

CONVEX INSURANCE UK LIMITED

Commercial Combined Policy

United Kingdom

CONX-CAS-009-1121



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Section 1 – General Information

Introduction

Convex Insurance UK Limited (the “Underwriters”) agrees to insure the Assured (as named in the Schedule) against loss as provided by the terms of this Policy.

The Assured has presented information in connection with its application for insurance. The Underwriters have relied on the information which the Assured has provided to them in deciding to accept this Policy and in setting its terms and premium.

This Policy consists of:

1. the Schedule (in a separate document),
 2. this Introduction and Claims Information (Section 1),
 3. the sections setting out the casualty (Section 2) and property (Section 3) covers and their specific terms, and
 4. the General Exclusions, General Terms and Conditions and Definitions (Section 4); plus
 5. any Endorsements (in a separate document if issued),
- all of which are to be read as one contract (together the “Policy”).

The insurance covers provided under each Operative Cover within Sections 2 and 3 of this Policy are:

- i. subject to the terms, Additional Covers, Optional Covers (if stated as operative in the Schedule) and Exclusions within that Operative Cover; plus
- ii. any terms, Additional Covers (if stated as operative in the Schedule) and Exclusions specific to the relevant Section, plus
- iii. all the General Exclusions, Terms and Conditions set out in Section 4.

Capitalised words and terms have special meaning and are defined in the Definitions in Section 4.

The Assured should read this Policy carefully and make sure this Policy meets its needs. If the Policy is incorrect, the Assured should speak to its Broker.

The Assured should keep this Policy safe and quote the Policy Number appearing in the Schedule in all communications.

Complaints

For the purpose of interpreting this section concerning our Complaints Handling policy, Underwriters shall be referred to as “We”, “Us” and “Our”.

Our aim is always to provide the Assured with the best possible service. If the Assured feels that We have not provided the best possible service or made an error, then please advise Us in the first instance. We will take the Assured’s complaint seriously and do Our best to investigate and resolve it as quickly as possible. We have established the following complaints handling procedure to ensure that this happens.

Step 1

Tell Us about it. There are different ways the Assured can do that.

1. Communicate with the Assured’s usual contact at Convex being either their Account Manager or Broker. Let them know that the Assured is dissatisfied with the service they have received and tell them why.

The Assured can contact Us by email, telephone, or letter.

2. Contact Our complaints team:

complaints@convexin.com

Tel: +44 (0)7919 603210

Convex Insurance UK Limited

52-54 Lime Street, London EC3M 7AG, United Kingdom

We will acknowledge the Assured's complaint promptly and We will let the Assured know who will be handling their complaint and provide the Assured with their contact details.

Step 2

We aim to resolve the Assured's complaint as soon as possible. If it is complicated or We need to investigate the circumstances further, then We may not be able to resolve it straight away and it may take longer depending on its complexity. We aim to get to the Assured a final response within eight (8) weeks of receiving their complaint. If We cannot do so, then We will tell the Assured why it is taking more time and let the Assured know what We are doing and how long We expect it will take to resolve.

Step 3

If the Assured is not happy with Our response, or actions, and feel that the matter has not been resolved to their satisfaction, then there are two options to take it further:

1. The Assured may be eligible to refer the complaint to the Financial Ombudsman Service, the "FOS". Please note that there are time limits within which the Assured must contact the FOS (these limits have been mentioned previously in this Policy). Convex Insurance UK Limited needs to give the Assured their final response within eight (8) weeks of their complaint, at the most, depending on what the Assured has complained about. The Assured should get in touch with the FOS within six (6) months of receiving Convex Insurance UK Limited's final response to your complaint.

The Financial Ombudsman Service,
Exchange Tower,
London E14 9SR.

Email: complaint.info@financial-ombudsman.org.uk

Website: <http://www.financial-ombudsman.org.uk>

2. Alternatively, the Assured may contact Lorraine Mullins, the Chief Compliance Officer of Convex Insurance UK Limited.

Email: lorraine@convexin.com or write to the following address:

Convex Insurance UK Limited

52-54 Lime Street

London EC3M 7AG

United Kingdom

Our Commitment

All complaints are reported to, and overseen by, the Chief Compliance Officer. If We get a complaint or have done something wrong or failed to do something well, We will do our best to put it right and to learn from it by root cause analysis (this is where Convex Insurance UK Limited will sample a selection of complaints and what caused them then to address the causes of the complaints as explained further). We will make sure that We investigate and establish what went wrong and why. We will then work out what We need to do to prevent that happening in the future and consider whether any other customers could have been affected. Irrespective of whether We have had complaints We will report regularly on complaints and root cause analysis and remediation in Our management information to the executive management committees and to the Board of Convex Insurance UK Limited.

Financial Services Compensation Scheme

The Underwriters are covered by the Financial Services Compensation Scheme. The Assured may be entitled to compensation from the Scheme if the Underwriters are unable to meet its obligations to you under this Policy. If the Assured were entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this Policy. Further information about the Scheme is available from the Financial Services Compensation Scheme (7th Floor, Lloyd's Chambers, Portoken Street, London E1 8BN) and on their website (www.fscs.org.uk).

Regulatory Information

Convex Insurance UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference No. 840616).

Registered Office 52 Lime Street, London, EC3M 7AF.

Registered in England Number 11796392.

You can find this information on the Financial Conduct Authority's ("FCA's") website at www.fca.org.uk which includes a register of all the firms the FCA regulate or by calling the FCA on 0800 111 6768 (Call 0800 111 6768 (freephone) or 0300 500 8082 from the UK), or +44 207 066 1000 from abroad. The FCA are open from Monday to Friday, 8am to 6pm and Saturday 9am to 1pm.

Privacy

This Privacy Notice describes how Convex Insurance UK Limited (for the purpose of this notice "We", "Us" or "Convex Insurance UK Limited") collect and use the personal information of insureds, claimants and other parties (for the purpose of this notice "You") when We are providing our insurance and reinsurance services.

How We Will Use Your Data

The information provided to Convex Insurance UK Limited, together with medical and any other information obtained from You or from other parties about You in connection with this Policy, will be used by Convex Insurance UK Limited for the purposes of determining Your application, the operation of insurance (which includes the process of underwriting, administration, claims management, analytics relevant to insurance, rehabilitation and customer concerns handling) and fraud prevention and detection. We may be required, by law, to collect certain personal information about You, or because of any contractual relationship We have with You. Failure to provide this information may prevent or delay the fulfilment of these obligations.

Information will be shared by Convex Insurance UK Limited for these purposes with other group companies and third parties, insurance intermediaries and service providers. Such parties may become Data Controllers in respect of Your personal information. Because We operate as part of a global business, We may transfer Your personal information outside the European Economic Area for these purposes.

Your Rights Regarding Your Personal Information

You have certain rights regarding Your personal information, under local law. These include the rights to request access, rectification, erasure, restriction, objection, and receipt of Your personal information in a usable electronic format and to transmit it to a third party (right to portability).

If You have questions or concerns regarding the way in which Your personal information has been used, please contact the Data Protection Officer, Lorraine Mullins, by email or letter at:

Lorraine@convexin.com

Convex Insurance UK Limited
52 Lime Street
London EC3M 7AF
United Kingdom

We are committed to working with you to obtain a fair resolution of any concern about privacy. If, however, you believe that we have not been able to assist with your concern, you have the right to make a complaint to the UK Information Commissioner's Office ("ICO").

For more information about how we process your personal information, please see our full privacy notice at: <https://convexin.com/privacy-policy/> or for a written copy please contact us at:

Convex Insurance UK Limited
52 Lime Street
London EC3M 7AF
United Kingdom

Claims Information

This part of the Policy details the procedure to be followed when the Assured wishes to make a claim.

1. Claims Procedure for Section 2 – Casualty Covers

The Assured must:

- a) give written notice of a Claim or any incident that may give rise to a Claim under Operative Covers A (Employers' Liability), B (Public Liability), C (Product Liability) and D (Pollution Liability) to the Underwriters, or their appointed agent, as soon as reasonably practicable and, in any event, within thirty (30) days of such knowledge;
- b) give all such additional information or documentation as the Underwriters, or their appointed agent, may require and continue to forward all such information and documentation immediately when they are received (until otherwise instructed). Every Claim, writ, summons or process and any other written notification of Claim and all documents relating thereto shall be forwarded unanswered to the Underwriters, or their appointed agent, immediately when they are received;
- c) make no admission of liability, offer, promise, compromise or payment without the Underwriters' prior written consent or the prior written consent of their appointed agent; and

In the event of a breach of terms clause 1. a) – c) above, the Underwriters may refuse to pay a Claim under this Policy in its entirety.

- d) The Underwriters shall be entitled to take over the conduct, in the name of the Assured, of the defence or settlement of any Claim or to issue in the name of the Assured but for the Underwriters' own benefit any claim for indemnity or Damages or otherwise. The Underwriters shall have full discretion in the conduct of any proceedings and in the settlement of any Claim and the Assured shall give all such information and assistance as the Underwriters may reasonably require.
- e) Where the Operative Cover trigger is shown as Claims Made and Notified in the Schedule, if a Circumstance occurring subsequent to the Operative Cover Retroactive Date and before the Expiry Date of the policy is notified to Underwriters during the Policy Period and in accordance with this Policy Condition, the Underwriters will not deny any subsequent Claim arising out of that Circumstance solely because the Claim was made after the Expiry Date of the policy.

2. Claims Procedure for Section 3 – Property Covers

The Assured must:

- a) give written notice of any accident or incident involving Property Damage and/or loss which gives rise to a claim under Operative Covers E, F, G, H, I or J to the Underwriters, or their appointed agent, as soon as reasonably practicable and, in any event, within thirty (30) days of such knowledge;
- b) give all such additional information or documentation as the Underwriters, or their appointed agent, may require;
- c) inform the police as soon as reasonably practicable following any Property Damage or loss caused by malicious acts, violent disorder, riots or civil commotion, theft, attempted theft or lost property.

In the event of a breach of terms of clause 2. a) – c) above, the Underwriters may refuse to pay a claim under this Policy in its entirety.

- d) In the event of any Occurrence giving rise to any loss or damage insured under this Policy, take or allow others to take such immediate practical action as is necessary to prevent further Property Damage or loss, recover Property Insured lost and otherwise minimise the loss.

3. Co-operation

In addition to their obligations set out in relation to the Claims Procedure (above), the Assured shall at all times afford such information, assistance and cooperation to the Underwriters or their appointed agents as may be requested. In the event of a breach of this term, the Underwriters may refuse to pay any claim under this Policy in its entirety.

4. Document Retention

In addition to their obligations set out in Claims Procedure (above), the Assured shall at all times ensure that all documentation relevant to a Claim or Circumstance is retained and not destroyed or disposed of. In the event of a breach of this term, the Underwriters may refuse to pay a claim under this Policy in its entirety.

Section 2 – Casualty Covers

This Section sets out the casualty insurance covers provided by this Policy and related terms, including specific Exclusions.

Operative Cover A – Employers' Liability

Cover under this Operative Cover A is subject to all terms and Exclusions within this Operative Cover A, all the terms and Exclusions within this Section 2 plus all the General Terms and Conditions and General Exclusions set out in Section 4. Optional Covers only provide cover if a sub Limit of Liability is specified in the Schedule. Capitalised words and terms are defined in the Definitions in Section 4.

1. Operative Clause

The Underwriters will indemnify the Assured for all sums which the Assured becomes legally liable to pay as Damages (including Claimants' costs, fees and expenses) and Defence Costs in respect of Bodily Injury sustained by an Employee

- a) arising out of and in the course of their employment by the Assured; or
- b) arising out of and in the course of their employment or participation in the performance of a contract with the Assured the primary purpose of which is the provision of labour only;

in connection with the Business of the Assured and caused during the Policy Period in the Covered Jurisdictions stated in the Schedule.

The indemnity provided shall only apply to Bodily Injury sustained:

- a) within the United Kingdom;
- b) by Employees of the Assured undertaking non-manual work during temporary visits abroad provided that such Employees are ordinarily resident in the United Kingdom.

2. Limit of Liability and Defence Costs

- a) The Underwriters' liability to pay Damages (including Claimants' costs, fees and expenses) shall not exceed the Limit of Liability stated in the Schedule as applicable to this Operative Cover in respect of an Occurrence.
- b) Defence Costs will be payable as part of the Limit of Liability stated in the Schedule as applicable to this Operative Cover, unless otherwise stated in the Schedule.

3. Additional Covers Applicable to Operative Cover A

a) Asbestos

This Operative Cover A will apply, subject to all its terms and conditions, to Bodily Injury caused to an Employee arising out of the exposure to asbestos or alleged exposure to asbestos or materials or products containing asbestos, where a sub Limit of Liability is specified in the Schedule.

b) Medical Treatment

Indemnity shall be extended to the Assured and any medical doctor or dentist employed by the Assured in respect of liability to any person under a contract of service with the Assured resulting from treatment given, provided that any such doctor or dentist shall be subject to the terms of this Policy as if they were the Assured so far as they can apply and provided that the Assured would have been entitled to indemnity under this Operative Cover A if the Claim had been made against the Assured.

c) Terrorism

This Operative Cover A will apply, subject to all its terms and conditions, to Bodily Injury caused to an Employee arising out of Terrorism, where a sub Limit of Liability is specified in the Schedule.

d) Unsatisfied Court Judgments

In the event of a Judgment for Damages being obtained by any Employee or the personal representative of any Employee:

- i. in respect of Bodily Injury sustained by the Employee that arises out of and in the course of employment by the Assured in connection with the Business during the Policy Period;
- ii. against any company or individuals operating within premises in the United Kingdom in any court situated in those territories;
- iii. which remains unsatisfied in whole or in part six (6) months after the date of such judgment;

the Underwriters will, at the request of the Assured, pay to the Employee or the personal representative of the Employee the amount of any such Damages and any awarded costs to the extent they remain unsatisfied. Provided always that:

- i. there is no appeal outstanding;
- ii. if any payment is made under the terms of this Additional Cover to Operative Cover A the Employee or the personal representative of the Employee shall assign any Judgment to the Underwriters;
- iii. any payment made by the Underwriters shall be only in respect of liability for which the Assured would have been entitled to indemnity under Operative Cover A of this Policy if the judgment had been made against the Assured.

4. Optional Covers Applicable to Operative Cover A

Operative Cover A will only provide cover under these Additional Covers if the relevant Additional Cover has been noted as operative in the Schedule or if agreed in writing with the Underwriters.

a) Offshore

This Operative Cover A will apply, subject to all its terms and conditions, to Bodily Injury sustained Offshore by the Employee that arises out of and in the course of employment by the Assured in connection with the Business during the Policy Period, where a sub Limit of Liability is specified in the Schedule.

b) Data Protection

This Operative Cover A will apply, subject to all its terms and conditions, to the Assured's legal liability to pay compensation to any Employee as a result of Bodily Injury under Article 82 of the General Data Protection Regulation (EU) 2016/679 (UK GDPR).

General Exclusion 2, Cyber, will not apply to the extent that this Additional Cover provides cover.

5. Exclusions Applicable to Operative Cover A

a) Motor

This Operative Cover A does not provide any indemnity in respect of liability for which compulsory motor insurance or security is required under any applicable legislation.

This Operative Cover A is also subject to the Exclusions specific to this Section 2 and the General Exclusions set out in Section 4.

6. Employers' Liability Compulsory Insurance Claims

The indemnity granted by this Operative Cover is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in the United Kingdom and offshore installations in territorial waters around Great Britain and its Continental Shelf BUT the Assured shall repay to the Underwriters all sums paid by the Underwriters which the Underwriters would not have been liable to pay but for the provisions of such law ordinance or statute.

Operative Cover B – Public Liability

Cover under this Operative Cover B is subject to all terms and Exclusions within this Operative Cover B, all the terms and Exclusions within this Section 2 plus all the General Terms and Conditions and General Exclusions set out in Section 4. Capitalised words and terms are defined in the Definitions in Section 4.

1. Operative Clause

The Underwriters will indemnify the Assured for all sums which the Assured becomes legally liable to pay as Damages (including Claimants' costs, fees and expenses) and Defence Costs in respect of accidental

- a) Bodily Injury;
- b) Property Damage;

arising from the Business of the Assured and occurring during the Policy Period in the Covered Jurisdictions stated in the Schedule.

The indemnity provided shall only apply to Bodily Injury or Property Damage occurring

- a) within the Territorial Limits;
- b) during the course of temporary visits abroad outside the Territorial Limits by Employees of the Assured undertaking non-manual work, provided that
 - i. Employees are usually domiciled within the United Kingdom;
 - ii. temporary visits do not exceed six (6) months in duration.

2. Limit of Liability and Defence Costs

- a) The Underwriters' liability to pay Damages (including Claimants' costs, fees and expenses) shall not exceed the Limit of Liability stated in the Schedule as applicable to this Operative Cover in respect of an Occurrence.
- b) Defence Costs will be payable as part of the Limit of Liability stated in the Schedule as applicable to this Operative Cover, unless otherwise stated in the Schedule.

3. Additional Covers Applicable to Operative Cover B

a) Data Protection Legislation

This Operative Cover B extends to cover the Assured for legal liability in respect of any Claim for compensation as a result of Bodily Injury and/or Property Damage under Section 169 of the Data Protection Act 2018 or under Article 82 of the General Data Protection Regulation (EU) 2016/679 (UK GDPR).

Cover in respect of such Claims shall be available only under the terms and conditions of this Additional Cover and nowhere else in this Policy.

For the purposes of this Additional Cover non-material damage which is the subject of such Claim shall be considered as Bodily Injury and will be treated as having occurred when the Claimant first had knowledge or alleges that they first had knowledge of the event giving rise to that Bodily Injury.

This Additional Cover applies where Claims are made against the Assured during the Policy Period arising from Bodily Injury and/or Property Damage occurring on or after the Retroactive Date specified in the Schedule and before the Expiry Date of the Policy. If a Circumstance, occurring subsequent to the Retroactive Date and before the Expiry Date of the Policy is notified to the Underwriters in accordance with Section 1, clause 1 – Claims Information for Casualty Covers, the Underwriters will not deny any subsequent Claim arising out of that Circumstance solely because the Claim was made after the Expiry Date of the Policy.

The Underwriters' liability under this Additional Cover shall be limited to GBP 50,000 any one Occurrence and in the aggregate, inclusive of Defence Costs, which shall be a part of and not in addition to the Limit of Liability.

The Excess under this Additional Cover shall be 10% of each Claim subject to a minimum of GBP 1,000, and it shall be applicable to all Claims, including Defence Costs:

- i. against liability caused by or arising from a deliberate act by or omission of any person entitled to insurance under this Policy if the result could have been expected having regard to the nature and circumstances of such act or omission;

- ii. for the costs of replacing, reinstating, rectifying or erasing any Personal Data, as defined in Data Protection Act 2018;
- iii. against liability caused by or arising from the recording, processing or provision of data for reward or the determining of the financial status of a person; or
- iv. against liability which attaches by virtue of a contract or agreement, but which would not have attached in the absence of such contract or agreement.

General Exclusion 2, Cyber, will not apply to the extent that this Additional Cover provides cover.

b) Denial of Access

The indemnity granted by this Operative Cover B is extended to indemnify the Assured against legal liability to pay Damages (including Claimant's costs and expenses), as a result of a denial of access that occurs during the Policy Period and arises out of or in connection with the Business. For the purpose of this Additional Cover, denial of access means nuisance, trespass or interference with any easement, right of air, light, water or way.

c) Overseas Liability

The indemnity granted by this Operative Cover B is extended, at the request of the Assured, to indemnify the Assured and its Employees and directors (including their families or persons ordinarily resident with them), against legal liability for Bodily Injury, Property Damage or denial of access (as per Operative Cover B,3.b above) incurred in a personal capacity while temporarily outside the United Kingdom in connection with the Business, provided that such Bodily Injury, Property Damage or denial of access does not arise out of the ownership or occupation of land or buildings.

d) Private work

The indemnity granted by this Operative Cover B is extended to indemnify the Assured against legal liability in respect of work carried out on behalf of Principals and/or directors of the Assured by Employees engaged or borrowed from the Assured in their private capacity.

e) Defective Premises Act

The indemnity granted by this Operative Cover B is extended to indemnify the Assured against legal liability arising under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975, in connection with any premises previously owned or occupied by the Assured for purposes in connection to the Business and which have since been disposed of by the Assured.

Underwriters shall not be liable under this Additional Cover for:

- i. Bodily Injury or Property Damage in respect of which the Assured is entitled to indemnity from any other insurance;
- ii. the costs of remedying any defect or alleged defect in such premises.

4. Exclusions Applicable to Operative Cover B

This Operative Cover does not provide any indemnity in respect of liability:

a) for Bodily Injury;

- i. sustained by any Employee arising out of and in the course of their employment by or under a contract of service with the Assured; or
- ii. arising out of and in the course of their employment or participation in the performance of a contract with the Assured the primary purpose of which is the provision of labour only;

in connection with the Business of the Assured.

b) For Property Damage to tangible property owned, leased or hired by the Assured or under hire purchase or on loan to the Assured or in the Assured's care, custody and control other than:

- i. Employees' and visitors' clothing, tools and personal effects up to a limit of GBP 500;
- ii. Premises (including contents thereof) not owned or rented by the Assured but temporarily occupied by them for the purpose of work therein or thereon;
- iii. Premises tenanted by the Assured to the extent that the Assured would be held liable in the absence of any specific agreement.

- c) arising out of ownership, possession or use of any mechanically propelled vehicle where a Certificate of Motor Insurance or surety is required under the Road Traffic Act or any similar legislation;
- d) caused by the ownership or operation by or on behalf of the Assured of any waterborne craft, hovercraft, aircraft, or rail borne vehicle;
- e) arising out of any work undertaken Airside: in, on or within any aircraft, airport runway, taxiway, dispersal area, apron, hanger, cargo, transit or flight handling area, including open spaces between and/or other operational or manoeuvring area and including any flight control facilities, wherever situated unless notified and agreed by the Underwriters prior to the work being undertaken.
- f) arising out of or in connection with any Pollution;
- g) arising out of or in connection with any Product; and
- h) arising out of or from advice, design, plans, specifications, formulae, surveys or directions prepared or given by the Assured for a fee.

This Operative Cover B is also subject to the Exclusions specific to this Section 2 and the General Exclusions set out in Section 4.

Operative Cover C – Product Liability

Cover under this Operative Cover C is subject to all terms and Exclusions within this Operative Cover C, all the terms and Exclusions within this Section 2 plus all the General Terms and Conditions and General Exclusions set out in Section 4. Capitalised words and terms are defined in the Definitions in Section 4.

1. Operative Clause

The Underwriters will indemnify the Assured for all sums which the Assured becomes legally liable to pay as Damages (including Claimants' costs, fees and expenses) and Defence Costs in respect of accidental:

- a) Bodily Injury; or
- b) Property Damage;

arising from any Product within the Territorial Limits and Covered Jurisdictions stated in the Schedule.

The trigger applicable to this Operative Cover is either a), b) or c) below as specified in the Schedule:

a) Losses Occurring During

This Operative Cover applies where Bodily Injury or Property Damage occurs during the Policy Period.

b) Claims Made

This Operative Cover applies where a Claim is first made against the Assured during the Policy Period and in accordance with Section 1, clause 1. – Claims Information for Casualty Covers arising from any Bodily Injury or Property Damage occurring on or after the Retroactive Date specified in the Schedule and before the Expiry Date of the policy.

c) Claims Made and Notified

This Operative Cover applies where a Claim is first made against the Assured and is notified to the Underwriters during the Policy Period or within sixty (60) days of the Expiry Date and in accordance with Section 1, clause 1. – Claims Information for Casualty Covers arising from any Bodily Injury or Property Damage occurring on or after the Retroactive Date specified in the Schedule and before the Expiry Date of the Policy.

However, this Operative Cover does not apply to any Claim that is covered under any subsequent insurance the Assured acquires, or would be covered but for the exhaustion of the Limit of Liability applicable to such Claim.

In respect of Additional Cover 3 a) Advertising Injury, if the date of the Occurrence is not self-evident, it shall be treated as having occurred on the date of the first publication of material that is or is alleged to be injurious.

2. Limit of Liability and Defence Costs

- a) The Underwriters' liability to pay Damages (including Claimants' costs, fees and expenses) shall not exceed the Limit of Liability stated in the Schedule as applicable to this Operative Cover in respect of an Occurrence.
- b) Defence Costs will be payable as part of the Limit of Liability stated in the Schedule as applicable to this Operative Cover, unless otherwise stated in the Schedule.

3. Additional Covers applicable to Operative Cover C

a) Advertising Injury

The indemnity granted by this Operative Cover C is extended to indemnify the Assured against legal liability to pay Damages (including Claimants' costs, fees and expenses), in respect of unintended and unexpected:

- i. libel, slander or defamation;
- ii. infringement of copyright, title, slogan or other intellectual property rights;
- iii. piracy, unfair competition or idea misappropriation under an implied contract; and/or
- iv. any invasion of the rights of privacy

committed or alleged to have been committed during the Policy Period in any advertisement, publicity, article, internet website activity, broadcast or telecast arising from advertising activities by or on behalf of the Assured in connection with the Assured's Products, goods or services, but Underwriters shall not be liable for:

- i. the failure of performance of a contract other than unauthorised appropriation of ideas based upon breach or alleged breach of the contract;
- ii. incorrect description or mistake in the price of Products, goods or services sold or offered for sale by the Assured;
- iii. the failure of Products, goods or services to conform with advertised quality, performance or standards;
- iv. any material that was first published (verbally or in writing) prior to the Retroactive Date, if any, specified in the Schedule.

The Underwriters' liability under this Additional Cover shall be limited to GBP 1,000,000 any one Occurrence and in the aggregate, inclusive of Defence Costs, which shall be a part of and not in addition to the Limit of Liability.

4. Exclusions Applicable to Operative Cover C

This Operative Cover does not provide any indemnity in respect of liability:

- a) for Bodily Injury;
 - i. sustained by any Employee arising out of and in the course of their employment by or under a contract of service with the Assured; or
 - ii. arising out of and in the course of their employment or participation in the performance of a contract with the Assured the primary purpose of which is the provision of labour only;
 in connection with the Business of the Assured.
- b) for Property Damage to tangible property owned, leased or hired by the Assured or under hire purchase or on loan to the Assured or in the Assured's care, custody and control other than:
 - i. Employees' and visitors' clothing, tools and personal effects up to a limit of GBP 500;
 - ii. Premises (including contents thereof) not owned nor rented by the Assured but temporarily occupied by them for the purpose of work therein or thereon; and
 - iii. Premises tenanted by the Assured to the extent that the Assured would be held liable in the absence of any specific agreement.
- c) arising out of or in connection with any Pollution;
- d) arising out of the recall of any Product, or any product manufactured, distributed or handled by a customer of the Assured of which the Product becomes a component part;
- e) for Damage to any Product or part thereof;
- f) for costs incurred in the repair, reconditioning or replacement of any Product or part thereof and/or any financial loss consequent upon the necessity for such repair, reconditioning or replacement;
- g) if the trigger for Operative Cover C is the making of a Claim (under clause 1. b) and 1. c) above), arising out of any Product which has left the custody or control of the Assured prior to the Retroactive Date, if any, stated in the Schedule;
- h) arising out of any Product which, with the Assured's knowledge, is intended for incorporation into the structure, machinery, or controls of any aircraft or spacecraft;
- i) arising out of any Product which, with the Assured's knowledge, is intended for incorporation into any marine equipment upon which the navigation or safety of a waterborne vessel depends or use in a waterborne vessel;
- j) arising out of or from advice, design, plans, specifications, formulae, surveys or directions prepared or given by the Assured for a fee;
- k) for loss of or damage to any Product attributable to any known or suspected;
 - i. defect or deficiency therein or;
 - ii. unsuitability for its intended purpose or use;

- l) assumed by the Assured under contract, agreement or guarantee unless such liability would have attached in the absence of such contract, agreement or agreement or guarantee;
- m) for Bodily Injury or Property Damage directly or indirectly caused by, arising from or in connection with food and drink supplied by, or on behalf of, the Assured primarily to the Assured's Employees at the Premises as a staff benefit;
- n) for Bodily Injury or Property Damage arising out of the presence, ingestion, inhalation, absorption or exposure to lead in any Product;
- o) for Property Damage to that part of any property upon which the Assured or any Employee of the Assured is or has been working where such Property Damage arises out of such work.

This Operative Cover C is also subject to the Exclusions specific to this Section 2 and the General Exclusions set out in Section 4.

Operative Cover D – Pollution Liability

Cover under this Operative Cover D is subject to all terms and Exclusions within this Operative Cover D, all the terms and Exclusions within this Section 2 plus all the General Terms and Conditions and General Exclusions set out in Section 4. Capitalised words and terms are defined in the Definitions in Section 4.

1. Operative Clause

The Underwriters will indemnify the Assured for all sums which the Assured becomes legally liable to pay as Damages (including Claimants' costs, fees and expenses) and Defence Costs in respect of accidental:

- a) Bodily Injury; or
- b) Property Damage;

arising from Pollution occurring in its entirety during the Policy Period within the Territorial Limits and Covered Jurisdictions stated in the Schedule in connection with the Business of the Assured but only to the extent that the Assured can demonstrate that such Pollution:

- a) was the direct result of a sudden specific and identifiable event occurring during the Policy Period;
- b) was not the direct result of the Assured failing to take reasonable precautions to prevent such Pollution during the Policy Period.

2. Limit of Liability and Defence Costs

- a) The Underwriters' liability to pay Damages (including Claimants' costs, fees and expenses) shall not exceed the Limit of Liability stated in the Schedule as applicable to this Operative Cover in respect of an Occurrence.
- b) Defence Costs will be payable as part of the Limit of Liability stated in the Schedule as applicable to this Operative Cover, unless otherwise stated in the Schedule.

3. Additional Covers Applicable to Operative Cover D

a) Denial of Access

The indemnity granted by this Operative Cover D is extended to indemnify the Assured against legal liability to pay Damages (including Claimant's costs and expenses), as a result of a denial of access that occurs during the Policy Period and arising from Pollution in connection with the Business. For the purpose of this Additional Cover, denial of access means nuisance, trespass or interference with any easement, right of air, light, water or way.

b) Private work

The indemnity granted by this Operative Cover D is extended to indemnify the Assured against legal liability in respect of work carried out on behalf of Principals and/or directors of the Assured by Employees engaged or borrowed from the Assured in their private capacity arising from Pollution in connection with the Business.

4. Exclusions Applicable to Operative Cover D

This Operative Cover does not provide any indemnity in respect of liability:

- a) for Bodily Injury;
 - i. sustained by any Employee arising out of and in the course of their employment by or under a contract of service with the Assured; or
 - ii. arising out of and in the course of their employment or participation in the performance of a contract with the Assured the primary purpose of which is the provision of labour only

in connection with the Business of the Assured.

- b) for Property Damage to tangible property owned, leased or hired by the Assured or under hire purchase or on loan to the Assured or in the Assured's care, custody and control other than:
 - i. Employees' and visitors' clothing and personal effects up to a limit of GBP 500;
 - ii. Premises (including contents thereof) not owned nor rented by the Assured but temporarily occupied by them for the purpose of work therein or thereon;
 - iii. Premises tenanted by the Assured to the extent that the Assured would be held liable in the absence of any specific agreement.
- c) arising out of ownership, possession or use of any mechanically propelled vehicle where a Certificate of Motor Insurance or surety is required under the Road Traffic Act or any similar legislation;
- d) caused by the ownership or operation by or on behalf of the Assured of any waterborne craft, hovercraft, aircraft, or rail borne vehicle;
- e) arising out of or in connection with any Product;
- f) arising out of or from advice, design, plans, specifications, formulae, surveys or directions prepared or given by the Assured for a fee;
- g) for Property Damage to Premises presently or at any time owned or tenanted by the Assured;
- h) for Property Damage to land or water within or below the boundaries of any land or Premises presently or at any time previously owned or leased by the Assured or otherwise in the Assured's care, custody or control.

This Operative Cover D is also subject to the Exclusions specific to this Section 2 and the General Exclusions set out in Section 4.

Additional Covers applicable to Section 2

1. Court Attendance Costs

In the event that the Underwriters request the Assured or any Employees to attend Court or any arbitration or adjudication hearing as a witness of fact in connection with a Claim made against the Assured for which cover is afforded under this Policy, Underwriters will provide compensation to the Assured at the following rates for each day or part thereof on which attendance is required:

- a) any partner or director of the Assured GBP 500.
- b) any Employee GBP 250.

2. Cross Liability Clause

It is hereby declared and agreed that where more than one party is named in the Schedule as the Assured, indemnity shall apply as though individual insurances have been issued to each party provided always that the Underwriters' total liability shall not exceed the sums stated in the Schedule as the Limit of Liability.

3. Indemnity to Others

At the request of the Assured, and subject to the prior written consent of Underwriters, indemnity extends to include liability of:

- a) any director of the Assured or Employee in respect of liability arising in connection with the Business of the Assured as stated in the Schedule;
- b) the committees, or any director or member thereof, of any of the Assured's sports or social clubs and canteen, medical, firefighting or welfare facilities but only in respect of such capacities;
- c) any hired or borrowed employee for whom the Assured is responsible or for any other person who is under a contract of service with a contractor of the Assured and where the Assured in the course of the Business of the Assured has agreed to accept responsibility;
- d) directors and/or officials of the Assured in their personal private capacity arising from work undertaken for them by Employees of the Assured;

each of whom shall, as though the Assured, be subject to the terms of this Policy so far as they can apply and provided that the Assured would have been entitled to indemnity under the relevant Operative Cover if the Claim had been made against the Assured.

4. Indemnity to Principal

Where the Assured so requests, the Underwriters agree to indemnify any Principal of the Assured but only to the extent that such liability arises solely out of the work performed for the Principal by or on behalf of the Assured. Such Principal shall be subject to and comply with the terms and conditions of the Policy. This clause shall in no way operate to increase the Limits of Liability as stated in the Schedule.

5. Corporate Manslaughter

The indemnity granted by this Policy is extended to apply to Defence Costs in cases of an alleged offence by the Assured under the Corporate Manslaughter and Corporate Homicide Act 2007 or any subsequent amending legislation, provided that:

- a) the proceedings relate to an offence alleged to have been committed during the Policy Period and in the course of the Business;
- b) the cover will not apply:
 - i. to fines or penalties of any kind;
 - ii. to liability assumed under a contract or agreement which would not have attached in the absence of such contract or agreement
 - iii. to proceedings consequent upon any deliberate act or omission.

The Underwriters' liability under this Additional Cover shall be limited to GBP 1,000,000 in the aggregate in any one Policy Period. This limit will form part of and not be in addition to the relevant Limit of Liability stated in the Schedule.

These Additional Covers are subject to the specific Exclusions within the Operative Covers, the Exclusions within this Section 2 plus the General Exclusions set out in Section 4.

Exclusions applicable to Section 2

This Policy does not insure, apply to or include any cover for any loss, Property Damage, Claim, cost, expense or other sum directly or indirectly arising out of or relating to:

1. Abuse

- a) any act that results in the maltreatment of a person and which may be of, but not limited to, a physical, sexual, verbal, psychological or emotional or financial nature.

This exclusion does not apply to Operative Cover A, Employers' Liability.

2. Data Protection

- a) compensation, damages, losses, costs and expenses, fines, penalties, or any other sum arising out of, directly or indirectly, a breach of privacy rules or legislation including the General Data Protection Regulation (EU) 2016/679 (UK GDPR) or equivalent.

This exclusion does not apply to the cover provided by Additional Cover 3 (a), Data Protection, in Operative Cover B, Public Liability or to Operative Cover A, Employers' Liability.

3. Deliberate failure to prevent Bodily Injury or Property Damage

- a) deliberate, conscious or intentional disregard by the Assured's technical or administrative management of the need to take all practical steps to prevent Bodily Injury or Property Damage.

4. Liquidated Damages

- a) liquidated damages clauses, penalty clauses or performance warranties unless proven that liability would have attached in the absence of such clauses or warranties.

This exclusion does not apply to Operative Cover A, Employers' Liability.

5. United States of America and Canada

in respect of any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada or any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part:

- a) Section 2 does not cover any liability:
 - i. for and/or arising out of Pollution;
 - ii. for the cost of removing, nullifying or cleaning-up seeping, polluting or contaminating substances; and
- b) Section 2 shall not apply to nor insure against the loss of any Assured domiciled or registered in the United States of America or Canada or any country which operates under the laws of the United States of America or Canada, other than in respect of sales offices of the Assured where prior agreement has been sought from the Underwriters.

When this exclusion applies, Section 2, Condition 6, United States of America and Canada Jurisdiction, may also apply.

This Section 2 is also subject to the specific Exclusions within its Operative Covers and the General Exclusions set out in Section 4.

Conditions Applicable to Section 2

1. Apportionment of Defence Costs

Except where the Limit of Liability is inclusive of Defence Costs, if a payment exceeding the Limit of Liability has to be made under Operative Covers A (Employers' Liability), B (Public Liability), C (Product Liability) and D (Pollution Liability) to dispose of a Claim, the liability of the Underwriters to pay all Defence Costs in connection therewith shall be limited to such proportion of the said Defence Costs as the Limit of Liability bears to the amount paid to dispose of a Claim.

2. Discharge of Liability

The Underwriters may at any time pay to the Assured in connection with any Claim or series of Claims under Section 2 of this Policy (Casualty) to which a Limit of Liability applies the amount of such Limit (after deduction of any sums already paid) or any lesser amount for which such Claims can be settled. Upon such payment being made, and the payment of Defence Costs incurred prior to the date of such payment where such Defence Costs are stated as being in addition to the relevant Limit of Liability, Underwriters shall relinquish the conduct and control of and be under no further liability in connection with such Claims.

3. Jurisdiction of Covered Judgments

It is hereby agreed between Underwriters and the Assured that indemnities provided by this Policy under Section 2 shall apply only to judgments of first instance against the Assured in the Courts of Law of the Covered Jurisdictions stated in the Schedule and not to judgments obtained elsewhere nor to judgments or orders obtained in the said courts for the enforcement of foreign judgments, whether by way of reciprocal agreements or otherwise, unless the Assured has requested that there shall be no such limitation and has accepted the terms offered by Underwriters in granting such cover which offer and acceptance must be signified by specific endorsement to this Policy.

The Premium for this insurance has been calculated accordingly and no consideration has been paid in respect of sums payable under any other law or the jurisdiction of any other courts.

4. Limit of Liability

Underwriters' liability to pay Damages (including Claimants' costs, fees and expenses) and Defence Costs shall not exceed the sum stated in the Schedule in respect of any one Occurrence.

Where an Occurrence gives rise to liability under Operative Covers B (Public Liability), C (Product Liability) and/or D (Pollution Liability), the total amount of Underwriters' liability shall not exceed the greatest Limit of Liability available under the relevant Operative Cover providing indemnity for the Occurrence.

Where an aggregate Limit of Liability is stated in the Schedule to apply, the Underwriters' total liability to pay Damages (including Claimants' costs, fees and expenses) and Defence Costs in respect of the entire Policy Period shall not exceed the stated aggregate Limit of Liability regardless of the number or severity of Occurrences or Claims.

Notwithstanding the above provisions, limits specified in an Additional Cover of this Policy will apply as set out in the Additional Cover.

5. Personal Protective Equipment

The Assured must at all times ensure that:

- a) all Employees are made aware of the dangers of not using personal protective equipment including but not limited to by way of training;
- b) personal protective equipment is provided and signed for upon receipt by the Employee, except that disposable personal protective equipment does not need to be signed for; and
- c) a register is maintained which demonstrates compliance with the above including but not limited to demonstrating that Employees have received appropriate training.

In the event of a breach of this term, the Underwriters shall have no liability under this Policy unless the Assured shows that the non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

6. United States of America and Canada Jurisdiction

Where the Covered Jurisdiction applicable to any Operative Cover is shown in the Schedule as Worldwide, then in respect of any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada or any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part:

- a) the Limits of Liability stated in the Schedule are inclusive of Defence Costs
- b) any dispute concerning the interpretation of the terms, conditions, limitations and/or exclusions contained herein is subject to the law and exclusive jurisdiction of England and Wales;
- c) the Underwriters shall not be liable for the amount shown as the applicable Excess in the Schedule, being the first amount of each and every Claim. For the purpose of this condition "Claim" shall include compensatory awards or damages, Claimants' costs, fees and expenses and associated Defence Costs.

The Operative Cover shall not apply to nor insure against the loss of any Assured domiciled or registered in the United States of America or Canada or any country which operates under the laws of the United States of America or Canada, other than in respect of sales offices of the Assured where prior agreement has been sought from the Underwriters.

When this clause applies, Section 2, Exclusion 5 United States of America and Canada may also apply.

Section 3 – Property Covers

This Section sets out the property insurance covers provided by this Policy and related terms, including specific Exclusions.

Operative Cover E – Material Damage

Cover under this Operative Cover E is subject to all terms and Exclusions within this Operative Cover E, all the terms and Exclusions within this Section 3 plus all the General Terms and Conditions and General Exclusions set out in Section 4. Optional Covers only provide cover if a sub Limit of Liability is specified in the Schedule. Capitalised words and terms are defined in the Definitions in Section 4.

1. Operative Clause

The Underwriters will indemnify the Assured for Property Damage occurring during the Policy Period to any of the Property Insured unless otherwise excluded.

The Underwriters will:

- a) indemnify the Assured; or
- b) reinstate or replace the Property Insured,

in accordance with the Basis of Claims Settlement set out in clause 5. b) of this Operative Cover.

2. Additional Covers Applicable to Operative Cover E

Damage to Property Insured

a) Additions

The Underwriters will indemnify the Assured for Property Damage to Property Additions occurring during the Policy Period anywhere in the United Kingdom, provided that the Assured:

- i. informs the Underwriters of all additions within three (3) months of the date on which the items become the responsibility of the Assured; and
- ii. pays the appropriate additional premium, calculated from the date on which the items become the responsibility of the Assured.

This indemnity is limited to the lesser of: (i) 10% of the total Buildings Sum Insured under this Operative Cover; or (ii) GBP 250,000, for any one Location.

b) Glass and Sanitaryware

In the event of breakage of Glass or Sanitaryware for which the Assured is responsible at the Locations, the Underwriters will in their sole discretion:

- i. replace it; or
- ii. indemnify the Assured for the cost of replacement.

The Underwriters are not obliged to replace or indemnify the Assured for the cost of replacement of any property exactly but only as nearly as circumstances permit. The Underwriters' liability is limited to GBP 25,000 for any one loss.

The Underwriters will indemnify the Assured for losses arising from:

- i. Property Damage to window and door frames or framework, vitrolite, marble, marmorite and similar materials, shutters or blinds following breakage of Glass;

- ii. the cost of replacing window alarm foil lettering and other detection devices and circuits or painting or other ornamental work attached to the Glass;
- iii. Property Damage to electric light fittings or neon and illuminated signs attached to the Glass or caused by the Glass breakage;
- iv. Property Damage to goods incidental to the Business caused by breakage of fixed glass in display windows;
- v. costs incurred following the necessary removing or replacing the fixtures and fittings to replace the Glass;
- vi. the cost of necessary boarding up pending repair or replacement.

The indemnity shall not apply to any losses related to Property Damage to Glass or Sanitaryware in any portion of the Location which is Unoccupied.

c) Personal possessions

The Underwriters will indemnify the Assured for losses arising from Property Damage to pedal cycles, personal Money and other personal possessions belonging to the Assured or any guest, partner, director, Employee, customer or visitor of the Assured not otherwise insured, up to GBP 1,000 (unless a higher limit is stated in the Schedule) for any one person, for any one loss. This Additional Cover does not include Specified Goods.

d) Theft Damage to Buildings

The Underwriters will indemnify the Assured for Property Damage (except for Property Damage caused by fire) to that part of the Buildings containing the Property Insured directly resulting from theft or attempted theft, provided that the Assured is the owner of the Buildings or is legally liable for the Property Damage.

The Underwriters' liability is limited to GBP 25,000 in total in the Policy Period.

e) Theft of fixed fabric of the Building

The Underwriters will indemnify the Assured for losses arising from:

- i. the theft of fixed fabric of the Building, where the Building is shown as insured in the Schedule; and
- ii. Property Damage to Contents, Stock for which the Assured is responsible and caused by the entry of rainwater following theft or attempted theft of the external fabric of the Building.

f) Rented or leased Buildings

The Underwriters will indemnify the Assured against:

- i. reasonable and necessary costs that are incurred for the cost of repairing Property Damage to the Building and landlord's fixtures and fittings where the Assured is a tenant, provided the Property Damage is not otherwise excluded under this Operative Cover;
- ii. rent payable by the Assured for the Building(s).

The Underwriters' liability is limited to GBP 25,000 in total in the Policy Period, but only to the extent that the Assured is liable for the Property Damage to those Building(s) and/or for the rent payable.

In addition, where the Assured is liable as a tenant, the Underwriters will indemnify the Assured for losses arising from Property Damage to service pipes and cables, including their associated meters and instruments, which connect the Buildings to the public mains.

If requested by the Underwriters, the Assured agrees to provide the Underwriters with a copy of the lease or the relevant portions of the lease, for any of the Locations which this Operative Cover applies to, and the Assured also agrees not to extend the relevant sections of the lease for the duration of this insurance without the consent of the Underwriters.

The indemnity will not apply to rent that is payable unless the Building to which the rent payable relates is damaged to such extent where it is rendered unfit for occupation and then only for the proportion of the rent payable that is equivalent to the time necessary for reinstating the Property Damage sustained.

No amount is recoverable under this Operative Cover due to the application of any Excess or average condition under any more specific insurance.

The Underwriters will not be liable for any losses which any lessor has agreed by legal contract to insure.

g) Subsidence

The indemnity granted by this Operative Cover E is extended to indemnify the Assured for Property Damage to Property Insured caused by subsidence or ground heave on any part of the site where the Buildings stand or landslip.

The Underwriters will not be liable for Property Damage caused by:

- i. or consisting of the bedding down of new structures or by the settlement or movement of made-up ground or by coastal or river erosion;
- ii. or consisting of subsidence, ground heave or landslip which developed before the beginning of this Policy;
- iii. or consisting of subsidence, ground heave or landslip to roads, driveways, yards, footpaths, car-parks or forecourts unless also affecting the structure of a building at the Locations;
- iv. demolition, structural alterations or repair of any property at the Locations;
- v. groundworks or excavation at the Locations;
- vi. defective design or workmanship or the use of defective materials;
- vii. fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe.

Specified Condition Applicable to this Additional Cover

The Assured must notify the Underwriters as soon as reasonably practicable upon becoming aware of any demolition, groundworks or evacuation being carried out on any site adjoining the Locations. The Underwriters will then have the right to amend the terms of this Operative Cover for subsidence.

Recoverable costs incurred

h) Additional metered electric, water, gas or domestic heating oil charges

This Operative Cover covers Additional Metered Charges incurred by the Assured as a result of Property Damage (which are not otherwise excluded) to Buildings, provided that repairs are completed within 30 days of the Property Damage being discovered.

The Underwriters will calculate the amount to be paid by comparing the charge made by the utility suppliers for the period during which the Property Damage occurred with the charges for the previous period, adjusted for any relevant factors affecting the Assured's consumption of the relevant utility during the periods concerned.

The maximum the Underwriters are liable to pay under this Operative Cover is GBP 25,000 in total for the Policy Period excluding the cost or value of metered water, electric, gas or heating oil lost when the Locations are Unoccupied or not in use.

Condition 1 (Average) of the Conditions applicable to Section 3 does not apply to this cover.

i) Fly tipping

The Underwriters will indemnify the Assured for costs necessarily and reasonably incurred in clearing and removing any property illegally deposited in or around the Buildings.

The Assured will be responsible for the first GBP 1,000 of each loss.

The Underwriters' liability is limited to GBP 5,000 for any one loss and GBP 10,000 in total in the Policy Period.

j) Removal of debris

The Underwriters will indemnify the Assured against costs necessarily incurred by the Assured (with the Underwriters' consent) in:

- i. removing the debris from;
- ii. dismantling or demolishing;
- iii. shoring up or propping; and
- iv. boarding up,

the portion or portions of the Property Insured that has undergone Property Damage.

The indemnity will not apply to any costs or expenses:

- i. incurred in removing debris except from the site of the Property Insured and the area immediately adjacent to the site;
- ii. arising from Pollution of property not covered by this Operative Cover.

k) Clearing / Cleaning of Drains

The Underwriters will indemnify the Assured for costs necessarily incurred in clearing, cleaning or repairing drains, gutters or sewers for which the Assured is responsible as a result of Property Damage under this Operative Cover.

The Underwriters' liability is limited to GBP 10,000 for any one loss.

l) Removal of Vermin

The Underwriters will indemnify the Assured for reasonable costs incurred by the Assured where the Assured is required by a local authority or similar body to have Vermin removed from any Building.

The Underwriters' liability is limited to GBP 2,500 for any one loss and GBP 10,000 in total in the Policy Period.

m) Removal of nests

The Underwriters will indemnify the Assured for costs incurred in removing wasps', bees' or hornets' nests from the Buildings.

The Underwriters' liability is limited to GBP 1,500 for any one loss.

n) Fire brigade charges

The Underwriters will indemnify the Assured for costs incurred that are charged by the local authority or other organisation responsible for preserving public safety for extinguishing fire or fire-fighting, provided that such costs are necessary and reasonable.

The Underwriters' liability for this indemnity is limited to GBP 10,000 in total in the Policy Period.

o) Fire brigade damage to gardens

The Underwriters will indemnify the Assured against costs necessarily incurred in reinstating or repairing landscaped gardens and grounds following Property Damage, caused by fire brigade equipment or personnel attending the Locations to combat fire.

The Underwriters' liability is limited to GBP 5,000 in total in the Policy Period.

The indemnity will not apply to:

- i. the cost of movement of soil with the exception of soil necessary for surface preparation;
- ii. the failure of trees, shrubs or turf to become established following planting or replanting;
- iii. the failure of seeds to germinate.

p) Loss of metered services

The Underwriters will indemnify the Assured for charges that the Assured is responsible for, if water, electricity, heating oil or gas is accidentally discharged from a metered system providing service to the Locations.

The Underwriters' liability is limited to GBP 10,000 for any one loss.

Condition 1 (Average) of the Conditions applicable to Section 3 does not apply to this cover.

The indemnity will not apply to charges the Assured is responsible for if the Locations are Unoccupied.

q) Fire extinguishing expenses and alarm resetting expenses

The Underwriters will indemnify the Assured for costs incurred by the Assured for refilling, recharging or replacing any:

- i. portable fire extinguishing appliances;
- ii. local fire suppression system;
- iii. fixed fire suppression system;

iv. sprinkler installation; and

v. sprinkler heads,

solely due to insured Property Damage to Property Insured.

The Underwriters will only indemnify the Assured under this Operative Cover if the equipment described in clause 2. q) i) – v) above is maintained in accordance with the manufacturer's instructions.

The Underwriters will indemnify the Assured for costs incurred in resetting fire and intruder alarms and closed circuit television systems at the Locations.

The indemnity will not apply to costs recoverable from the maintenance company or the fire service.

r) Gas flooding systems

The Underwriters will indemnify the Assured for costs incurred in refilling the cylinders of gas flooding systems installed solely for the protection of the Buildings provided that the discharge was accidental.

The Underwriters' liability is limited to GBP 25,000 for any one loss.

The indemnity will not apply to costs incurred as a direct result of the gas system being installed, commissioned or undergoing any form of testing.

s) Sprinkler installation upgrading costs

The Underwriters will indemnify the Assured for additional costs incurred following Property Damage to the Buildings in order to upgrade an automatic sprinkler installation to meet current Loss Prevention Council Rules, provided that, at the time of the Property Damage, the installation conformed with the rules current at the date of installation.

t) Trace and access

The Underwriters will indemnify the Assured for reasonable costs incurred in locating the source of an escape of water or fuel from any tank, apparatus or pipe at the Locations and later making good of Property Damage caused as a result of locating the source.

The Underwriters' liability for this indemnity is limited to GBP 25,000 for any one loss.

u) Unauthorised use of supplies

The Underwriters will indemnify the Assured for water, gas, electricity or other metered supply charges incurred by the Assured, for which the Assured is legally responsible, due to unauthorised use by persons taking possession of, keeping possession of or occupying any Building without the written consent of the Assured, provided that the Assured:

- i. takes all practicable steps to terminate unauthorised use as soon as it is discovered;
- ii. has complied with Section 1, clause 2. – Claims Information for Property Covers.
- iii. has provided notification of possession to the Underwriters as soon as practicably possible upon becoming aware of such charges.

The Underwriters' liability for this indemnity is limited to GBP 2,500 for any one instance of unauthorised use and GBP 5,000 in total in the Policy Period.

v) Exhibitions and trade fairs

The Underwriters will indemnify the Assured for Property Damage to the Property Insured plus exhibits, stands, furniture, furnishings, display materials, stationery and other similar property owned by the Assured for a period not exceeding fifteen (15) consecutive days whilst:

- i. at any exhibition or trade fair premises; and
- ii. in transit to and from any exhibition or trade fair premises,

in each case, in the United Kingdom or Europe.

The Underwriters' liability is limited to GBP 25,000 in total in the Policy Period.

The indemnity will not apply in respect of:

- i. theft or attempted theft from unattended vehicles;
- ii. theft or attempted theft where there has been no forcible or violent entry unless the exhibition or trade fair premises are protected by permanently sited security guards;
- iii. personal belongings of the Assured's directors, Employees or visitors.

w) Other locations

Provided there is no other insurance in place, the Underwriters will indemnify the Assured for losses arising from Property Damage (which is not otherwise excluded by this Operative Cover) to Contents, Stock whilst at the homes of directors or Employees anywhere within the Territorial Limits and whilst in transit from Buildings.

The Underwriters' liability for this indemnity is limited to GBP 5,000 for any one loss and GBP 10,000 in total in the Policy Period.

x) Temporary removal

The Underwriters will indemnify the Assured for losses arising from Property Damage to:

- i. Contents and miscellaneous items (specified in the Schedule) whilst temporarily removed for cleaning, renovation, repair or similar purposes including whilst in transit, within the United Kingdom. The Underwriters' liability is limited to 10% of the relevant Sum Insured or GBP 250,000, whichever is less, in the Policy Period;
- ii. deeds, documents, business books, manuscripts, and plans whilst temporarily removed elsewhere including whilst in transit, within the United Kingdom. The Underwriters' liability is limited to GBP 25,000 in total in the Policy Period.

The indemnity will not apply to:

- i. motor vehicles and motor chassis licensed for normal road use;
- ii. property more specifically insured;
- iii. more than GBP 25,000 under a) where the loss arises from theft or attempted theft.

y) Third party storage locations

The Underwriters will indemnify the Assured for Property Damage to Stock whilst at third party storage locations within the United Kingdom. The Underwriters' liability is limited to 10% of the relevant Sum Insured but not exceeding GBP 250,000 in total in the Policy Period.

The Underwriters' liability is limited to GBP 25,000 in this Operative Cover where the loss arises from a theft or attempted theft.

When a loss or claim happens

z) Loss prevention costs

The Underwriters will indemnify the Assured for necessary and reasonable costs incurred by the Assured in protecting the Buildings from imminent insured Property Damage happening during the Policy Period.

The Underwriters' liability for this indemnity is limited to GBP 10,000 in total in the Policy Period.

aa) Emergency security costs following damage

The Underwriters will indemnify the Assured following Property Damage for:

- i. the reasonable and necessary costs incurred by the Assured in keeping the Locations secure, including temporary board up or making good; and
- ii. the costs of hiring security guards until the Locations are made secure,

The Underwriters' liability is limited to GBP 10,000 in total in the Policy Period.

bb) Professional fees

The Underwriters will indemnify the Assured for architects', surveyors', legal and consulting engineers' fees necessarily incurred (with the Underwriters' written consent) in the Reinstatement (Condition 5(b)) or repair of the Property Insured as a result of Property Damage. The indemnity will not apply to costs or expenses for preparing any claim.

The Underwriters' liability is limited to GBP 25,000 in total in the Policy Period.

cc) Replacement locks and keys

The Underwriters will indemnify the Assured for reasonable expenses incurred as a result of the necessary replacement of keys, locks or resetting digital locks at the Locations to a standard equal to but not better than their original standard following the loss of keys by loss or theft from the Locations or from the homes of directors, partners, solicitors, agents or authorised Employees or by the unauthorised duplication of the keys, provided that safe keys are:

- i. kept in a secure place away from the safe when the Assured's Location is occupied by the Assured or any director, partner or Employee of the Assured;
- ii. removed from the Assured's Location overnight if not occupied by the Assured or any director, partner or Employee of the Assured.

The Underwriters' liability for this indemnity is limited to GBP 10,000 for any one loss.

3. Limit of Liability

- a) The amount that the Underwriters will pay under this Operative Cover shall not exceed the Sum Insured stated in the Schedule for each item insured except for Specified Goods, where the Sums Insured are as follows:

i. tobacco, cigarettes, cigars	GBP 1,000 for any one loss;
ii. wines and spirits	GBP 1,000 for any one loss;
iii. jewellery, precious metals or stones	GBP 2,500 for any one loss;
iv. audio and visual equipment	GBP 1,000 for any one loss;
v. DVD's, CD's and computer games	GBP 1,000 for any one loss;
vi. paintings, unusual objects or other works of art	GBP 5,000 for any one loss;
vii. trade samples, brochures and promotional merchandise	GBP 5,000 for any one loss,

unless a higher amount is shown as being applicable in the Schedule.

4. Exclusions Applicable to Operative Cover E

This Operative Cover does not provide any indemnity for:

- a) Property Damage caused by or consisting of the bursting of a boiler, economiser vessel machine or apparatus in which internal pressure is due to steam only, belonging to or under the Assured's control, other than a boiler used for domestic purposes only, but this will not exclude further Property Damage which itself results from a cause not otherwise excluded;
- b) consequential loss of any kind or description except loss of rent payable if insured under this Operative Cover;
- c) fines, liquidated damages, penalties for delay or detention or in connection with guarantees of performance or efficiency or loss of use or any other form of consequential loss not specifically provided for;
- d) the Excess identified in the Schedule.
- e) Property Damage caused by or consisting of:
 - i. acts of fraud or dishonesty by the Assured or by any director, partner or Employee of the Assured; or
 - ii. disappearance or unexplained loss of inventory, shortage, misfiling or misplacing of information or shortages due to error or omission; or
 - iii. the voluntary parting with title or possession of any Property Insured if induced by any fraudulent scheme, trick, device or false pretence.

- f) Property Damage caused by or consisting of:
- i. gradual deterioration, frost, wear and tear; or
 - ii. an existing or hidden defect or the Property Insured's own faulty or defective design or materials; or
 - iii. change in water table level (except for subsidence, ground heave or landslip); or
 - iv. faulty or defective workmanship, or omission on the Assured's part or any of the Assured's Employees; or
 - v. the correction of defects in design or any associated costs and expenses; or
 - vi. collapse or cracking of Buildings or structures unless resulting from a cause not otherwise excluded; or
 - vii. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching or Vermin; or
 - viii. change in temperature, colour, flavour, texture or finish;
 - ix. a Flood which has occurred due to frost, subsidence, ground heave or landslip;
 - x. confiscation or detention by customs or government officials;
 - xi. stopping work arising from riot or civil commotion by strikers, locked out workers or persons taking part in labour disturbances or malicious persons,
- however, the Underwriters will indemnify the Assured for further Property Damage which results from a cause not otherwise excluded.
- g) Property Damage caused by or consisting of:
- i. nipple or joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and connecting feed piping; or
 - ii. mechanical or electrical breakdown or disturbance in the usual order, arrangement or functioning of the particular machine, apparatus or equipment in which the breakdown or disturbance originates but this will not exclude any following Property Damage which itself results from a cause not otherwise excluded.
- h) Property Damage caused by or arising from impact to any Property Insured by any waterborne vessel or craft.
- i) Property Damage caused by pollution. However, the Underwriters will indemnify the Assured for Property Damage, not otherwise excluded, to the Property Insured caused by:
- i. pollution which results from a Defined Peril;
 - ii. a Defined Peril which itself results from pollution.
- j) Property Damage caused by or consisting of fire resulting from the Property Insured undergoing any heating process or any process involving the application of heat; or
- k) Property Damage (other than by fire or explosion) resulting from the Property Insured undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair;
- l) Property Damage following the spontaneous combustion or faulty charging of any electrical device, including but not limited to mobile phones and e-cigarettes.
- m) Property Damage caused by:
- i. freezing, solidification or inadvertent escape of molten materials; or
 - ii. burn-through of molten material contained in a furnace or damage to refractory linings or brickwork or other parts of furnaces, ovens or kilns by burning, cracking or distortion due to heat,
- however, the Underwriters will indemnify the Assured for further Property Damage which results from a Defined Peril.

n) Property Damage to:

- i. vehicles licensed for road use including their accessories (not including static vehicles covered under Contents), caravans, trailers, railway locomotives, rolling stock, watercraft, aircraft;
- ii. land, (including water in or on land), railway lines, dams, reservoirs, piers, jetties, wharves, docks, canals, rigs, wells, pipelines, bridges, culverts, tunnels, excavations, mining property underground or off-shore property;
- iii. livestock including but not limited to horses, cattle, sheep, pigs, poultry and eggs;
- iv. growing crops, trees or plants, other than cover provided under Additional Cover Fire brigade damage to gardens (clause 2. o));
- v. above ground transmission and distribution lines and their supporting structures, other than property within 250 metres of any Locations;
- vi. Money (other than as covered under Additional Cover (Personal possessions)) (clause 2. c)), electronic cryptographic or virtual currency including Bitcoin or anything similar and securities of any description;
- vii. property or structures in the course of construction or erection and associated materials or supplies in the course of construction or erection.
- viii. property in transit, other than the cover provided under Additional Cover (Temporary Removal) (clause 2. x)), provided that the Property Damage is not caused by or happening through defective or inadequate packing;
- ix. a public highway, unless such public highway is the Assured's property or for which the Assured is responsible;
- x. china, earthenware, marble or other fragile or brittle objects (not including Stock);
- xi. jewellery, precious stones, gold and silver articles, precious metals, watches, furs, rare books, explosives or non-ferrous metals, bullion which is not covered under Specified Goods;
- xii. Property Insured due to pressure waves caused by aircraft and other aerial devices travelling at sonic and supersonic speeds;
- xiii. property which at the time of the Property Damage is insured by or would but for the existence of this policy, be insured by any marine policy or policies other than for any excess beyond the amount which would have been payable under the marine policy or policies had this Policy not been effected;
- xiv. any Property Insured more specifically insured by, or on behalf of, the Assured;
- xv. working dynamos, motor wires, main or electrical apparatus because of circuiting, overrunning or excessive pressure.

o) Property Damage to:

- i. moveable property in the open (except static motor vehicles), fences and gates; or
- ii. open-sided Buildings or Property Insured in them,
caused by wind, storm, rain, hail, frost, sleet, snow, sand, dust, Flood or freezing.

p) Property Damage caused by theft or attempted theft:

- i. by any person lawfully in the Locations;
- ii. from any Building or part of any Building not capable of being locked;
- iii. when entry is not gained or exit is not made by forcible or violent means (but this exclusion will not apply if theft involves actual or threatened assault or violence);
- iv. if the Building is Unoccupied, unless agreed otherwise by the Underwriters;
- v. from unattended motor vehicles;

q) Property Damage while the Building is Unoccupied caused by:

- i. escape of water from any tank, apparatus or pipe;
- ii. malicious persons;
- iii. accidental escape of water from any automatic sprinkler system caused by freezing,

however, the Underwriters will indemnify the Assured if such Property Damage is caused by fire or explosion.

This Operative Cover E is also subject to the Exclusions specific to this Section 3 and the General Exclusions set out in Section 4.

5. Conditions Applicable to Operative Cover E

The following conditions are applicable to Operative Cover E:

a) Automatic reinstatement of Sums Insured

Following Property Damage, the Sums Insured under this Operative Cover will be automatically reinstated from the date of the Property Damage, unless written notice is given to the contrary either by the Underwriters or by the Assured, provided that following reinstatement the Assured will:

- i. pay any additional premium as may be requested for reinstatement from the date of reinstatement; and
- ii. apply any additional protective devices at the Locations which the Underwriters may reasonably require.

b) Basis of claims settlement

Computer Records

The Underwriters will indemnify the Assured for the cost of the materials together with the cost of clerical labour and computer time expended in reproducing computer records, but not for:

- i. the value to the Assured of the information contained in them; or
- ii. any expenses in connection with the production of information to be recorded in computer records,

up to a maximum of GBP 25,000 for any one loss.

Documents, manuscripts and business books

The Underwriters will indemnify the Assured for the cost of the materials together with the cost of clerical labour expended in reproducing those records, but not for the value to the Assured of the information they contain up to a maximum of GBP 25,000 for any one loss.

Indemnity

The basis upon which the Underwriters will calculate the amount the Underwriters will indemnify the Assured against any claim for professional fees, debris removal, pedal cycles and personal possessions, and Stock will be:

- i. the cost of replacement or repair of the property which has suffered Property Damage, to a condition as good as, but not better or more extensive than, its condition immediately before the Property Damage, or at the Underwriter's option;
- ii. where the property is lost or destroyed, the value of the property immediately before its loss or destruction.

Reinstatement

Following Property Damage to the Property Insured, except for professional fees, debris removal, pedal cycles and personal repossessions, computer records and Stock, the basis upon which the Underwriters will calculate the amount it will pay for any claim will be the Reinstatement of the Property Insured, provided that:

- i. where the Property Insured is:
 - a) lost or destroyed, the Underwriters will pay for its rebuilding or replacement by similar property in a condition as good as, but not better or more extensive than, its condition when new;
 - b) damaged, the Underwriters will pay for the replacement or repair of the portion of the Property Damage to a condition as good as, but not better or more extensive than, its condition when new. The Underwriter will not pay more than it would have done if the Property Insured had been completely destroyed.
- ii. the work of Reinstatement:
 - a) may be carried out on another site and in a manner suitable to the needs of the Assured. However, the liability of the Underwriters must not be increased;
 - b) must begin and be carried out as quickly as possible.

The maximum the Underwriters will pay for this Operative Cover in the Policy Period will not exceed the Sum Insured on each item.

Day one basis (non-adjustable)

The insurance of the item(s) indicated in the Schedule is subject to the following:

- i. If a Declared Value is stated for any item in the Schedule, then the Underwriters' liability will not exceed the Sum Insured calculated by applying an uplift of 15% (or such other amount as may be agreed by us, shown in the Schedule) to the Declared Value as stated in the Schedule. The Assured has stated in writing the Declared Value of each item in the Schedule, and the premium has been calculated accordingly.
- ii. At the Commencement Date, the Assured must notify the Underwriters of the Declared Value of each of the items insured on a day one basis. In the absence of a declaration, the last amount declared by the Assured will be taken as the Declared Value for the next Policy Period.
- iii. Where Condition 1 (Average) of the Conditions applicable to Section 3 Conditions is applied, no payment is to be made beyond the amount which would have been payable had this clause not been operative. The Underwriters' liability will be limited to 100% of the Declared Value shown in the Schedule.

c) Contract Price

If a sale contract is cancelled entirely due to Property Damage to Stock sold by the Assured that is not delivered and is still the Assured's responsibility, the amount the Underwriters will pay the Assured will be based on the contract price. The value of all Stock where the sale contract is cancelled following Property Damage will also be settled on this basis.

d) Electrical wiring inspection

All electrical installations at the Locations must be tested and inspected at least every five (5) years by either a member of:

- i. the National Inspection Council for Electrical Installation Contracting (NICEIC);
- ii. the Electrical Contractors Association (ECA);
- iii. the ECA of Scotland (SELECT); or
- iv. a suitably qualified electrical contractor who has been agreed by us in advance of the testing and inspection, to ensure that it meets current IET (The Institution of Engineering and Technology) Wiring Regulations BS 7671.

Following the above the Assured's electrical contractor will issue the Assured with an Electrical Installation Condition Report (EICR). The Assured must ensure that any Fixed Wire Testing Observation Codes C1, C2 or FI recorded in the report are remedied within 30 days of the testing and inspection or as otherwise agreed by the Underwriters.

The Assured must retain and provide, when requested by the Underwriters a copy of each satisfactory inspection carried out, as required under this clause, and completion certificate once the electrical installation testing has been completed.

e) **Fire precautions**

The Assured should ensure that at the Locations:

- i. all fire break doors and shutters are kept closed (except during working hours) and are maintained in efficient working order;
- ii. all fire extinguishing appliances are regularly inspected and maintained in good working order.

f) **Foundations**

Sums Insured and/or Declared Values for each item on Buildings extend to include an amount for foundations. If following Property Damage re-building is carried out upon another site, the Underwriters agree to treat abandoned foundations as Property Damage, whether or not the foundations are damaged. Where abandoned foundations increase the resale value of the original Building site, the increased value will be regarded as salvage.

g) **Involuntary betterment**

Following Property Damage to the Property Insured, if new property of the same kind and quality cannot be obtained, property which is as similar as possible to that which has sustained Property Damage and which is capable of performing the same function will be considered new property of like kind and quality and will in no event be considered as a betterment to the Assured.

In the event of replacement with new property, the Underwriters will pay the cost of purchasing and installing technologically current equipment, which is necessitated by incompatibility between:

- i. new equipment installed to replace equipment which has sustained Property Damage; and
- ii. undamaged existing equipment at the same or an interdependent location.

Provided that the Underwriters will only pay:

- i. the amount sufficient to enable the Assured to resume operations in substantially the same manner as before;
- ii. the difference between:
 - a) the highest sales value of the undamaged existing equipment at the same or an interdependent location; and
 - b) the installed cost of the technologically current equipment.

h) **Mortgages**

The act or neglect of any mortgagor or occupier of any Building insured which increases the risk of Property Damage without the authority or knowledge of any mortgagee will not prejudice the interest of the mortgagee in this insurance as long as the Assured notifies the Underwriters as soon as reasonably practicable on becoming aware of the increased risk and pay an additional premium if required.

i) **Obsolete building materials**

The Underwriters will indemnify the Assured for reasonable additional costs that the Assured incurs in the replacement of Buildings that have Property Damage where the Buildings' materials is now obsolete and more modern materials are used, provided that the original materials used at the time of installation were appropriate for the type of Building considering other materials available at that time.

The replacement Buildings will not be regarded as being better or more extensive than when new, provided that the Underwriters' liability does not exceed 10% of the relevant Declared Value of the Buildings for the additional costs.

j) **Seventy two hours**

Property Damage occurring within seventy-two (72) consecutive hours of and arising from theft or attempted theft is deemed to be one claim. The Assured has the right to select the moment from which the seventy-two (72) hour period is deemed to have started within the terms of this Operative Cover, provided that Property Damage occurred before the Expiry Date.

k) **Workmen and alteration to the Buildings or Business**

Workmen and tradesmen are allowed in or about the Buildings for maintenance purposes and for undertaking minor repairs and alterations without affecting this insurance.

l) Fire alarm installations

The Assured must at the Locations:

- i. make a test at least once a week for the purpose of checking the condition of the batteries, the fire brigade connection and all detector circuits;
- ii. obtain promptly a quarterly report from the installing engineers and remedy any defect revealed and make the report available to the Underwriters' representatives when required;
- iii. advise the installing engineers or maintenance engineers (as applicable) as soon as reasonably practicable of any serious disablement, disconnection or temporary disuse of the installation (except during actual testing) and keep a note of this together with a note of the length of time the installation was not working for examination by the Underwriters' representatives when required;
- iv. ensure that the system is serviced and maintained under contract at least annually by a reputable company with the requisite expertise; and
- v. notify the Underwriters as soon as reasonably practicable of removal of any automatic fire alarm installation for which a discount has been allowed and return to the Underwriters a pro rata share of the discount for the unexpired time.

m) Sprinkler installations

The Assured must ensure that at the Locations:

- i. the sprinkler installation(s) is/are maintained in full working order throughout the Policy Period;
- ii. a test is made every week for the purpose of checking that the alarm is in full working order and that the sprinkler's stop valves controlling the water supplies are fully open;
- iii. a test is made annually to confirm that water supplies are in order;
- iv. the Assured maintains records of all tests carried out as required under this clause and remedy promptly any defects revealed by those tests.

This Operative Cover E is also subject to the Conditions specific to this Section 3 and the General Terms and Conditions set out in Section 4.

Operative Cover F – Business Interruption

Cover under this Operative Cover F is subject to all terms and Exclusions within this Operative Cover F, all the terms and Exclusions within this Section 3 plus all the General Terms and Conditions and General Exclusions set out in Section 4. Capitalised words and terms are defined in the Definitions in Section 4.

1. Operative Clause

The Underwriters will indemnify the Assured for all sums in respect of any interruption or interference with the Business resulting from Property Damage to Property Insured used by the Assured at the Locations for the purpose of the Business occurring during the Policy Period, provided that such Property Damage is not excluded under Operative Cover E (Material Damage).

The indemnity will not apply unless:

- a) there is in force at the time of the Property Damage, an insurance policy covering the Assured's interest in the Property Insured at the Locations for the Property Damage; and
- b) payment:
 - i. has been made or liability admitted for the Property Damage; or
 - ii. would have been made or liability would have been admitted for Property Damage but for the exclusion of losses below a stated amount.

Claims – Basis of Settlement A – Gross Profit

The insurance by 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:

- i. 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, following the Property Damage, fall short of the Standard Turnover;
- ii. for increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, but for that expenditure, would have taken place during the Indemnity Period following the Property Damage but not exceeding the total of the sum produced by applying the Rate of Gross Profit to the amount of reduction avoided by the expenditure,

less any sum saved during the Indemnity Period for the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced following the Property Damage.

Claims – Basis of Settlement B – Additional Increased Cost of Working

The insurance by this item is limited to additional increased cost of working, in excess of any amount recoverable under any increase in cost of working cover in force, due to additional expenditure and costs necessarily and reasonably incurred in order to minimise any interruption or interference with the Business during the Indemnity Period but not exceeding the Sum Insured stated in the Schedule.

Claims – Basis of Settlement C – Rent Receivable

The insurance by this item is limited to loss of Rent Receivable due to:

- a) reduction in Rent Receivable; and
- b) increase in cost of working,

and the amount payable will be:

- i. for reduction in Rent Receivable, the amount by which Rent Receivable during the Indemnity Period will, following Property Damage, fall short of the Standard Rent Receivable;

- ii. for increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Rent Receivable which, but for that expenditure, would have taken place during the Indemnity Period following the Property Damage but not exceeding the amount of reduction in Rent Receivable avoided,

less any sum saved during the Indemnity Period for the charges and expenses of the Business payable out of Rent Receivable as may cease or be reduced following Property Damage.

However, if the Sum Insured by this item is less than the Annual Rent Receivable (proportionately increased where the Maximum Indemnity Period exceeds twelve (12) months) earned by the Business during the financial year most nearly concurrent with the Policy Period, the amount payable will be proportionately reduced.

Claims – Basis of Settlement D – Gross Revenue

The insurance by this item is limited to loss of Gross Revenue due to:

- a) reduction in Gross Revenue; and
- b) increase in cost of working,

and the amount payable will be:

- i. for reduction in Gross Revenue, the amount by which the actual Gross Revenue during the Indemnity Period will, following Property Damage, fall short of the Standard Revenue;
- ii. for increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which, but for that expenditure, would have taken place during the Indemnity Period following the Property Damage but not exceeding the amount of reduction in Gross Revenue avoided,

less any sum saved during the Indemnity Period for the charges and expenses of the Business payable out of Gross Revenue as may cease or be reduced following Property Damage.

Claims – Basis of Settlement E – Book Debts

In the event of Property Damage to the Assured's records at the Locations of the individual amounts owed to the Assured by customers, the Underwriters will indemnify the Assured for:

- a) the amount by which the Outstanding Debit Balances traced or received following Property Damage to the Assured's records falls short of the Outstanding Debit Balances on the last statement deposited by the Assured with the Assured's accountants or bank before the Property Damage to the Assured's records occurred, to which adjustments will be made to allow for the trend and variations in the Assured's business and for other circumstances affecting the amount of the Outstanding Debit Balances so that the adjusted figures will represent, as nearly as may be reasonably practicable, those which would have been obtained if the Property Damage had not occurred; and
- b) the additional expenditure incurred with the Underwriters' consent in tracing and establishing the Outstanding Debit Balances after the Property Damage.

Provided that if at the time of Property Damage the Book Debts Sum Insured is less than the Outstanding Debit Balances the amount payable will be proportionately reduced.

The Underwriters' liability for this indemnity will not exceed the Sum Insured stated in the Schedule.

Claims – Basis of Settlement F – Increased cost of working only

The Underwriters will indemnify the Assured for the increased cost of working and the amount payable will be the additional expenditure the Assured necessarily and reasonably incurs to avoid or reduce interruption to or interference with the Business at the Locations during the Indemnity Period as a result of Property Damage which occurs during the Policy Period.

The Underwriters' liability will not exceed the Sum Insured as stated in the Schedule in total in the Policy Period. The Underwriters will not pay more than 50% of the Sum Insured during the first three (3) months of the Indemnity Period the balance will be paid in equal amounts over the remaining months of the Indemnity Period.

2. Additional Covers Applicable to Operative Cover F

a) **Contract Sites**

The Underwriters will indemnify the Assured for loss resulting from interruption of or interference with the Business carried on by the Assured following Property Damage at any location within the Territorial Limits where the Assured is carrying out work under a contract.

The Underwriters' liability for this indemnity is limited to GBP 100,000 in total in the Policy Period.

The Maximum Indemnity Period applicable to this Additional Cover is 12 months.

b) **Customers, Suppliers and other locations**

The Underwriters will indemnify the Assured for loss resulting from interruption of or interference with the Business carried on by the Assured following Property Damage:

i. **Specified customers**

at the premises of the Assured's customers as declared to and agreed by the Underwriters by endorsement.

ii. **Specified suppliers**

at the premises of the Assured's contracted suppliers of goods and/or services as declared to and agreed by the Underwriters by endorsement.

iii. **Unspecified customers**

at any of the Assured's customers' premises within the United Kingdom.

The Underwriters' liability for this indemnity is limited to GBP 100,000 or 10% of the Gross Profit / Gross Revenue (as applicable) Sum Insured, whichever is the less, for any one loss and in total in the Policy Period.

iv. **Unspecified suppliers**

at any premises of the Assured's contracted suppliers of goods and/or services within the United Kingdom.

The Underwriters' liability for this indemnity is limited to GBP 100,000 or 10% of the Gross Profit / Gross Revenue (as applicable) Sum Insured, whichever is the less, for any one loss and in total in the Policy Period.

For i) to iv) above the Underwriters will not cover any loss resulting from interruption of or interference with the Business carried on by the Assured arising from Property Damage caused by or attributed to Terrorism.

v. **Storage at other locations**

to Property Insured whilst stored elsewhere than at the Locations occupied by the Assured anywhere in the United Kingdom.

The Underwriters' liability for this indemnity for any one loss is limited to GBP 100,000 and in total in the Policy Period.

The Maximum Indemnity Period applicable to this Additional Cover is twelve (12) months.

c) **Failure of Utilities Supply**

The Underwriters will indemnify the Assured for loss resulting from interruption of or interference with the Business carried on by the Assured following any Property Damage arising at any:

- i. generating station or sub-station of the electricity supply undertaking;
- ii. land based premises of the gas supply undertaking or of any natural gas producer linked directly with it;
- iii. water works or pumping station of the water supply undertaking; or
- iv. land based premises of the telecommunications undertaking,

from which the Assured obtains electricity, gas, water or telecommunications services, all in the United Kingdom.

The Underwriters' liability for this indemnity is limited to GBP 100,000 for any one loss.

The Maximum Indemnity Period applicable to this Additional Cover is twelve (12) months.

This Additional Cover excludes;

- a) consequential loss brought about by the deliberate act of any supply authority or by the exercise of any authority of its power to withhold or restrict supply;
- b) telecommunications where the failure is for a period of less than twenty-four (24) hours;
- c) electricity, gas or water where the failure is for a period of less than four (4) hours;
- d) failure of any satellite;
- e) strikes or any labour or trade dispute;
- f) any amount recoverable under the terms of a service level agreement;
- g) drought, atmospheric or weather conditions but this will not exclude failure due to Property Damage to equipment caused by these conditions;
- h) consequential loss arising from the provision of extranets or access to or presence on the internet or access to applications and related services over the internet.

d) **Failure of Utilities Supply – Terminal Ends**

The Underwriters will indemnify the Assured for Consequential Loss following accidental failure of the public supply undertaking of:

- i. electricity used by the Assured at the terminal ends of the supply authority service feeders at the Locations;
- ii. gas, used by the Assured at the supply authorities' meters at the Locations;
- iii. water used by the Assured at the supply authorities' main stop cock serving the Locations; or
- iv. telecommunications used by the Assured at the incoming line terminals or receivers at the Locations,

within the United Kingdom.

The Underwriters' liability for this indemnity is limited to GBP 100,000 for any one loss.

The Maximum Indemnity Period applicable to this Additional Cover is twelve (12) months.

This additional cover excludes:

- a) consequential loss brought about by the deliberate act of any supply authority or by the exercise of any supply authority of its power to withhold or restrict supply;
- b) telecommunications, where the failure is for a period of less than twenty-four (24) hours;
- c) electricity, gas or water, where the failure is for a period of less than four (4) hours;
- d) failure of any satellite;
- e) strikes or any labour or trade dispute;
- f) any amount recoverable under the terms of a service level agreement;
- g) drought, atmospheric or weather conditions but this will not exclude failure due to Property Damage to equipment caused by these conditions;
- h) consequential loss arising from the provision of extranets or access to or presence on the internet or access to applications and related services over the internet.

e) **Murder and Suicide**

The Underwriters will indemnify the Assured for the Assured's loss for Interruption of or interference with the Business under the Gross Profit (Basis of Settlement A), Rent Receivable (Basis of Settlement C), Gross Revenue (Basis of Settlement D), or increased cost of working (Basis of Settlement F) basis of settlement, as applicable, resulting from murder or suicide occurring at the Premises during the Policy Period.

The Underwriters' liability for this indemnity is limited to GBP 100,000 in total in the Policy Period.

f) Prevention of Access

The Underwriters will indemnify the Assured for loss resulting from interruption of or interference with the Business during the Indemnity Period carried on by the Assured as a result of Property Damage to any property within a one (1) mile radius of the Assured's Locations which prevents or hinders the use of the Locations or access to it.

The Underwriters' liability for this indemnity in total in the Policy Period is set out in the Schedule.

g) Professional Accountants

The Underwriters will indemnify the Assured for the reasonable charges payable by the Assured to the Assured's professional accountants for producing any particulars or details or any other proofs, information or evidence as may be required by the Underwriters under the terms of this Policy and reporting that the particulars or details of any such claim made under this Policy is in accordance with the Assured's books of account or other business books or documents.

The Underwriters' liability for this indemnity is limited to GBP 25,000 in total in the Policy Period.

h) Rental Charges

The Underwriters will indemnify the Assured for the additional lease or hire charges arising out of the replacement of a lease or hire agreement for property by a new agreement by similar equipment following Property Damage.

The Underwriters' liability for this indemnity is limited to GBP 25,000 in total in the Policy Period.

i) Temporary Removal

The Underwriters will indemnify the Assured for loss resulting from interruption of or interference with the Business carried on by the Assured as a result of Property Damage to:

- i. Computer Equipment, other records, machinery and plant (but not motor vehicles) removed for cleaning, renovation, repair or other similar purposes,
- ii. patterns, models, moulds, plans and designs; deeds, briefs, manuscripts, books, documents and office records whilst temporarily removed from the Locations,

anywhere within the United Kingdom including whilst in transit by road, rail or inland waterway.

The Underwriters will not cover any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft or aircraft.

The Underwriters' liability in total in the Policy Period is limited to the lesser of (i) 15% of the total of the Gross Profit / Gross Revenue (as applicable) Sum Insured (or 133⅓% of the estimated amount) or (ii) GBP 100,000.

j) Transit

The Underwriters will indemnify the Assured for loss resulting from interruption of or interference with the Business carried on by the Assured as a result of Property Damage to:

- i. the Assured's Property Insured whilst in transit by road, rail or inland waterway; or
- ii. motor vehicles used in connection with the Assured's Business,

within the United Kingdom. The Underwriters' liability for this indemnity is limited to GBP 25,000 for any one loss.

The Underwriters will not cover any loss arising from any cause within the Assured's control or as a result of Property Damage to property as a direct result of repairs or maintenance being carried out to the property.

3. Limit of Liability

The amount that the Underwriters will pay under this Operative Cover for any one loss and in total during the Policy Period shall not exceed:

- a) for Claims- Basis of Settlement A or D – 133⅓% of the Estimated Gross Revenue / Estimated Gross Profit (as applicable);
- b) for any other item – 100% of the Sum Insured stated in the Schedule or any specific limit stated in this Operative Cover, whichever is the lower;
- c) in total during any one Policy Period:
 - i. for Claims – Basis of Settlement A or D – 133⅓% of the Estimated Revenue / Estimated Gross Profit (as applicable)
 - ii. for any other item – 100% of the Sum Insured stated in the Schedule or any specific limit stated in this Operative Cover, whichever is the lower.

4. Exclusions Applicable to Operative Cover F

All exclusions stated under Operative Cover E (Material Damage) (other than Consequential Loss) also apply to this Operative Cover. In addition, this Operative Cover does not provide any indemnity in respect of loss arising from:

- a) deliberate falsification of business records;
- b) the connivance of any Employee;
- c) erasure or distortion of information on Computer Equipment or other records.
- d) mislaying or misfiling of tapes and records, clerical errors or omissions.

This Operative Cover F is also subject to the Exclusions specific to this Section 3 and the General Exclusions set out in Section 4.

5. Conditions Applicable to Operative Cover F

The following conditions are applicable to Operative Cover F:

- a) **Accumulated Stocks**
In adjusting any loss, account will be taken and an equitable allowance will be made if any shortage in Turnover due to the Property Damage is postponed because of the Turnover being temporarily maintained from accumulated stocks of finished goods.
- b) **Alternative Trading**
If, during the Indemnity Period, goods are sold or services are rendered elsewhere than at the Locations for the benefit of the Business either by the Assured or by others on the Assured's behalf, the amount paid or payable for the sales or services will be brought into account in arriving at the takings during the Indemnity Period.
- c) **Automatic reinstatement after a loss**
Unless the Assured informs the Underwriters otherwise in writing, the Underwriters' liability will not be reduced by the amount of any loss and the Assured agrees to pay the appropriate additional premium for this automatic reinstatement of cover.
- d) **Books of Account**
The Assured must ensure that its books of account and other business books or records in which the Assured records customer accounts are kept in fire resistant safes or cabinets when not in use and/or saved on the Assured's computer's system, data storage device, networking equipment, cloud, or back up facility, owned or operated by the Assured and compliant with up to date computer virus (or other) protection.
- e) **Current cost accounting**
For the purpose of this Operative Cover any adjustment implemented in current cost accounting will be disregarded.
- f) **Declaration for Gross Profit / Gross Revenue**
If the Declaration (adjusted as below and proportionately increased where the Maximum Indemnity Period exceeds twelve (12) months) is greater than the Estimated Gross Profit / Estimated Gross Revenue (as applicable) for the relative Policy Period, the Assured will pay a pro rata additional premium.

g) **Departments**

If the Business is conducted in departments and their trading results can be calculated separately, clauses a) and b) of the Basis of Claims Settlement for Gross Profit (A) / Gross Revenue (D) (as applicable) will apply separately to each department affected.

h) **Intergroup Dependency**

In the event of Property Damage, the amount the Underwriters will pay to the Assured for any one loss is limited to the Consequential Loss:

- i. at the Locations where the Property Damage takes place; plus
- ii. at all other Locations,

but the amount the Underwriters will pay will not exceed the Gross Profit / Gross Revenue (as applicable) Sum Insured shown in the Schedule.

i) **Payments on Account**

Payments on account will be made at the Underwriters' discretion during the Indemnity Period if requested.

j) **Premium Adjustment – Gross Profit / Gross Revenue**

The first and annual premiums for Gross Profit / Gross Revenue (as applicable) are provisional and are based on the Estimated Gross Profit / Estimated Revenue (as applicable) for the financial year most nearly concurrent with the Policy Period.

Within six (6) months of the expiry of each Policy Period, the Assured will provide the Underwriters with a Declaration of the Gross Profit / Gross Revenue (as applicable) earned during the financial year most nearly concurrent with the Policy Period as confirmed by the Assured's auditors.

If any loss has occurred giving rise to a claim for loss of Gross Profit / Gross Revenue (as applicable), the Underwriters will increase the Declaration for the purpose of premium adjustment by the amount by which the Gross Profit / Gross Revenue (as applicable) was reduced during the financial year solely following the loss.

k) **Renewal**

The Assured will before each renewal inform the Underwriters of the Estimated Gross Profit / Estimated Revenue (as applicable) for the financial year most nearly concurrent with the next Policy Period.

l) **Salvage Sale**

If, following Property Damage giving rise to a claim under this Operative Cover, the Assured holds a salvage sale during the Indemnity Period, the definition of Standard Turnover will instead mean the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) will, following Property Damage, fall short of the Standard Turnover from which sum will be deducted the Gross Profit actually earned during the period of the salvage sale.

m) **Undamaged Stock**

This Operative Cover includes cover for undamaged Stock (less salvage value), made unusable solely as a result of Property Damage.

n) **Uninsured Standing Charges**

If any standing charges of the Business are not insured by this Operative Cover (having been deducted in arriving at the Gross Profit), then in calculating the amount recoverable as increase in cost of working that proportion only of any additional expenditure will be brought into account which the Gross Profit bears to the sum of the Gross Profit and the uninsured standing charges.

o) **Value Added Tax**

To the extent that the Assured is accountable for value added tax to the authorities all terms in this Operative Cover will be exclusive of tax.

This Operative Cover F is also subject to the Conditions specific to this Section 3 and the General Terms and Conditions set out in Section 4.

Operative Cover G – Money

This Operative Cover is optional and only applies if stated as Operative in the Schedule.

Cover under this Operative Cover G is subject to all terms and Exclusions within this Operative Cover G, all the terms and Exclusions within this Section 3 plus all the General Terms and Conditions and General Exclusions set out in Section 4. Capitalised words and terms are defined in the Definitions in Section 4.

1. Operative Clause

Underwriters will pay for:

- a) loss of Money which:
 - i. belongs to the Assured; or
 - ii. the Assured is responsible for in connection with the Business while:
 - a) in Transit; GBP 5,000
 - b) in the custody of collectors; GBP 1,000
 - c) at the Locations during working hours; GBP 1,000
 - d) at the Locations out of working hours contained in locked safe(s); GBP 5,000
 - e) at the Locations out of working hours not contained in locked safe(s); GBP 1,000
 - f) in a bank night safe and within bank premises until removed by a bank official; GBP 1,000
 - g) in the Assured's home or in the home of any authorised Employee, solicitor or agent; GBP 500
 - h) at the business premises of any solicitor or agent. GBP 1,000

up to the Sum Insured stated above.
- b) the cost of replacement or repair following loss of or damage to any:
 - i. safes or strong rooms which normally contain Money;
 - ii. container, case, bag or waistcoat used for the carriage of Money; caused by theft or attempted theft of Money;
- c) Property Damage to any stamp franking machine used in course of the Business up to an amount of GBP 5,000 for any one loss;
- d) loss of Money which belongs to the Assured; or which the Assured is responsible for in connection with the Business while on contract sites whilst the Assured's Employees are working on those sites up to an amount of GBP 2,500 for any one loss;
- e) loss from any gaming or vending machinery up to an amount of GBP 500 for any one loss occurring within the United Kingdom during the Policy Period in the course of the Business.

2. Additional Covers Applicable to Operative Cover G

a) Bank charges

Underwriters will cover the Assured for any charges payable by the Assured as a result of a bank or other financial institution stopping payment of Money following damage whilst in the post.

The maximum Underwriters will pay for this cover is GBP 1,000 for any one loss.

b) Debit or credit cards used for business purposes

Underwriters will cover costs necessarily incurred by the Assured and any of the Assured's principals, partners, directors or Employees 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 the Assured or any of the Assured's principals, partners, directors or Employees.

The maximum Underwriters will pay following the loss or theft of a card is GBP 1,000.

Underwriters will not cover the Assured for a credit card, charge card, debit card or bank card for:

- i. loss by any failure to comply with the terms under which the card was issued;
- ii. any card issued personally to a director, principal, partner or Employee of the Assured;
- iii. losses arising after forty-eight (48) hours from discovery of the loss of the card;
- iv. losses covered in whole or in part by any other insurance.

c) Identity Fraud

Underwriters will pay for:

- i. solicitors' fees to defend a claim against the Assured by financial institutions, to remove incorrect or overturned judgments, to challenge a credit rating or to witness the Assured's signature;
- ii. the cost of sending letters by certified post and making telephone calls to the police, financial institutions and credit agencies;
- iii. fees charged when the Assured re-applies for a commercial loan that was originally rejected that the Assured has to pay solely as a direct result of an Identity Fraud occurring during the Policy Period.

The maximum Underwriters will pay is GBP 5,000 for any one loss.

3. Limit of Liability

The maximum Underwriters will pay under this Operative Clause for any one loss for:

- a) Negotiable Money is as per the Sums Insured as stated in table at Operative Clause 1 above.
- b) Non-Negotiable Money is GBP 500,000.

4. Exclusions Applicable to Operative Cover G

This Operative Cover does not provide any indemnity for:

- a) loss or damage due to the fraud or dishonesty of any of the Assured's directors, partners or Employees unless discovered within fourteen (14) working days of it happening;
- b) loss or damage due to error or omission in receipts payments or accounting practice;
- c) the use of any form of payment which proves to be counterfeit, false, fraudulent, invalid, uncollectible or irrecoverable for any reason;
- d) any loss which is not directly connected to the loss or damage of Money;
- e) loss or damage to Money during transit by post (other than registered post);
- f) theft or attempted theft from the Locations or any authorised person's private dwelling unless involving forcible and violent entry or exit, or actual or threatened hold up, assault or violence;
- g) loss or theft from an unattended vehicle unless the vehicle is stolen at the same time or the vehicle is securely locked and Money stored out of sight at the time of the loss;
- h) loss more specifically insured under another policy;
- i) any loss of electronic cryptographic or virtual currency including Bitcoin or anything similar.

This Operative Cover G is also subject to the Exclusions specific to this Section 3 and General Exclusions set out in Section 4.

5. Conditions Applicable to Operative Cover G

The following conditions are applicable to Operative Cover G:

a) **Key security**

Whenever the Locations are closed for Business all keys or notes of the combination codes of safes or strong rooms must be removed from the Locations unless the Locations are still occupied by the Assured or any of the Assured's authorised Employees. When keys are at the Locations, they must be kept in a secure place away from the safes or strong rooms.

b) **Money in Transit**

Whenever Money exceeds:

- i. Up to GBP 2,500, it must be accompanied by at least 1 responsible adult;
- ii. GBP 2,501 up to GBP 5,000, it must be accompanied by at least 2 responsible adults.

This Operative Cover G is also subject to the Conditions specific to this Section 3 and the General Terms and Conditions set out in Section 4.

Operative Cover H – Trade All Risks

This Operative Cover is optional and only applies if stated as Operative in the Schedule.

Cover under this Operative Cover H is subject to all terms and Exclusions within this Operative Cover H, all the terms and Exclusions within this Section 3 plus all the General Terms and Conditions and General Exclusions set out in Section 4. Capitalised words and terms are defined in the Definitions in Section 4.

1. Additional Definitions

The following words will have the specified meaning wherever they appear in this Operative Cover H (Trade All Risks) or in the Schedule or in any endorsements relating to this Operative Cover.

- a) **Property Insured means:**
property belonging to the Assured or for which the Assured is responsible as set out in the Schedule.

2. Operative Clause

Underwriters will indemnify the Assured in respect of Property Damage to the Property Insured by any cause not specifically excluded to Property Insured (as specified in the Schedule) up to the Sum Insured (as stated in the Schedule), in the Territorial Limits (as stated in the Schedule) as applicable to each item, provided the Property Damage occurs within the Policy Period.

3. Exclusions Applicable to Operative Cover H

This Operative Cover does not provide any indemnity for:

- a) any indirect or consequential loss;
- b) financial loss caused by the loss of use or malfunction of the Property Insured;
- c) Property Damage arising from:
 - i. faulty or defective design or materials, inherent vice or latent defect;
 - ii. mechanical, electrical, electronic or computer breakdown, failure or disturbance in the usual order, arrangement or functioning of the particular machine, apparatus or equipment in which the failure or disturbance originates;
 - iii. wear and tear, gradual deterioration, the action of light, atmospheric conditions or other gradually operating cause;
 - iv. the process of cleaning, restoring or repairing;
 - v. the process of production, packing, treatment, testing or commissioning;
 - vi. confiscation or detention by Customs or government officials;
 - vii. disappearance or shortage identified only by stocktaking;
 - viii. riot, civil commotion occurring elsewhere than in the United Kingdom;
 - ix. fraud or dishonesty by the Assured's Employees;
- d) Property Damage resulting from theft or attempted theft or unexplained disappearances:
 - i. from an unattended vehicle unless the item stolen is stored in a locked boot or if there is no boot, an unattended vehicle without windows;
 - ii. of Property Insured which is unattended unless there is forcible and violent entry or exit.
- e) Property Damage to:
 - i. Property Insured loaned or hired out by the Assured;
 - ii. glass and other fragile or brittle materials unless as a direct result of fire, theft or accident to any vehicle in which the Property Insured was being transported;
 - iii. property left in the open by theft, attempted theft, storm or Flood;
 - iv. property carried on the outside of vehicles unless as a direct result of collision or overturning

- f) Property Damage caused by Pollution.

However, Underwriters will cover damage to the Property Insured caused by:

- i. Pollution which itself results from a Defined Peril; or
- ii. a Defined Peril which itself results from Pollution provided it is not otherwise excluded.

- g) Property Damage occurring outside the Territorial Limits

This Operative Cover H is also subject to the Exclusions specific to this Section 3 and General Exclusions set out in Section 4.

4. Conditions applicable to Operative Cover H

The following conditions are applicable to Operative Cover H:

a) Basis of claims settlement – Reinstatement

~~Following damage to the Property Insured, except for professional fees, debris removal, pedal cycles and personal possessions, computer records and stock,~~ The basis upon which Underwriters will calculate the amount Underwriters will pay for any claim for damage to the Property Insured, will be the Reinstatement of the Property Insured damaged, subject to the following conditions:

- i. where the Property Insured is:
 - a) lost or destroyed, Underwriters will pay for its rebuilding or replacement by similar property in a condition as good as, but not better or more extensive than, its condition when new.
 - b) damaged, Underwriters will pay for the replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new. However, Underwriters will not pay more than Underwriters would have done if the Property Insured had been completely destroyed.
- ii. The work of Reinstatement:
 - a) may be carried out on another site and in a manner suitable to the Assured's needs. However, Underwriters' liability must not be increased.
 - b) must begin and be carried out as quickly as possible.

The maximum Underwriters will pay under this Operative Cover in any one Policy Period will not exceed the Sum Insured for each item specified in this Operative Cover in the Schedule.

b) Vehicle security requirements

For any vehicle or trailer owned or operated by the Assured, the Assured must ensure that, whenever the vehicle is not individually attended:

- i. all doors, windows and other openings are securely locked and properly fastened and the keys are removed from the vehicle; and
- ii. any alarm and immobiliser is switched on and made fully operational and outside the working day of the driver, it is either:
 - a) garaged in a securely locked Building of substantial construction; or
 - b) in a compound which has secure walls and fences, with all exit points secured by locked gates; or
 - c) in a permanently guarded security park.

This Operative Cover H is also subject to the Conditions specific to this Section 3 and the General Terms and Conditions set out in Section 4.

Operative Cover I – Goods in Transit

This Operative Cover is optional and only applies if stated as Operative in the Schedule.

Cover under this Operative Cover I is subject to all terms and Exclusions within this Operative Cover I, all the terms and Exclusions within this Section 3 plus all the General Terms and Conditions and General Exclusions set out in Section 4. Capitalised words and terms are defined in the Definitions in Section 4.

1. Additional Definitions

The following words will have the same meaning wherever they appear in this Operative Cover or in the Schedule or any endorsements relating to this Operative Cover.

- a) **Property means:**
merchandise and goods (including tools) used in connection with the Business which are either owned by the Assured or the Assured's responsibility.
- b) **Reinstatement means:**
 - i. the replacement of tools lost or destroyed;
 - ii. the repair or restoration of tools damaged

in either case to a condition substantially the same as but not better or more extensive than its condition when new.
- c) **Transit**
being carried from the time the Property is being loaded to the time it is being unloaded at its destination including:
 - i. loading and unloading of the Property; and/or
 - ii. the temporary storage of the Property in any building during Transit.

2. Operative Clause

Underwriters will pay the Assured for Property Damage happening in the Territorial Limits to Property in Transit by sea and/or air and/or road and/or rail and/or postal conveyance as stated in the Schedule.

The most Underwriters will pay is the Sum Insured stated in the Schedule for any one loss.

3. Additional Covers Applicable to Operative Cover I

- a) **Ancillary equipment**
Underwriters will pay the Assured for Property Damage to the Assured's own sheets, ropes, chains, toggles or packaging materials while carried on any vehicle.

The most Underwriters will pay for any one vehicle is GBP 10,000 for any one loss.

Underwriters will replace sheets as new if the Assured proves that these were not more than one year old at the time of the Property Damage.
- b) **Dismantling**
Underwriters will pay the Assured for the costs necessarily incurred in breaking up or dismantling the Property Insured.
- c) **Debris removal costs**
Underwriters will pay the Assured for the additional costs necessarily incurred in removing debris, following damage to the Property in Transit.

The most Underwriters will pay for debris removal is GBP 10,000 in total in any one Policy Period
- d) **Personal belongings**
Underwriters will pay the Assured for Property Damage to the Assured's or the Assured's driver's personal belongings in or from any vehicle the Assured owns.

The most Underwriters will pay is GBP 500 for any one loss.

e) **Reloading costs**

Underwriters will pay the Assured for the additional costs necessarily incurred in:

- i. reloading Property which has fallen from the conveying vehicle; or
- ii. re-securing Property where there is a dangerous movement of the load,

The most Underwriters will pay for such costs is GBP 10,000 in total in any one Policy Period.

f) **Substituted vehicles**

Underwriters will pay the Assured for Property Damage to Property in Transit arising out of the use of any vehicle substituted by the Assured whilst the Assured's own vehicle is undergoing service or repair, up to an amount not exceeding the Sum Insured applicable to the vehicle undergoing service or repair in total in any one Policy Period.

g) **Tools**

Underwriters will pay the Assured for Property Damage to tools used by the Assured in the course of Business in or from any vehicle the Assured owns and while temporary stored during Transit.

The most Underwriters will pay for tools is GBP 250 for any one loss and GBP 1,000 in total in any one Policy Period.

h) **Transfer costs**

Underwriters will pay the Assured for the additional costs necessarily incurred in transferring Property to another vehicle and carrying to the original destination, following fire or overturning or collision of the conveying vehicle.

The most Underwriters will pay for such costs is GBP 10,000 in total in any one Policy Period.

4. Exclusions Applicable to Operative Cover I

This Operative Cover does not provide any indemnity for:

- a) Property Damage due to an existing hidden defect, defective insulation or labelling;
- b) Property Damage due to natural deterioration, wear or tear;
- c) the deterioration of goods carried in frozen, chilled or insulated condition due to faulty stowage or incorrect setting or operation of the equipment or variations in temperature;
- d) Property Damage to Property arising as a result of packing which was inadequate to withstand normal handling during Transit or from overloading of the vehicle;
- e) any loss which is not directly connected to loss of Property in Transit during the course of the Business, loss of market or damage due to delay;
- f) loss or death of or injury to living creatures;
- g) Property Damage to:
 - i. Money, deeds, bonds, documents, manuscripts, business books, computerised records;
 - ii. patterns, moulds, designs and plans, jewellery, bullion, rare books, works of art, antiques, clocks and watches that contain gold, silver, precious stones or metals, furs, and curios;
 - iii. temperature controlled goods;
 - iv. tobacco, cigars, cigarettes, e-cigarettes, wines, spirits and other alcoholic drinks;
 - v. non-ferrous metals, explosives and hazardous substances;
 - vi. mobile phones, computer hardware and software, electronic, audio and visual equipment;
 - vii. motor vehicles where the motor vehicle or the motor vehicle's driver is subject to compulsory motor insurance or security under any Road Traffic Legislation;
 - viii. property carried for hire or reward by the Assured.
- h) spillage, leakage, fermentation, taint, contamination, evaporation, mechanical or electrical breakdown of any goods or merchandise, unless directly due to fire or accident to the carrying vehicle or due to theft or attempted theft;

- i) Property Damage resulting from theft or attempted theft or unexplained disappearances:
 - i. from an unattended vehicle unless the item stolen is stored in a locked boot or if there is no boot, an unattended vehicle without windows;
 - ii. of Property which is unattended unless there is forcible and violent entry or exit.
- j) Property Damage due to normal atmospheric conditions where the Property is in an open vehicle unless it is properly protected;
- k) Property Damage due to not making full and complete declarations or not getting receipts for parcels, packages or consignments;
- l) fines or penalties.
- m) Property Damage arising from fraud or dishonesty by the Assured or the Assured's Employees;
- n) any loss due to inventory shortage or disappearance;
- o) indirect financial loss of any kind.

This Operative Cover I is also subject to the Exclusions specific to this Section 3 and General Exclusions set out in Section 4.

5. Conditions Applicable to Operative Cover I

The following conditions are applicable to Operative Cover I:

a) Automatic reinstatement of Sum Insured

Following Property Damage, the Sum Insured under this Operative Cover will be automatically reinstated from the date of the Property Damage, unless written notice is given to the contrary either by the Underwriters or by the Assured, provided that following reinstatement the Assured will pay any additional premium as may be requested for reinstatement from the date of reinstatement.

b) Reasonable care

The Assured must:

- i. only employ reliable and competent drivers; and
- ii. take all reasonable measures to:
 - a) prevent Property Damage;
 - b) secure loads properly;
 - c) maintain any vehicle in accordance with current law;
 - d) ensure any vehicle is suitable for the purpose for which it is to be used;
- iii. allow Underwriters access to examine any vehicle which the Assured operates.

c) Reinstatement of tools

In the event of tools used by the Assured in connection with the Business and insured by this Operative Cover being lost, destroyed or damaged, the basis upon which the amount payable for that Property is to be calculated will be the cost of Reinstatement.

Provided that:

- i. no payment beyond the amount which would have been payable had this Operative Cover not been operative will be made:
 - a) unless the work of Reinstatement is commenced and carried out with reasonable despatch;
 - b) until the cost of Reinstatement has been incurred;
 - c) unless any other insurance covering the Assured's interest in the Property at the time of Property Damage is upon the same basis of Reinstatement as this Operative Clause and if no payment is made then Underwriters' rights and liabilities and the Assured's will be those which would have applied had this Operative Cover not been operative.

- ii. in the event of partial Property Damage to Property, the maximum Underwriters will pay for any loss will not exceed the cost which would have been incurred had the Property been totally destroyed.

d) **Vehicle security requirements**

For any vehicle or trailer owned or operated by the Assured, the Assured must ensure that, whenever the vehicle is not individually attended:

- i. all doors, windows and other openings are securely locked and properly fastened, and the keys are removed from the vehicle; and
- ii. any alarm and immobiliser is switched on and made fully operational and outside the working day of the driver, it is either:
 - a) garaged in a securely locked building of substantial construction; or
 - b) in a compound which has secure walls and fences, with all exit points secured by locked gates; or
 - c) in a permanently guarded security park.

This Operative Cover I is also subject to the Conditions specific to this Section 3 and the General Terms and Conditions set out in Section 4.

Operative Cover J – Deterioration of Refrigerated Stock

This Operative Cover is optional and only applies if stated as Operative in the Schedule.

Cover under this Operative Cover J is subject to all terms and Exclusions within this Operative Cover J, all the terms and Exclusions within this Section 3 plus all the General Terms and Conditions and General Exclusions set out in Section 4. Capitalised words and terms are defined in the Definitions in Section 4.

1. Additional Definitions

The following words will have the same meaning wherever they appear in this Operative Cover or in the Schedule or any endorsements relating to this Operative Cover.

a) Stock

Stock at the Locations owned by the Assured or for which the Assured is responsible.

2. Operative Clause

Refrigerated or frozen Stock is covered against Property Damage at the Locations as a result of deterioration or putrefaction caused by:

- a) a rise or fall in temperature as a result of:
 - i. breakdown of or damage to an Appliance; or
 - ii. non-operation of any thermostatic or automatic controlling devices connected to an Appliance;
- b) failure of the public supply of electricity at the terminal ends of the supplier's service feeders at the Locations;
- c) failure of the electrical installation connecting the Appliance to the supplier's service feeders;
- d) action of refrigerant fumes escaping from the Appliance.

3. Limit of Liability

The maximum Underwriters will pay in any one Policy Period will not exceed the Sum Insured shown for each item of Stock specified in the Schedule.

4. Exclusions Applicable to Operative Cover J

This Operative Cover does not provide any indemnity for:

- a) caused by any deliberate act by the Assured or any director partner or Employee of the Assured;
- b) because of faulty packaging or stowage;
- c) because of wear and tear, deterioration or gradually developing flaws or defects in the Appliance;
- d) due to the failure to correctly set any temperature controls;
- e) to Stock kept in Appliances which are ten (10) years old or over at the time of a loss;
- f) resulting in indirect losses including consequential loss of any kind;
- g) because of a failure of the supply of electricity due to:
 - i. a deliberate act of the supplier not performed for the sole purpose of safeguarding life or protecting any part of the supply system;
 - ii. a scheme of rationing not necessitated by damage to the supplier's generating or supply equipment;
 - iii. the inability of the supplier to maintain the supply system due to industrial action by any of its Employees.

This Operative Cover J is also subject to the Exclusions specific to this Section 3 and General Exclusions set out in Section 4.

5. Conditions Applicable to Operative Clause J

The following conditions are applicable to Operative Cover J:

a) Age of Appliance

If an Appliance is more than five (5) years old at the start of the Policy Period, it must be maintained regularly by a suitably qualified independent electrical engineer.

b) Automatic reinstatement of Sum Insured

In the event of a loss the Sum Insured will be automatically reinstated by the amount of the loss provided that the Assured pay the appropriate additional premium for the reinstatement of the Sum Insured.

This Operative Cover J is also subject to the Conditions specific to this Section 3 and the General Terms and Conditions set out in Section 4.

Exclusions applicable to Section 3

This Policy does not insure, apply to or include any cover for any loss, Property Damage, Claim, cost, expense or other sum directly or indirectly arising out of or relating to:

1. **Mould**
loss, cost or expense arising out of, resulting from or in any other manner related to Fungal Pathogens. However, we will provide cover for damage related to Fungal Pathogens which are caused by a Defined Peril which is covered by this Policy.
2. **Northern Ireland – civil commotion**
civil commotion in Northern Ireland.

This Section 3 is also subject to the specific Exclusions within its Operative Covers and the General Exclusions set out in Section 4.

Conditions applicable to Section 3

1. **Average**
If at the time of Property Damage the Sum Insured of the Buildings or Contents by each item is less than 85% of the cost of Reinstatement at the Commencement Date, then the Underwriters' liability for any Property Damage will be limited to the proportion that the Sum Insured bears to the cost of Reinstatement.

Where a day one reinstatement clause applies, if at the time of the Property Damage the Declared Value of the Property Insured by each item is less than the cost of Reinstatement at the start of the Policy Period, then the Underwriters' liability for any Property Damage will be limited to the proportion that the Sum Insured bears to the cost of Reinstatement.

For Stock or any other item listed in the Schedule, if at the time of Property Damage the Sum Insured on any of these items is less than the value of the property covered by the item (or for any item on rent, less than the amount of rent during the period to which the item relates), then the Assured will be considered as being the insurer for the difference and will bear a rateable share of the loss accordingly. The amount payable by the Underwriters will be proportionately reduced.

If it is stated in the Schedule that average does not apply at the time of the Property Damage, the maximum amount payable will be the Sum Insured for that item.
2. **Waiver of Average (only applies if shown in the Schedule)**
Average has been waived under this Policy on the proviso that the Assured arranges to have regular professional valuations carried out, (for Buildings valuations this should be undertaken by the Royal Institute of Chartered Surveyors) at intervals of not more than three (3) years and the relevant Sum Insured is adjusted accordingly.

If the Assured does not carry out regular valuations as required above, then Condition 1 (Average) above will apply in the event of a claim.
3. **Salvage**
Underwriters may enter the Locations where Property Damage has occurred and take possession of or require to be delivered to Underwriters any Property Insured and deal with it in a reasonable manner (depending upon the type of salvage), but the Property Insured may not be abandoned to the Underwriters.
 - a) **Brands and labels**
Following Property Damage to Property Insured bearing a brand or trademark, or which in any way carries or implies the guarantee or the responsibility of the manufacturer or the Assured, the salvage value of that Property Insured will be determined after removal in the customary manner at the Underwriters' expense of all brands or trademarks or other identifying characteristics.

The Assured may at the Underwriters' expense stamp "salvage" on the merchandise or its containers or may remove or obliterate the brands or labels from the merchandise if stamp removal or obliteration will not physically further damage the merchandise, provided that the Assured re-labels the merchandise or containers in compliance with the requirements of the law.

b) Control of damaged merchandise

The Assured may retain control and have full right to the possession of all merchandise manufactured, sold or distributed by the Assured which sustains Property Damage. Exercising reasonable discretion, the Assured will with the Underwriters' consent following Property Damage, judge as to whether the merchandise sustaining Property Damage is fit for consumption, sale or use. Any merchandise deemed by the Assured to be unfit for consumption, sale or use will not be sold or otherwise disposed of except by the Assured or with the Assured's consent, but the Assured will give the Underwriters any salvage proceeds the Assured obtains on any sale or other disposal of merchandise.

4. Subrogation waiver (applicable to Operative Cover E Material Damage and Operative Cover H Trade All Risks)

Following a claim under this Policy, the Underwriters agree to waive any rights, remedies or relief to which they might have become entitled by subrogation against any company:

- a) any company standing in relation of parent to subsidiary (or subsidiary to parent) to the Assured;
- b) any company which is a subsidiary of a parent company of which the Assured is a subsidiary.

In each case as defined by current law at the time of the Property Damage.

5. Unoccupied Buildings

a) Notification

Underwriters must be notified in writing by e-mail or letter as soon as reasonably practicable of any Unoccupied Building that becomes occupied or any occupied Building which becomes Unoccupied.

b) Security

For an Unoccupied Building the Assured must take the following steps:

- i. the gas, electricity (other than power required for an intruder or fire alarm system) and water supplies are turned off at the mains and all water pipes, apparatus and tanks are drained down (unless the central heating system is kept running to maintain a minimum temperature of five (5) degrees centigrade) during the period 1st October to 31st March. Where sprinkler systems are installed and water supplies must be maintained, heating must be maintained at a minimum temperature of five (5) degrees centigrade;
- ii. Buildings must be secured against unlawful entry by closing and locking doors and windows and setting any security and alarm systems;
- iii. the Building and yards must be clear of all waste materials and redundant contents;
- iv. the letter box must be permanently sealed shut or a non-combustible receptacle is permanently fixed to the letter box;
- v. the Building must be inspected both internally and externally at least once a week by a responsible person to ensure that there is no deterioration in the fabric of the Buildings and that compliance with conditions i.– iv. above continues.

Following notification as described in clause 5. a) above and/or a breach of the Assured's duty to take the security steps identified in clause 5. b) above, Underwriters will have the right to impose additional terms, conditions and exclusions and charge a suitable additional premium which will be paid by the Assured if required.

This Section 3 is also subject to the specific Conditions within its Operative Covers and the General Terms and Conditions set out in Section 4.

Section 4 – General Terms

This Section sets out all general Exclusions, Terms and Conditions and Definitions that apply to the entire Policy.

General Exclusions applicable to all Sections and all Operative Covers

This Part of the Policy provides details of the General Exclusions. These apply to all Operative Covers in all Sections (unless stated otherwise below) and they are in addition to any Exclusions specific to any Operative Cover or Section.

This Policy does not insure, apply to or include any cover for any loss, Property Damage, Claim, cost, expense or other sum directly or indirectly arising out of or relating to:

1. Asbestos

- a) exposure or alleged exposure to asbestos or materials containing asbestos.

This exclusion does not apply to Operative Cover A, Employers' Liability.

2. Cyber and Data Loss

- a) any Cyber Act; or
- b) any Cyber Incident

including any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident
and

- c) any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

This exclusion does not apply to Operative Cover A, Employers' Liability and to the cover provided by Additional Cover 3(a), Data Protection in Section 2, Operative Cover B, Public Liability.

3. Nuclear

- 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; or
- c) any weapon of war or mass destruction, whether or not employing atomic or nuclear fission or fusion or like reaction or radioactive force or matter, or pathogenic, chemical, biological or similar agents.
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when those isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes.

4. Communicable disease

- a) any Communicable Disease (as hereinafter defined), or any fear or threat (whether actual or perceived) of any Communicable Disease, or any action taken in controlling, preventing, suppressing or in any way relating to any outbreak of any Communicable Disease.
- b) For the purposes of this exclusion, Communicable Disease means any disease capable of being transmitted from an infected person or species to a susceptible host, either directly or indirectly.

The exclusion does not apply to Operative Cover A, Employers' Liability.

5. War

- a) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation, nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

6. Terrorism

- a) an act of Terrorism.

In any action suit or other proceedings where Underwriters allege that any Property Damage is not covered by this policy because this exclusion applies, the burden of proving that Property Damage is covered will be upon the Assured.

The exclusion does not apply to Operative Cover A, Employers' Liability.

7. Sanctions

Underwriters shall not be deemed to provide cover and Underwriters shall not be liable to pay any Claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such Claim or provision of such benefit would expose the Underwriters 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.

General Terms and Conditions applicable to all Sections and all Operative Covers

This Part of the policy sets out the General Terms and Conditions. These apply to all Operative Covers in all Sections and they are in addition to the terms specific to each Operative Cover or Section.

1. Allocation of Recoveries

If a recovery is made or recovery proceeds are received from a third party in respect of any loss or Claims which may or have been paid, either in whole or in part, under this Policy, the recovery proceeds shall be applied as follows:

- a) the costs of pursuing the recovery shall first be deducted from the recovery proceeds and repaid to the Underwriters;
- b) from the remaining balance, the Assured should receive any sum paid or lost by it (excluding interest), in excess of its indemnification under this Policy;
- c) after payment of the above, the Underwriters should receive all sums they have paid (excluding interest) in respect of the loss which is the subject of the recovery;
- d) after payment of the above, the Assured receives any balance (excluding interest).
- e) after payment of above, any interest recovered should be distributed between the Assured and the Underwriters in the same manner outlined above.

2. Alterations in Risk

The Assured is required to notify the Underwriters as soon as is reasonably practicable of all material facts or alterations in the risk which come to their knowledge or arise during the Policy Period. The Underwriters reserve the right to amend the Policy terms and conditions.

In the event of a breach of this term, the Underwriters shall have no liability under this Policy unless the Assured shows that the non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

3. Cancellation

- a) The Assured is entitled to cancel this Policy by giving the Underwriters thirty (30) days' notice in writing.
- b) The Underwriters are entitled to cancel this Policy by giving the Assured thirty (30) days' notice in writing.

Upon such cancellation by either the Assured or the Underwriters, any return of Premium due to the Assured will be calculated at a proportional daily rate depending on how long the Policy has been in force unless the Assured have made a claim in which case the full annual Premium is due.

4. Currency

The currency of all Premiums, sums insured, Limits of Liability and Excesses shown in this Policy, Schedule, Endorsement(s) or any renewal shall be Great British Pounds indicated as GBP.

5. Excess

Where an excess is stated in the Schedule the Assured shall be responsible for the first amount so specified each and every Occurrence, inclusive of costs and expenses.

No cover will be granted under any Operative Cover for the amount of the Excess stated in the Schedule. The Limits of Liability stated in the Schedule are in excess of and not reduced by the amount of any Excess.

Where an Occurrence gives rise to liability under Operative Covers B (Public Liability), C (Product Liability) and/or D (Pollution Liability), only the largest Excess of those Operative Covers shall apply to all losses and Claims arising from that Occurrence.

6. Fair Presentation

The Assured is under a duty to make a fair presentation of the risk to Underwriters prior to entering into the Policy and prior to the agreement of any variation to the Policy.

A fair presentation is one that includes all material information, presented in a manner that is clear and accessible, and in compliance with all requirements of the Insurance Act 2015.

Failure to make a fair presentation of the risk will give Underwriters a range of remedies, as set out in the Insurance Act 2015, which can be broadly summarised as follows:

- a) if the breach was deliberate or reckless:
 - i. treat the Policy as if it never existed;
 - ii. decline all claims; and
 - iii. retain the premium; or
- b) if the breach was not deliberate or reckless (for instance, negligent), depending on what Underwriters would have done had there been no breach:
 - i. treat the Policy as if it never existed, decline all claims and return the Premium;
 - ii. treat the Policy as if it had been entered into on different terms from those agreed, or
 - iii. proportionally reduce the amount payable on a claim based on the Premium the Underwriters would have charged, as more specifically set out in the Insurance Act 2015.

The remedies summarised in a) and b) apply to a breach of the duty of fair presentation made prior to the Policy being entered into, and, with some modifications, to a breach of the duty made prior to the agreement of a variation, as set out more fully in the Insurance Act 2015.

This summary is provided for illustrative purposes only to assist the Assured in understanding the duty to make a fair presentation and the consequences of a breach of the duty of fair presentation. It is not intended to amend or disapply any provision of the Insurance Act 2015 concerning the duty of fair presentation.

7. Fraudulent Claims

- a) If the Assured makes a fraudulent claim under this Policy:
 - i. the Underwriters are not liable to pay the claim;
 - ii. the Underwriters may recover from the Assured any sums paid by the Underwriters to the Assured in respect of the claim; and
 - iii. in addition, the Underwriters may by notice to the Assured treat the Policy as having been terminated with effect from the time of the fraudulent act.
- b) If the Underwriters do treat the Policy as having been terminated:
 - i. they may refuse all liability to the Assured under this Policy in respect of a relevant event occurring after the time of the fraudulent act; and
 - ii. they need not return any of the Premiums paid under the Policy.

8. Interpretation

In this Policy:

- a) the singular includes the plural and vice-versa; the masculine includes the feminine and vice versa.
- b) with the exception of headings, capitalised words and terms have the meaning given to them in the Definitions Section 4 of this Policy;
- c) a reference to a statute or statutory provision is a reference to it as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted;
- d) headings are capitalised for ease and used for general reference only. They shall not be considered when interpreting or determining the meaning of this Policy; and
- e) if any term, condition, exclusion, Endorsement or provision or part thereof is found to be or becomes invalid or unenforceable, this shall not affect the validity and enforceability of the remainder of the term, condition, exclusion, Endorsement or provision and the rest of this Policy.

9. Jurisdiction of Covered Judgments

It is hereby agreed between Underwriters and the Assured that indemnity provided by this Policy shall apply only to judgments of first instance against the Assured in the Courts of Law of the Covered Jurisdictions stated in the Schedule and not to judgments obtained elsewhere nor to judgments or orders obtained in the said courts for the enforcement of foreign judgments, whether by way of reciprocal agreements or otherwise, unless the Assured has requested that there shall be no such limitation and has accepted the terms offered by Underwriters in granting such cover which offer and acceptance must be signified by specific endorsement to this Policy.

The Premium for this insurance has been calculated accordingly and no consideration has been paid in respect of sums payable under any other law or the jurisdiction of any other courts.

10. Law and Jurisdiction

This Policy and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter, interpretation or formation shall be governed by and construed in accordance with the law of England and Wales.

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including contractual or non-contractual disputes or claims) arising out of or in connection with this Policy or its subject matter, interpretation or formation.

11. Limit of Liability

Underwriters' liability to pay Damages (including Claimants' costs, fees and expenses) and Defence Costs shall not exceed the sum stated in the Schedule in respect of any one Occurrence.

Where an Occurrence gives rise to liability under Operative Covers B (Public Liability), C (Product Liability) and/or D (Pollution Liability), the total amount of Underwriters' liability shall not exceed the greatest Limit of Liability available under the relevant Operative Cover providing indemnity for the Occurrence.

Where an aggregate Limit of Liability is stated in the Schedule to apply, the Underwriters' total liability to pay Damages (including Claimants' costs, fees and expenses) and Defence Costs in respect of the entire Policy Period shall not exceed the stated aggregate Limit of Liability regardless of the number or severity of Occurrences or Claims.

Where an aggregate Limit of Liability is stated in the Schedule to apply, the Underwriters' total liability to pay Damages (including Claimants' costs, fees and expenses) and Defence Costs in respect of the entire Policy Period shall not exceed the stated aggregate Limit of Liability regardless of the number or severity of Occurrences or Claims.

Notwithstanding the above provisions, limits specified in an Additional Cover of this Policy will apply as set out in the Additional Cover.

12. Other Insurance

If any Claim or loss covered by this Policy is also covered in whole or in part by any other valid and collectable insurance (other than insurance that is specifically stated to be in excess of this Policy) the insurance afforded by this Policy shall be in excess of and shall not contribute with such other insurances.

13. Precautions

The Assured must at all times take all reasonable precautions or steps:

- a) to observe and comply with all statutory or local authority laws, obligations and requirements;
- b) in the selection of Employees or Sub-contractors;
- c) to see that construction plant equipment and machinery are substantial and sound and in proper order and fit for the purposes for which they are used; and
- d) to prevent accidents, Bodily Injury or Property Damage.

14. Premium Adjustment

If any of the Premium for this Policy has been calculated on estimates furnished by the Assured, the Assured shall keep accurate records containing all particulars relative thereto and shall at all times allow the Underwriters to inspect such records. The Assured shall, within three months from the expiry of each Policy Period furnish such particulars to Underwriters and the Premium for such period shall thereupon be adjusted and the difference paid by or allowed to the Assured as the case may be subject to any minimum Premium required. The Underwriters reserve the right to request that the Assured supplies an auditor's certificate with such calculations that are the subject to adjustment under this Policy attesting to the accuracy thereof. Such calculations shall include all remuneration paid to Employees and all payments made to self-employed persons or employees of labour only sub-contractors for whom liability is assumed or on such other basis as may be agreed. If due, any additional Premium shall be paid within thirty (30) days of advice to the Assured of any adjustment due.

If the Assured fails to produce such particulars within the timeframe required or pay any additional Premium due in accordance with this clause, the Underwriters shall be entitled to refuse to pay, or reduce the amount they pay, for any Claim under this Policy.

15. Premium Payment

- a) The Assured undertakes that premium will be paid in full to the Underwriters within sixty (60) days of inception of this Policy (or, in respect of instalment premiums, when due).
- b) If the premium due under this contract has not been so paid to the Underwriters by the sixtieth (60th) day from the inception of this contract (and, in respect of instalment premiums, by the date they are due) the Underwriters shall have the right to cancel this contract by notifying the Assured via the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk, but the full contract premium shall be payable to Underwriters in the event of a loss or Occurrence or Claim prior to the date of termination which gives rise to a valid claim under this Policy.
- c) It is agreed that the Underwriters shall give not less than fifteen (15) days' prior notice of cancellation to the Assured via the broker. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the contract shall automatically terminate at the end of the notice period.
- d) If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, this shall not affect the validity and enforceability of the other provisions of this clause which will remain in full force and effect.

16. Rights of Recourse

The Assured will all times retain full rights of recourse against those supplying products or otherwise providing a service in connection with any Product or any component part thereof, unless the Underwriters have agreed in writing to the waiver of such rights.

In the event of a breach of this term, the Underwriters shall be entitled to refuse to pay, or reduce the amount they pay, for any Claim under this Policy.

17. Sub-contractors

The Assured must take all steps to ensure that all Sub-contractors that they engage maintain policies of insurance (with insurers other than the Underwriters) no less comprehensive than:

- a) employers' liability coverage with a limit of liability of not less than GBP 5,000,000 any one Occurrence;
- b) public liability coverage with a limit of liability equal to or greater than the limits provided by this Policy; and
- c) both such policies contain an Indemnity to the Assured as principal.

The Assured:

- a) shall obtain written evidence of the above; and
- b) shall not assume by agreement, any liability that would not have attached to them in the absence of such agreement, including but not limited to, the assumption of liability on behalf of any Sub-contractor or the waiver of rights of recourse against any Sub-contractor.

In the event of a breach of this term, the Underwriters shall have no liability under this Policy unless the Assured shows that the non-compliance with this term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

18. Subrogation

The Assured shall, at the request and at the expense of the Underwriters, do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Underwriters for the purpose of enforcing any rights and remedies of or obtaining relief or indemnity from other parties to which the Underwriters shall be or would become entitled or subrogated upon its paying for or making good any loss or damage insured by this Policy whether such acts and things shall be or become necessary or required before or after their indemnification by the Underwriters.

19. Third Party Rights

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

Definitions applicable to all Operative Covers and Sections

Capitalised words and terms are defined in the Definitions below. As used herein:

- 1. Additional Metered Charges means:**
additional metered electric, water, gas or domestic heating oil charges the Assured incurs as a result of Property Damage to Buildings.
- 2. Annual Rent Receivable means:**
the Rent Receivable during the twelve (12) months immediately before the date of the Property Damage.
- 3. Appliance**
any frozen food cabinet, deep freezer, cold room, cold store, refrigerator or chilled unit at the Locations.
- 4. Assured means:**
the person(s), partnership, corporation or organization specified in the Schedule.
- 5. Bodily Injury means:**
death, bodily injury, illness or disease of or to any person.
- 6. Building(s) means:**
 - a) buildings;
 - b) landlords' fixtures and fittings in and on the buildings;
 - c) outside buildings, extensions, annexes, gangways;
 - d) walls, gates and fences, foundations, yards, driveways, forecourts, hoardings, car parks, roads, pathways and loading bays around and pertaining to the Locations;
 - e) telephone, gas, water and electricity meters, pipes and cables including property for which the Assured is responsible which is underground and/or in adjoining yards or roadways and which partly or wholly serve to supply the Locations;
 - f) drains and sewers within the perimeter of the Locations but only to the extent they are the responsibility of the Assured;
 - g) irrigation equipment including pumps tanks and pipes forming part of an irrigation system;
 - h) security lighting, security cameras and other security or fire protection devices, affixed signs, television, radio, satellite receiving aerials, communication aerials, their fittings and masts affixed to the building, and fixed poles or fixed pylons,a) – h) above being the property of the Assured or for which the Assured is responsible.
- 7. Business means:**
 - a) the ordinary business of the Assured specified under Business Description in the Schedule undertaken by the Assured at or from the Locations;
 - b) the participation in exhibitions by the Assured.
- 8. Circumstance means:**
a circumstance, condition, fact, event or incident known to the Assured and which the Assured ought reasonably to realise may give rise to a Claim.
- 9. Claim means:**
a written demand, notice, or other written communication received by the Assured asserting a liability or responsibility of the Assured for damages or other relief.
- 10. Claimant means:**
any party making a Claim against the Assured.
- 11. Commencement Date means:**
the first day of the Policy Period.

- 12. Computer Equipment means:**
Fixed Computer Equipment and Portable Computer Equipment.
Computer Equipment does not include equipment controlling any manufacturing process.
- 13. Consequential Loss means:**
loss resulting from interruption of or interference with the Business carried on by the Assured at the Locations following damage to property used by the Assured at the Locations for the purpose of the Business.
- 14. Contents means:**
- a) machinery, plant, fixtures and fittings;
 - b) internal and external glass being part of the Buildings,
 - c) data, but only for the cost of clerical labour and computer time spent in reproducing the data, excluding the value of the data to the Assured and any expenses the Assured incurs in retrieving or re-compiling the data;
 - d) deeds, briefs, manuscripts, books, documents and office records, but only for the cost of materials as stationery and the costs the Assured incurs to reproduce them, excluding the value of the information contained in the materials to the Assured and any research expenses the Assured incurs in reproducing the materials;
 - e) Fixed Computer Equipment;
 - f) patterns, models, moulds, plans and designs;
 - g) office equipment;
 - h) static vehicles; and
 - i) Tenants' Improvements.
- 15. Court of Summary Jurisdiction means:**
a Magistrates' Court or such similar criminal court of first instance dealing with offences without the involvement of a jury.
- 16. Cyber Act means:**
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 Equipment.
- 17. Cyber Incident means:**
- a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer Equipment; 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 Equipment.
- 18. Damages means:**
monetary compensation capable of being awarded in civil proceedings but excluding:
- a) aggravated, punitive and exemplary damages; and
 - b) criminal fines and penalties.
- 19. Data means:**
data of any sort, including but not limited to, tangible or intangible data and any programs of 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, website or any 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 Computer Equipment.

20. Declaration means:

a declaration of the Gross Profit / Gross Revenue (as applicable) earned during the financial year most nearly concurrent with the Policy Period which must be:

- a) provided to the Underwriters no later than six (6) months after the expiry of the Policy Period; and
- b) confirmed by the Assured's professional accountants.

21. Declared Value means:

the Assured's assessment of the cost of Reinstatement of the Buildings, Contents and Computer Equipment at the level of costs applying on the Commencement Date (ignoring any increase in costs which may operate later) together with allowance if required for:

- a) the additional cost of Reinstatement to comply with public authority requirements;
- b) professional fees; and
- c) debris removal costs.

22. Defence Costs means:

all costs, fees, and expenses incurred by the Assured, with the Underwriters' prior written consent, in the defence or settlement of any Claim under this Policy including legal expenses:

- a) arising out of representation at any Coroner's Inquest or Fatal Accident inquiry;
- b) arising out of any criminal prosecution or proceedings relating to an offence alleged to have been committed during the Policy Period by the Assured and/or (with the Underwriters' prior written consent for such cover) Employees, partners or directors of the Assured, and in the course of the Business of the Assured in respect of matters which may form the subject of indemnity by this Policy provided that:
 - i. the Underwriters shall not be liable for any fines or penalties imposed as a consequence of such prosecution;
 - ii. the Underwriters shall not be responsible for Defence Costs where the Underwriters required the opinion of Queen's Counsel (whose appointment is at the Underwriters' sole discretion) as to whether or not such costs should extend or continue to extend to the support of such defence, and where such Queen's Counsel's opinion is that there is no reasonable defence to the prosecution;
 - iii. the Underwriters' liabilities for Defence Costs in cases of breach or alleged breach of the English Health & Safety at Work Act 1974 (and/or any legislation of similar effect) are limited to prosecutions under Section 33(1)(a) to (c) of the Act or similar duty imposed under consolidating legislation or legislation in Scotland, Northern Ireland, the Isle of Man or the Channel Islands;
 - iv. the Underwriters' liabilities for Defence Costs in cases of breach or alleged breach of the English Consumer Protection Act 1987 (and/or any legislation of similar effect) are limited to proceedings not consequent upon a deliberate act or omission; and
- c) arising out of the defence of any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this Policy.

23. Defined Perils

- a) Fire, lightning, explosion, aircraft or other aerial devices or articles falling from them;
- b) riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons;
- c) earthquake;
- d) storm;
- e) Flood;
- f) subsidence, ground heave, landslip;
- g) escape of water from any tank, apparatus or pipe or of oil from any fixed heating installation used to heat the Business Premises; or
- h) impact by any mechanically propelled vehicle or rail rolling stock or animal.

- 24. Employee means:**
any person under a contract of service or apprenticeship with the Assured or engaged by the Assured to perform a contract constituting the provision of labour only; while working for the Assured in connection with the Business.
- 25. Endorsement means:**
changes to the terms and conditions or scope of this Policy agreed by the Underwriters that can add, delete or otherwise alter the cover provided by this Policy.
- 26. Estimated Gross Profit means:**
the amount the Assured declares to the Underwriters as representing the Gross Profit which the Assured anticipates will be earned by the Business during the financial year most nearly concurrent with the Policy Period (proportionately increased where the Maximum Indemnity period exceeds twelve (12) months).
- 27. Estimated Gross Revenue means:**
the amount the Assured declares to the Underwriters as representing the revenue which the Assured anticipates will be earned by the Business during the financial year most nearly concurrent with the Policy Period (proportionately increased where the Maximum Indemnity Period exceeds 12 months).
- 28. Excess means:**
the first amount of each and every Claim or Occurrence, as ascertained after the application of all other terms and conditions of this Policy, that is to be paid by the Assured and which the Underwriters are not liable to pay as specified in the Schedule.
- 29. Expiry Date means:**
the last day of the Policy Period.
- 30. Fixed Computer Equipment means:**
equipment used for the electronic processing, communication and storage of data consisting of mainframes, servers, personal computers and other installed equipment, including:
- a) fixed discs, interconnecting wiring and telecommunications equipment; and
 - b) printers, scanners and other peripheral computer equipment solely for use with other insured installed computer equipment 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 overvoltage protection devices, computer furniture, gas flooding cylinders and pipework and computer room partitioning.
- 31. Flood means:**
Property Damage caused by:
- a) the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, dam or drain;
 - 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 the entering of rainwater through or via the roof of the Building.
- 32. Fungal Pathogens means:**
any fungus or mycota or any by-product or type of infestation produced by that fungus or mycota, including but not limited to mould, mildew, mycotoxins, spores or any biogenic aerosols.
- 33. Glass means:**
fixed plain or wired glass and mirrors at the Buildings.
- 34. Gross Profit means:**
the amount of the Turnover (net of discounts allowed), closing stock and work in progress less the amount of the opening stock, work in progress and Specified Working Expenses.
- N.B. For the purpose of this definition Gross Profit is as defined but the words and expressions used will have the meaning attached to them in the Assured's usual accounting methods, due provision being made for depreciation of stock and work in progress.

- 35. Gross Revenue means:**
the money paid or payable to the Assured for the work done or services rendered in the course of the Business (net of discounts allowed) but excluding Rent Receivable.
- 36. Identity Fraud means:**
someone, or a group of people, knowingly using a means of identification belonging to the Assured without the Assured's knowledge or authorisation and with the intention of committing or helping someone else to commit an illegal act.
- 37. Indemnity Period means:**
the period beginning when Property Damage occurs and ending when the results of the Business cease to be affected following Property Damage, but not exceeding the Maximum Indemnity Period.
- 38. Judgment for Damages means:**
a binding and enforceable award of damages or compensation and interest thereon made by a court, arbitrator, adjudicator or other arbiter of a Claim brought by an Employee against the Assured.
- 39. Limit of Liability means:**
the limit of liability applicable to the relevant Operative Cover (or sub-limit or item insured under such Operative Cover) specified in the Schedule. In relation to Operative Covers A (Employers' Liability), B (Public Liability), C (Product Liability) and D (Pollution Liability), the Limit of Liability is inclusive of Defence Costs unless expressly specified in the Schedule to be in addition to Defence Costs.
- 40. Location means:**
the buildings and the land inside the boundaries at the property address shown in the Schedule whether owned or rented by the Assured, which the Assured occupies for the purpose of the Business.
- 41. Maximum Indemnity Period means:**
the period stated in the Schedule.
- 42. Money means:**
Negotiable Money and Non-Negotiable Money belonging to the Assured or which the Assured is responsible for.
- 43. Negotiable Money means:**
bills of exchange, uncrossed promissory notes, cash, bank and currency notes, uncrossed cheques, giro cheques including pre-authenticated 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.
- 44. Non-Negotiable Money means:**
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.
- 45. Occurrence means:**
any accident, event, events of a series, injury, continuous or repeated injurious exposure to substantially the same general conditions arising out of one originating cause which results in Bodily Injury, Property Damage, loss or Pollution neither expected nor intended by the Assured.
- 46. Offshore means:**
the time from which an Employee of the Assured embarks onto a conveyance at the point of final departure to an offshore rig or offshore platform within the territorial waters of the United Kingdom, until such time the Employee disembarks from the conveyance onto land upon return from an offshore rig or an offshore platform.
- 47. Outstanding Debit Balance means:**
the sums outstanding in the Assured's records of the individual amounts owed and unpaid to the Assured by the Assured's customers for goods sold, work done and for services rendered in the course of the Business at the Locations.

- 48. Policy Period means:**
the period specified in the Schedule and will be the period of time during which this Policy applies.
- 49. Pollutants means:**
any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapour, soot, fumes, dust, fibres, fungi, mould, acids, alkalis, chemicals or waste. Waste is deemed to include materials to be recycled, reconditioned or reclaimed. For the avoidance of doubt, bacteria, viruses or other pathogens do NOT fall within the definition of Pollutants.
- 50. Pollution means:**
any discharge, seepage, migration, dispersal, release or escape of Pollutants at any time or contamination of any kind of the atmosphere or of any water, land, Buildings or other tangible property.
- 51. Portable Computer Equipment means:**
equipment that is designed to be carried on or by a person consisting of:
- a) laptops, palmtops, notebooks and tablet personal computers;
 - b) personal digital assistants and smartphones;
 - c) removable vehicle satellite navigation systems and digital cameras;
 - d) printers, projectors, broadband modems and other devices which connect to other portable computer equipment.
- 52. Premises means:**
the Buildings, lands, properties and constructions used for the purposes of the Assured's Business within the United Kingdom.
- 53. Premium means:**
the amount of premium specified in the Schedule.
- 54. Principal means:**
a person, persons or corporate body or other entity who engages the Assured, in writing, to perform a contract.
- 55. Product means:**
the Assured's tangible products (including all associated packaging material, containers, labelling, instructions, or advice provided in connection therewith) sold, supplied, distributed, free issued, loaned, leased or licensed to others, designed, specified, formulated, manufactured, processed, serviced, treated, constructed, installed, erected, inspected, adjusted, altered, cleaned, handled, repaired by, or on behalf of, the Assured in the ordinary course of Business, which have left the care, custody or control of the Assured.
- 56. Property Additions means:**
- a) any newly acquired or built property which is not insured elsewhere for which the Assured is legally responsible; and
 - b) alterations, additions and improvements to Buildings but not for increases in value.
- 57. Property Damage means:**
physical loss of or material damage to or destruction of tangible property.
- 58. Property Insured means:**
Buildings, Contents, Stock, Specified Goods and all other contents at the Premises or as more fully described in the Schedule, all of which are the responsibility of, or belong to, the Assured.
- 59. Rate of Gross Profit means:**
the percentage of Gross Profit earned on the Turnover during the financial year immediately before the date of the Property Damage.
- 60. Reinstatement means:**
- a) the rebuilding or replacement of property lost or destroyed; or
 - b) the repair or restoration of Property Damage,
- in either case to a condition equal to but not better or more extensive than its condition when new.

- 61. Rent Receivable means:**
the money paid or payable to the Assured by tenants for accommodation and services provided in the course of the Business at the Premises.
- 62. Retroactive Date means:**
the date(s) stated in the Schedule.
- 63. Sanitaryware means:**
fixed baths, wash hand basins, pedestals, bidets, shower trays, sinks, splashbacks, lavatory pans and cisterns at the Premises.
- 64. Schedule means:**
the document entitled Schedule which relates to and forms part of this Policy.
- 65. Specified Goods means:**
- a) tobacco, cigarettes, cigars;
 - b) wines and spirits;
 - c) jewellery, precious metals or stones;
 - d) audio and visual equipment;
 - e) DVD's, CD's and computer games;
 - f) paintings, unusual objects or other works of art;
 - g) trade samples, brochures and promotional merchandise.
- 66. Specified Working Expenses means:**
- a) 100% of purchases (less discounts received).
 - b) 100% of discounts allowed.
 - c) 100% of bad debts written off.
- 67. Standard Rent Receivable means:**
the Rent Receivable during that period in the twelve (12) months immediately before the date of the Property Damage which corresponds with the Indemnity Period.
- The Underwriters will adjust the figures as necessary to provide for trends or special circumstances affecting the Business before or after the Property Damage or which would have affected the Business had the Property Damage not occurred.
- 68. Standard Revenue means:**
the revenue during that period in the twelve (12) months immediately before the date of the Property Damage which corresponds with the Indemnity Period. The Underwriters will adjust the figures as necessary to provide for the trends or special circumstances affecting the Business before or after the Property Damage or which would have affected the Business had the Property Damage not occurred.
- The adjusted figures will represent, as near as possible, the results which would have been achieved during the same period had the Property Damage not occurred.
- 69. Standard Turnover means:**
the Turnover during that period in the twelve (12) months immediately before the date of the Property Damage which corresponds with the Indemnity Period to which adjustments will be made as necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business had the Property Damage not occurred, so that the figures adjusted represent as nearly as may be reasonably practicable the results which but for the Property Damage would have been obtained during the relative period after the Property Damage.
- 70. Stock means:**
stock and materials in trade, work in progress and finished goods plus supplies used in packing and shipping of the stock and materials in trade, being property owned, or held in trust, by the Assured for which the Assured is responsible.

71. Sub-contractor means:

any bona fide sub-contractor including any company or firm or individual who enters into a contract with the Assured, in the course of the Assured's Business, for the provision of services or the supply of goods or materials in conjunction with labour, but this does not include any company, firm or individual who enters into a contract of service with the Assured for supply of labour only.

72. Tenants' Improvements means:

fixtures, alterations, installations or additions to Buildings, occupied but not owned by the Assured, made at the Assured's expense and which cannot be legally removed, but not including retaining walls, foundations or supports below the surface of the lowest floor or basement, outdoor trees, shrubs, plants or lawns.

73. Territorial Limits means:

the Territorial Limits stated in the Schedule.

74. Terrorism means:

an act or series of acts including 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), committed for political, religious, or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

75. Turnover means:

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

76. Underwriters means:

Convex Insurance UK Limited.

77. United Kingdom means:

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

78. Unoccupied means:

any Building or part of any Building which is empty or not in use by the Assured or the Assured's tenant for more than thirty (30) consecutive days.

79. Vermin means:

pests or nuisance animals that spread diseases or destroy crops or livestock, including but not limited to mice, rats and other small rodents, rabbits, foxes, moles, beavers, bats, squirrels, insects and arachnids, pigeons, seagulls, woodpeckers, crows, caterpillars, termites, slugs, land snails, ticks, mites, lice, fleas, bed bugs, mosquitos, moths, bookworms, silverfish, carpet beetles, clothes moths, woodworm, wood ants, ants, cockroaches, flies, crickets and spider mites.



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