnover	The proportional equivalent for a period equal to the indemnity period , of the turnover produced during the period between the start of the business , and the date of the suspension or withdrawal of the MOT licence .

Adjustments will be made as necessary for trends of **the business**, variations and other circumstances affecting **the business**, either before or after the **incident**, or which would have affected **the business** had the **incident** not occurred so that the adjusted figures represent as closely as possible, the results which would have been obtained during the relative period after the **incident**.

5. Professional accountants

Any particulars or details contained in **your** books of account, other business books or documents that are required by **us** for investigating or verifying any claim, may be produced by professional accountants if, at the time they are regularly acting for **you**. Their report will be accepted evidence of the particulars and details that the report relates to unless proven otherwise.

We will pay **you** the reasonable charges that **you** have to pay for professional accountants in producing the particulars or details or any other proofs, information or evidence as **we** may require and reporting these particulars or details are in accordance with **your** books of account, other business books or documents.

Provided that the sum of the amount payable under this clause, and the amount otherwise payable under the extension does not exceed the sum insured as specified in the **schedule**.

Section 7 – Equipment Breakdown

This section is automatically included when Section 1 – Material Damage is covered.

Meanings of defined terms

These meanings apply within **your** Equipment Breakdown **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

<p>Accident</p>	<p>Direct physical loss or damage caused by</p> <ul style="list-style-type: none"> a) electrical or mechanical breakdown, including rupture or bursting caused by centrifugal force b) artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires c) explosion or collapse of covered equipment operating under steam or other fluid pressure d) loss or damage to covered equipment operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded), occurring inside such equipment e) loss or damage to hot water boilers or other water heating equipment and heating oil storage tanks caused by or resulting from any condition or event (not otherwise excluded), occurring inside such equipment f) or due to operator error g) materials being processed. <p>If an initial accident causes other accidents, all will be considered one accident. All accidents that are the result of the same event will be considered one accident.</p>
<p>Biomass and biogas installations</p>	<p>Any equipment and machinery used in connection with running a biomass or biogas heating or power-generation plant, including anaerobic digesters, storage tanks, augers, screeners, scrubbers, boilers, gas engines, generators, heat exchangers, pumps and motors.</p>
<p>Breakdown</p>	<ul style="list-style-type: none"> a) The actual breaking, failure, distortion or burning out of any part of the covered equipment whilst in ordinary use arising from defects in the covered equipment causing its sudden stoppage and necessitating repair or replacement before it can resume work. b) Fracturing of any part of the covered equipment by frost, when the fracture renders the covered equipment inoperative. c) The actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary. d) Electronic derangement.
<p>Collapse</p>	<p>The sudden and dangerous distortion (whether or not attended by rupture) of any part of the covered equipment caused by crushing, stress by force of steam or other fluid pressure (other than pressure of chemical action, or ignited flue or ignition of the contents).</p>

<p>Communicable disease</p>	<p>Any disease which can be transmitted by means of any substance or agent from any organism to another organism where:</p> <ul style="list-style-type: none"> a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
<p>Computer equipment</p>	<ul style="list-style-type: none"> a) Electronic, computer or other data processing and or storage equipment b) Projectors printers scanners and other peripheral devices used in conjunction with a) above c) Software and programs licensed to you and installed on a) above d) Portable computer equipment.
<p>Covered equipment</p>	<p>Equipment</p> <ul style="list-style-type: none"> a) which is built to operate under vacuum or pressure (other than the weight of its contents); or b) that generates transmits stores or converts energy; or c) computer equipment. <p>Excluding:</p> <ul style="list-style-type: none"> i) any supporting structure, foundation, masonry, brickwork or cabinet ii) any insulating or refractory material iii) safety or protective devices due to their functioning iv) any vehicle aircraft floating vessels or any equipment mounted thereon (other than vehicle recovery crane or equipment which is included but not the actual vehicle) v) self-propelled plant and equipment (other than fork lift trucks and pallet trucks used by you at your premises), dragline excavation or construction equipment vi) equipment manufactured by you for sale or your customers' machinery brought on to your premises for processing, repair or overhaul vii) tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, driving belts or bands, bulbs, valves, tubes, batteries or any consumable or part that requires periodic renewal viii) any electronic equipment (other than vehicle diagnostic equipment or computer equipment) used for research, diagnostic treatment, experimental or other medical or scientific purposes ix) any kitchen and food preparation equipment, laundry and cleaning equipment, audio-visual equipment and computer equipment whilst in a private dwelling or private dwelling quarters (unless such equipment is your property or for which you are responsible) x) any electricity generating equipment other than emergency back-up power equipment, or wind turbines less than 10kW or photovoltaic equipment less than 50kW xi) any biomass and biogas installation xii) any hydroelectric installation.

Cyber event	<ul style="list-style-type: none"> a) a failure of electronic equipment to correctly recognise, process or store any data b) a hostile, malicious, illegal or transgressive act committed through electronic systems or, including but not limited to: <ul style="list-style-type: none"> i) a virus (a program, code, programming instruction or any set of instructions intended to damage, interfere with or have a negative effect on computer programs, data or operations); ii) hacking (unauthorised access to any computer or other electronic equipment); iii) a denial of service attack (any actions or instructions intended to damage, interfere with or affect the availability or performance of networks, network services, network connectivity or telecommunication systems).
Electronic derangement	<p>Malfunction of the computer equipment or electronic circuitry controlling or operating the covered equipment that is not accompanied by visible damage and requires replacement of one or more insured components of the covered equipment in order to restore it to its normal operation.</p> <p>Electronic derangement does not include</p> <ul style="list-style-type: none"> a) the rebooting, reloading or updating of software or firmware b) the incompatibility of covered equipment with any software or equipment installed, introduced or networked within the previous 30 days c) the covered equipment being of insufficient size, specification or capacity d) malfunction resulting from causes excluded under exclusion 2 'What is not covered'.
Explosion	The sudden and violent rending of the covered equipment by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the covered equipment together with forcible ejection of the contents.
Hazardous substance	Any substance other than ammonia that has been declared as hazardous to health by a governmental agency.
Hydroelectric Installations	Any equipment, machinery, dam and weir used in connection with running a hydroelectric-power station, including turbines, sluice gates, screens, screeners, pumps, motors, generators, gearboxes, engines, alternators and associated equipment. Hydroelectric Installations also include any substation and distribution transformer, switchgear, meter, cabling, telecommunication and monitoring device, building and converter housing (including fixtures and fittings), and security equipment.
Media	All forms of electronic, magnetic and optical tapes and discs for use in any computer equipment .
Portable computer equipment	<ul style="list-style-type: none"> a) Laptops, palmtops and notebooks b) Personal digital assistants (PDAs) c) Projectors, printers, scanners and other peripheral devices which are designed to be carried and used in conjunction with other portable computer equipment d) Removable satellite navigation systems e) Digital cameras f) Smartphones.
Time element loss	Business interruption, contingent business interruption or any other consequential losses.
Verified	Checked for accuracy and integrity to ensure a precise match with the source data and capable of restoration.

What is covered

Cover under this **section** is provided in respect of any **accident to covered equipment** owned by **you** or for which **you** are responsible occurring during the **period of insurance** at the **premises** specified in the **schedule**, subject to the limit of indemnity specified in the **schedule**.

Extensions and sub limits

The following extensions of cover also apply to loss caused by or resulting from an **accident to covered equipment**. The limits specified for the following extensions and sub limits are included within, and do not increase, the limit of indemnity specified in **your schedule**.

1. Additional access costs cover

This Extension is only applicable when Section 6 – Business Interruption and Loss of Licence is shown as operative in the **schedule**.

We will be liable under this Extension for any necessary additional costs incurred in order to gain access to repair or replace the **covered equipment** following an **accident**.

We will not be liable for more than £20,000 any one **accident** under this Extension.

2. Business interruption cover

This Extension is only applicable when Section 6 – Business Interruption and Loss of Licence is shown as operative in the **schedule**.

We will provide cover as described under the basis of loss settlement detailed within Section 6 – Business Interruption and Loss of Licence that is caused by any **accident to covered equipment** provided that **our** total liability under this Extension will not exceed £100,000 for all claims during one **period of insurance**.

Business interruption losses following damage to own surrounding property (as insured by the Damage to own surrounding property Extensions and sub limits of cover within this **section**) are excluded from this Extension.

3. Computer equipment cover

We will be liable under this Extension for loss or damage caused by or resulting from an **accident to computer equipment**. **Our** liability in any one **period of insurance** will not exceed £500,000 for damage to **computer equipment**.

a) Reinstatement of data

Unless otherwise excluded, **we** will be liable for costs incurred in reinstating data lost or damaged in consequence of an **accident to covered equipment**.

Provided that

- i) **our** liability will not exceed £50,000 in total for all claims arising from any one **accident**
- ii) **our** liability is limited solely to the cost of reinstating data onto **media**
- iii) **we** will not be liable for loss of or damage to software.

b) Increased cost of working

In addition **we** will pay reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to **your** computer operations.

Our liability will not exceed £50,000 in total in respect of such additional costs arising from any one **accident**.

4. Damage to own surrounding property cover

We will pay for damage to property at the **premises** directly resulting from **explosion** or **collapse** of any **covered equipment** operating under steam pressure.

We will not be liable for more than £1,000,000 any one **accident** under this Extension.

5. Debris removal cover

We will be liable under this Extension for costs incurred in the removal of debris and protection of **covered equipment** following an **accident**.

We will not be liable for more than £25,000 any one **accident** under this Extension.

6. Energy efficiency improvements cover

With **our** prior written agreement, **we** will pay the additional cost to replace damaged **covered equipment** following an **accident** with similar equipment that is better for the environment, safer and more efficient than the **covered equipment** being replaced.

Our liability shall not exceed 25% of the new replacement cost of the damaged **covered equipment** or £25,000 whichever is the less.

7. Expediting expenses cover

For damaged **covered equipment**, **we** will be liable for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement. **We** will not be liable for more than £20,000 any one **accident** under this Extension.

8. Hazardous substance cover

We will be liable for the additional cost to repair or replace **covered equipment** because of contamination by a **hazardous substance** as a result of any **accident** including any additional expenses to clean up or dispose of such property.

Our liability in respect of such additional costs will not exceed £10,000 in total for all claims arising from any one **accident**.

9. Hire of substitute item cover

If **covered equipment** is damaged as a result of an **accident**, **we** will also indemnify **you** against the cost of hire charges actually incurred by **you** during the **period of insurance**, for the necessary hire of a substitute item of similar type and capacity during the period of repair, or until a permanent replacement of the item lost or damaged. **We** will not be liable for more than £10,000 any one **accident** under this Extension.

10. Loss avoidance measures cover

We will pay the reasonable costs necessarily incurred by **you** to take exceptional measures to prevent or mitigate impending damage to **covered equipment** as a result of an **accident**.

Provided that

- a) damage would be reasonably expected if the measures were not implemented
- b) **we** are satisfied that damage has been avoided or mitigated by implementing the exceptional measures
- c) the amount payable will be limited to the cost of damage, which would have otherwise occurred
- d) the terms, conditions and exclusions of this **section** and the **policy** apply as if damage has occurred
- e) if damage had occurred, it would have resulted in a claim that would have been accepted by **us** under this **section** of the **policy**.

We will not be liable for more than £5,000 in any **one period of insurance**.

11. Portable computer equipment away from your premises cover

The cover provided by this **section** is extended to include **accident** to **portable computer equipment** insured under Section 8 – Computer Insurance whilst removed from the **premises** to anywhere within the **policy territories**.

Our liability shall not exceed £5,000 any one **accident** under this Extension.

12. Public authorities/Law or ordinance cover

If an **accident** to **covered equipment** damages a building that is covered under this **policy**, and the loss is increased by the enforcement of any public authority, ordinance or law at the time of the **accident**, that regulates the construction or repair of buildings, or establishes zoning or land use requirements

we will be liable for the following additional costs to comply with the ordinance or law

- a) **your** actual expenditures for the cost to demolish and clear the site of undamaged parts
- b) **your** actual expenditures for increased costs to repair, rebuild or construct the building. If the building is repaired or rebuilt, it must be intended for similar use or occupancy as the current building, unless otherwise required by zoning or land use, ordinance or law.

We will not be liable for

- a) any fine
- b) any liability to a third party
- c) any increase in loss due to a **hazardous substance** other than specifically granted under the Hazardous substance Extensions and sub limits of cover within this **section**
- d) increased construction costs until the building is actually repaired or replaced.

13. Repair costs investigation cover

With **our** prior written agreement, **we** will pay costs relating to repair investigations and tests by consulting engineers for damage to **covered equipment** following an **accident** for an amount not exceeding £25,000 any one **accident**.

We will not be liable under this Extension for fees incurred in preparing a claim under this **section**.

14. Storage tanks and loss of contents cover

The insurance under this **section** extends to include damage caused by an **accident** to oil storage tanks or water tanks, including connected pipework belonging to **you** or for which **you** are responsible at the **premises**. In addition this Extension covers loss of the contents of oil storage tanks belonging to **you** or for which **you** are responsible at the **premises** caused by

- a) escape of contents – leakage, discharge or overflow from the oil storage tanks caused by or resulting from an **accident**
- b) contamination – contamination of the contents of oil storage tanks caused by or resulting from an **accident**

including cleaning costs incurred as a result of the loss.

We will not be liable for more than £10,000 under this Extension for any one **accident** or series of **accidents** arising out of one event.

15. Vehicle recovery cranes or winches away from your premises cover

The cover provided by this **section** is extended to include **accident** to vehicle recovery cranes or winches (and any other lifting equipment normally used in addition) owned by **you** or for which **you** are responsible, whilst removed from the **premises** to anywhere within the **policy territories**.

Our liability shall not exceed £100,000 any one **accident** under this Extension.

Conditions

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

1. Precautions condition

You must exercise due diligence in

- a) complying with any statute or order
- b) ensuring that **your** items are properly maintained and used in accordance with manufacturers' recommendations and in taking reasonable precautions to prevent loss or damage.

2. Back-up records condition

You will maintain a minimum of two generations of **verified** back up computer records, taken at regular intervals no less frequently than every 48 hours and take all reasonable precautions to store and maintain records in accordance with the maker's recommendations.

What is not covered

1. **We** will not be liable for loss or damage caused by or resulting from the hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment.
2. **We** will not be liable for loss or damage of any kind caused by a **cyber event**.
3. **We** will not be liable for loss or damage caused by:
 - a) depletion, deterioration, corrosion, wear and tear, or other gradually developing conditions
 - b) any condition which can be corrected by resetting, calibrating, realigning, tightening, adjusting or cleaning, or by the performance of maintenancebut if loss or damage from an **accident** results, **we** will be liable for that resulting loss or damage.
4. **We** will not be liable for loss or damage recoverable under any maintenance agreement or any warranty or guarantee.
5. The **excess** applicable under this **section** is either the **excess** applicable under Section 1 – Material Damage or Section 6 – Business Interruption and Loss of Licence (as appropriate).
6. This insurance does not cover any loss or damage which is insured by any other **section** of this **policy**.
7. Loss or damage arising out of any intentional act or wilful omission by **you** (other than an act or omission which is classed as an exceptional measure to prevent injury, loss or damage) with regard to the nature and circumstances of the act or omission could reasonably be expected to cause, contribute to or exacerbate any loss or damage.
8. **We** will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with
 - a) any act of **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b) any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect.

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this **section**, it will be **your** responsibility to prove that they are covered.
9. **We** will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from
 - a) damage to or the destruction of any **computer systems**; or
 - b) any alteration, modification, distortion, erasure or corruption of **data**in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism or hacking or phishing or denial of service attack**.

We will cover subsequent loss which is covered by this **section**, which itself results from a **defined peril** covered by this **section**, except for loss caused by malicious persons other than thieves.

10. a) Notwithstanding any provision to the contrary within this **policy**, this **section** excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- b) Subject to the other terms, conditions and exclusions contained in this **policy**, this **section** will cover physical damage to property insured and any **time element loss** directly resulting therefrom where such physical damage or **time element loss** is covered by this **section** and is directly caused by or arising from any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, or impact by any road vehicle or animal, **storm**, earthquake, **flood**, subsidence, landslip, landslide, riot, riot attending a strike, civil commotion, vandalism and malicious persons, theft, escape of water from any tank apparatus or pipe, escape of fuel from any fixed oil heating installation.

Section 8 - Computer Insurance

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Computer Insurance **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

Communicable disease	Any disease which can be transmitted by means of any substance or agent from any organism to another organism where: a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
Computer equipment	a) Hardware ; and b) proprietary software programs and other information stored upon fixed disks owned by or on deferred purchase , lease, hired or rented to you or whilst on trial with a view to purchase.
Damage/damaged	Loss or destruction or damage.
Deferred purchase	Any agreement which entitles you to defer payment for a period exceeding 90 days or a period in excess of usual trade credit.
Hardware	a) Computers and associated equipment including interconnecting wiring, fixed disks, and telecommunications equipment used for the storage and communication of electronically processed data but excluding any such equipment controlling a manufacturing process; and b) portable computer equipment if shown as insured in your schedule ; and c) ancillary equipment solely for use with a) above, comprising: air-conditioning equipment, generating equipment, uninterruptible power supply, voltage-regulating equipment, temperature and humidity recording equipment, electronic access equipment, heat, smoke and water detection equipment, lightning and transient over voltage protection devices, computer furniture, gas flooding cylinders and pipework and computer room partitioning.
Indemnity period	The period beginning when the operation of computer equipment is interrupted or interfered and ending not later than the number of months shown in your schedule .

Insured event	<ul style="list-style-type: none"> a) Damage to hardware as insured under Part 1 of this section; b) damage to hardware due to its own derangement where such cost of repair or remedy is recoverable under any guarantee or agreement for maintenance, rental hire or lease, or any provision in an agreement with the supply of the hardware; c) accidental failure or fluctuations of the supply of electricity to hardware at the premises; and or d) accidental failure of any telecommunications system other than satellite systems used in connection with the computer equipment.
Portable computer equipment	<ul style="list-style-type: none"> a) Laptops, palmtops and notebooks; b) Personal digital assistants; c) Projectors, printers and other peripheral devices which are designed to be carried and used in conjunction with other portable computer equipment. d) Removable satellite navigation systems; and or e) Digital cameras.
Proprietary software programs	The package of software programs purchased by you with the hardware at the original date of purchase, plus any subsequent upgrades.
Time element loss	Business interruption, contingent business interruption or any other consequential losses.
Telecommunication networks	Telecommunication networks including the internet, internet service providers, Domain Name System service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.

Part 1 – Computer equipment cover

What is covered under Part 1

Damage to computer equipment at the premises

We will cover **you** for **damage** to any **computer equipment** described in **your schedule** occurring during the **period of insurance** whilst at the **premises** in accordance with the Basis of Settlement below.

Portable computer equipment away from the premises

We will cover **you** for **damage** to any **portable computer equipment** described in **your schedule** occurring during the **period of insurance** whilst removed from the **premises** to any location anywhere in the world in accordance with the Basis of Settlement below.

Provided that:

1. **our** liability for **damage** to **portable computer equipment** away from the **premises** will not exceed:
 - a) £5,000 for any one loss or series of losses arising out of theft or attempted theft or the sum insured shown in **your schedule** whichever is the lesser
 - b) £25,000 in respect of any other loss
2. **portable computer equipment** must at all times be carried as hand luggage when in transit other than by private motor vehicle.

Temporary removal cover

We will cover you for **damage** to any **computer equipment** described in **your schedule** other than **portable computer equipment** occurring during the **period of insurance** whilst temporarily removed or in transit between the **premises** and any other location (including whilst in transit by sea or air but only whilst in **your** custody, care and control).

Provided that **our** liability will not exceed £100,000 for any one claim.

Basis of Settlement

In the event of **damage** as insured by Part 1 of this **section**:

1. where any item of **computer equipment** suffers **damage** to the extent that repair is uneconomic or impractical, **we** will replace with new **computer equipment** of equal performance and or capacity. If this is not possible, its replacement will have the nearest higher performance and or capacity to the **computer equipment** lost or **damaged**
2. where the **computer equipment** suffers **damage**, **we** will repair the **damage** and restore the portion that has suffered **damage** to a working condition the same as, but not better or more extensive than its condition when new.

Provided that:

1. **our** liability for loss of or **damage** to **computer equipment** will not exceed the sum insured shown in **your schedule**, or additionally provided by the Automatic cover under 'Extensions applicable to Parts 1 and 2' within this **section**
2. the work of repair or replacement commences and is carried out without unreasonable delay
3. a) if the cost of repair or replacement is not actually incurred; or
b) if at the time of the **damage** the **computer equipment** is covered by any other insurance arranged by **you** or on **your** behalf which is not upon the same Basis of Settlement

the Basis of Settlement shall be:

- i) where a repair would have been economic and practical but for a) and b) above, the amount payable shall be an amount equivalent to the value of the repair at the time of the **damage**
 - ii) where a repair would have been uneconomic or impractical but for a) and b) above, the amount payable shall be equivalent to the current market value of the item being replaced at the time of the **damage**
4. each item insured is declared to be separately subject to the following condition of average:

If at the time of **damage**, the sum insured plus any further increase allowed under Automatic cover under 'Extensions applicable to Parts 1 and 2' within this **section** is less than 85% of the replacement cost of the **computer equipment**, **our** liability for **damage** will be proportionately reduced and be limited to the proportion that the sum insured bears to the replacement cost.

Part 2 – Reinstatement of data cover

What is covered under Part 2

Reinstatement of data cover

We will cover **you** for the cost of restoring and recreating data lost, damaged, distorted, corrupted or erased as a result of an **insured event** **you** discover during the **period of insurance**.

Provided that:

- a) **we** will not be liable for **damage** to software insured under Part 1 — Computer equipment cover
- b) **our** liability is limited to the cost of reinstating data and does not include the value of the data to **you** even if it cannot be restored or recreated.

Research and development costs cover

We will cover **you** for the costs of re-writing any data processing research or development projects to the stage that they had reached immediately prior to the **insured event** but excluding any benefit **you** would have obtained from the completion of the data processing research or development projects had the **damage** not occurred.

Provided that:

1. **you** have fully complied with the Precautions condition - applicable to Parts 1, 2 and 3 under Section conditions within this **section**
2. **our** liability will not exceed £25,000 or the sum insured shown in **your schedule**, whichever is less.

Part 3 – Increased cost of working cover

What is covered under Part 3

Additional costs cover

We will cover **you** for additional costs necessarily and reasonably incurred by **you** during the **indemnity period** as a result of an interruption or interference with the operations of the **business** carried out by **your computer equipment** as a result of:

- a) an **insured event**; and
- b) loss as insured under Part 2 — Reinstatement of data cover within this **section**

occurring during the **period of insurance**.

Provided that **our** liability in any one **period of insurance** shall not exceed the sum insured shown in **your schedule**.

Extensions applicable to Parts 1 and 2

Please also refer to 'Extensions applicable to Parts 1, 2 and 3'.

1. Accidental discharge of gas flooding systems cover

We will cover **you** for the cost of recharging gas flooding systems, installed at the **premises** solely for the protection of the **computer equipment** following accidental discharge provided that:

- a) **we** will not be liable for any claims as a result of gradual leakage, discharge or drop in pressure
- b) **you** will maintain, at **your** own expense, the gas flooding system in accordance with the supplier's and or manufacturer's recommendations.

Our liability under this Extension will not exceed £100,000 in any one **period of insurance**.

2. Automatic cover

We will cover **you** for the additional **computer equipment** purchased by **you** during the **period of insurance** for which **you** are responsible, at the **premises** until the next renewal date at no additional charge.

Our liability will not exceed £500,000 in any one **period of insurance**.

3. Consulting engineers fees and investigation costs cover

We will cover **you** for the costs incurred, including consulting engineers fees, with **our** prior consent in conducting investigations or tests into the possible repair, replacement or reinstatement of **computer equipment** suffering **damage**, regardless of whether the investigations or tests are successful or not.

Our liability will not exceed the sum insured shown in **your schedule**.

4. Disposing of damaged hardware cover

If **we** have agreed to pay for **damage** to **hardware**, **we** will cover **you** for the costs necessarily and reasonably incurred with **our** consent in the removal of **damaged hardware**.

Our liability for any one loss will not exceed 10% of the sum insured under Part 1 — Computer equipment cover or £100,000 whichever is the less.

5. Expediting costs cover

We will cover **you** for the costs necessarily and reasonably incurred in making temporary repairs to, and or expediting the repair, reinstatement or replacement of **computer equipment** following **damage** as insured by this **section**.

Provided that:

- a) **we** will not be liable for any costs recoverable under Part 3 — Increased cost of working cover within this **section**
- b) **our** liability will not exceed 10% of the cost of **damage** or £50,000 whichever is the less.

6. Extra hire or lease costs cover

We will cover **you** for

- a) extra hire, lease or rental costs arising out of changes to or replacement of an existing hire, lease or rental agreement.

Any payment **we** make under this Extension will end:

- i) when the hire, lease or rental agreement in force at the time of the **damage** ends;
 - or
 - ii) 12 months after the date of the **damage**; whichever comes first
- b) continuing hire, lease or rental costs which you are legally liable to pay
 - c) the cost of payments **you** have to continue paying, under any extended warranty, maintenance contract or repair-service agreement, for **hardware** which has been **damaged** and is no longer in use

Any payment **we** make under this extension will end:

- i) when the warranty, maintenance contract or repair-service agreement ends; or
 - ii) 12 months after the date of the **damage**; whichever comes first
- d) the cost to **you** of any unused parts of any non-refundable extended warranties, maintenance contracts or repair-service agreements for **hardware** which has been **damaged** and is no longer in use.

Our liability under this Extension will not exceed £25,000 in any one **period of insurance**.

7. Fire brigade charges cover

If **we** have agreed to pay for **damage**, **we** will pay for the charges **you** have to pay to the fire service, or any other organisation responsible for protecting the public, attending the **premises**.

Our liability will not exceed £50,000 for any one claim.

8. Incompatibility of records cover

If **we** have agreed to pay for **damage** to **computer equipment**, **we** will pay the extra cost of modifying **your computer equipment** if replacement parts or software are incompatible with it.

Our liability will not exceed £100,000 for any one claim.

9. Loss avoidance measures cover

We will cover **you** for the reasonable costs incurred in taking exceptional measures to prevent or mitigate impending **damage** as insured by Parts 1 and 2 within this **section**.

Provided that:

- a) **damage** would be reasonably expected if these measures were not implemented
- b) **we** are satisfied that **damage** has been avoided or mitigated by implementing the exceptional measures
- c) the amount payable will be limited to the cost of **damage** which would have otherwise occurred
- d) the terms and conditions of this **policy** apply as if **damage** had occurred.

Our liability will not exceed 10% of the sum insured for Parts 1 and 2 or £50,000, whichever is the less.

10. Recovery of hardware cover

If **we** agree in writing, **we** will pay for the cost of investigating and recovering lost or stolen **hardware** which contains data that may result in **you** being prosecuted, **your** reputation being damaged, or **you** suffering a financial loss as the result of loss of or publication of that data.

Our liability will not exceed £10,000 for any one claim.

11. Security guard costs cover

If we have agreed to pay for **damage** to **computer equipment**, we will also pay for the cost of **you** employing temporary security guards at **your premises**.

Provided that:

- a) we are satisfied that security guards are needed to protect the **computer equipment**
- b) the security guards are members of the International Professional Security Association (IPSA)
- c) we give **our** written consent where security guards are required for more than seven days
- d) **our** liability will not exceed £25,000 for any one claim.

12. Theft from unattended vehicles cover

We will pay for **damage** to **computer equipment** by theft or attempted theft when in an unattended vehicle.

Provided that:

- a) **you** have fully complied with Unattended vehicle security condition — applicable to Parts 1 and 2 under Section conditions within this **section**
- b) **our** liability will not exceed £5,000 for any one claim.

13. Trace and access cover

We will pay the cost of finding the point where any substances which have caused, or would cause, **damage** to **computer equipment** have escaped from. We will also pay the cost of repairing floors, walls and ceilings **damaged** in the course of the investigation.

Our liability will not exceed £25,000 for any one claim.

14. Virus seek and destroy costs cover

We will cover **you** for the costs necessarily and reasonably incurred with **our** prior consent in locating and removing a detected computer virus infecting any host program or disk as insured by Part 1 — Computer equipment cover within this **section**.

Our liability will not exceed £10,000 for any one claim.

15. Waste Electrical and Electronic Equipment Directive cover

We will cover **you** for the additional costs that you incur in order to comply with the Waste Electrical and Electronic Equipment Directive for the disposal of electronic equipment following insured loss or **damage** to **computer equipment**.

Our liability will not exceed £100,000 for any one claim. This amount is in addition to the limit for Debris removal costs.

Extensions applicable to Part 3

Please also refer to 'Extensions applicable to Parts 1, 2, and 3'

1. Additional rental cover

In addition to the limit shown for Part 3 — Increased cost of working cover within this **section**, we will pay for additional lease or rental charges up to an amount not exceeding £15,000 arising from the replacement of a lease or hire agreement for the **computer equipment** by a new contract for similar **computer equipment** as a consequence of **damage** as insured by Part 1 — Computer equipment cover within this **section**.

2. Loss of interest cover

If an **insured event** interrupts the functions carried out by **your computer equipment**, we will pay **you** for:

- a) interest **you** would have earned on money that would have been received as recorded in **your** normal accounts; and
- b) interest due on money **you** have borrowed to maintain normal revenue, less any normal savings in cost.

Provided that:

- i) Part 3 — Increased cost of working cover within this **section** is shown as being operative in **your schedule**
- ii) **our** liability will not exceed 10% of the sum insured shown in the **schedule** for Part 3 — Increased cost of working cover in any one **period of insurance**.

3. Payments on account cover

Where we have admitted liability under Part 3 — Increased cost of working cover, at **your** request, payments on account may be made to **you** during the **indemnity period** in advance of final settlement.

4. Prevention of access cover

If, during the **period of insurance**, **you** are denied access to the **computer equipment** due to:

- a) **damage** to the **computer equipment** at or within a 1 mile radius of the **premises** or
- b) a public or police authority using its compulsory powers to protect property as a result of physical **damage** caused by fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, malicious persons, theft or attempted theft, earthquake, **storm**, **flood**, escape of water from any tank, apparatus or pipe or impact by any road vehicle or animal to any property within a 1 mile radius of the **premises**

we will cover **you** for additional costs necessarily and reasonably incurred by **you** during the **indemnity period** as a result of an interruption or interference with the operations of the **business** carried out by **your computer equipment**.

Provided that **our** liability will not exceed £25,000 in any one **period of insurance** or the sum insured shown in **your schedule** whichever is the less.

Extensions applicable to Parts 1, 2 and 3

1. Reinstatement of sum insured after loss cover

In the event of loss as insured by this **section**, the sum insured will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by **us** or by **you**.

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

- a) complete any additional risk improvements which **we** may reasonably require
- b) pay the necessary premiums that may be required for the reinstatement,

we agree to waive the additional premium if the cost of the claim does not exceed £25,000.

2. Waiver of subrogation rights

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

- a) i) any company which is **your** parent or subsidiary or
- ii) any company which is the subsidiary of **your** parent company

in each case as defined by current law at the time of the loss or

- b) any other user of the **computer equipment** explicitly authorised by **you**.

Provided that:

- i) such users observe and fulfil the terms and conditions of this **policy** as if they were **you** and
- ii) **you** do not receive any form of indemnity or damages from such users.

What is not covered under Parts 1 and 2

Please also refer to 'What is not covered under Parts 1, 2 and 3'.

1. Defined perils exclusion

We will not cover **you** for **damage** to **computer equipment** while at the **premises** caused by a **defined peril**.

2. Maintenance agreement exclusion

We will not cover **you** for:

- a) **damage** to **hardware** due to its own breakdown or derangement unless **you** have in force a maintenance agreement, warranty or guarantee with the manufacturers or other approved company for the **hardware** providing for:
 - i) free repairs to or replacement of the **hardware** following breakdown or stoppage from any internal cause other than caused by a breach of **your** obligations under the maintenance agreement, warranty or guarantee
 - ii) preventative maintenance or adjustment of mechanical moving parts
- b) **damage** recoverable under a maintenance agreement or any warranty or guarantee.

3. Lease hire rent loan or sale exclusion

We will not cover **you** for damage to any **computer equipment** which is:

- a) offered or to be offered for lease, hire, rent or loan by **you**
- b) leased, hired, rented or lent by **you** to others
- c) offered, or to be offered for sale or sold by **you**, where the sale of the **computer equipment** is in the course of **your business**.

4. Property of others exclusion

We will not cover **you** for damage to any **computer equipment** which is not owned, leased, rented, hired or loaned to **you** whilst in **your** custody or control for the purposes of programming, repair, service, adjustment, alteration, storage or transit.

What is not covered under Part 3

1. Costs of reinstatement of information exclusion

We will not cover **you** for the costs of reinstatement of programs or information onto computer records or fixed disks under Part 3 — Increased cost of working cover within this **Section**.

2. Period exclusion

We will not cover **you** for any increase in cost of working incurred:

- a) during the first 30 minutes for failure of the supply of electricity, or
- b) during the first 4 hours for failure of telecommunications equipment.

What is not covered under Parts 1, 2 and 3

1. Bespoke software exclusion

We will not cover **you** for damage arising from loss, corruption or damage to bespoke software or individually tailored packages unless **you** have in force a software support agreement with the supplier or a third party maintainer approved by the supplier and the software has been approved by **us** prior to its use.

2. Business interruption exclusion

We will not cover **you** for financial loss, loss of profits, loss due to delay and or any kind of **time element loss** not specifically covered by this **section**.

3. Circumstances before your policy started

We will not cover **you** for any loss, damage cost or expense arising from:

- a) circumstances that existed before cover under this **section** was provided which **you** knew about, and
- b) circumstances which **you** have already reported or should have already reported before the **period of insurance**.

4. Cyber exclusion

We will not cover **you** for any loss, damage, cost or expense directly or indirectly caused by, contributed to by, arising from, occasioned by, or resulting from

- a) any **cyber act** including but not limited to **hacking, phishing, denial of service attack** or the transmission of any **virus or similar mechanism**
- b) any **cyber incident**.

This exclusion shall not apply to claims for **damage** under Part 2 — Reinstatement of data cover and 3 — Increased cost of working cover resulting from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them covered by this **section**.

5. Date recognition exclusion

We will not cover **you** for any loss, damage, cost or expense directly or indirectly caused by, contributed to by, or arising from, the failure of equipment (including any **computer systems**) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

This exclusion shall not apply to claims for **damage** resulting from a **defined peril** covered by this **section**.

6. Disease exclusion

- a) Notwithstanding any provision to the contrary within this **section**, this **section** excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- b) Subject to the other terms, conditions and exclusions contained in this **section**, this **section** will cover physical damage to property insured and any **time element loss** directly resulting therefrom where such physical damage or **time element loss** is covered by this **section** and is directly caused by or arising from any of the following perils: fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, or impact by any road vehicle or animal, **storm**, earthquake, **flood**, subsidence, landslip, landslide, theft, escape of water from any tank apparatus or pipe, or leakage of oil from any fixed heating installation.
- c) The exception under b) above shall not apply to any damage including physical damage and any **time element loss** caused by or arising from riot, riot attending a strike, civil commotion, vandalism or malicious persons, which shall be subject to a) above.

7. Excess exclusion

We will not cover **you** for the first £100 for each and every claim.

8. Excluded parts exclusion

We will not cover **you** for damage to safety or protective devices as a result of their operation.

9. External network failure exclusion

We will not cover **you** for any losses caused by or resulting from the failure or interruption of any electrical power supply or **telecommunication networks** not owned and operated by **you**. This exclusion shall not apply to losses caused by or resulting from physical damage, if otherwise insured by this **section**, to the electrical power supply network, **telecommunication networks** or other property.

10. Guarantees of performance exclusion

We will not cover **you** for penalties for delay or detention in connection with guarantees of performance or efficiency.

11. Intentional acts exclusion

We will not cover **you** for damage caused by:

- a) **your** intentional act or wilful neglect
- b) intentional overloading
- c) testing or experiments involving the imposition of any abnormal conditions.

12. Pollution or contamination exclusion

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

- a) pollution or contamination which itself results from a **defined peril**, provided that peril is covered by this **section**
- b) any **defined peril**, provided that peril is covered by this **section**, which itself results from pollution or contamination.

13. Terrorism exclusion

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

- a) any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- b) any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

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

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

14. Wear and tear, deterioration exclusion

We will not cover **you** for damage solely due to:

- a) wear and tear, gradual deterioration or rust
- b) gradually developing defects
- c) scratching or chipping of painted or polished surfaces
- d) erosion or corrosion

but **we** will cover subsequent **damage** which itself results from a cause which is covered by this **section**.

Section conditions

These conditions of cover apply only to this **section** or where detailed specific Parts of this **section**.

You must comply with the following conditions to have the full protection of **your policy**.

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

1. Access condition – applicable to Parts 1, 2 and 3

We or **our** representatives shall have right of access to the property insured at reasonable times.

2. Alteration in risk condition – applicable to Parts 1, 2 and 3

We will not cover **you** if after the start of the **period of insurance** the **business** is wound up or carried on by a liquidator or receiver or permanently discontinued.

3. Claims procedure condition – applicable to Parts 1, 2 and 3

In the event of a claim being made under this section, you will at your own expense:

- a) no later than 30 days after the end of the **indemnity period** or within such time as agreed by **us** deliver to **us** in writing the details of the claim with details of any other insurances covering the property used by **you** at the **premises** for the purpose of the **business** or any part of it or any consequential loss
- b) deliver to **us** any books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, and any other information required by **us** for the purpose of investigating or verifying the claim together with, if required, a statutory declaration of truth of the claim and any matters connected with it.

If **you** do not comply with this condition:

- i) **we** have the right to refuse to pay **your** claim
- ii) **you** must repay **us** any amount **we** have already paid.

4. Claims requirement condition – applicable to Parts 1, 2 and 3

If **you** make a claim for **damage** under this section, **you** must retain any damaged property for inspection.

5. Current cost accounting condition – applicable to Part 3

For the purposes of Part 3 — Increased cost of working cover, any adjustments implemented in current cost accounting will be disregarded.

6. Declaration of values condition – applicable to Parts 1, 2 and 3

Prior to each renewal, **you** must supply **us** with declarations of the new replacement value of each of the categories of **computer equipment** insured.

7. Limit of liability condition – applicable to Parts 1 and 2

Our liability will not exceed:

- a) the total sum insured or for any item its sum insured at the time of the **damage**
- b) the sum insured remaining after deduction for any other interruption or interference as a consequence of **damage** occurring during the same **period of insurance**, unless **we** have agreed to reinstate any sum insured.

8. Precautions condition – applicable to Parts 1, 2 and 3

You must

- a) exercise due diligence in complying with any statute or order relating to the use of the **computer equipment**, software programs, data, records and software
- b) maintain the **computer equipment** in good order and efficient operating condition
- c) observe the manufacturers' and or suppliers' instructions for use, operation, storage, transit and inspection of the **computer equipment**
- d) back up information (other than software programs) at least once every 7 days, and take all reasonable precautions for their safe storage

- e) obtain and keep in force and effect a proper and valid licence for any software programs in **your** possession.

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

9. Professional accountants charges condition – applicable to Part 3

Any particulars or details contained in **your** books of accounts or other **business** books or documents which may be required under the Claims procedure condition for this **section**, for the purpose of investigating or verifying any claim, may be produced by professional accountants if at the time they are regularly acting for **you**. Their report will be accepted evidence of the particulars and details to which the report relates unless proven otherwise.

We will pay the reasonable costs incurred by **you** for professional accountants in producing these particulars or details of any other proofs, information or evidence as may be required by **us** under the Claims procedure condition for this **section**. Reporting these particulars or details are in accordance with your books of accounts or other **business** books or documents.

Provided that the sum payable under this cover together with **your** claim under Part 3 – Increased cost of working cover will not exceed the sum insured shown in **your schedule**.

10. Unattended vehicle security condition – applicable to Parts 1 and 2

Whilst any item of **computer equipment** is being carried in a vehicle without **you** or a responsible adult employee in the vehicle or immediately next to the vehicle, **you** must ensure that:

- a) the doors of the vehicle must be locked and all its windows and other openings fully closed and properly fastened
- b) the vehicle must be in a locked garage or a walled or fenced compound that is either securely locked or has a watchman in constant attendance
- c) the **computer equipment** must be concealed from view in a glove box or locked boot or covered hatchback area.

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

11. Value added tax condition – applicable to Parts 1, 2 and 3

To the extent that **you** are accountable to the tax authorities for Value Added Tax, all terms of this **section** will be exclusive of such tax.

Special clauses applicable to Parts 1, 2 and 3 of this Section

Clauses 1 and 2 are only applicable if the clause number appears in the **schedule**.

1. Temporary cover

The first premium has been calculated to take into account the cost of temporary cover in accordance with details lodged with **us** pending issue of this **policy**.

2. Long term agreement

The discount shown in the **schedule** is allowed off the net premiums on this **section** in return for **you** giving an undertaking (expiring on the date stated in the **schedule**) to offer annually the insurance under this **section** based on the terms and conditions in force at the expiry of each **period of insurance** and to pay the premium annually in advance, it being understood that:

- a) **we** will be under no obligation to accept an offer made
- b) **where** appropriate the sum insured may be reduced at any time to correspond with any reduction in value.

The above mentioned undertaking applies to any **section(s)** which may be issued by **us** in substitution for this **section** and the same discount as shown in the **schedule** will be allowed off the net premiums on any substituted **section(s)** issued by **us**.

Payment of the premium due at the expiry date shown in the **schedule** will be deemed acceptance by **you** of the terms of this clause.

Section 9 – Public and Products Liability

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Public and Products Liability **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

Asbestos	Asbestos in any form, asbestos fibres or particles or derivatives of asbestos or any material containing asbestos.
Bodily injury	Death, bodily injury, illness or disease.
Claim costs	Costs and expenses a) of any claimant which you become legally liable to pay b) incurred with our prior written consent, to investigate or defend a claim against you including solicitor's fees at i) any coroner's inquest or fatal accident inquiry ii) summary court proceedings.
Clean up costs	Costs and expenses of remediation of environmental damage or environmental harm.
Computer system	Any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet or wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.
Contractual liability	Legal liability assumed by you under the express or intended terms of any contract or agreement that restrict your right of recovery, or increase your liability at law beyond that applicable in the absence of those terms.
Cyber act	An unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any computer system .
Cyber incident	a) Any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any computer system . b) Any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any computer system .
Data	Information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a computer system .
Employed person	a) Anyone under a contract of service or apprenticeship with you . b) Anyone who is i) employed by you or on your behalf on a labour only basis ii) self employed iii) hired to you or borrowed by you from another employer iv) a voluntary helper or taking part in a work experience or training scheme and under your control or supervision.

Enforcing authority	Any government or statutory authority, implementing or enforcing environmental protection legislation in the policy territories .
Event	Claim or series of claims against you as a result of or attributable to a single source or the same original, repeated or continuing cause.
Financial loss	Loss not accompanied by or as a result of bodily injury, personal injury or property damage that you have caused to anyone else arising out of a defect in or the unsuitability of your products .
Hot work	Any work that requires, uses or produces open flames or any other sources of heat or sparks that could ignite flammable or combustible materials.
Manslaughter costs	Costs and expenses of legal representation in connection with any criminal inquiry into or court proceedings brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.
Nuisance or trespass	Nuisance, trespass to land or trespass to goods, or interference with any easement.
Offshore	On or working from, or travelling by sea or air, to, from or between an offshore rig, platform or similar offshore installation.
Personal injury	Personal injury or infringement of a person's legal right other than a) bodily injury b) a right arising from title to or an interest in property.
Pollutants	Any solid liquid or gaseous pollutant contaminant or irritant substance or any biological agent that is a danger to human health.
Principal	Employer who has engaged you to act on their behalf, under a contract for the performance of work by you , in connection with the business .
Products	Products that you have sold, supplied, provided or delivered including containers, packaging, labelling, instructions or advice in connection with products in the course of the business .
Property damage	Loss of or damage to property including motor vehicles that you do not own or possess and is not in your custody or under your control.
Safety legislation costs	Costs and expenses of legal representation in connection with an alleged breach of statutory duty under Health and Safety, Consumer Protection or Food Safety legislation, enacted within the policy territories .
Servicing	a) Work, process or other operation that you undertake or is undertaken on your behalf including any goods or materials used in connection with the work, process or other operation in the course of the business . b) Repair, testing, servicing, maintenance, alteration, cleaning, installation, erection, treatment or inspection of any motor vehicle .
Sudden incident	Sudden, identifiable, unintended and unexpected incident that does not originate from a gradual, continuous or repetitive cause.
Terrorist act	Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.

What is covered

We will cover the amount of damages which **you** are legally liable to pay in respect of

1. **bodily injury**
2. **personal injury**
3. **property damage**
4. **nuisance or trespass**

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

If legal liability to pay damages in respect of **property damage** or **nuisance or trespass** arises from a release or escape of **pollutants** into the atmosphere or onto land, water, buildings or any structure, the cover will only apply to a **sudden incident** which happens at a specific time and place during the **period of insurance** within the **policy territories** and all **property damage** or **nuisance or trespass** will be considered as having occurred at the time of the **sudden incident**.

Extensions

1. Claim costs cover

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

2. Compensation for court attendance cover

We will compensate **you** at the rate of £500 per day, for each day that **we** request any director, partner or **employed person** to attend court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this **section**.

3. Cross liabilities cover

Any person, firm, company or organisation covered by this **section**, is entitled to the cover as if a separate policy had been issued to each and where **you** are a membership organisation, the cover will apply to each member as if a separate policy had been issued to each member.

However the amount payable by **us** in total, on behalf of all entitled to cover, shall not in any circumstances exceed the limit of indemnity shown in **your schedule**.

4. Data Protection cover

We will cover the amount of compensation which **you** are legally liable to pay in respect of **personal injury** occurring during the **period of insurance**, arising from holding personal data, or, as a result of any loss, misuse or unauthorised disclosure of personal data held by **you** in the course of the **business**.

We will only pay

- a) amounts of compensation which **you** are ordered to pay, or which **you** might reasonably be expected to pay by a court having jurisdiction

- b) if **you** are registered or are in the process of registration (and the application has not been refused or withdrawn) under Data Protection legislation

within the **policy territories**.

We will not cover

- i) fines or penalties imposed by a court
- ii) the costs of any appeal against the refusal of an application for registration or alteration, in connection with the Data Protection legislation or any enforcement, de-registration or prohibition notice
- iii) the cost of replacing, reinstating, rectifying or erasing any personal data
- iv) refund of monies paid to **you** by any claimant
- v) liability for which cover is provided under any other more specific insurance.

The maximum **we** will pay for compensation, costs and expenses in total, as a result of all occurrences during any one **period of insurance** is £1,000,000.

5. Defective Premises Act cover

We will cover the amount of damages which **you** are legally liable to pay in respect of accidental **bodily injury** or **property damage**, occurring during any one **period of insurance**, arising out of premises **you** have disposed of, but had previously owned in connection with the **business**.

We will not cover

- a) loss of or damage to the land or premises disposed of or in connection with the cost of rectifying any defect or alleged defect in them
- b) any liability for which **you** are covered under any other insurance policy.

6. Defective workmanship to vehicles cover

We will cover **you** up to the limit of indemnity shown in **your schedule** against legal liability to pay damages in respect of loss of or damage to any **motor vehicle**, caused by or arising from its **servicing** by **you** or **your** subcontractors, whether or not it is in **your** possession or under **your** custody or control at the time of the occurrence of loss of or damage.

7. Environmental clean up cover

We will cover the amount of **clean up costs** which **you** are legally liable to pay, under a notice or order imposed upon **you** by an **enforcing authority**, arising from a release or escape of **pollutants**, onto or into land, surface water or ground water.

The cover will only apply to a **sudden incident** which happens at a specific time and place during the **period of insurance** in connection with the **business**, within the **policy territories**.

The maximum **we** will pay for all **clean up costs**, as a result of one **sudden incident** or all such incidents happening during any one **period of insurance** is £100,000.

Where a claim for damages arises in addition to **clean up costs** as a result of the same **sudden incident**, the maximum **we** will pay for the total amount of damages and **clean up costs** added together, will not exceed the public liability limit of indemnity shown in **your schedule**.

We will not cover any part of a claim for clean up costs

- a) at, in or upon property that is or was, owned by **you**, or in **your** possession, or in **your** custody or under **your** control
- b) to achieve an improvement or alteration in the condition of the land, or any surface or ground water beyond that
 - i) necessary to meet the standards required by law at the start of remediation
 - ii) existing at the time of a **sudden incident** for which a claim is made under this **section**.

8. Financial loss (products) cover

We will cover the amount of damages which you are legally liable to pay in respect of a claim for financial loss, which is first made against you during the period of insurance in connection with the business, so long as we are notified during the same period of insurance or within 7 days after expiry.

We will not cover:

- a) any amount exceeding £250,000 for the total of all damages and **claim costs** made against **you** during any one **period of insurance**
- b) **claim costs** for any part of a claim not covered by this Extension
- c) the first 10% of each and every claim or **event** subject to a minimum of £1,000
- d) the cost of replacing, reinstating, repairing or recalling any **products**
- e) any refunds or diminution in value of **products**
- f) delays, non-completion or non-delivery of **products**.

9. Loss of use (customers motor vehicles) cover

We will cover your legal liability for any consequential loss arising from the loss of use following loss of or damage to any customer's motor vehicle, in your custody or control, caused by or arising from its servicing by you or your sub-contractors.

You must repair or replace the vehicle as soon as possible.

The maximum amount we will pay for any one loss is £50,000.

We will not provide cover for

- a) any reduction in value
- b) any fines or penalties
- c) any **contractual liability**.

10. Manslaughter costs cover

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

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

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

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

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this **section**, in connection with the proceedings.

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

We will not pay

- a) fines, penalties or awards of compensation imposed by a criminal court
- b) costs and expenses of implementing any remedial order or publicity order
- c) costs and expenses of an appeal against any fine, penalty, compensation award, remedial order or publicity order
- d) costs and expenses incurred as a result of the failure to comply with any remedial order or publicity order
- e) costs and expenses covered by any legal expenses insurance
- f) costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

11. Personal liability cover

If no other insurance is in force, at **your** request, the cover provided by this **section** will apply to the legal liability of

- a) any director, partner or **employed person of yours** whilst
 - i) performing their normal duties in connection with the **business**
 - ii) work is being carried out on behalf of a director, partner or officer by an **employed person** with **your** consent
 - iii) acting in a personal capacity, during the course of a trip or journey arranged for the purpose of the **business**
- b) the spouse, civil partner, domestic partner or any children accompanying a director, partner or **employed person** in the course of a business trip or journey.

The cover provided by this **section** will also apply to **your** personal representative, or the personal representative of any other deceased person entitled to cover.

12. Principals liability cover

At **your** request, **we** will cover the legal liability of any **principal** arising from the performance of **your** work for the **principal**.

We will not provide cover beyond the requirements of **your** contract with the **principal**.

13. Property in your care cover

The cover provided by this **section** will apply to the following property whether or not it is in **your** possession or custody or under **your** control at time of the occurrence of loss or damage

- a) premises which are leased, let, rented, hired or lent to **you**
- b) premises, including contents, which are not owned or rented by **you**, where **you** are temporarily carrying out work in connection with the **business**
- c) the vehicles or personal effects of **employed persons** or visitors while on **your premises**.

We will not provide cover for

- i) any **contractual liability**
- ii) loss of or damage to property for which **you** have an agreement to arrange insurance on behalf of the owner, or as if **you** were the owner, under a tenancy, rental or hire agreement
- ii) **clean up costs**.

14. Safety legislation costs cover

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

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

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

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

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this **section**, in connection with the proceedings.

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

We will not pay

- a) fines, penalties or awards of compensation imposed by a criminal court
- b) costs and expenses of an appeal against improvement or prohibition notices
- c) costs and expenses on indictment for manslaughter, corporate manslaughter, corporate homicide or culpable homicide, other than **safety legislation costs** already incurred
- d) costs and expenses covered by any legal expenses insurance
- e) costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

Limit of indemnity

1. The public liability limit of indemnity shown in **your schedule** is the maximum amount **we** will pay for all damages arising from one **event**.
2. The public liability limit of indemnity is also the maximum amount **we** will pay for all damages as a result of all occurrences during any one **period of insurance** caused by or originating from release or escape of **pollutants**.
3. The products liability limit of indemnity shown in **your schedule** is the maximum amount **we** will pay for all damages as a result of all occurrences during any one **period of insurance** caused by or originating from **products**.
4. The **terrorist act** limit of indemnity is the public liability limit of indemnity shown in **your schedule** or £5,000,000 whichever is less and is the maximum amount **we** will pay for all damages as a result of all occurrences during any one **period of insurance**, arising directly or indirectly in connection with a **terrorist act**.
5. If **we** cover more than one person, firm, company or organisation, the amount payable by **us** in total, on behalf of all entitled to cover, shall not in any circumstances exceed the limit of indemnity shown in **your schedule**.
6. **We** will pay **claim costs** in addition to the limit of indemnity applicable to the claim or claims, except if an action for damages is started or brought in the United States of America or Canada.
7. If an action for damages is started or brought in the United States of America or Canada, **we** will not pay more than the limit of indemnity shown in **your schedule**, for the total of all damages and **claim costs** arising from the action.
8. In respect of any claim or claims, **we** may at any time pay the limit of indemnity applicable, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. **We** will not then be liable to make any further payment in respect of the claim or claims. If **we** have agreed to pay **claim costs** in addition to the limit of indemnity, **we** will pay the costs incurred before the date of the claim payment.

What is not covered

1. Aircraft and watercraft exclusion

We will not cover claims caused by or arising from **you** owning, possessing or using any

- a) type of aircraft or spacecraft
- b) watercraft or hovercraft exceeding 8 metres in length that is ordinarily capable of movement by mechanical power and which is under **your** control.

2. Airside exclusion

We will not cover claims caused by or arising from any **servicing** undertaken in, or on

- a) aircraft
- b) airport or airfield runways, manoeuvring areas or aprons, or any parts of airports or airfields to which aircraft ordinarily have access.

3. Asbestos exclusion

We will not cover claims caused by or arising from

- a) inhalation or ingestion of **asbestos**
- b) exposure to or fear of the consequences of exposure to **asbestos**
- c) the presence of **asbestos** in any property or on land
- d) investigating, managing, removing, controlling or remediation of **asbestos**.

4. Aviation, hovercraft, nuclear and petrochemical products exclusion

We will not cover claims caused by or arising from any **products** which, to **your** knowledge, are for use in or on any

- a) aircraft, hovercraft or device intended to travel through air or space
- b) nuclear or petrochemical installation or structure.

5. Contractual liability exclusion

We will not cover claims

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

6. Cyber and data exclusion

We will not cover claims directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with

- a) any **cyber act** or **cyber incident** including but not limited to any action taken in controlling, preventing, suppressing or remediating any **cyber act** or **cyber incident**
- b) loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss or theft, distortion, erasure, corruption or alteration of any **data**, including any amount pertaining to the value of such **data**
- c) failure of electronic, electromechanical data processing or electronically controlled equipment or **data** to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.

This exclusion shall not apply to claims

- i) for **bodily injury**
- ii) for physical **property damage**
- iii) under the Data Protection cover of this **section**

directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **cyber act** or **cyber incident**.

7. Damage to products exclusion

We will not cover claims for loss of or damage to property forming part of a contract for the sale or supply of **products**, caused by or arising from a defect in or the unsuitability of those **products**.

This exclusion shall not apply to claims for **motor vehicles** sold or supplied by **you** where the loss or damage to the **motor vehicle** is a direct result of work undertaken by **you** or on **your** behalf.

8. Defamation and discrimination exclusion

We will not cover claims caused by or arising from

- a) libel or slander
- b) false statement
- c) discrimination of any kind.

9. Deliberate act exclusion

We will not cover claims

- a) caused by or arising from any deliberate act, error or omission
 - i) where the results are intended or expected, or are reasonably foreseeable by **you**
 - ii) by anyone other than **you**, so far as cover is requested for their own liability.
- b) for **clean up costs** in circumstances where **you** have knowingly
 - i) deviated from any regulatory notice, order or protection ruling
 - ii) omitted to inspect, maintain or perform necessary repairs to plant or machinery for which **you** are responsible.

10. Employee injury exclusion

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

11. Employment dispute exclusion

We will not cover claims caused by or arising from a dispute with, or proceedings brought by, any person for

- a) their existing, past or prospective contract of employment with **you**
- b) a breach of employment-related legislation.

12. Excess exclusion

An **excess** of £350 will apply to each **event** for loss. In respect of **products**, the **excess** will apply to each **event** during each **period of insurance** that loss occurs as a result of the **event**.

13. Intellectual property exclusion

We will not cover claims caused by or arising from passing off or infringement of trade name, registered design, unregistered design, copyright or patent right.

14. North America exclusion

We will not cover claims caused by or arising from

- a) any **products**, which to **your** knowledge, are for export, either directly or indirectly to the United States of America or Canada
- b) **servicing** undertaken in the United States of America or Canada
- c) pollution or contamination of the atmosphere, land or water or any buildings or structure, or any environmental damage or impairment in the United States of America or Canada.

15. Offshore exclusion

We will not cover claims caused by or arising from any work undertaken **offshore**.

16. Overseas establishment exclusion

We will not cover claims caused by or arising from any associated or subsidiary company of **yours**, or any of **your** branch offices, or any representative of **yours** with power of attorney, registered, having premises or resident outside the **policy territories**.

17. Professional duty exclusion

We will not cover claims caused by or arising from any breach of professional duty in relation to advice, instruction, consultancy, design, formula or specification, provided or performed separately for a fee, or under a separate contract.

18. Punitive damages exclusion

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

19. Radioactive contamination exclusion

We will not cover claims to pay for any costs or expenses caused by or arising from any type of nuclear radiation, nuclear material, nuclear waste, nuclear reaction or radioactive contamination.

20. Recall exclusion

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

21. Rectification of defects exclusion

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

22. Road Traffic Act exclusion

We will not cover claims caused by or arising from the ownership, possession or use by **you** or on **your** behalf of any **motor vehicle**, trailer or mobile plant

- a) elsewhere than in or on the **premises**
- b) in circumstances where compulsory insurance or security is required by Road Traffic Legislation or where cover is provided (or would be provided but for breach of the terms of cover) by another insurance.

This exclusion shall not apply to claims for liability caused by or arising from the use of any plant or equipment as a tool of trade.

23. Second-hand parts and tyres exclusion

We will not cover **your** legal liability arising out of the sale, supply or fitting of second-hand tyres and or part-worn tyres and or second-hand vehicle parts.

Conditions

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

1. Hot work precautions condition

The following precautions must be complied with by **you, employed persons** or by any sub-contractors acting on **your** behalf each time that **hot work** is undertaken away from **your premises**

- a) the area where the work is to be completed must be cleared of all combustibles
- b) combustible floors and other combustible property which cannot be moved (other than unharvested crops), must be protected by non combustible material and where welding, cutting or grinding equipment is being used, this must extend to at least 6 metres from or beneath the work area
- c) where there is a danger of ignition either directly, or by conduction of heat, through any partitions or walls, the area on the other side must be inspected and combustible material removed
- d) if it is necessary to carry out **hot work** in an area of unharvested crops
 - i) so far as it is possible
 - a) crops within the immediate vicinity of the work must be removed to a distance of not less than two metres radiating from the point of any **hot work**
 - b) a wind break of not less than 1.5 metres high, enclosing the area of **hot work** must be erected
 - ii) the total area radiating two metres from the point of any **hot work** must be saturated with water to prevent the ignition of any residual combustible material.
- e) at least one fire extinguisher, of a type suitable for the use required, must be kept adjacent to the work or task and ready for immediate use

- f) no heat producing equipment must be left out of view of its operator or firewatcher whilst lighted or powered or whilst hot
- g) the battery of any vehicle, machine or equipment being worked on must be disconnected and removed
- h) if any **hot work** is carried out on any vehicle within 1 metre of any fuel tank, pipe or line, the fuel must be drained from the vehicle using a proprietary fuel retriever pump into a suitable metal canister. This must be sealed and removed to a distance of not less than 6 metres from the vicinity of the work and fully protected by overlapping sheets or screens or non combustible and non heat conducting material or other equivalent
- i) a thorough safety check for signs of fire or combustion around, above or below the work area must be made at regular intervals, for at least 30 minutes after each period of work is completed.

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

2. Legionella precautions condition

If **you** own or are responsible for water systems, water installations or cooling systems, a written risk assessment must be undertaken and controls put in place to prevent the growth of biological agents that may cause disease or illness.

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

3. Premium adjustment condition

If the estimates shown in **your** schedule are marked as adjustable, then **you** must, at **our** request, tell **us** the actual figures on the expiry of the **period of insurance** so that the final premium can be calculated using the agreed rates. If the adjusted premium is less than the estimated premium, **we** will not return more than 25% of the original premium.

If the estimates shown in **your** schedule are marked as index linked, the renewal premium for each **period of insurance** will be calculated on an adjusted amount in line with suitable indices of costs.

4. Pre-sale vehicle inspection condition

Each and every **motor vehicle** sold by **you** must be inspected by a competent automotive technician, being an **employed person** or a sub-contractor appointed by **you**, and any faults found must be rectified prior to its sale.

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

5. Sub-contractors condition

If **you** appoint any sub-contractor (other than an **employed person**) to carry out **servicing** for **you** or on **your** behalf, **you** must take reasonable steps to obtain confirmation from the sub-contractor, prior to starting work, that they have public liability insurance in force throughout the period of their involvement.

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

Section 10 – Employers Liability

Your schedule will show if this section is covered

Meanings of defined terms

These meanings apply within **your** Employers Liability **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

Bodily injury	Death, bodily injury, illness or disease.
Claim costs	Costs and expenses a) of any claimant which you become legally liable to pay b) incurred, with our prior written consent, to investigate or defend a claim against you including solicitor's fees at i) any coroner's inquest or fatal accident inquiry ii) summary court proceedings.
Contractual liability	Legal liability assumed by you under the express or intended terms of any contract or agreement that restrict your right of recovery, or increase your liability at law beyond that applicable in the absence of those terms.
Employed person	a) Anyone under a contract of service or apprenticeship with you . b) Anyone who is i) employed by you or on your behalf on a labour only basis ii) self employed iii) hired to you or borrowed by you from another employer iv) a voluntary helper or taking part in a work experience or training scheme and under your control or supervision.
Manslaughter costs	Costs and expenses of legal representation in connection with any criminal inquiry into or court proceedings brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.
Offshore	On or working from, or travelling by sea or air, to, from or between an offshore rig, platform or similar offshore installation.
Principal	Employer who has engaged you to act on their behalf, under a contract for the performance of work by you , in connection with the business .
Safety legislation costs	Costs and expenses of legal representation in connection with an alleged breach of statutory duty under Health and Safety, Consumer Protection or Food Safety legislation, enacted within the policy territories .
Terrorist act	Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.

What is covered

We will cover the amount of damages which **you** are legally liable to pay in respect of **bodily injury** to any **employed person** resident in the **policy territories**, caused during the **period of insurance** and arising out of and in the course of their employment by **you** in connection with the **business**.

Extensions

1. Claim costs cover

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

2. Compensation for court attendance cover

We will compensate **you** at the rate of £500 per day, for each day that **we** request any director, partner or **employed person** to attend court as a witness in connection with a claim, for which an award of damages is paid or may be payable under this **section**.

3. Injury to working partners cover

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

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

4. Manslaughter costs cover

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

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

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

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

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this **section**, in connection with the proceedings.

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

We will not pay

- a) fines, penalties or awards of compensation imposed by a criminal court
- b) costs and expenses of implementing any remedial order or publicity order
- c) costs and expenses of an appeal against any fine, penalty, compensation award, remedial order or publicity order
- d) costs and expenses incurred as a result of the failure to comply with any remedial order or publicity order
- e) costs and expenses covered by any legal expenses insurance
- f) costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

5. Overseas employees cover

If **bodily injury** is caused during the **period of insurance** to any person under a contract of service or apprenticeship, arising out of and in the course of their employment by **you** in connection with the **business** and who is resident outside the **policy territories**, **we** will cover the amount of damages which **you** are legally liable to pay by a court of law having jurisdiction within the **policy territories**.

We will not pay

- a) for any action or recovery brought or commenced
 - i) in a court of law outside the **policy territories**
 - ii) in connection with any workmen's compensation or other social insurance, or arising from **your** failure to meet legal obligations or to pay adequate contributions for that insurance
- b) where an insurance policy covering legal liability for **bodily injury** caused to **employed persons** is arranged outside the **policy territories**.

6. Personal liability cover

If no other insurance is in force, at **your** request, the cover provided by this **section** will apply to the legal liability of

- a) any director, partner or **employed person of yours** whilst
 - i) performing their normal duties in connection with the **business**
 - ii) work is being carried out on behalf of a director, partner or officer by an **employed person** with **your** consent
 - iii) acting in a personal capacity, during the course of a trip or journey arranged for the purpose of the **business**
- b) the spouse, civil partner, domestic partner or any children accompanying a director, partner or **employed person** in the course of a business trip or journey.

The cover provided by this **section** will also apply to **your** personal representative, or the personal representative of any other deceased person entitled to cover.

7. Principals liability cover

At **your** request, **we** will cover the legal liability of any **principal** arising from the performance of **your** work for the **principal**.

We will not provide cover beyond the requirements of **your** contract with the **principal**.

8. Safety legislation costs cover

We will cover **safety legislation costs** in respect of any **bodily injury** occurring during the **period of insurance**, in circumstances where there is also a claim or potential claim against **you** for damages covered by this **section**.

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

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

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

If **we** have consented to legal representation at court proceedings, **we** will also pay the legal costs of prosecution awarded against **you**, or any person entitled to cover under this **section**, in connection with the proceedings.

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

We will not pay

- a) fines, penalties or awards of compensation imposed by a criminal court
- b) costs and expenses of an appeal against improvement or prohibition notices
- c) costs and expenses on indictment for manslaughter, corporate manslaughter, corporate homicide or culpable homicide, other than **safety legislation costs** already incurred
- d) costs and expenses covered by any legal expenses insurance
- e) costs and expenses of any investigation or prosecution brought other than under the laws of the **policy territories**.

9. Unsatisfied court judgements cover

We will, at **your** request, pay an **employed person** the amount awarded to that person by a court of law for **bodily injury** against any company, partnership or individual conducting a business within the **policy territories**, if such award remains unpaid six months after the date of the judgement.

We will only provide cover if

- a) there is no outstanding appeal
- b) the **bodily injury** was sustained during the **period of insurance** by the **employed person** while working in connection with the **business**
- c) the judgement was obtained in a court within the **policy territories**
- d) the **employed person** or their personal representative assigns the amount awarded under the judgement to **us**.

Limit of indemnity

1. The employers liability limit of indemnity shown in **your schedule** is the maximum **we** will pay for the total of all damages and **claim costs** and will apply to any one claim or series of claims by one or more of the **employed persons** arising from one occurrence.
2. The **terrorist act** limit of indemnity will not exceed £5,000,000 and will apply exclusively to any one claim or series of claims by one or more of the **employed persons** arising directly or indirectly in connection with a **terrorist act**.
3. In respect of any claim or claims, **we** may at any time pay the limit of indemnity applicable, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. **We** will not then be liable to make any further payment in respect of the claim or claims.

What is not covered

1. Offshore exclusion

We will not cover claims for **bodily injury** to any **employed person** while **offshore**.

2. Radioactive contamination exclusion

We will not cover claims for

- a) **contractual liability**
- b) which **your principal** has a legal liability

caused by or arising from any type of nuclear radiation, nuclear material, nuclear waste, nuclear reaction or radioactive contamination.

3. Road Traffic Act exclusion

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

Conditions

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

1. Premium adjustment condition

If the estimates shown in **your schedule** are marked as adjustable, then **you** must, at **our** request, tell **us** the actual figures on the expiry of the **period of insurance** so that the final premium can be calculated using the agreed rates. If the adjusted premium is less than the estimated premium, **we** will not return more than 25% of the original premium.

If the estimates shown in **your schedule** are marked as index linked, the renewal premium for each **period of insurance** will be calculated on an adjusted amount in line with suitable indices of costs.

2. Right of recovery

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

Section 11 – Terrorism

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Terrorism **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

Business interruption	Loss resulting from interruption of or interference with the business carried on by you at the premises as a result of damage to property used by you at the premises for the purpose of the business .
Damage	Physical loss, destruction or damage.
Private individual	Any person other than <ul style="list-style-type: none"> a) a company, association or partnership b) a trustee or body of trustees where insurance is arranged under the terms of a trust c) a person who owns residential property for the purpose of a business as a sole trader d) a person who owns residential property of which in excess of 20% is commercial occupied e) an executor of a will where <ul style="list-style-type: none"> i) the residential property is occupied by a trustee, executor of a will or a sole trader as a private residence and the property is not a block of flats then each will be classified as a private individual in respect of that property ii) more than one person is named on the policy but each is a private individual, or one of the parties named is a financial interest that has simply had their interest noted then the policy will be classified as being in the name of a private individual.
Terrorism	<ul style="list-style-type: none"> a) In respect of risks located in England, Wales and Scotland except for residential property insured in the name of a private individual: Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of His Majesty's Government in the United Kingdom or any other government de jure or de facto. b) In respect of risks located in the Channel Islands, Isle of Man and residential property located in England, Wales and Scotland insured in the name of a private individual: An act of any person(s) acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of any government de jure or de facto.

What is covered

The cover provided under the **section(s)** applicable as shown in the Terrorism **section** of **your schedule** is extended to include **damage** to the property insured or **business interruption** where covered caused by happening through or as a result of **terrorism**.

Where Section 1 — Material Damage is shown as being applicable under the Terrorism **section** of **your policy** and Section 4 — Goods in Transit — Own Goods is shown as being insured on **your schedule**, this **section** is extended to include **damage** to property insured under Section 4 — Goods in Transit — Own Goods for losses caused by **terrorism**.

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

What is not covered

In respect of all locations:

1. Excluded property exclusion

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

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

2. Motor exclusion

We will not cover **you** for any mechanically propelled vehicle or attached trailer

- a) elsewhere than in or on the **premises**
- b) if insured by any other policy or where compulsory insurance or other security is required by any road traffic legislation.

3. Other insurances exclusion

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

In respect of risks located in England, Wales and Scotland except for residential property insured in the name of a **private individual**:

1. Cyber exclusion

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

- a) damage to or the destruction of any **computer systems**
- b) any alteration, modification, distortion, erasure or corruption of **data**

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

But this exclusion will not apply where the loss

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

and

B) comprises

a) the cost of reinstatement, replacement or repair in respect of **damage** to or destruction of property insured by **you** and or

b) **business interruption** suffered directly by **you** as a direct result of either **damage** or destruction to property used by **you** at a location covered by this **policy** or as a direct result of denial, prevention or hindrance of access to a location where property used by **you** is covered by this **policy** as a result of **damage** caused by **terrorism** to property which is within one mile of the location.

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

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

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

and

ii) **data**

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

2. War risks exclusion

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

In respect of risks located in the Channel Islands, Isle of Man and residential property located in England, Wales and Scotland insured in the name of a **private individual**:

1. Cyber exclusion

We will not cover **you** for any loss, damage, cost or expense directly or indirectly caused by, contributed to by, arising from, occasioned by or resulting from

- a) any **cyber act** including but not limited to **hacking, phishing, denial of service attack** or the transmission of any **virus or similar mechanism**
- b) any **cyber incident**.

2. Deliberate loss or damage exclusion

We will not cover **you** for any loss, damage, cost or expense caused, or allowed to be caused deliberately, wilfully, maliciously, illegally or unlawfully by **you**.

3. Pollution and contamination exclusion

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

4. Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss, directly or indirectly caused by or contributed to by or arising from

- a) ionising radiations or contamination by radioactivity from any nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- b) buildings, plant or equipment for the generation of nuclear power, or production, use or storage of nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- c) transportation of nuclear fuel, nuclear waste from the combustion of nuclear fuel, radioisotopes, or any other nuclear or radioactive material
- d) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly
- e) any weapon or device employing atomic or nuclear fission and or fusion or other like reaction or radioactive force or matter.

5. War risks exclusion

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

Conditions

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

1. Limitation of liability

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

- a) the total sums insured, or
- b) for each item its individual sum insured, or
- c) any other limit of liability

whichever is the less as stated within the **sections** applicable shown in the Terrorism **section** of **your schedule**.

2. Proof of cover

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

Section 12 - Legal Expenses

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Legal Expenses **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

Acts of Parliament	All Acts of Parliament referred to in the section will include any subsequent amendments, re-enactments or regulations and equivalent legislation enforceable within the policy territories .
Any one claim	All claims as a consequence of the same original cause, event or circumstance arising during the period of insurance . For a claim under the Tax Protection cover under 'What is covered' within this section , an HM Revenue & Customs investigation into a later year's self assessment return, where a previous year's self assessment return is still subject to an open enquiry will be deemed as any one claim.
Appointed representative(s)	A consultant, solicitor, barrister or other appropriately qualified person appointed to act for you by us in accordance with the terms of this section .
Awards of compensation	Basic and compensatory awards and compensation for unlawful discrimination made against you by an employment tribunal or settlement, subject to our consent but not including additional awards, protective awards, interim relief, and arrears of pay or awards of damages under the Equal Pay Act, or arising out of failure to comply with awards for reinstatement or re-engagement. We will not pay any fine, award or damages incurred by deliberately avoiding a payment or liability under statutory requirements. We will not pay any redundancy payment or any monies due or properly payable arising from a contract of employment, service agreement or related document, or from any related, implied or incorporated terms of a contract of service.
Company/our/us/we	AXA Insurance UK plc as the insurer. For the purpose of managing claims its appointed agent, Arc Legal Assistance Ltd.
Claim(s)	A claim under this section for legal expenses, professional expenses, awards of compensation or jury service allowance .
Contracting party	A person, firm or company operating within the policy territories with whom you have a direct contractual relationship.
Data controller	The party which determines the purpose for, and the manner in, which personal data are, or are to be, processed.
Data protection legislation	The relevant data protection legislation in force in the United Kingdom at the time of the claim .
Debt collection service	The debt collection service nominated by us .

Due date	The date monies owed to you , first becomes due and payable.
Employee(s)	Anyone under a contract of service with you .
HM Revenue & Customs investigation(s)	<p>a) Business self-assessment full enquiry The investigation which takes place when an officer of HM Revenue & Customs (HMRC) makes a request to examine all of your business books and records and issues a formal notice under S9A or S12AC of the Taxes Management Act 1970 or under paragraph 24(1) Schedule 18 Finance Act 1998.</p> <p>b) Employer compliance dispute The enquiries which take place following an expression of dissatisfaction with your Pay As You Earn and or National Insurance Contribution affairs, following an employer compliance visit by HMRC or following an expression of dissatisfaction with your P11Ds or P9Ds.</p> <p>c) Business self-assessment aspect enquiry The enquiry which takes place when an officer of HMRC issues a formal notice under paragraph 24(1) Schedule 18 Finance Act 1998 or S9A or S12AC of the Taxes Management Act 1970 in order to make an aspect enquiry into certain boxes on your self-assessment return.</p>
HMRC investigation	HM Revenue & Customs investigations and VAT disputes.
Injury	Physical, bodily injury or death.
Jury service allowance	The amount of money you are liable to pay the employee each day they attend on jury service less any recovery from the Court.
Legal expenses	<p>a) Fees</p> <p>i) Any professional fees, expenses and other outlay reasonably incurred by the appointed representative with our consent and</p> <p>ii) Any costs incurred by other parties where you have been held liable in court or arbitration or tribunal proceedings to pay costs, or become liable to pay costs under a settlement made with another party with our consent, but excluding any costs which you may be ordered to pay by a court of criminal jurisdiction.</p> <p>b) Witness attendance allowance The amount of money you are liable to pay the employee each day they are required by the appointed representative to attend as a witness at a court or tribunal hearing. Indemnity is limited to £100 per day and a maximum of £1,000 for any one claim.</p>
Professional expenses	Any fees, expenses and other outlay reasonably incurred by the appointed representative with our consent. Excluding any tax or VAT, additional tax or VAT, interest or penalties demanded, assessed or required by the relevant authorities or other penalties imposed by a court of criminal jurisdiction.
VAT disputes	The enquiries which take place following a written decision, assessment or statement of alleged arrears made by HMRC into your Value Added Tax return and or any related Value Added Tax default, surcharges and misdeclaration penalties.

What is covered

We will cover **you** against **legal expenses, professional expenses, awards of compensation and jury service allowance** as specified in this **section**.

We will only cover **you** for **claims** where the dispute, legal proceedings and **HMRC investigations** are in respect of activities within the scope and extent of **your business** and brought within the **policy territories** and the **claim** is notified during the **period of insurance**. We will not cover **you** for **claims** relating to the exclusions specified in this **section**.

This is a 'claims made' **section** of the **policy**. It only covers **claims** notified to **us** during the **period of insurance**.

Unless expressly stated, nothing in this **section** will create rights under the Contracts (Right of Third Parties) Act 1999.

Limits of liability

Our maximum liability under this **section** is limited to

- a) Subsections 1, 2, 3, 4, 5, 6, 7, 8, 9 and 11 – £50,000 **any one claim**
- b) Subsection 10 – £1,000 **any one claim**
- c) £500,000 all **claims** notified during the **period of insurance**.

1. Contract disputes cover

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

- a) **legal expenses** incurred in the pursuit of any dispute or legal proceedings will be limited to 75% of the amount in dispute
- b) the amount in dispute exceeds £1,000
- c) where the contract is a construction contract, as defined by the Housing Grants Construction and Regeneration Act 1996, the construction operations are carried out by the **contracting party** on the property owned by **you**, and the contract is incidental to **your business**
- d) where the dispute relates to monies owed to **you** and
 - i) liability is not contested and
 - ii) **you** refer the debt to the **debt collection service**, within 30 days of the **due date**

this will be paid for by **you** and will not be indemnified by **us**. If the **debt collection service** exhausts its normal recovery procedure and recommends to **us** that legal proceedings are necessary, **you** must immediately notify a **claim** under this **section**.

2. Employment disputes cover

Legal expenses and awards of compensation incurred by **you** in defending legal proceedings brought against **you** by an **employee**, **ex-employee** or prospective **employee** in respect of their contract of employment with **you**, or a breach of employment related legislation, provided that **you** have sought and followed all the advice from the legal advice line as to the procedure to be adopted, and **you** have received specific authorisation from the legal advice line

- a) prior to carrying out any disciplinary procedure or action or suspension of any **employee**
- b) prior to dismissal of any **employee**
- c) prior to notifying an **employee** of their intended retirement date or retiring an **employee**
- d) prior to instituting a redundancy programme and prior to making an **employee** redundant
- e) upon notification formally or informally of a grievance from an **employee** or **ex-employee**
- f) upon notification formally or informally of a complaint of sexual, racial or religious discrimination or discrimination relating to disability, age or sexual orientation
- g) prior to any adverse variation or proposed variation of the terms and conditions of employment (including altering the hours, time or place worked, demotion or deduction from or reduction in an **employees** remuneration)
- h) immediately an **employee** walks out, with or without written notice
- i) upon receipt of an appeal from an **employee** or **ex-employee**, against a decision taken as a result of a disciplinary or grievance procedure or retirement procedure or a decision to dismiss.

3. Criminal prosecution cover

Legal expenses incurred in

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

4. Property disputes cover

Legal expenses incurred in the pursuit or defence of any dispute or legal proceedings made by or brought against **you**

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

5. Data protection cover

Legal expenses incurred by **you** as a **data controller** in defending legal proceedings arising out of **data protection legislation** including an appeal by **you** against a refusal of an application for registration or alteration of registered particulars or an appeal against an Enforcement Deregistration or Transfer Prohibition Notice. **We** further agree to indemnify **you** against compensation awards which **you** are ordered to pay consequent upon the holding loss or unauthorised disclosure of data as defined in **data protection legislation**. Provided that any compensation award follows the unsuccessful defence of an action arising out of **data protection legislation** to which **we** have consented.

6. Tax protection cover

6A) HM Revenue & Customs Investigations

Professional expenses incurred in representing **you** at an **HM Revenue & Customs investigation**, including representation at an HMRC tribunal or Commissioners' hearing and at an appeal against a decision following the hearing or tribunal, provided that in the case of an employer compliance dispute there is a 51% or greater prospect of reducing the liabilities alleged by HMRC.

6B) VAT disputes

Professional expenses incurred in representing **you** at a **VAT dispute** for

- a) the local review procedure in order to reach agreement with HMRC
- b) a VAT and duties tribunal or other HMRC hearing or tribunal, including an appeal provided that there is 51% or greater prospect of reducing the liabilities alleged by the HMRC.

7. Statutory licence cover

Legal expenses incurred in an appeal by **you** against the suspension, revocation, imposed alteration of or refusal to renew a licence or certificate of registration, issued under statute or statutory instrument or by government or local authority to **you**, provided that

- a) the licence or certificate of registration is necessary for **you** to engage in **your business** and has been declared to **us**
- b) **you** have sought the advice of the legal advice line as to the procedure to be adopted immediately upon receipt of any verbal or written warning, from a person in authority, which in any way either directly or indirectly affects or may affect **your** licence or certificate of registration and have acted on all the advice with due diligence.

8. Personal injury cover

Legal expenses incurred in the pursuit of any dispute or legal proceedings or damages for injury to **you** caused by the actual or alleged act or omission of a third party.

9. Wrongful arrest defence cover

Legal expenses incurred in the defence of civil legal proceedings brought against **you** in respect of allegations of wrongful arrest or malicious prosecution.

10. Jury service allowance cover

Jury service allowance with the indemnity being limited to £100 per day and a maximum of £1,000 for **any one claim**.

11. Pension trustee defence cover

Legal expenses incurred in defending civil proceedings brought against **you**, in **your** capacity as a trustee of a pension fund set up for the benefit of **your employees**.

What is not covered

1. In respect of contract disputes cover **we** will not cover **you** for
 - a) the first £250 of **legal expenses** incurred in **any one claim**
 - b) contracts that provide or arrange credit insurance, securities or guarantees
 - c) contracts where **your** liability or right of recovery is incurred through their agent or by assignment
 - d) franchise contracts
 - e) contracts governed by or alleged to be governed by the Consumer Credit Act 1974
 - f) contracts of employment
 - g) contracts for the use of property.
2. In respect of criminal prosecution cover **we** will not cover **you** for
 - a) any prosecution relating to or arising from investigations by HMRC
 - b) any prosecution for offences against the person, including offences of a sexual nature other than charges under the Corporate Manslaughter and Corporate Homicide Act 2007
 - c) any prosecution for criminal damage
 - d) any prosecution alleging dishonesty
 - e) any prosecution which relates to the ownership, possession, hiring, driving or use of **motor vehicles**.
3. In respect of property disputes cover **we** will not cover **you** for
 - a) the payment or non payment or review of any tax, rent or service charge
 - b) a dispute relating to planning or building regulations, decisions, compulsory purchase orders or any actual planned or proposed works by or under the order of any government or public or local authority
 - c) any dispute arising from the negotiation, review or renewal of a tenancy agreement or the subsequent purchase of the **premises** whether or not the purchase is completed
 - d) any dispute where **you** have failed to maintain in full force and effect during a tenancy agreement, buildings insurance covering the standard range of perils if **you** were contractually obliged to have the insurance in force
 - e) a dispute over subsidence or heave however caused
 - f) a contract dispute, other than where the contract is a tenancy agreement with a **contracting party**.

4. In respect of tax protection cover **we** will not cover **you** for
 - a) technical or routine treatment of matters, not connected with nor arising out of an expression of dissatisfaction with **your** affairs
 - b) the defence of any criminal prosecution
 - c) taxation proceedings which arise out of negligent misstatements or omissions made by or on **your** behalf for returns or accounts or where there has been a lack of reasonable care in the keeping of business books and records
 - d) any **HMRC investigation** which results solely from investigation of earlier accounts or records
 - e) any **claim** where the Tax Return is submitted outside the statutory time limits and or in a penalty position
 - f) the preparation and or correction of Self Assessment Returns, P11Ds, P35s, VAT returns and any other statutory returns
 - g) any investigation undertaken by the Special Civil Investigations or Criminal Investigations offices of HMRC or where a Notice 730 or Code of Practice 8 or 9 Notice has been issued by HMRC
 - h) an enquiry into the validity of a **claim** for Working Families Tax Credit or a dispute concerning the payment of the Working Families Tax Credit by an employer
 - i) any dispute in connection with the payment of the National Minimum Wage
 - j) a dispute or enquiry in respect of IR35 legislation
 - k) any **claim** made where a return submitted at the final filing date contains provisional figures in respect of all of the trading income and expenditure items
 - l) an investigation arising out of a voluntary disclosure made to the HMRC in respect of omitted tax NIC or VAT liabilities which become due as a result of **your** deliberate act
 - m) an investigation by HMRC into a tax planning arrangement where the Anti Avoidance Intelligence Unit of HMRC has allocated a number for inclusion on the relevant Self Assessment Return.
5. In respect of statutory licence cover **we** will not cover **you** for
 - a) the first £250 of **legal expenses** incurred for **any one claim**
 - b) any disciplinary or internal procedures conducted by authorities, charged with **your** regulation in the performance of their **business** or for any appeal following such procedures
 - c) a suspension, revocation, alteration or refusal to renew a Statutory Licence which is imposed by Act of Parliament
 - d) any costs incurred to comply with a notice or order
 - e) driving licences.
6. In respect of wrongful arrest defence cover **we** will not cover **you** for allegations made by or against, or on behalf of an **employee** or former **employee** or any other person working for **you** whether or not an **employee**.

7. In respect of all **claims we will not cover you** for
- a) **your** defence in civil legal proceedings arising from
 - i) injury or disease including psychiatric injury and stress
 - ii) loss, destruction or damage of or to property
 - iii) alleged breach of any professional duty
 - iv) any tortious liability (other than as specified in the property disputes cover and pension trustee defence cover under 'What is covered' within this **section**)
 - b) any dispute, legal proceedings or **HMRC investigation**, made, brought or started outside the **policy territories**
 - c) **legal expenses** or **professional expenses** incurred without the **our** prior written consent
 - d) **awards of compensation** where **our** consent to incur **legal expenses** has not been granted or has been withdrawn
 - e) any **claim** relating to or arising from any cause, event or circumstance occurring prior to, or existing at the inception of this **policy**, and which has or which **you** knew, or ought to have known may give rise to a dispute, legal proceedings or **HMRC investigation** by or against **you**
 - f) fines or other penalties imposed by a court or tribunal
 - g) any dispute, legal proceedings or **HMRC investigation** for which **you** are or but for the existence of this **policy** would be, entitled to indemnity under any insurance policy whether a legal expenses insurance or not, or under a legal aid certificate or representation order
 - h) any **claim** arising out of the deliberate, conscious, intentional or negligent disregard by **you** of the need to take all reasonable steps to avoid and prevent **claims** disputes, legal proceedings or **HMRC investigations**
 - i) any dispute or legal proceedings with Government or Local Authority departments concerning the imposition of statutory charges
 - j) disputes or legal proceedings between **you** and or each party named in the **schedule** or any **endorsement**, with any parent company, subsidiary company or associated company or partner
 - k) any dispute between **you** and **us**, the **appointed representative** or **your** insurance adviser
 - l) any dispute or legal proceedings arising out of breach or alleged breach of confidentiality or passing off, whether related to intellectual property or not
 - m) any dispute or legal proceedings arising out of or in connection with the ownership or existence of any intellectual property rights
 - n) any dispute or legal proceedings arising out of or in connection with actual or alleged defamation or malicious falsehood
 - o) any **legal expenses** or **professional expenses** incurred in respect of or in connection with a judicial review
 - p) appeals arising out of legal proceedings or **HMRC investigations** to which we have not granted consent
 - q) any **claim**, directly or indirectly caused by or contributed to by seepage, pollution or contamination of any kind
 - r) any **legal expenses** or **professional expenses** which **you** should or would have had to incur irrespective of any dispute

- s) loss or damage, cost or expense or any consequential loss directly or indirectly caused by, resulting from, or in connection with
 - i) any act of **terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - ii) any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**.

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

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

- t) any **claim**, damage, loss, cost or expense or any other liability directly or indirectly arising from or in any way related to or connected with the combustibility or fire safety defects of any composite panels, cladding or façades of buildings or structures, and or internal or external wall and or cladding systems and any associated core filler or cavity insulation material and or any fixing systems
- u) any **claim**, loss, damage, liability or expense directly or indirectly caused by or contributed to by, or arising from, the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme malicious code, computer virus or process or any other electronic system. This exclusion applies unless cover for costs is specifically allowed for under 'What is covered' within this **section**.

Conditions for claims settlement

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

1. Claims procedure condition

You must tell **us** in writing immediately **you** become aware of any cause, event, circumstance, dispute or investigation which results in a **claim** or legal proceedings involving **you**.

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

2. Company's consent condition

You must obtain **our** written consent to incur **legal expenses** or **professional expenses**. **We** will grant consent if **you** can satisfy **us** that it is reasonable to incur **legal expenses** or **professional expenses** having regard to the proportionality between the remedy claimed and the **legal expenses** or **professional expenses** to be incurred and

- a) where **you** are pursuing, there is a 51% or greater prospect of proving the other party's legal liability and of recovering the damages claimed or other legal remedy sought or
- b) where **you** are defending, the other party does not have a 51% or greater prospect of proving **your** legal liability or
- c) for a criminal prosecution and where **you** plead guilty, there is a 51% or greater prospect of a significant mitigation of **your** sentence or fine.

If during the course of a **claim you** cease to satisfy **us** in respect of 2. a) or b) above, indemnity will be withdrawn for **legal expenses, professional expenses and awards of compensation**. The decision to grant consent or to withhold it will be taken on receipt of

- i) a fully completed insurance claim form
- ii) the information and documentation **we** reasonably request
- iii) a legal opinion for the **appointed representative** as to a) and b) above
- vi) any advice **we** may deem it necessary to take.

With **your** agreement **we** may provide assistance in settling disputes, these costs will be covered under this **section**.

If a dispute arises regarding the merits or value of the claim, **we** may require **you** to seek independent legal advice to obtain an opinion at **your** own expense. If the opinion conflicts with advice obtained by **us** then **we** will appoint and pay for a final opinion from a barrister which shall be binding on **you** and **us**. If the barrister's opinion supports **you**, then **we** will pay the reasonable legal costs **you** incurred in obtaining a second legal opinion, within the limits of liability.

In granting **our** consent, **we** agree to provide indemnity to **you** subject to the terms and conditions of this **section**, but the consent does not imply that all **legal expenses, professional expenses or awards of compensation** will be paid. In particular **legal expenses or professional expenses** matters that go beyond the immediate scope of the **claim** will be deemed by **us** to fall outside the indemnity provided by this **section**.

We reserve the right to limit **our** consent by time and or financial amount of **legal expenses or professional expenses** and or stage of proceedings, to allow for a review of **our** continued consent.

If after **we** have granted consent it is shown that the **claim** has not been brought within the terms and conditions of this **section**, **our** consent will be withdrawn and no indemnity will be provided. **We** will be entitled to recover any **legal expenses, professional expenses, awards of compensation and Jury Service allowance** previously paid.

If **you** elect to proceed with the pursuit or defence of a dispute or legal proceedings to which **our** consent has been refused through lack of reasonable prospects as required in 2. a) and b) above, and **you** are successful in such pursuit or defence, **we** will pay **legal expenses or professional expenses** incurred after such consent had been refused subject to the terms and conditions of this **section**.

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

3. Instruction and choice of appointed representative and counsel condition

Where recourse is necessary to a lawyer and proceedings are issued **you** are free to choose an **appointed representative** to act in **your** name and on **your** behalf, in any legal proceedings to which **we** have consented, with **you** paying the first £1,000 of **legal expenses** incurred for **any one claim**.

The name and address of the **appointed representative you** propose to instruct must be notified to **us** in writing. **We** will accept the nomination provided that **we** are satisfied the proposed **appointed representative** will cooperate and enable **you** to comply with the terms and conditions of this **policy**, and provided the proposed **appointed representatives** charging rates are fair and reasonable in regard to the particular legal proceedings.

In all other **claims we** will choose the **appointed representative** to act on **your** behalf.

A dispute arising from **your** choice of **appointed representative** may be referred to arbitration in accordance with the Arbitration condition within the Policy Conditions **section** of your **policy**.

You must not enter into any agreement with the **appointed representative** as to the basis of calculation of **legal expenses** or **professional expenses** without our written consent. **We** may withdraw consent previously given at any time. In selecting the **appointed representative** **you** will have regard to its duty to minimise the cost of any **claim**. In all cases the **appointed representative** will be appointed in the name of and on behalf of **you**. If in the course of any **claim** the **appointed representative** wishes to instruct Counsel, an expert Counsel's or the expert's name and an explanation of the necessity for such instruction, must be submitted to **us** for consent to the proposed instruction which will not be unreasonably withheld.

4. Disclosure condition

- a) **You** must give the **appointed representative** and **us** all the necessary help and information, including a complete and truthful account of the facts of the case and all relevant documentary or other evidence in **your** possession. **You** must provide, obtain or execute all documents as necessary and attend meetings or conferences as requested.
- b) **We** are entitled to receive from the **appointed representative** and **you** any information, document or advice in connection with any **claim** and the subject matter of any **claim** even if privileged. In addition **you** must instruct the **appointed representative** to provide **us** with regular updates on the progress of the subject matter of any **claim**, and inform **us** immediately if any or when any circumstances adversely impact the factors taken into account in granting **our** consent. On request **you** will give to the **appointed representative** any instructions necessary to secure the required access.

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

5. Payment of legal expenses, professional expenses and awards of compensation condition

All bills for **legal expenses** or **professional expenses** which **you** receive from the **appointed representative** should be forwarded to **us** without delay. If **we** request **you** must ask the **appointed representative** to submit the bill of costs for assessment or certification by the appropriate Law Society court or tribunal. **You** are responsible for payment of all **legal expenses**, **professional expenses** and **awards of compensation**. **We** may settle these direct if requested by **you** to do so. The payment of some **legal expenses** or **professional expenses** does not imply that all **legal expenses**, **professional expenses** or **awards of compensation** will be paid.

6. Offer of settlement condition

You must inform **us** in writing as soon as an offer to settle the subject matter of the **claim** is received, and or **you** propose to make an offer of settlement. In any settlement **you** must have regard to **legal expenses**, **professional expenses** or **awards of compensation** incurred or likely to be incurred and their recovery.

No indemnity will be provided if **you** enter into any agreement to settle without **our** prior written consent (such consent not to be unreasonably withheld) and **we** will be entitled to recover any **legal expenses**, **professional expenses** or **awards of compensation** previously paid. If **you** unreasonably reject an offer of settlement which **we** recommend acceptance of, or make an offer which **we** do not agree with no further indemnity will be provided.

We may at **our** absolute discretion decide to pay **you** the amount of damages that **you** are claiming or is being claimed against **you**, instead of indemnifying **you** for **legal expenses**, **professional expenses** or **awards of compensation**. Where **we** exercise this discretion **we** will cease to be liable for any further **legal expenses**, **professional expenses** or **awards of compensation**.

7. Recovery of costs condition

Whenever **you** are awarded costs, or under the terms of any settlement where costs are included, those costs are to be repaid to **us**. **You** and **your appointed representative** must make every effort to make a full recovery of costs.

Where a settlement is suggested to be a global or a without costs settlement or where costs are awarded but not recovered, **you** agree that a fair and reasonable proportion of that settlement will be deemed costs and due to **us**. Where such a settlement is paid in instalments all costs to **us** will be paid first.

8. Appeal procedure condition

If following legal proceedings to which **we** have consented, **you** wish to appeal against the judgement or decision of a court or tribunal, the grounds for the appeal must be submitted to **us** through the **appointed representative** immediately or as soon as practical, so that **we** may consider whether to consent to further action.

If an appeal is lodged against a judgement or decision of a court or tribunal made in **your** favour following legal proceedings to which **we** have consented, **you** must notify **us** immediately in order that cover will continue. **We** will inform the **appointed representative** of **our** decision and **you** must cooperate in an appeal against the judgement or decision of a court or tribunal.

9. Insolvency or liquidation condition

If **you** become insolvent or are placed in liquidation, receivership, administration or bankruptcy or enter into a voluntary arrangement or deed of arrangement or if any application is made to the court or meeting convened for any such purpose, **we** have the right to immediately cease to provide indemnity for **legal expenses, awards of compensation** and **professional expenses** even if **we** have previously granted consent.

10. Value Added Tax condition

If **you** are registered for VAT, **we** will not pay the VAT element of any **legal expenses** or **professional expenses**.

11. Data protection condition

You agree that any information provided to **us** regarding the **insured** persons, will be processed by **us** or the administrator in compliance with the provisions of data protection legislation for the purposes of providing insurance and handling **claim(s)**, if any, which may necessitate providing such information to third parties.

Section 13 – Personal Accident and Sickness

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Personal Accident and Sickness **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

Accident	A sudden, unexpected, unforeseen, specific event which occurs at an identifiable time and place during the operative time .
Death	Death occurring within 24 months of the accident .
Dependent children	The unmarried children, stepchildren, foster children and legally adopted children of the insured person who are under a) 18 years of age b) 25 years of age if studying in full time education.
Hospital	Any hospital or similar establishment providing both a full-time nursing service for the care of resident patients by persons with recognised nursing qualifications and full-time surgical and medical facilities by medical practitioners .
Hospitalisation	Any continuous period of 24 hours or more during which time the insured person has been confined to hospital by a medical practitioner .
Inception	The date that an insured person is first included in this insurance.
Injury	Identifiable physical injury caused by an accident including a) sickness or disease arising directly from b) medical or surgical treatment made necessary by the injury, which solely and independently of any other cause, results in the death or disablement of the insured person within 24 months of the date of the accident . This is to include i) unavoidable exposure to the elements ii) accidental drowning, gassing or poisoning iii) lawfully arresting, detaining, assisting to arrest or detain a criminal or suspected criminal.
Insured person	Any person(s) aged less than 75 years at inception , described or named in the schedule .
Loss of limb	Permanent loss by physical separation of an entire hand or foot or permanent total and irrecoverable loss of use of a hand, arm, leg or foot.
Loss of sight, hearing or speech	Total and irrecoverable loss of a) sight in one or both eyes b) hearing c) speech.
Medical expenses	The cost of medical, surgical or other remedial attention or treatment given or prescribed by a medical practitioner and all hospital, nursing home and ambulance charges connected with a claim covered by this section .

Medical practitioner	A medical practitioner or specialist who is registered or licensed to practice medicine ophthalmology or dentistry under the laws of the country in which they practice and who is not a) an insured person b) the spouse of the insured person c) a member of the insured person's immediate family d) your employee.
Operative time	The time when the insured person is covered.
Permanent total disablement	Disablement that a) entirely prevents the insured person from engaging in or attending to any business or occupation, to which they are reasonably suited by training, education or experience b) lasts for more than 12 months from the date of the accident c) in the opinion of a medical practitioner will, in all probability, continue for the remainder of the insured person's life.
Sickness or disease	Sickness or disease of the insured person , which first manifests itself during the period of insurance and results in a) the temporary total disablement b) the loss of sight, hearing or speech of the insured person within 12 months of manifestation.
Spouse	The legally married spouse or civil or cohabiting partner of an insured person .
Temporary partial disablement	Disablement which prevents the insured person from engaging in or attending to a substantial part of their usual business or occupation.
Temporary total disablement	Disablement which entirely prevents the insured person from engaging in or attending to their usual business or occupation.
Terrorist act	Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.
Weekly wage or earnings	The average weekly wage of the yearly earnings .
Yearly earnings	The total wages or salaries (exclusive of overtime, bonus payments and all allowances) shown in your accounting system as having been paid to an insured person for the 52 weeks immediately preceding the date of injury and or sickness or disease , or if the period of employment is less than 52 weeks the weekly average for that period will be used, multiplied by 52.

What is covered

We will pay you, or in the event of **your death**, **your** personal representatives if, during the **period of insurance**, an **insured person**

1. sustains **injury**
2. suffers **sickness or disease**
3. incurs **medical expenses**

in accordance with the benefits table which is shown in **your policy schedule**.

Extensions of cover

1. Bereavement costs cover

If within the **operative time** an **insured person** sustains **injury** resulting in **death**, we will pay for fees charged by a qualified bereavement counsellor as prescribed by a **medical practitioner** to provide up to five one-hour sessions of bereavement counselling for the **spouse** and/or **dependent children** of the **insured person**.

The maximum we will pay for any one **insured person** is £2,000.

2. Childcare costs cover

If within the **operative time** an **insured person** sustains **injury** resulting in **permanent total disablement** we will pay for the reasonable expenses necessarily incurred for the services of a registered childcare provider but only in respect of additional costs that would not otherwise have been incurred up to a maximum period of 104 weeks.

The maximum we will pay for any one **insured person** is £5,000.

3. Defibrillator consumables replacement cover

If during the **period of insurance** an **insured person** sustains **injury** requiring the use of **your** workplace defibrillator, we will pay to replace any consumables used during its use.

The maximum that we will pay for any one claim is £1,000.

4. Dental expenses cover

If within the **operative time** an **insured person** sustains **injury** resulting in damage to or loss of teeth including implants, bridges or crowns, we will pay for reasonable expenses necessarily incurred on the advice of a **medical practitioner**.

The maximum we will pay for any one **insured person** is £2,500.

5. Disappearance cover

If during the **period of insurance**, an **insured person** goes missing and sufficient evidence is produced to confirm that the **insured person** sustained an **injury** likely to have caused **death**, it will be presumed after 12 months that **death** has occurred. However, if the **insured person** is subsequently found to be alive, any amount already paid will be refunded to **us**.

6. Financial Adviser fees cover

If within the **operative time** an **insured person** sustains **injury** resulting in **death** or **permanent total disablement**, we will pay for fees charged by an Independent Financial Adviser authorised and regulated by the Financial Conduct Authority or equivalent regulatory authority in the **policy territories** to provide the **insured person** or the **spouse** of the **insured person** with two sessions of professional financial advice.

The maximum we will pay in total following **injury** to any one **insured person** is £1,000.

7. Hijack, kidnap unlawful detention cover

If within the **operative time** an **insured person** is subject to a hijack, kidnap or unlawful detention, **we** will pay for each day, or any part of it, that the **insured person** is detained, up to a maximum period of 30 days for any one claim.

The maximum **we** will pay is £500 per day.

8. Hospitalisation benefit cover

If within the **operative time** an **insured person** sustains **injury** resulting in **hospitalisation** within the **policy territories** **we** will pay

- a) benefit while confined to **hospital** as an in-patient at the rate of £50 per day
- b) additional benefit if the **insured person** is in a coma at the rate of £50 per day

The maximum **we** will pay for any one **insured person** in relation to benefits 8a) and 8b) above is £30,000 in total.

- c) benefit payable for convalescence immediately after **hospitalisation** during which the **insured person** is confined to their home or a registered nursing home on the recommendation of a **medical practitioner**.

The maximum **we** will pay for any one **insured person** is

- i) £50 per day
- ii) £2,000 in total.

9. Optical expenses cover

If within the **operative time** an **insured person** sustains **injury** resulting in the need for immediate and urgent eye treatment required to prevent long term eyesight damage, **we** will pay for the costs of necessary treatment incurred.

The maximum **we** will pay for any one **insured person** is £1,000.

10. Personal property cover

If within the **operative time** an **insured person** is subject to an unprovoked assault and sustains an injury resulting in loss or damage to clothing and other personal items that are not insured elsewhere, **we** will pay for the reasonable cost of replacement of or reasonable costs of repair to the items.

The maximum **we** will pay for any one **insured person** is £1,000.

11. Recruitment expenses cover

If within the **operative time** an **insured person**

- a) sustains **injury** resulting in **death** or **permanent total disablement**
- b) commits suicide

we will pay for the reasonable expenses necessarily incurred in employing a registered recruitment company to recruit a permanent replacement employee for the **insured person**.

The maximum **we** will pay for any one **insured person** is £2,500.

12. Retraining costs cover

If within the **operative time** an **insured person** sustains **injury** resulting in **permanent total disablement**, we will pay for retraining costs to facilitate the **insured person's** return to an alternative occupation provided that:

- a) the **insured person** was not over 65 years of age when the **injury** leading to **permanent total disablement** occurred
- b) the **insured person** is **your** employee
- c) **our** prior written consent of any retraining costs is obtained.

The maximum we will pay for any one **insured person** is £5,000.

13. Retraining – spouse costs cover

If within the **operative time** an **insured person** sustains **injury** resulting in **death** or **permanent total disablement**, we will pay for the costs of training the **insured person's spouse** for an occupation or retraining for an alternative occupation in order to be able to improve employment prospects or to improve the quality of care they can provide for the **insured person** provided that:

- a) the **insured person's spouse** is not over 65 years of age when the **injury** occurred
- b) the **insured person** is **your** employee
- c) **our** prior written consent of any retraining costs is obtained.

The maximum we will pay for any one **insured person's spouse** is £5,000.

14. Temporary replacement staff cover

If within the **operative time** an **insured person** sustains **injury** resulting in **death** or **permanent total disablement**, we will pay for reasonable costs necessarily incurred in employing a temporary employee recruited through a registered recruitment company to directly replace the **insured person** for a maximum period of 13 weeks.

The maximum we will pay for any one **insured person** is up to

- a) £500 per week
- b) £5,000 for any one claim.

15. Trauma counselling cover

If within the **operative time** an **insured person**

- a) is a victim of an unprovoked malicious assault by another person that has been reported to the police
- b) directly witnesses a **terrorist act** and are interviewed by the police as a witness
- c) directly witnesses the **death, permanent partial disablement** or **permanent total disablement** of
 - i) a colleague at **your** premises
 - ii) their **spouse**
 - iii) their child
 - iiii) any **dependent children**
- d) sustains **injury** resulting in **permanent partial disablement** or **permanent total disablement**

and are diagnosed by a **medical practitioner** as suffering from Post-Traumatic Stress Disorder within 90 days of the above-mentioned incidents, **we** will pay the fees charged by a registered trauma counsellor in the **policy territories** for up to 5 one-hour sessions of counselling for the **insured person**.

The maximum **we** will pay for any one **insured person** is £2,000.

Maximum benefits

The maximum benefit payable by **us** under this **section** will not exceed in total

1. the amount stated in the **schedule** for any one **insured person** or £500,000 whichever is the less
2. £2,000,000 for all **insured persons** as a result of any one claim or series of claims arising out of one source or original cause.

In the event that limitation 2 above applies, the benefits payable will be reduced proportionately between all the **insured persons**.

Payment of benefits

1. **We** will not pay benefit under more than one of the items 1 to 4 and 7 or 8 as stated in the **schedule**.
2. Any payment made for benefit items
 - a) 5 or 6 as stated in the **schedule** will be deducted from any subsequent payment made for items 1 to 4 as stated in the **schedule** arising from the same **injury**
 - b) 9 as stated in the **schedule** will be deducted from any subsequent payment made for items 7 or 8 as stated in the **schedule** arising from the same **sickness or disease**.
3. Weekly benefit specified in the benefits table shown in **your schedule** will be payable monthly in arrears.
4. Benefit for **loss of limb** or **loss of sight, hearing or speech**, will be payable as a lump sum after 12 months have elapsed.
5. Benefit for **sickness or disease** will not be paid if manifesting itself within the first 30 days of **inception**.

What is not covered

1. Armed forces exclusion

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

2. Chemical weapon exclusion

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

3. Criminal act exclusion

We will not cover claims in any way caused or contributed to by the **insured person's** participation in any crime, riot or civil commotion.

4. Deliberate act exclusion

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

5. Drugs exclusion

We will not cover claims in any way caused or contributed to by the **insured person**

- a) being under the influence of
 - i) alcohol
 - ii) drugs not prescribed by a **medical practitioner**
- b) taking drugs prescribed for the **insured person's** own drug addiction or alcoholism.

6. Flying exclusion

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

7. Gradually operating cause exclusion

We will not cover **injury** claims in any way caused by or contributed to by a naturally occurring or degenerative condition or gradually operating cause.

8. Hazardous activities exclusion

We will not cover claims in any way caused or contributed to by the **insured person** engaging in or taking part in

- a) aeronautic sports
- b) bungee jumping
- c) polo playing, steeplechasing, hunting or showjumping
- d) mountaineering or rock climbing requiring the use of guides or ropes
- e) pot holing
- f) racing (other than on foot), speed or time trials
- g) winter sports
- h) participating in any sport as a professional.

9. Pre-existing condition exclusion

We will not cover claims in any way caused or contributed to by any existing defect or chronic or recurring disease or disorder, or other condition which the **insured person** has

- a) sought advice, diagnosis, treatment or counselling for
- b) become aware of, or should reasonably have been aware of
- c) is awaiting a test or test results for
- d) been treated for

in the 12 months immediately prior to **inception**.

10. Suicide and insanity exclusion

We will not cover claims in any way caused or contributed to by the **insured person's** suicide, attempted suicide or intentional self-injury, or the **insured person** being in a state of insanity (other than for Extension 11. Recruitment expenses cover).

11. War risk exclusion

We will not cover claims caused by or happening through war, invasion, act of foreign enemy hostilities (whether war is declared or not) civil war, rebellion, revolution, insurrection or military or usurped power, but this exclusion will not apply in the event of an **insured person** sustaining **injury** whilst on a journey outside their normal country of residence which started before the outbreak of war.

Conditions

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

1. Change in circumstances condition

You must tell **us** as soon as **you** become aware of any

- a) **injury, sickness or disease**, disability or other condition where the **insured person** has become affected
- b) change to information previously given in connection with the occupation of an **insured person**.

We do not have to accept any request to change **your** cover.

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

2. Claims evidence condition

- a) The **insured person** must, as early as possible, seek the attention of a **medical practitioner** in the event of **injury** or **sickness or disease** which causes or may cause a claim and all certificates, information and evidence required by **us** in connection with that **injury** or **sickness or disease** is to be provided at **your** or the **insured person's** expense.
- b) All medical records, notes and correspondence in connection with a claim or a related pre-existing condition must be made available on request to any medical adviser appointed by **us** and that medical adviser is to be allowed to make an examination of the **insured person** as often as necessary.
- c) In the case of **death** of the **insured person** **we** will be entitled to have a post-mortem examination at **our** expense.

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

3. Premium adjustment condition

If the estimates shown in **your schedule** are marked as adjustable, then **you** must, at **our** request, tell **us** the actual figures on the expiry of the **period of insurance** so that the final premium can be calculated using the agreed rates. If the adjusted premium is less than the estimated premium **we** will not return more than 25% of the original premium.

If the estimates shown in **your schedule** are marked as index linked, the renewal premium for each **period of insurance** will be calculated on an adjusted amount in line with suitable indices of costs.

Section 14 – Engineering Inspection

Your schedule will show if this section is included and the inspection option you have selected.

Meanings of defined terms

These meanings apply within **your** Engineering Inspection **section**. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this **section**. The meaning of defined terms that apply throughout **your policy**, and not just this **section**, can be found within the Policy Definitions **section** of **your policy**. If the same word or phrase appears in both the Policy Definitions and this **section**, the **section** definition will apply.

Competent person	A person HSB employs and authorise (or a person employed by an organisation HSB has authorised), having the necessary experience and skill to carry out inspection services .
Contract period	The period of time beginning from the ‘Effective date’ shown in your schedule and ending on the ‘Renewal date’ shown in your schedule .
Fee	The amount as shown in the schedule you must pay for your inspection services .
HSB	HSB Engineering Insurance Services Limited.
Inspection	An assessment, usually visual in nature, of the safety-related parts of plant , which is not a thorough examination .
Inspection option	The type of service you have selected to be carried out at a premises from either inspection option 1 or inspection option 2 .
Inspection option 1	Includes inspection services of: a) Boiler and Pressure Plant: What is provided: Thorough examination or inspection of all pressure systems containing a relevant fluid, which require a written scheme Inspection frequency: Will be as detailed in the written scheme b) Lifting and Handling Plant: What is provided: Thorough examination or inspection of equipment used for the purpose of raising or lowering a load, where the load can include persons, as required by The Lifting Operations and Lifting Equipment Regulations (LOLER) Inspection frequency: Will be in accordance with and as detailed in LOLER.
Inspection option 2	Includes Inspection Option 1 and in addition: a) visual inspection of motors and compressors connected to any vessels inspected under inspection option 1 b) Local Exhaust Ventilation (LEV) Plant: What is provided: Thorough examination or inspection and test of all dust and fume LEV systems as required by The Control of Substances Hazardous to Health Regulations (as amended) (COSHH) but not including the initial commissioning evaluation as defined under Health and Safety Guidance note HSG258.
Inspection services	Carrying out a thorough examination or inspection at a premises and providing a report .
Insurer	AXA Insurance UK plc.
Normal working hours	8am to 6pm Monday to Friday not including public, bank and local holidays.

Plant	The machinery, appliances, equipment or installations described in the inspection option you have selected.
Premises	The address shown in your schedule under Section 14 - Engineering Inspection.
Report	A document, in HSB's standard format, which HSB issues to you either electronically or as a hard copy, with details of the findings of the inspection or thorough examination that were carried out.
Statutory Regulations	The following statutory instruments as amended from time to time: – The Control of Substances Hazardous to Health Regulations (as amended) (COSHH); – The Lifting Operations and Lifting Equipment Regulations (LOLER); – The Pressure Systems Safety Regulations (PSSR); – The Provision and Use of Work Equipment Regulations, Part IV (PUWER Part IV).
Thorough examination	A systematic and detailed examination of the plant and safety critical parts, or in the case of boiler or pressure plant , an examination of plant in accordance with a written scheme , carried out at set intervals in accordance with one of the statutory regulations which applies. The results of this examination must be communicated in the form of a report .
Written Scheme	A document that meets the requirements of regulation 8 of PSSR, which contains information about certain items of plant that form a pressure system, including the parts which need to be examined and the nature and frequency of those examinations.
You	The owner or user of plant shown in the schedule as the 'Insured'.

Your engineering inspection contract

Services under this **section 14** are provided by **HSB**. This **section** is a legal contract between **you** and **HSB**. The Policy Conditions and Policy Exclusions shall not apply to this **section**.

The contract is made up of this document and the **schedule** setting out details of **your inspection services**. These make up the entire contract between **you** and **HSB** and must be read together. Please keep them safely together.

HSB used the information **you** provided to **your insurer** to decide whether to provide **inspection services** to **you**. Inaccurate or incomplete information could affect **your inspection services** (see 'Your responsibility to give correct information').

In return for the **fee** and subject to the terms and conditions of this **section**, **HSB** will provide **inspection services** for the **contract period** in accordance with the **inspection option** shown in **your schedule**.

This **section** uses different headings to the rest of **your policy**. The headings have been included to help **you** find the information **you** need. The headings do not form part of **your** contract with **HSB**.

Throughout this **section**:

1. words which appear in the singular also include the plural and vice versa;
2. words which appear in the present tense will also include the past tense; and
3. any words which appear after the terms 'including', 'in particular', 'for example' or any similar expressions are examples and will not limit the meaning of the words.

This document and the **schedule** contain the information **you** need to know about **your inspection services**.

This document contains important information such as the terms and conditions of your **inspection services** and how to contact **HSB**.

The **schedule** shows the **inspection option** you have selected.

The law and language that applies to this contract

Before this contract starts, **you** and **HSB** are free to choose the law which applies to this contract. The laws of England and Wales will apply unless **you** and **HSB** agree otherwise. **You** and **HSB** shall submit to the exclusive jurisdiction of the English Courts.

Unless **you** and **HSB** agree otherwise in writing, all communications relating to the contract will be in English.

Important information

Please read this document and the **schedule** carefully to make sure that it meets **your** needs and **you** understand what is and is not included. If there is anything **you** need to change or have any questions, please contact the person who arranged this contract for **you**.

Your responsibility to give correct information

You must do everything reasonably possible to make sure that all the information **you** provide is complete and accurate, and kept up to date throughout the **contract period** to make sure **HSB** can deliver the **inspection services** set out under this contract.

Your right to cancel this section

You can cancel this **section** at any time during the **contract period** by writing to the person who arranged this contract for **you**.

When **your insurer** receives **your** notice, **HSB** will cancel this **section** and **your insurer** will send **you** a refund. That refund will be calculated on the value of the **fee** for **inspection services** not yet provided at the date **your insurer** receives **your** notice of cancellation. If the **fee** **you** have actually paid does not cover the **inspection services** **you** have received, **you** must pay **your insurer** the difference.

HSB's right to cancel this section

HSB reserves the right to cancel **your** contract with immediate effect if **you** behave in an illegal or immoral manner. If **HSB** cancels **your** contract for these reasons, **your insurer** will cancel this **section** and write to **you** or the person who arranged **your** contract for **you**.

HSB may otherwise cancel **your** contract at any time with 30 days' written notice. In the event that **HSB** cancels **your** contract, **your insurer** will give **you** or the person who arranged the contract for **you** 30 days' written notice before **your insurer** cancels this **section**.

HSB will consider early cancellation if **you**:

1. are in breach of this **section**;
2. are abusive, aggressive or otherwise inappropriate towards **HSB's** staff or its representatives;
3. behave illegally or immorally, for example bribing or threatening **HSB's competent person** or other **HSB** staff or representatives;

4. operate **your** business without taking proper account of health and safety regulations;
5. repeatedly fail to put right or repeatedly ignore any defect identified in **HSB's report**;
6. repeatedly refuse to let **HSB** carry out the **inspection services**;
7. fail to pay the **fee**;
8. become insolvent, bankrupt or enter into an arrangement with **your** creditors; or
9. refuse to pay any additional charges previously agreed between **you** and **HSB**.

You may be entitled to receive a refund. This will be calculated on the value of the **fee** for **inspection services** not yet provided at the date of cancellation. If the **fee** **you** have actually paid does not cover the **inspection services** **you** have received, **you** must pay **your insurer** the difference.

How HSB uses your information

HSB is the controller of any personal information **you** provide to **HSB** or which is processed in connection with **you** receiving **inspection services** from **HSB**.

HSB collects and processes information about **you** that **HSB** reasonably deems necessary in order to provide **you** with **inspection services**. **Your** information is also used for business purposes such as fraud prevention and financial management.

HSB may share **your** information with and obtain information about **you** from third parties such as credit reference agencies, fraud prevention agencies or public bodies responsible for health and safety.

For further details on how **your** information is used and **your** rights in relation to **your** information, please see **HSB's** Privacy Statement at <https://www.munichre.com/HSBEIL>.

How you use HSB's information

HSB's employees, agents, contractors and other representatives may share their personal information with **you** and **your** employees, agents and sub-contractors as is necessary to enable **HSB** to provide **you** with **inspection services**. **You** are the controller of such information. Notwithstanding this, **you** shall process such information in accordance with all applicable data protection laws and shall:

1. only process such information for the purposes of receiving **inspection services** from **HSB**;
2. implement and maintain appropriate technical and organisational measures to preserve the confidentiality and integrity of the information and prevent any unlawful processing or disclosure or damage, taking into account the state of the art, the costs of implementation, the nature, scope, context and purposes of processing as well as the risk of varying likelihood and severity for the rights and freedoms of the data subjects;
3. not disclose any such information to any third party in any circumstances except as required or permitted by this contract;
4. only transfer such information outside of the European Economic Area if appropriate steps are undertaken as required by applicable data protection laws to ensure such transfers are subject to adequate safeguarding measures;
5. notify **HSB** promptly upon becoming aware of any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to any such information; and

6. ensure that only those of **your** employees, agents and sub-contractors who need to have access to the information are granted such access to the information and only for the purposes of receiving **inspection services** from **HSB** and that such employees, agents and sub-contractors (and those to whom personal information is provided directly by **HSB**) are informed of the confidential nature of the information, are subject to appropriate contractual obligations of confidentiality, undergo adequate training in the handling of personal information and comply with the obligations set out under 'How you use our information'.

Provision of inspection services

HSB will carry out **inspection services** to **plant** in accordance with the inspection option shown in the **schedule**, within **normal working hours**, in line with the terms and conditions of this contract provided that **you** pay the **fee**.

HSB will make reasonable attempts to contact **you** to arrange an appointment to undertake the **inspection services** using the information **you** have provided to **your insurer** or to **HSB**.

If:

1. **HSB** is unable to make contact with **you**; or
2. after agreeing a date and time with **HSB**, **you** fail to prepare **plant** or make **plant** available,

HSB will notify **you** within the **report** and **HSB** will be deemed to have met its obligations to provide the **inspection services** on this occasion.

If **you** then request that **HSB** makes an additional visit to complete the outstanding **inspection services**, there will be an additional charge (see 'Fees, additional charges and taxes').

If required by the applied **statutory regulations**, where defects are identified which are or could become a danger to life, the **competent person** must immediately notify **you** and forward a copy of the **report** to the relevant enforcing authority.

HSB's standard of care

HSB will use all reasonable skill and care in carrying out the **inspection services**.

Limits of the inspection services

Unless **HSB** agrees otherwise in writing, the **inspection services** will not include:

1. approving or confirming any design or design features of the **plant** are fit for purpose;
2. providing witness statements;
3. attendance at hearings and interviews;
4. consultancy services;
5. preparation or operation of the **plant**; or
6. maintenance or repair of the **plant**.

To the extent that the **inspection services** include a **thorough examination** of the **plant** item, unless **HSB** agrees otherwise in writing, the **thorough examination** will not include:

1. carrying out or witnessing tests which are not routine unless these are the responsibility of the **competent person** in an HSE (Health & Safety Executive) or SAFed (Safety Assessment Federation) Approved Code of Practice or Guidance;

2. for boiler or pressure **plant** – ultrasonic, radiographic, hydrostatic or other non-destructive testing, or production of **written schemes**;
3. for lifting and handling **plant** – proof load, stability, anchorage, supplementary or similar testing in accordance with industry guidance or **thorough examination** as needed when exceptional circumstances have taken place;
4. for mechanical power press **plant** subject to the requirements of PUWER Part IV – the examination and testing of enclosed parts; and
5. for local exhaust ventilation **plant** – the initial appraisal of the **plant** as needed under COSHH.

To the extent that the **inspection services** do not include a **thorough examination** of the **plant** item, unless **HSB** agrees otherwise in writing, the **inspection** will:

1. be visual in nature;
2. be limited by the design of the **plant**, the extent to which **you** prepare the **plant** and the extent to which **you** make available safe access to and from the **plant**; and
3. not include carrying out or witnessing tests which are not routine.

Limits of HSB's legal responsibility

HSB does not make any warranty about the activities described in this contract.

In addition:

1. **HSB** is not legally responsible for any special, incidental, indirect, consequential or exemplary damages, including loss of profits or revenue, loss of use, loss of opportunity, loss of goodwill, cost of substitute facilities, goods or services, cost of capital, governmental and regulatory sanctions and claims of others for those damages;
2. the most **HSB** will pay for all claims, losses, damages and expenses resulting in any way from this contract will be the total amount of the **fee** we have received during the **contract period**; and
3. apart from causing death or personal injury by our negligence or in other circumstances where **HSB** cannot limit its legal responsibility by law, **HSB** will not pay more than GBP 10,000,000 (ten million pounds).

You will indemnify **HSB** against any claims made against **HSB** and all damages, costs and expenses **HSB** may suffer as a result of any third-party claim arising out of **your** failure to keep to **your** responsibilities under the contract.

If **you** or someone else makes a claim against **HSB** (for example, in relation to any actual or alleged failure to keep to **statutory regulations**, any defect in the **plant** or any damage or injury caused by the **plant**), unless **HSB** has been negligent carrying out the **inspection services**, **you** must agree **HSB** is not responsible for, and fully refund **HSB** for, all losses and expenses that **HSB** may suffer.

Neither this contract, or **HSB** providing the **inspection services**, replace **your** legal duty under relevant **statutory regulations** to have **your plant** undergo a **thorough examination** or **inspection**, nor do they relieve **you** of any legal responsibility **you** may have to anyone else as a result of any defect in the **plant**, or for any change or injury which may be caused by how the **plant** is used.

Fees, additional charges and taxes

Your insurer will calculate the **fee** for the **inspection services** on the **inspection option** you select at the start of the **contract period** and you must pay the **fee**.

Your insurer will adjust the **fee**:

1. to take into account any **premises** added to or deleted from the **schedule** during the **contract period**;
2. if you ask, and **HSB** agrees, to carry out the **inspection services** outside **normal working hours**;
3. annually, if the **contract period** is greater than 12 months;
4. to account for any changes to the **plant** or to the frequency of the **inspection services**; or
5. for anything beyond **HSB's** reasonable control (for example a change in **statutory regulations** or legislation) that increases **HSB's** cost in providing the **inspection services**.

If your insurer changes the **fee**, your insurer will also make an extra charge, which you must pay, to cover **HSB's** reasonable administration costs.

As well as the adjustments to the **fee** set out above, your insurer will charge you if:

1. you receive your **report** electronically and you also then ask **HSB** to provide a hard copy **report**;
2. you ask **HSB** to provide a **report** in a format that is not in **HSB's** standard format;
3. you ask **HSB** to re-examine an item of **plant** on a more frequent basis than the contractual **inspection** or **thorough examination** frequency for the **inspection option** you have selected;
4. you ask **HSB** to return to carry out an **inspection** or **thorough examination** which was not completed because you had failed to prepare or make the **plant** available at a date and time agreed with **HSB**;
5. you fail to prepare or make the **plant** available at the date and time agreed;
6. you ask for services, on top of those forming part of the **inspection services**;
7. you ask **HSB** to carry out training or a risk assessment specific to your premises or to your health, safety and welfare procedures;
8. you ask for, or safety requirements dictate that, more than one **competent person** undertake an **inspection** or **thorough examination** on an individual item of **plant**;
9. **HSB** is required to undertake training/familiarisation before accessing the location; or
10. there is a delay which prevents **HSB** from commencing with the **inspection** or **thorough examination** and you then request that **HSB** makes an additional visit to complete any outstanding **inspection services**.

You must also pay VAT on any **fee** and any additional charges and any other similar tax or duty charge made by any government or other authority ('duty') at the appropriate rate.

Your obligations

1. Access to the plant

You must allow **HSB** access to the **location** and **plant** during **normal working hours** or as agreed between you and **HSB**. If **plant** can be moved, you must tell **HSB** the precise location of the **plant** with enough notice as agreed in writing between you and **HSB**.

2. Control of the plant

You must keep full responsibility for the care, custody and control of the **plant** at all times and especially when **HSB** is providing the **inspection services**.

3. Information relating to your plant

When asked, **you** must give the **competent person** all information relating to the **plant** they may need to complete the **inspection services**. This includes any changes to the **plant** since the last **thorough examination** or **inspection**.

4. Preparing the plant

You must have the **plant** properly prepared, dismantled and reassembled as necessary so **HSB** can carry out the **inspection services**.

5. Safety

You must provide the **competent person** with:

- a) safe access to and exit from the **location**;
- b) a safe working environment at the **location**;
- c) safe access to the **plant** to carry out the **inspection services**; and
- d) suitable rescue arrangements if the **competent person** is required to work at heights or other places with restricted access.

General Conditions

The following conditions apply to the whole **inspection services** contract:

1. After the contract ends

When the contract ends, the conditions relating to indemnity, waivers, limits of remedies and limits of legal responsibilities, including those in this **section**, will stay in full force.

2. Anti-bribery

Neither **you** nor **HSB** will be involved in offering, promising or giving any financial or other advantage to any person if this breaks any law against bribery or corruption (including the Bribery Act 2010). **You** and **HSB** must each have an anti-corruption and bribery policy and procedures, including adequate procedures under the Bribery Act 2010, to prevent corruption and bribery offences and enforce them if this applies.

3. Confidentiality

Neither **you** nor **HSB** will release to any other person (apart from as provided under 'How HSB uses your information' and 'How you use HSB's information') any technical, business, intellectual property or similar information relating to the business affairs of the other which are known as a result of this contract.

Neither **you** nor **HSB** will use the other's information for any purpose other than to carry out the responsibilities under this contract unless required to do so by law or regulation.

Nothing in this **section** will place an obligation of confidentiality on either **you** or **HSB** for information that was already in the public domain, that was rightfully in the possession of either **HSB** or **you** before the **contract period**.

The responsibilities under this **section** will come into effect at the start of the **contract period** and will continue for six years after the contract ends.

4. Contracts (Rights of Third Parties) Act 1999

Any person or company who is not named in the **schedule** has no right under the Contracts (Rights of Third Parties) Act 1999 (or any other law) to enforce any term of this contract.

5. Enforcing terms

If any term of this contract is found to be illegal or cannot be enforced, it will not affect any of the other terms of the contract.

6. Force Majeure

HSB will not be legally responsible for any delay, or the results of any delay, in carrying out the **inspection services** if the delay is due to any cause beyond **HSB's** reasonable control. **HSB** will be entitled to a reasonable extension of time to carry out the **inspection services** under this contract.

7. Health and Safety at Work etc. Act 1974

You must provide **HSB** with a safe working environment at the **location** where the **plant** is situated and a safe way of getting access to carry out the **inspection services**.

HSB will:

- a) keep to **your** safe systems of work, as long as **you** tell **HSB** about the systems in writing before **HSB** carries out any **inspection services**; and
- b) refuse to carry out any **inspection services** if **HSB** believes there is a health, safety or welfare risk.

8. HSB's right to sub-contract

HSB may appoint sub-contractors to support the **inspection services** but **HSB** will still be responsible for any sub-contracted work.

9. Previous contracts between you and HSB

This **section** represents the entire agreement between **you** and **HSB** and replaces all previous agreements, whether spoken or written.

10. Sanctions, laws and regulations

HSB will not provide **inspection services** under this contract, or return any **fees**, if by doing so it would expose **HSB** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

11. The Transfer of Undertakings (Protection of Employment) Regulations (as amended)

HSB does not have to employ any of **your** employees or the employees of **your** previous service provider in connection with this **inspection services** contract. **You** must indemnify **HSB** against all damages, costs and expenses we may suffer as a result of any claim (including for dismissal) or demand of any nature by any employee against **HSB**.

12. Waiver of rights

If **you** or **HSB** fail to enforce any of the rights under this contract, it does not mean they cannot be enforced in the future.

Making a complaint

HSB is committed to providing the highest standards of customer service and treating **HSB's** customers fairly. If **you** have a complaint, contact the person who arranged this contract for **you** or contact **HSB** at:

Customer Relations Leader

 HSB Engineering Insurance Services Limited
Chancery Place
50 Brown Street
Manchester
M2 2JT

 Telephone:
+44 (0)330 100 3433
(Calls to this number are charged at the same standard landline rate as 01 or 02 numbers)

 Email:
complaints@hsbeil.com

When **HSB** receives **your** complaint **HSB** will:

1. confirm this within five business days;
2. pass it to **HSB's** complaints team to be reviewed; and
3. do its best to deal with **your** complaint within four weeks. If **HSB** cannot, **HSB** will write to **you** and let **you** know when **HSB** will be able to give **you** a final response.

HSB is also accredited to ISO/IEC 17020:2012 by the United Kingdom Accreditation Services (UKAS). If **you** are unhappy with **HSB's** response for any technical matters with **HSB's inspection services**, **you** may be able to refer **your** complaint to UKAS at:

	United Kingdom Accreditation Services 2 Pine Trees Chertsey Lane Staines-upon-Thames TW18 3HR
	Telephone: +44 (0)1784 429 000
	Website: www.ukas.com
	Email: info@ukas.com

Making an enquiry about the inspection services

You can contact **HSB** about the **inspection services** under this contract at:

Customer Trading Hub	
	HSB Engineering Insurance Services Limited Chancery Place 50 Brown Street Manchester M2 2JT
	Telephone: +44 (0) 161 817 4611 <small>(Calls to this number are charged at the same standard landline rate as 01 or 02 numbers)</small>
	Email: client_services@hsbeil.com

Or, **you** can contact the person who arranged this contract for **you**. **You** can find the contact details of **HSB's** local office on the website at www.hsbeil.com

This document is available in other formats.

If you would like a Braille, large print or audio version, please contact your insurance adviser.

www.axa.co.uk

