

THEFT SECTION

Only applicable if this Section is shown as operative in the Schedule

1. Indemnity

The Company agrees subject to the terms contained herein or endorsed hereon that in the event of

1. any of the Property Insured while within the Premises being lost or damaged as the result of
 - a) theft (or attempted theft) involving entry to or exit from the Premises by forcible and violent means
 - b) theft following assault or violence or threat thereof to the Insured any employee of the Insured or any other person lawfully in the Premises
2. the Premises sustaining damage for which the Insured are responsible as the result of theft involving entry to or exit from the Premises by forcible and violent means or any attempt thereat

the Company will by payment or at its option by repair reinstatement or replacement indemnify the Insured in respect of such loss or damage

The liability of the Company during any one Period of Insurance shall not exceed in respect of

1. each item of the Property Insured the sum insured set against it and for all items the total sum insured adjusted in accordance with the Inflation Protection Clause if applicable
2. damage to the Premises the sum equivalent to make good such damage for which the Insured are responsible

The word Premises shall not include unless specifically mentioned any garden yard outbuilding or other building not communicating with the main building of the Premises

2. Property Insured

Column 1 Contents the property of the Insured or held by them in trust for which they are responsible excluding landlords fixtures and fittings and stock and materials in trade and vehicles licensed for road use (and accessories thereon)

Column 2 Stock and materials in trade the property of the Insured or held by them in trust for which they are responsible

Column 3 Miscellaneous and as specified in the description column

3. Security of Premises

If this insurance has been granted following a survey of your Premises it is important that you should not alter door and window fastenings and other security devices (except as may be provided in the Further Protection Clause if shown in the Schedule) without the written consent of the Company In your own interest please give early notification of proposed changes so that if necessary a further survey can be undertaken

4. Plan References

Plan References (if any) refer to plans and reports of the premises lodged with AXA Insurance

5. Changes in Tenancy

The Insured must advise AXA Insurance of all changes in tenancy or occupation within the Premises in accordance with General Condition 2 of the Policy

6. Exclusions

This Section does not cover

1. Amount Excluded

the first £300 of each and every loss after the application of any condition of Average

2. Money Etc

bills of exchange promissory notes cash bank and currency notes cheques postal orders money orders crossed bankers drafts current postage stamps unused units in franking machines National Savings stamps and Certificates National Insurance stamps Trading stamps Gift tokens Customer redemption vouchers VAT purchase receipts Credit Company sales vouchers credit card counterfoils travellers tickets and insofar as such are not otherwise insured Holidays with pay stamps and Luncheon Vouchers

3. Property Excluded

loss or damage

- a) which can be insured against by a standard fire policy
- b) to glass
- c) to property more specifically insured by or on behalf of the Insured

4. War Etc Risks

loss destruction or damage occasioned by war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

5. Nuclear Risks

loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from

- a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

- b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

6. Northern Ireland

loss destruction or damage in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of

- i) civil commotion
- ii) TERRORISM as defined under Material Damage Terrorism Exclusion Clause

In any action suit or other proceedings where the Company alleges that by reason of this definition any loss destruction or damage is not covered by this Section the burden of proving that such loss destruction or damage is covered shall be upon the Insured

7. Clauses

Average Clause

The sum insured by each item of this Section (other than any item subject to the Day One Average Clause) is declared to be separately subject to Average i.e. if such sum insured shall at the commencement of any loss or damage be less than the value of the property covered within such sum insured the amount payable by the Company in respect of such loss or damage shall be proportionately reduced

Contents

It is agreed that the term Contents is understood to include insofar as they are not otherwise insured

- a) documents manuscripts and business books but only for the cost of the materials and clerical labour expended in reproducing such records (excluding any expense in connection with the production of information to be recorded therein)

- b) computer systems records but only for the cost of the materials and clerical labour and computer time expended in reproducing such records (excluding any expense in connection with the production of information to be recorded therein)
- c) patterns models moulds plans and designs for an amount not exceeding the cost of the labour and materials expended in reinstatement
- d) tenants improvements alterations and decorations
- e) directors partners customers visitors and employees personal effects of every description (other than motor vehicles and Money) for an amount not exceeding £500 in respect of any one person

Contract Price Clause

In respect only of goods sold but not delivered for which the Insured are responsible subject to a sale contract which following loss or damage is cancelled by reason of its conditions wholly or to the extent of the loss or damage the liability of the Company shall be based on the contract price For the purpose of this insurance the value of all goods to which this clause could apply in the event of loss or damage shall also be ascertained on this basis

Designation Clause

For the purpose of determining where necessary the heading under which any property is insured the Company agrees to accept the designation under which such property has been entered in the Insureds books

Explosives

This Section will (in addition to the total sum insured) indemnify the Insured in respect of damage to any property included in this Section directly or indirectly caused by or in consequence of the use of explosives on the occasion of any Theft (within the meaning of this Section) or any attempt thereat at the Premises but only insofar as the risk of

explosion is not insured under any other policy effected by or on behalf of the Insured in respect of the same property provided always that the limit of the Companys liability in any one Period of Insurance under this extension clause shall be £10,000 for each Premises

Glass

This Section extends to cover destruction of or damage to glass (where the Insured is responsible for its replacement) whether internal or external plain or ornamental attached to and forming part of the Premises and the cost of boarding up the same resulting from Theft (within the meaning of this Section) or any attempt thereat but only if the said glass is not otherwise insured

It is understood that no liability in respect of destruction of or damage to such glass shall be insured unless the said destruction or damage is accompanied by and directly forms part of other loss or damage within the protection of this Section except where such destruction of or damage to glass is accepted by a Police Authority as prima facie evidence of Theft (within the meaning of this Section) or any attempt thereat

Inflation Protection Clause

The Company will adjust the Sum Insured in line with suitable indices of costs and the renewal premium for this Section will be based on the adjusted Sum Insured

Reinstatement Clause

(NB Not applicable to motor vehicles and their accessories personal effects or stock and materials in trade)

Subject to the following Special Conditions the basis upon which the amount payable in respect of Property Insured under sums insured marked R on the Schedule is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose reinstatement means

- a) the rebuilding or replacement of property lost or destroyed which provided the liability of the Company is not increased may be carried out
 - i) in any manner suitable to the requirements of the Insured
 - ii) upon another site
- b) the repair or restoration of property damaged

in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

Special Conditions

- 1. The liability of the Company for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- 2. If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item subject to this memorandum exceeds it sum insured at the commencement of any loss or damage the liability of the Company shall not exceed that proportion of the amount of the loss or damage which the said sum insured shall bear to the sum representing the total cost of reinstating the whole of such property at that time
- 3. No payment beyond the amount which would have been payable in the absence of this memorandum shall be made
 - a) unless reinstatement commences and proceeds without unreasonable delay
 - b) until the cost of reinstatement shall have been actually incurred
 - c) if the Property Insured at the time of its loss or damage shall be insured by any other insurance effected by or on behalf of the Insured which is not upon the same basis of reinstatement

4. All the terms and conditions of the Policy shall apply

- a) in respect of any claim payable under the provisions of this memorandum except insofar as they are varied hereby
- b) where claims are payable as if this memorandum had not been incorporated

Reinstatement of the Sum Insured after Loss Clause

In the event of loss the sum insured by this Section will automatically be reinstated from the date of the loss unless written notice is given to the contrary either by the Company or by the Insured

provided always that in the event of reinstatement the Insured will

- a) pay such necessary premiums as may be required for such reinstatement from the date of reinstatement
- b) give effect forthwith to any additional protective devices for the further security of the Premises which the Company may reasonably require

Temporary Removal Clause

- a) The Property Insured by this Section (other than stock if insured) is covered whilst temporarily removed for cleaning renovation repair or similar purposes elsewhere and in transit thereto and therefrom all in Great Britain and Northern Ireland
- b) The liability of the Company under this extension in respect of each item of this Section for any loss or damage occurring elsewhere than at the within mentioned Premises shall not exceed 10% of the sum insured by the item

- c) This extension does not apply to property insofar as it is otherwise insured nor as regards losses occurring elsewhere than at the Premises from which the Property is temporarily removed to motor vehicles and motor chassis licensed for normal road use
- d) All the terms and conditions of the Policy except insofar as they are varied hereby shall apply as if they had been incorporated herein

Temporary Removal of Documents Clause

The insurance of deeds and other documents (including stamps thereon) manuscripts plans and writings of every description computer system records and books (written and printed) extends to cover such property for an amount not exceeding 10% of the value thereof whilst temporarily removed to any premises not in the Insureds occupation and in transit all in Great Britain and Northern Ireland This extension does not apply to property insofar as it is otherwise insured

Special Conditions**1. Protective and Locking Devices**

It is a condition precedent to any liability on the part of the Company under this Section that all locks bolts bars window fastenings and other protective and locking devices installed in the Premises be maintained and put into actual operation whenever the Premises are closed for business or left unattended

2. Police Notification

Immediately after the occurrence of any loss or damage occasioned by risks covered by this Section shall have come to the knowledge of the Insured they shall give notice to the police and take all practical steps to cause the discovery and punishment of the guilty person or persons and to trace and recover the property lost

Special Clauses

(Clauses 1, 2, 3 and 5 applicable only if the Clause numbers are entered in the Schedule Clause 4 applicable only if referred to in the Schedule)

1. Day One Average

A Subject to the following Special Conditions the basis upon which the amount payable in respect of the Property Insured under sums insured marked DA in the Schedule is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose reinstatement means

- a) the rebuilding or replacement of property lost or destroyed which provided the liability of the Company is not increased may be carried out
 - i) in any manner suitable to the requirements of the Insured
 - ii) upon another site
- b) the repair or restoration of property damaged

in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

B The Insured having stated in writing the Declared Value shown in brackets below the sum insured for each of the said items the premium has been calculated accordingly

Declared Value means the Insureds assessment of the cost of reinstatement of the Property Insured arrived at in accordance with paragraph A(a) at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with in so far as the insurance by the item provides due allowance for

- a) the additional cost of reinstatement to comply with public authority requirements

b) professional fees

c) debris removal costs

Special Conditions

- 1) At the inception of each Period of Insurance the Insured shall notify AXA Insurance of the Declared Value for the Property Insured by each of the said item(s) In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance
- 2) If at the time of loss destruction or damage the Declared Value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph B above) at the inception of the Period of Insurance then the Companys liability for any loss destruction or damage shall not exceed that proportion thereof which the Declared Value bears to such cost of reinstatement
- 3) The liability of the Company for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- 4) No payment beyond the amount which would have been payable in the absence of this memorandum shall be made
 - a) unless reinstatement commences and proceeds without unreasonable delay
 - b) until the cost of reinstatement shall have been actually incurred
 - c) if the Property Insured at the time of its loss destruction or damage shall be insured by any other insurance effected by or on behalf of the Insured which is not upon the same basis of reinstatement

5) All the terms and conditions of this Policy shall apply

- a) in respect of any claim payable under the provisions of this memorandum except in so far as they are varied hereby
- b) where claims are payable as if this memorandum had not been incorporated except that the sum(s) insured shall be limited to 115% of the Declared Value(s)

2. Stock Declaration Conditions

The premium in respect of any item in the Schedule where the sum insured is marked D is provisional and subject to adjustment as provided below

The value of the property on the last day of each calendar month shall be declared by the Insured to AXA Insurance within thirty days thereafter and if a declaration be not so given the Insured shall be deemed to have declared the sum insured as the value

On the expiry of each Period of Insurance the actual premium shall be calculated at the rate applicable on the total of the amounts declared divided by the number of the declarations. If the actual premium be greater than the provisional premium the Insured shall pay the difference. If it is less the difference shall be paid to the Insured.

In consideration of the insurance not being reduced by the amount of any loss the Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the expiry of the Period of Insurance.

It is warranted that every insurance on such property covering loss, destruction or damage insured hereby is on a similar basis of adjustment against declarations.

3. Temporary Cover

The first premium has been calculated to take into account the cost of temporary cover (in accordance with particulars lodged with the Company) 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 consideration of the Insured having given an undertaking expiring on the date stated in the Schedule to offer annually the insurance under this Section 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) the Company shall be under no obligation to accept an offer made in accordance with the above-mentioned undertaking
- b) the Sum Insured may be reduced at any time to correspond with any reduction in value

The above-mentioned undertaking applies to any Section (or policies) which may be issued by the Company in substitution for this Section and the same discount shall be allowed off the net premium on any substituted policy (or policies) issued by the Company.

Payment of the premium due at the expiry date shown in the Schedule shall be deemed acceptance by the Insured of the terms of this clause.

5. Alarm Clause

It is a condition precedent to liability under this Section in respect of loss or damage by Theft following entry or attempted entry to or exit from the Premises by forcible and violent means that

- a) The Premises are protected by an Intruder Alarm System designed, installed and maintained to British Standard BS4737 or EN50131 including, where stipulated by the Company or the local Police Authority, Code of Practice DD243.
- b) The intruder alarm installation and maintenance company must be both:
 - i. A member of an Alarm Inspectorate which is accredited by UKAS to EN 45011 or EN 45012

and

II. Accredited and operate a Quality Management System in accordance with EN ISO 9000.

- c) The Intruder Alarm System shall 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 EN 50131, with the installing company or such other company as agreed with the Company.

Where remote alarm signalling is required the signal transmission must be transmitted to an Alarm Receiving Centre fully compliant with BS5979:2000 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 Premises or changes to the layout of the Premises which would affect the effectiveness of the Intruder Alarm System
 - iv) the procedures agreed with the Company for police or any other response to any activation of the Intruder Alarm System

be made without the written agreement of the Company

- e) The Alarmed Premises shall not be left unattended without the agreement of the Company
- i) unless the Intruder Alarm System is set in its entirety with the means of communication used to transmit signals (including both alarm transmission systems for dual

signalling systems) in full operation

- ii) if the police have withdrawn their response to alarm activations
- f) The Insured shall maintain secrecy of codes for the operation of the Intruder Alarm System and detail of such codes and all keys to the Intruder Alarm System shall be removed from the Premises when the Premises are left unattended
- g) The Insured shall appoint at least two Key Holders and lodge written details (which must be kept up to date) with 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 in respect of dual signalling systems during any period the Intruder Alarm System is set a Key Holder shall attend the Premises as soon as reasonably possible
- i) In the event of the Insured receiving any notification
- i) the police attendance in response to alarm signals/calls from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
 - ii) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance
 - iii) that the Intruder Alarm System cannot be returned to or maintained in full working order

the Insured shall advise the Company as soon as possible and comply with any subsequent requirements stipulated by the Company

DEFINITIONS

Intruder Alarm System

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

Alarmed Premises

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

Key Holder

The Insured or any person or key holding company authorised by the Insured who is available at all times to accept notification of faults or alarm signals to the Intruder Alarm System attend and allow access to the Premises

Premises

The buildings occupied by or under the control of the Insured (unless otherwise stated in the Schedule)