



Contractors Insurance Policy Booklet

Allianz 


INSURANCE
SERVICES

Contents

Thank you for choosing Allianz Insurance plc. We are one of the largest general insurers in the UK and part of the Allianz Group, one of the world's foremost financial services providers.

With Allianz Insurance plc, you can be confident that you're insured by a company which is relentless in its commitment to protecting and serving you. You can trust us to insure your business, as we've been providing leading insurance solutions in the UK for over 100 years.

We work in partnership with NICEIC Insurance Services to ensure you receive the highest levels of product and service excellence. Our technical experts understand how best to protect you against the risks your business faces.

If you need to make a claim you will be in safe hands. Our professionally trained staff aim to treat you, as you would expect, both promptly and fairly. By listening to you, and understanding your needs we will provide you with the most appropriate solutions to get your business trading again as quickly as possible.

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IMPORTANT
Should you need further details or have any questions NICEIC Insurance Services will be happy to help.

This document provides details of your Policy and the terms and conditions that apply. Please read it carefully and keep it in a safe place.

Introduction

Your Contractors Insurance Policy is made up of several parts which must be read together as they form your contract of insurance with the Insurer. Please take time to read all parts of the Policy to make sure they meet and continue to meet your needs and that you understand the terms, exclusions and conditions. If you wish to change anything or if there is anything you do not understand, please let NICEIC Insurance Services know.

The parts of the Policy are:

- the Statement of Fact
- this Policy Wording which contains
 - this Introduction, the Insuring Clause, the Policy Definitions, the Policy Exclusions and the Policy Conditions, all of which apply to all Sections of the Policy
 - the Sections of cover provided, including the Section Definitions, Extensions, Conditions and Exclusions
- the Schedule, which confirms the Sections of cover that are insured and includes any additional clauses applied to the Policy.

Any Section stated to be 'Not Insured' in the Schedule shall be inoperative.

Any word or expression in the Policy which has a specific meaning has the same meaning wherever it appears in the Policy, unless stated otherwise.

Changes to your circumstances

Please tell NICEIC Insurance Services as soon as reasonably possible if there are any changes to your circumstances which could affect your insurance.

Please refer to Policy Condition 3 (Change of Risk).

If your circumstances change and you do not tell NICEIC Insurance Services, you may find that you are not covered if you need to claim.

Financial Services Compensation Scheme

Allianz Insurance plc contributes to the Financial Services Compensation Scheme (FSCS).

The Insured may be entitled to compensation from the FSCS if the Insurer is unable to meet their liabilities. Further information about compensation scheme arrangements is available at [fscs.org.uk](https://www.fscs.org.uk), by emailing enquiries@fscs.org.uk or by phoning the FSCS on **0800 678 1100** or **0207 741 4100**.

How to Make a Claim

If you need to claim, your dedicated claims team will help and guide you through the process.

You can notify us of a claim by:

Telephone: **0344 893 9598**
 Fax: **0344 856 2005**

Our Claims advisors are available 9am to 5pm Monday to Friday, outside of these hours you will be given the option to access our Emergency Assistance Service.

Online:

To notify Allianz of a claim online, or for guidance on what information Allianz will need to make the claim process as quick and as easy as possible, please visit allianz.co.uk/claims.

Email (new claims only):

Property Claims: newpropertyclaims@allianz.co.uk
Injury Claims: CasualtyL@allianz.co.uk

Post: Allianz Claims
 PO Box 10509
 51 Saffron Road
 Wigston
 LE18 9FP

If you have a Commercial Legal Expenses claim you can notify Allianz Legal Protection by contacting the Lawphone Legal Advice Helpline on **0344 873 0845** quoting the five digit Master Policy Reference shown in the Commercial Legal Expenses section in the policy schedule.

Lines are open 24 hours a day, 7 days a week.

Post: The Claims Department
 Allianz Legal Protection
 Allianz-ALP
 PO Box 10623
 Wigston
 LE18 9HJ

Please try to notify Allianz of a claim promptly after the incident, or immediately in the event of a serious accident, loss or damage.

Claims details

Please have the following information available, where possible, when making a claim:

Property claims

- Your contact information, including address, email address and telephone numbers
- Policy type and policy number
- Date the loss occurred
- Location and description of the loss
- Your VAT status

Injury claims

- Your contact information, including address, email address and telephone numbers
- Policy type and policy number
- Date the loss occurred
- Name and address of injured party
- Description of the injury, where and how it occurred

Commercial Legal Expenses claims

- Your contact information, including address, email address and telephone numbers
- Master Policy Reference shown in the policy schedule
- Brief summary of the problem

What to expect when making a claim

We aim to deal with your claim promptly and fairly. We will update you on the progress of your claim by email, mail or by phone – whichever you prefer.

Depending on the type of claim and value involved, we may:

- ask you for additional information
- appoint an independent loss adjuster to deal with your claim (loss adjusters are claims specialists who investigate large or complex claims, usually at the scene of an incident, to establish the cause of the loss and assist the insurer in dealing with your claim)
- arrange for a member of our claims team to visit you.

How to Make a Claim (continued)

Commercial Legal Expenses

In addition to the above, the following will apply to enable Allianz Legal Protection to deal with a claim under the Commercial Legal Expenses section:

- we will forward you a claim form for you to complete and sign
- we will require a copy of your policy schedule
- legal expenses are only covered from the time we have accepted the claim and appointed the legal representative in your name and on your behalf. You must not appoint a legal representative. If you have already seen a solicitor before we have accepted your claim, we will not pay any fees or other expenses that you have incurred.

Helpful advice when making a claim

Your insurance policy comes with a number of great features to help keep your business up and running. These additional features do not come with standard policies and have been designed especially for small businesses in mind.

Keeping your business up and running

- In the event of an emergency, we will send out a repairer to make your premises secure within 24 hours – even during the night.
- You should carry out any emergency action to protect your property from further damage (e.g. turning off main services) or to make it waterproof or secure. If emergency work has been completed on your own authority please contact us before permanent repairs begin.
- We will be pleased to provide advice and assistance to find the right person or organisation to help you. We have a nationwide network of quality trade people on call to get you up and running. For large incidents, we will usually assign a loss adjuster who will manage your repairs and has the authority to authorise repairs up to £50,000.
- Please do not dispose of damaged items before we have had the opportunity to inspect them.
- You should report to the Police any loss or damage from theft, arson, malicious damage, or riot or civil commotion and obtain a crime reference number from them.
- If you do incur any charges, please retain the bills as these may form part of your claim.

You should comply with the requirements for claim notification contained in the policy conditions, which detail your obligations and our rights in the event of a claim. If you are in any doubt please contact us.

Employees

We understand how important your employees are to your business. This is why, in the unfortunate event of serious injury to your employees which is as a result of your negligence, we provide a medically trained rehabilitation team to work with your employees, getting them back to health and back to work as quickly as possible.

If an employee or someone else is holding you responsible for injury to them or for damage to their property then you should tell us promptly and send any letters, writs or summons to us unanswered.

Please ensure that your responsibility for injury to someone or damage to their property is not discussed with or admitted to anyone else.

Following a claim

After a claim, it may be helpful for you to review your insurance risks and how well your business is managing them. Allianz Risk Management allows you to identify and manage the risks that are most pertinent to your business. The range of tools and templates available online make risk management quick and easy. Allianz Risk Management can be accessed at allianz.co.uk/risk-management.

Complaints Procedure

Our aim is to get it right, first time every time. If you have a complaint we will try to resolve it straight away but if we are unable to we will confirm we have received your complaint within five working days and do our best to resolve the problem within four weeks. If we cannot we will let you know when an answer may be expected.

If we have not resolved the situation within eight weeks we will issue you with information about the Financial Ombudsman Service (FOS) which offers a free, independent complaint resolution service.

If you have a complaint, please contact our Customer Satisfaction Manager at:

Customer Satisfaction Manager
Allianz Insurance plc
57 Ladymead
Guildford
Surrey
GU1 1DB

Telephone: **01483 552438**
Fax: **01483 790538**
Email: commercialcomplaints@allianz.co.uk

You have the right to refer your complaint to the Financial Ombudsman, free of charge – but you must do so within six months of the date of the final response letter.

If you do not refer your complaint in time, the Ombudsman will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances. For example, if the Ombudsman believes that the delay was as a result of exceptional circumstances.

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Website: financial-ombudsman.org.uk
Telephone: **0800 023 4567** or **0300 123 9123**
Email: complaint.info@financial-ombudsman.org.uk

Using our complaints procedure or contacting the FOS does not affect your legal rights.

Insuring Clause

In consideration of payment of the premium the Insurer will indemnify or otherwise compensate the Insured against loss, destruction, damage, injury, liability or dispute (as described in and subject to the terms, conditions, limits and exclusions of this Policy or any Section of it) occurring or arising in connection with the Business during the Period of Insurance or any subsequent period for which the Insurer agrees to accept a renewal premium.

Under Section 9 Professional Indemnity all cover under the Professional Liability and Fraud or Dishonesty Extensions is afforded solely with respect to Claims first made against the Insured during the Period of Insurance and notified to the Insurer as required by this Section.

For Allianz Insurance plc

A handwritten signature in black ink, appearing to read 'SMG', with a horizontal line extending to the right.

Simon McGinn
Chief Executive Allianz Commercial

Policy Definitions

The following definitions apply to this Policy (unless amended by Section Definitions) and are denoted by a capital first letter throughout this Policy.

Building(s)

Buildings belonging to the Insured or for which they are responsible at the Premises, including walls, gates and fences and in so far as they are not otherwise insured and for which the Insured is responsible:

- fixed glass and sanitaryware
- small outside buildings, annexes, gangways, conveniences and other small structures
- extensions communicating with the buildings
- roads, car parks, yards, paved areas, pavements and footpaths
- security cameras and lights
- fixed fuel oil tanks and fixed diesel tanks, piping, ducting, cables, wires and associated control gears and accessories and extending to the public mains

Business

The business description stated in the Schedule and which is conducted solely from premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man including

- the ownership maintenance and repair of premises used in connection with such business
- the provision and management of canteen, social sports and welfare organisations for the benefit of Employees and the ambulance, first aid, fire, medical and security services of the Insured
- the execution of private duties by Employees for any partner, director or senior official of the Insured
- participation in exhibitions.

Computers and Electrical Office Equipment

All computer and ancillary electrical office equipment belonging to the Insured or for which they are responsible including associated data carrying materials but excluding programs or information recorded thereon.

Contents

Machinery, plant and all other contents belonging to the Insured or held by the Insured in trust and for which the Insured are responsible (other than Stock, Computers and Electrical Office Equipment, and other Property specifically described in the Schedule) whilst in or on the Buildings, including:

- fixed glass and sanitaryware
- contents in the open yards
- Money, for an amount not exceeding £1,000 in total
- deeds, documents, manuscripts and business books, but only for the cost of the materials and clerical labour expended in reproducing such records
- Data Processing Media but only in accordance with Basis of Settlement Adjustment, Data Processing Media set out in Section 7 Property Damage
- patterns, models, moulds, plans or designs and in so far as they are not otherwise insured
- employees', directors' and visitors' personal effects of every description (other than motor vehicles), for an amount not exceeding £1,000 for any one person.

Damage

Loss or destruction of or damage.

Data

Information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form which is (or is capable of being) used, accessed, processed, transmitted or stored by Data Processing Media.

Data Processing Media

Tangible property on which Data can be stored but not the Data itself.

Employee(s)

- a** Any person under a contract of service or apprenticeship with the Insured
- b** any of the following persons whilst working for the Insured in connection with the Business
 - i** any labour master or labour only subcontractor or person supplied by them
 - ii** any self-employed person providing labour only
 - iii** any trainee or person undergoing work experience
 - iv** any voluntary helper

Policy Definitions (continued)

- v** any person who is borrowed by or hired to the Insured
- vi** any home worker or outworker
- vii** any person working under the Community Offenders Act 1978, the Community Service by Offenders (Scotland) Act 1978 or similar legislation
- viii** any prospective employee being assessed by the Insured as to their suitability for employment
- ix** any person a court of law in the United Kingdom deems to be an employee.

Excess

The first part of each and every claim, for which the Insured is responsible.

Hazardous Stock

Cigarettes, tobacco, wines, spirits, precious metals and stones, non-ferrous metals and portable hand tools belonging to the Insured or held by the Insured in trust for which the Insured are responsible, whilst in the Buildings.

Injury

Bodily injury, death, disease, illness, mental injury or nervous shock.

Insured

The insured name as shown in the Schedule.

Insurer

Allianz Insurance plc.

Limit of Indemnity

Limit of indemnity stated in the Schedule

Offshore Installations

- a** Any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- b** any installation in the sea or tidal waters which is intended for the storage or recovery of gas
- c** any pipe or system of pipes in the sea or tidal waters
- d** any installation which is intended to provide accommodation for persons who work on or from the locations specified in part **a**, **b** or **c** of this Definition.

Period of Insurance

The period from the Effective Date to the Renewal Date as shown in the Schedule.

Policy

The contract of insurance formed of the documents as described in the Introduction.

Pollution or Contamination

- a** all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
- b** all Injury or Damage directly or indirectly caused by such pollution or contamination.

All pollution or contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place.

Premises

Address as stated in the Schedule

Property/Property Insured

Contents, Stock and Computers and Electrical Office Equipment belonging to the Insured or for which the Insured is responsible, as shown and/or described in the Schedule.

Property in the Open

All Property belonging to the Insured or held by the Insured in trust and for which the Insured are responsible which is outside the confines of any Buildings.

Schedule

The part of this Policy that contains details of the cover provided by this insurance contract, including, but not limited to, the Period of Insurance, the amount of premium payable, the details of the cover provided and any additional clauses applied to the Policy. It also shows the Sections of this Policy that are operative.

Policy Definitions (continued)

Section/Sections

The parts of this Policy that detail the insurance cover provided for each individual Section of this Policy.

Stock

All stock and materials in trade (other than Hazardous Stock) belonging to the Insured or held by the Insured in trust and for which the Insured are responsible, whilst in the Buildings.

Sum Insured

The maximum amount the Insurer will pay for each item insured under any Section.

Total Sum Insured

The total amount the Insurer will pay under any Section.

Unoccupied

Any Building or part of any Building which is empty, unfurnished, untenanted or no longer in active use by the Insured or any tenant of the Insured for a period exceeding 30 consecutive day.

Policy Conditions

Applicable unless stated to the contrary under the conditions in the Sections

1 Law Applicable and Jurisdiction

Unless the Insurer agrees otherwise:

- a the language of the Policy and all communications relating to it will be English; and
- b all aspects of the Policy including negotiation and performance are subject to English law and the decision of the English courts.

2 Reasonable Precautions

The Insured shall take all reasonable care:

- a to prevent accidents and any Injury or Damage
- b to observe and comply with statutory or local authority laws, obligations and requirements
- c in the selection and supervision of Employees
- d to maintain the Property Insured used in connection with the Business in an efficient and safe working order
- e to make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require.

3 Change of Risk

- 1 The Insured must notify the Insurer as soon as possible if during the Period of Insurance there is any alteration:

- a in or to the Business;
- b to or at the Premises;
- c to the facts or matters set out in the Statement of Fact or otherwise comprising the risk presentation made by the Insured to the Insurer at inception, renewal or variation of the Policy;

which materially increases the risk of injury, loss, Damage or liability.

- 2 Upon being notified of any such alteration, the Insurer may, at its absolute discretion:

- a continue to provide cover under this Policy on the same terms;
- b restrict the cover provided under this Policy;
- c impose additional terms;
- d alter the premium;
- e cancel the Policy.

- 3 If the Insured fails to notify the Insurer of any material alteration of the risk, the Insurer may:

- a treat the Policy as if it had come to an end as at the date of the alteration of the risk, returning a proportionate amount of the premium for the unexpired Period of Insurance, if the Insurer would have cancelled the Policy had it known of the increase in risk;
- b treat the Policy as if it had contained such terms (other than relating to premium) or other restrictions (if any) from the date of the alteration in risk as the Insurer would have applied had it known of the increase in risk;
- c reduce proportionately the amount paid or payable on any claim, the proportion for which the Insurer is liable being calculated by comparing the premium actually charged as a percentage of the premium which the Insurer would have charged had it known of the increase in risk.

4 Fraud

If the Insured or anyone acting on the Insured's behalf:

- a makes any false or fraudulent claim;
- b makes any exaggerated claim;
- c supports a claim by false or fraudulent documents, devices or statements (whether or not the claim is itself genuine); or
- d makes a claim for loss or damage which the Insured or anyone acting on the Insured's behalf deliberately caused;

Policy Conditions (continued)

the Insurer will:

- i** refuse to pay the whole of the claim; and
- ii** recover from the Insured any sums that it has already paid in respect of the claim.

The Insurer may also notify the Insured that it will be treating the Policy as having terminated with effect from the date of the earliest of any of the acts set out in sub-clauses **a** – **d** above. In that event, the Insured will:

- a** have no cover under the Policy from the date of the termination; and
- b** not be entitled to any refund of premium.

5 Fair Presentation of the Risk

- a** The Insured must make a fair presentation of the risk to the Insurer at inception, renewal and variation of the Policy.
- b** The Insurer may avoid the Policy and refuse to pay any claims where any failure to make a fair presentation is:
 - i** deliberate or reckless; or
 - ii** of such other nature that, if the Insured had made a fair presentation, the Insurer would not have issued the Policy.

The Insurer will return the premium paid by the Insured unless the failure to make a fair presentation is deliberate or reckless.

- c** If the Insurer would have issued the Policy on different terms had the Insured made a fair presentation, the Insurer will not avoid the Policy (except where the failure is deliberate or reckless) but the Insurer may instead:
 - i** reduce proportionately the amount paid or payable on any claim, the proportion for which the Insurer is liable being calculated by comparing the premium actually charged as a percentage of the premium which the Insurer would have charged had the Insured made a fair presentation; and/or

- ii** treat the Policy as if it had included such additional terms (other than those requiring payment of premium) as the Insurer would have imposed had the Insured made a fair presentation.

For the purposes of this condition references to:

- a** avoiding a Policy means treating the Policy as if it had not existed from the inception date (where the failure to make a fair presentation of the risk occurs before or at the inception of the Policy), the renewal date (where the failure occurs at renewal of the Policy), or the variation date (where the failure occurs when the Policy is varied);
- b** refunds of premium should be treated as refunds of premium back to the inception date, renewal date or variation date as the context requires;
- c** issuing a Policy should be treated as references to issuing the Policy at inception, renewing or varying the Policy as the context requires.

6 Cancellation

Insured's Cancellation Rights

The Insured has the right to immediately cancel the cover within 14 days' of the commencement of cover or the receipt of Policy documentation, whichever is the later (this period is referred to as the "cooling off period").

The Insured should exercise this right by contacting NICEIC Insurance Services.

If the Insured does exercise their right to cancel during the "cooling off period", and provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance, the Insured will be entitled to a return of premium calculated on a pro-rata basis. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments outstanding at the date of cancellation.

Policy Conditions (continued)

If the "cooling off period" has expired, the Insured may cancel the Policy during the Period of Insurance by giving 14 days' notice in writing to their insurance intermediary or the Allianz office which issued the Policy. Provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance the Insured will be entitled to a refund of the premium paid calculated on a pro-rata basis. The amount of any premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

Insurer's Cancellation Rights

In addition to the Insurers' rights set out elsewhere in the Policy, including but not limited to Condition 5 (Fair Presentation of the Risk) and Condition 4 (Fraud), where there is a valid reason for doing so the Insurer may cancel this Policy at any time by giving the Insured at least 14 days' notice in writing sent to the Insured's last known address. The notice will set out the reason for cancellation.

Valid reasons for cancellation may include but are not limited to:

- a Non payment of premium (including if the premium for this Policy is paid by instalments and in the event that the Insured fails to pay one or more instalments whether in full or in part).
- b Continued failure by the Insured to comply with the terms and conditions of this Policy;
- c Failure by the Insured to allow the Insurer to complete a survey (where the Policy has been issued or renewed subject to a survey);
- d Failure by the Insured to adhere to, or implement, any risk improvement requirements or conditions required by the Insurer, including any changes required by any survey or claims adjusters report, within a reasonable period of time as advised by the Insurer;
- e Material change in the risk or the sums insured;

- f Failure by the Insured to co-operate with the Insurer or provide the Insurer with information or documentation reasonably required by the Insurer and the lack of co-operation by the Insured affects the Insurers ability to process a claim or defend the Insurers interests or make risk based underwriting decisions. In this case the Insurer will write to the Insured giving notice of cancellation of this Policy in the event that the Insured does not cooperate to provide the information or documentation reasonably required within a period of 14 days starting from the date provided in the letter; or
- g The Insureds use of threatening, abusive or intimidating behaviour or inappropriate language or bullying of the Insurers staff or suppliers.

If the Insurer does cancel this Policy, provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance the Insured will be entitled to a proportionate return of the premium in respect of the unexpired Period of Insurance. The amount of premium refund payable will be reduced by all unpaid premiums or unpaid premium instalments due.

7 Claims – Action by the Insured

The Insured shall in the event of any Injury, Damage or consequential loss as a result of which a claim is or may be made under this Policy or any Section of it, and again upon the receipt by the Insured in writing of any notice of any claim or legal proceeding,

- a notify the Insurer
 - i within 28 days in the case of Damage or consequential loss by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances or malicious persons
 - ii within 30 days in all other cases, or such further time as the Insurer may allow
- b notify the Insurer immediately upon being advised of any prosecution, inquest or enquiry connected with any Injury, Damage or consequential loss which may form the subject of a claim under this Policy

Policy Conditions (continued)

- c** notify the police as soon as it becomes evident that any Damage has been caused by theft or malicious persons
- d** pass immediately, and unacknowledged, any letter of claim to the Insurer
- e** carry out and permit to be taken any action that may be reasonably practicable to prevent further Damage or consequential loss
- f** retain unaltered and unrepaired anything in any way connected with the Injury, Damage or consequential loss for as long as the Insurer may reasonably require
- g** furnish with all reasonable despatch at the Insured's expense
 - i** such further particulars and information as the Insurer may reasonably require
 - ii** if required, a statutory declaration of the truth of the claim
 - iii** details of any other insurances covering the subject matter of the claim under this Policy and any matters connected with it
- h** make available at the Insured's expense any documents required by the Insurer with regard to any letter of claim
- i** not pay or offer or agree to pay any money or make any admission of liability without the previous consent of the Insurer
- j** allow the Insurer in the name of and on behalf of the Insured to take over and, during such periods as the Insurer thinks proper, to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and the settlement thereof and the Insured shall give the Insurer all necessary assistance for that purpose.

No claim under this Policy shall be payable unless the terms of this Policy Condition have been complied with and any payment on account of a claim already made shall be repaid to the Insurer.

8 Claims – The Rights of the Insurer

In respect of Damage for which a claim is made the Insurer and any person authorised by the Insurer may without incurring any liability or diminishing any of the Insurer's rights under this Policy, enter premises where such Damage has occurred and take possession of or require to be delivered to the Insurer any property insured and to deal with such property for all reasonable purposes and in any reasonable manner.

If the Insurer reinstates or replaces any Property the Insurer shall not be bound to do so exactly but only as circumstances permit and in a reasonably sufficient manner and will not expend more than the Sum Insured on that Property.

No property may be abandoned to the Insurer or deemed to have been abandoned whether taken possession of by the Insurer or not.

The Insurer will not pay for any claim unless the terms of this Policy Condition have been complied with.

9 Subrogation

Any claimant under this Policy shall at the Insurer's request and expense take or permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured before or after the Insurer makes any payment.

The Insurer agrees to waive any such rights to which the Insurer might become entitled by subrogation against any company standing in relation of parent to subsidiary (or subsidiary to parent) to the Insured or against any company which is a subsidiary of a parent company of which the Insured are themselves a subsidiary, in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the Damage.

Policy Conditions (continued)

10 Discharge of Liability

The Insurer may at any time pay to the Insured in connection with any claim or series of claims

- a the Limit of Indemnity; or
- b the Sum Insured; or
- c a lesser amount for which such claim or claims can be settled

after deduction of any sums already paid and less the amount of any Excess.

The Insurer will not make any further payment in respect of such claim or claims except for costs and expenses which the Insurer has already agreed to bear and which were incurred prior to such payment.

11 Arbitration

If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted by the Insurer) such difference shall be referred to an arbitrator to be appointed by the Insured and the Insurer in accordance with statutory provisions.

Where any difference is referred to arbitration in accordance with this condition, the making of an award shall be a condition precedent to any right of action against the Insurer.

12 Number of Persons

The premium for this Policy is based on the maximum number of persons engaged in the Business at any one time which is stated in the Schedule. The Insured shall notify the Insurer immediately if this number shall change.

13 Rights of Third Parties

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

14 Other Insurances

If at the time of Damage, loss or Injury, any other insurance has been effected by or on behalf of the Insured covering any of the Property damaged, the Insured's liabilities or other losses covered by this Policy, the Insurer's liability under this Policy shall be limited to the rateable proportion of such Damage, liabilities or loss as the Insurer would have had to pay if the other insurance policy did not contain:

- a any provision applying average or any similar provision which would reduce the amount payable on the claim to reflect underinsurance; and
- b any provision which excludes it from ranking concurrently with this Policy or any Section of it either in whole or in part or from contributing rateably.

15 Conditions Precedent to Liability

If the Insured does not comply with any part of any condition which makes payment of a claim conditional upon compliance with it (a condition precedent), the Insurer will not pay for any claim, except that where the condition concerned:

- a operates only in connection with particular premises or locations, the Insurer will pay for claims arising out of an event occurring at other premises or locations which are not specified in the condition;
- b operates only at particular times, the Insurer will pay for any claim where the Insured shows on the balance of probabilities that its non-compliance with the condition did not cause or contribute to the injury, loss, damage or liability which occurred;
- c would, if complied with, tend to reduce particular types of injury, loss, damage or, as the context may require liability, the Insurer will pay for any claim where the Insured shows on the balance of probabilities that its non-compliance with the condition did not cause or contribute to the injury, loss, damage or liability which occurred.

Policy Conditions (continued)

16 Non Invalidation

This Policy shall not be invalidated by:

- a** any act or omission or by any alteration unknown to or beyond the control of the Insured by which the risk of Damage is increased, provided that the Insured shall give notice to the Insurer (and pay an additional premium if required) immediately they become aware of such act, omission or alteration
- b** workmen on the Premises carrying out repairs, general maintenance work or minor structural or other alterations.

17 Protections

The Insured must

- a** ensure that all security protections in force at the Premises at the inception of this Policy or subsequently as stipulated by or agreed by the Insurer shall be in full operation securing the Premises whenever the Premises are closed for business or Unoccupied
- b** remove all keys including duplicate keys relative to the security of the Business from the Premises except from any part of the Premises within which the Insured or an authorised keyholder resides when the Premises are closed for business or Unoccupied.

18 Fire Precautions

In respect of fire extinguishing appliances within the Premises the Insured must

- a** inspect the appliances in accordance with the manufacturer/installers instructions for the purpose of ascertaining that they are in all respects maintained in proper working order
- b** maintain during the currency of this Policy a maintenance contract providing for an annual inspection with an installer or supplier of approved equipment
- c** ensure that all fire break doors and shutters are kept closed except during working hours and are maintained in efficient working order and to remedy promptly any defect whether disclosed by such inspection(s) or otherwise.

19 Intruder Alarm

It is a condition precedent to liability that where the Premises or part of the Premises are protected by an Intruder Alarm Installation;

- a** such Intruder Alarm Installation
 - i** must not be altered or amended in any way unless such amendment or alteration has been approved in writing by the Insurer
 - ii** must be maintained under contract by a company approved by a UKAS accredited inspectorate (i.e. NSI or SSAIB) or as otherwise approved in writing by the Insurer
- b** all keys, digital keys, or any other device used to either fully or partially set or unset the Intruder Alarm must be removed from the Premises when the Premises are unattended
- c** the Insured must
 - i** maintain the secrecy of codes for the operation of the Intruder Alarm Installation and no details of such codes shall be left on the Premises when the Premises are unattended
 - ii** where a remote signalling alarm is required, immediately notify the Insurer upon receipt of any communication giving notice that the level of response to the Intruder Alarm Installation has been or will be reduced
 - iii** appoint at least 2 keyholders and, where a remote signalling alarm is required, lodge written details (which must be kept up to date) with the alarm company and the alarm receiving centre
- d** in the event of notification of
 - i** any alarm fault
 - ii** activation of the Intruder Alarm Installation
 - iii** interruption of the means to transmit or receive signals to or from the Intruder Alarm Installation during any period that the Intruder Alarm Installation is set

a keyholder must attend the Premises as soon as possible

Policy Conditions (continued)

- e the Premises must not be left without at least one Responsible Person in attendance without the agreement of the Insurer
 - i unless the Intruder Alarm Installation is set in its entirety and with the means to transmit or receive signals (including the signalling path or paths) in full and effective operation
 - ii where the police have withdrawn their response to
 - 1 an alarm activation (where the Intruder Alarm Installation does not include confirmed alarm activation technology)
 - 2 a confirmed alarm activation where the Intruder Alarm Installation includes confirmed alarm activation technology.

For the purposes of this condition the following definitions apply:

‘Intruder Alarm Installation’ shall include all the component parts detailed in the alarm specification and include the devices used to transmit or receive signals.

‘Keyholder’ shall mean the Insured or any person or keyholding company authorised by the Insured who

- 1 is available at all times to
 - i accept notification of faults or alarm signals relating to the Intruder Alarm Installation
 - ii attend and allow access to the Premises
- 2 has been fully trained in the operation of the Intruder Alarm Installation including but not limited to the setting/unsetting of the installation.

‘Responsible Person’ shall mean a person authorised by the Insured to be responsible for the security of the Premises.

20 Unoccupied Buildings

When any Building or portion(s) of any Building become(s) Unoccupied

- a the Insured must notify the Insurer as soon as they become aware of such unoccupancy and also when such Unoccupied Buildings or portion(s) of any Buildings are again occupied
- b the following action must be taken by the Insured in respect of any Unoccupied Buildings or portion(s) of any Buildings
 - i mains services turned off and the water system is drained, except
 - A electricity when needed to maintain any fire or intruder alarm system in operation, or,
 - B water supply and heating systems where any sprinkler system is in operation. In these circumstances heating must be maintained at a minimum temperature of 5 degrees Centigrade.
 - ii the Buildings or portion(s) of any Buildings are inspected thoroughly internally and externally at least weekly by the Insured or a responsible person appointed by the Insured and a record is maintained of such inspections
 - iii any internal or external accumulations of combustible materials are removed
- c the Buildings or portion(s) of any Buildings thereof are secured against unlawful entry by closing all doors and windows and setting all security locking mechanisms, setting any alarm systems and setting any other protective devices in operation
- d the Insured must notify the Insurer immediately if the Buildings or portion(s) of any Buildings are being occupied by contractors for renovation, alteration or conversion purposes.

The Insurer shall also have the right to vary the terms or cancel cover where appropriate.

Policy Conditions (continued)

21 Waste Condition

The Insured must ensure that

- a** All hazardous and/or combustible trade waste from manufacturing processes such as sawdust, shavings, clippings or cuttings be swept up and bagged daily and removed from the Building(s) at least once a week.
- b** All waste stored external to the Building(s) pending collection should be stored in
 - i** non-combustible, closed, lidded containers or
 - ii** waste containers kept at least 5 metres from any building or other property
 and removed from the Premises when the containers are full.
- c** All oily and/or greasy waste and cloths which remain in the Building(s) overnight be kept in metal lidded containers.

22 Stillage Condition

Contents, Stock, Computers and Electrical Office Equipment which are moveable in any basement or cellar must be raised at least 10 centimetres above the floor.

23 Smoking Condition

It is a condition precedent to liability that the Insured will;

- a** enforce a no smoking policy at the Premises which complies with current legislation
- b** only allow smoking in clearly marked, specifically designated smoking areas, which comply with current legislation
- c** in all designated smoking areas, provide metal receptacles with metal lids, for the safe disposal of waste smoking materials
- d** ensure that waste smoking materials, when being removed from the designated smoking areas, are kept separate from other combustible waste material and are stored in metal receptacles with metal lids whilst awaiting final removal from the Premises.

24 Survey and Risk Improvement Condition

If this Policy has been issued or renewed subject to the Insurer completing a survey or surveys of the Premises or of any other location(s) as specified by the Insurer, then pending completion of such survey(s) Cover is provided by the Insurer on the terms, conditions, provisions, exclusions and limits as specified in the Policy and in the Sections of the Policy.

In the event that a survey should show that a risk or any part of it is not satisfactory in the opinion of the Insurer, then the Insurer reserves the right to either

- a** alter the premium or terms and conditions of the Cover, or
- b** suspend or cancel Cover from the date Cover was inceptioned or renewed or any other period specified by the Insurer.

It is a condition precedent to the liability of the Insurer that the Insured must comply with all survey risk improvements required by the Insurer within completion time scales specified by the Insurer.

In the event that a risk improvement is not completed or risk improvement procedures are not introduced within the completion time scales specified by the Insurer, then the Insurer reserves the right to either;

- a** continue Cover subject to alteration of the terms and conditions of such Cover, or
- b** suspend or cancel Cover effective
 - i** from the date Cover was inceptioned or renewed or
 - ii** from the expiry of any time period specified by the Insurer for completion/introduction of the required survey risk improvements, or
 - iii** for any other period specified by the Insurer.

If the terms or conditions of Cover are amended by the Insurer, then the Insured will have 14 days to accept or reject the revised basis of Cover.

Policy Conditions (continued)

If the Insured elect to reject the revised basis of Cover, then provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance the Insured will be entitled to a refund of the premium paid calculated on a pro-rata basis. The amount of any premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

If the Insurer exercises the right to suspend or cancel Cover, then provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance the Insured will be entitled to a proportionate return of the premium in respect of such period that Cover is suspended or for any period beyond the effective date from which Cover is cancelled. The amount of premium refund payable will be reduced by all unpaid premiums or unpaid premium instalments due.

Except in so far as they are expressly varied by this condition, all of the terms, conditions, provisions, exclusions and limits of the Policy and of the Sections of the Policy shall continue to apply until the Insurer advises otherwise.

To the extent that this condition conflicts with any other cancellation condition, this condition shall prevail.

25 Minimum Level of Security

Where Section 7 Property Damage is shown in the Schedule as insured, it is a condition precedent to liability that the following requirements, are met within 60 days of the inception of Section 7 Property Damage or the addition of a new Premises.

The Insured must ensure these measures are in force when the Premises are closed for business or unattended.

The cover provided is subject to the following minimum standards of security.

Doors

Depending on which of the following door types are present, the following requirements apply to all external doors and internal doors which lead to another part of the Building which the Insured do not occupy;

- 1 **UPVC, or Aluminium or plastic framed glazed doors** – a multipoint lock which, where installed after 30/06/2011, conforms to PAS 3621 (including amendments) or a cylinder operated mortise deadlock. For double doors, the first closing section must have integral or surface mounted bolts which shoot into the frame at the top and the floor at the bottom of the door. The final closing section must have a cylinder operated mortise deadlock.
- 2 **Armoured plate glass doors** – door manufacturer's integral locks.
- 3 **Other single-leaf doors** – provided the door thickness is a minimum of 44mm a mortise deadlock to BS 3621 (including amendments) and a boxed steel striking plate at least 175mm long should be fitted. If the door thickness is less than 44mm secure with a deadlocking rim lock to BS 3621(including amendments). The Insured must put either of these into the deadlock position when the Premises are closed for business or unattended.

Policy Conditions (continued)

4 Double-leaf doors – secure the final closing section with a lock as described in **3** above and secure the first closing section with bolts at least 175mm long and having a minimum throw of 20mm, which shoot into the frame at the top and the floor at the bottom of the door. Or, fit one section with bolts at the top and bottom (as described above) and both parts of the door with a padlock and locking bar. If the locking bar is on the outside of the door, it must be used with a padlock conforming to BS EN 12320 Security Grade 5 (including amendments). If the locking bar is internal, it must be used with a padlock conforming to BS EN 12320 Security Grade 4 (including amendments). The padlock bar must be of similar strength to the padlock and designed to be used specifically with the padlock, in both cases the padlock bar must be secured to the door with coach bolts.

5 Fire exit doors – the relevant enforcing authority must approve any locks on these doors. The Insurer must approve any locks or other method of security the Insured agrees following a discussion with the enforcing authority.

6 Folding doors – secure all folding sections with bolts at top and bottom, as described in **4** above. Dependent upon its construction, the last section must be secured with a lock as described in **3** above or with a coach bolted locking bar and padlock as described in **4** above.

7 Sliding doors – coach-bolted locking bar and padlock secured as described in **4** above, or a deadlock with a hook bolt which conforms to BS 3621 (including amendments).

8 Wicket gates – dependent upon its construction (see above) a mortise deadlock or deadlocking cylinder rim-latch to BS 3621 (including amendments) or locking bar and padlock as in **4** above.

9 Roller Shutters – these must conform to LPS 1175 (including amendments).

For electrically operated roller shutters, the Insured must fit a key operated isolation switch to the electricity supply to the controls. If this is not fitted then one of the measures for manually operated roller shutters shown below must be installed.

Where the operating controls for the roller shutters are external to the Premises, these are to be secured within a welded steel housing of at least 3mm thickness with a door or coverplate secured with a padlock conforming to BS EN 12320 Security Grade 4 (including amendments). The housing is to be so secured when the Premises are closed for business or unattended.

The Insurer requires one of the following for manually operated roller shutters:

- key operated "pinson" or "bullet" locks into each guide rail fitted as close to the bottom of the door as possible
- the chain of the door being secured to the wall bracket by a good-quality open-shackle padlock conforming to BS EN 12320 Security Grade 4 (including amendments).
- a bolt fitted to the shutter door internally with the bolt engaging into the door runner and padlocked into position using a padlock conforming to BS EN 12320 Security Grade 4 (including amendments).

Policy Conditions (continued)

Windows

All windows in external walls at ground floor and basement levels and any windows, fanlights and skylights in accessible positions (accessible means a window, fanlight and skylight that can be easily reached, such as one next to a low roof, especially a flat roof or a fire escape) which were originally made to open must have either

- 1 Window locks that use a key. Louvered windows must be replaced with either fixed glass, or a normal opening window which can be secured with a window lock used with a key.
- 2 Solid steel bars, fitted horizontally or vertically, not less than 19mm in diameter and not more than 125mm apart. These must be securely fixed to the brickwork or masonry around the window to a depth of at least 50mm. These must be set back by at least 50mm from the outside surface of the wall.

The bars must pass through tie bars, made of flat iron, at least 6mm thick and 40mm wide and the distance between the tie bars must not be more than 600mm.

Keys

The Insured must remove all keys from the locks and keep them in a secure place or remove them from the Premises. If the Insured lives on the Premises, they must be removed to a secure place in the residential part of the Premises.

Policy Exclusions

Section Exclusions

Applicable unless stated to the contrary under Exclusions in the Sections

This Policy does not cover:

1 War

Any claim, loss, damage, destruction, death, injury, disablement or liability, cost or expense, or any consequential loss, directly or indirectly caused by, arising out of, attributable to, or contributed to by:

- a** war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
- b** the discovery, detonation or explosion of Munitions (including both controlled and uncontrolled detonations and explosions), whether or not a state of war is current at the time of discovery, detonation or explosion; or
- c** any action taken to disarm, diffuse, dispose of, neutralise, make safe, or otherwise remove Munitions, whether or not a state of war is current at the time,

regardless of any other cause or event operating concurrently, independently or in any other sequence to cause the loss, damage or liability.

For the purposes of this Exclusion:

Loss includes, but is not limited to, financial and business interruption loss, physical loss, loss of value, marketability or use of property, fines and penalties.

Munitions mean any weapons or munitions from a current or historic war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, or military or usurped power, including but not limited to bombs, missiles, torpedoes, mines, ammunition, explosive devices, or any parts thereof, and any unexploded, derelict, abandoned and unused munitions or weapons.

2 Radioactive Contamination

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

- a** ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b** the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- c** any weapon or other device utilizing radioactive material and/or matter and/or ionising radiation and/or atomic or nuclear fission and/or fusion or other like reaction
- d** the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter

Exclusion **a** and **b** do not apply to Section 2 – Employers' Liability other than in respect of

- i** the liability of any principal
- ii** liability assumed by the Insured under a contract or agreement which would not have attached in the absence of such contract or agreement.

Policy Exclusions (continued)

Exclusions **c** and **d** do not apply to

Section 1 – Public Liability
Section 2 – Employers’ Liability and
Section 5 – Personal Accident and Sickness.

3 Sonic Bangs

Damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

4 Northern Ireland Exclusion

Loss, destruction or damage and any consequential loss in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of Damage or any consequential loss by fire or explosion) strikers, locked out workers, persons taking part in labour disturbances or malicious persons.

5 Computer Date Exclusion

Damage or liability directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the Insured or not, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

- a** correctly to recognise any date as its true calendar date
- b** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- c** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data

or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date

but the insurance shall not exclude any subsequent Damage which is not otherwise excluded.

6 Trade Exclusions

Liability in respect of

- a** the demolition or partial demolition of any structure
- b** work in or on
 - i** aircraft and/or aerospace devices runways and/or ancillary areas to which aircraft and/or aerospace devices have access
 - ii** any vessel or craft or device designed to float on or in or travel through water and/or harbours and ancillary areas to which such vessels or craft or devices have access
- c** work on
 - i** bulk oil, petrol, gas or chemical storage tanks or chambers
 - ii** railways, tunnels or motorways
 - iii** blast furnaces, bridges, chimney shafts, collieries, docks, gas works, mines, oil refineries, power stations, pylons, reservoirs, steeples, towers or viaducts
 - iv** computer mainframe installations and associated cabling
- d** quarrying, blasting or diving operations, water diversion, dam construction or work behind dams
- e** the use of explosives, tunnelling or piling work, underpinning or deliberate de-watering of the site
- f** the making of excavations exceeding in any part a depth of 2 metres from the surface

Policy Exclusions (continued)

- g** the construction or surfacing of public roads or the laying of main sewers unless incidental to any building contract undertaken by the Insured
- h** the use or possession of tower cranes or cradles
- i** the felling or lopping of any tree exceeding 5 metres in height.

7 Excess

First part of each and every claim, for which the Insured is responsible.

8 Cyber and Data Events

- a** any Cyber Loss;
- b** any claim, loss, damage, destruction, cost, expense, or any consequential loss, directly or indirectly caused or contributed to by, arising out of or in connection with, or consisting of any Data Loss; or
- c** any cost, expense or fee incurred in replacing, reinstating, recovering, restoring or reproducing intangible elements of any Computer System,

regardless of any other cause or event operating or contributing concurrently, independently or in any other sequence to cause the claim, loss or damage.

But, subject to all the terms, conditions, limitations, exclusions and endorsements to this Policy:

- a** this exclusion will not apply to Physical Damage to Tangible Property at the Premises during the Period of Insurance by a Non-Cyber Cause which itself results from a Cyber Act or Cyber Incident, together with any business interruption solely and directly resulting from such Physical Damage to Tangible Property, provided always that the Policy will not cover:
 - i** any loss, costs or expenses comprising or consisting of Data Loss (including where resulting from Physical Damage to Tangible Property) other than as set out in sub-clause **b** below;

- ii** any loss, distortion, erasure, corruption or alteration of or inability to access or use any other intangible property or assets or intangible elements of Computer Systems (including where resulting from Physical Damage to Tangible Property) or any business interruption resulting therefrom;
- iii** any business interruption caused or contributed to by any Data Loss which results directly or indirectly from Physical Damage to Tangible Property;

- b** should Data Processing Media owned or operated by the Insured suffer physical loss or physical damage by a Non-Cyber Cause which is otherwise insured by this Policy, this exclusion will not apply to the cost of repairing or replacing the damaged Data Processing Media plus the costs of copying Data from back-up or from originals of a previous generation onto the replacement or repaired Data Processing Media, but only where such back-ups or originals of a previous generation still exist and are accessible and provided always that the Policy will not cover:

- i** any research and engineering costs;
- ii** any costs of recreating, gathering or assembling the Data;
- iii** any reduction in value of Data or any amount pertaining to the value of such Data to the Insured or any Third Party, even if such Data cannot be recreated, gathered or assembled or copied from back-up or from originals of a previous generation;
- iv** any business interruption loss caused directly or indirectly by or contributed to by any Data Loss or by the copying from back-ups or originals of any Data.

Policy Exclusions (continued)

For the purposes of this Exclusion:

Any reference to the word "loss" includes, but is not limited to, financial and business interruption loss, physical loss, loss of value, marketability or use of property (including intangible property), fines and penalties, other than where this Exclusion refers specifically to a particular type of loss, such as 'physical loss' or loss comprising or consisting of loss of Data or loss of other intangible property, in which case the word 'loss' will be interpreted in the context within which it is used;

Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, virtual server, cloud or microcontroller, including any similar system or any configuration or networks of the aforementioned and including any associated input, output, data storage or processing device, networking equipment, internet, intranet, virtual private network or similar facilities, or back up facility, located anywhere in the world and irrespective of whether such computer system is owned or operated by the Insured or any Third Party;

Cyber Loss means any claim, loss, damage, destruction, cost, expense, or any consequential loss, directly or indirectly caused or contributed to by, or arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken or advice given to control, prevent, suppress, or remediate any Cyber Act or Cyber Incident or to mitigate or otherwise reduce the effects of any Cyber Act or Cyber Incident;

Cyber Act means any unauthorised, malicious or criminal act (whether or not directed at the Insured), regardless of time and place, or the threat or hoax thereof, involving access to, processing, use, manipulation or operation of,

or impairing any Computer System or Data, including but not limited to any unauthorised or malicious direction of network traffic or introduction of code, malware, virus or ransomware.

Cyber Incident means:

- i any error or omission involving access to, processing of, use of or operation of any Computer System, whether any such error or omission is made by or on behalf of the Insured or any Third Party;
- ii any partial or total unavailability or failure of or reduction in functionality or operability of any Computer System (whether temporary or permanent) or inability to access, process, use or operate any Computer System; or
- iii any partial or total inability to access, process, transmit, store or use any Data or any error or omission involving accessing, processing, transmitting, storing or using any Data, whether any such error or omission is made by or on behalf of the Insured or any Third Party;

Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form which is (or is capable of being) used, accessed, processed, transmitted or stored by a Computer System;

Data is not limited to the Insured's Data but includes Data which is owned, accessed, processed, transmitted, stored or used by any Third Party anywhere in the world;

Data Loss means any loss, distortion, erasure, corruption, theft, alteration, or manipulation of Data (whether temporary or permanent) or loss of use, reduction in functionality or reduction in value of Data or the act of (and costs and expenses associated with) repairing, replacing, reinstating, recovering, restoring or reproducing any Data;

Policy Exclusions (continued)

Data Processing Media means any tangible property insured by this Policy on which Data can be stored but not the Data itself;

Non-Cyber Cause means a cause, other than a Cyber Act, Cyber Incident, Data Loss or other cyber related cause, which is not otherwise excluded by the Policy;

Physical Damage to Tangible Property means accidental, physical loss, damage or destruction to tangible property insured under this Policy which is owned by the Insured or for which the Insured is responsible, excluding any Data and intangible elements of Computer Systems;

Third Party means any person or entity other than the Insured (including, but not limited to, information technology and computer service suppliers, data centre operators, internet service providers, customers or suppliers of the Insured, transport operators, infrastructure providers, utilities and supply undertaking service providers or producers, telecommunication service providers and persons or entities wholly unconnected with the Insured, its Business, its Computer Systems or any Data which it owns, uses or relies on).

9 Terrorism

a in respect of England, Wales and Scotland but not the territorial seas adjacent thereto as defined in the Territorial Sea Act 1987:

Loss or destruction or damage or consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with

- i** any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such Act of Terrorism

- ii** any action taken in controlling, preventing or suppressing any Act of Terrorism, or in any other way related to such Act of Terrorism

In respect of **a** above an Act of Terrorism (Terrorism) means:

Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of His Majesty's government in the United Kingdom or any other government de jure or de facto.

- b** in respect of territories other than those stated in **a** above

Loss or destruction or damage or any consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with

- i** any act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to such act of Terrorism
- ii** any action taken in controlling, preventing or suppressing any act of Terrorism, or in any way related to such act of Terrorism

In respect of **b** above an act of Terrorism (Terrorism) means:

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

Policy Exclusions (continued)

In any action suit or other proceedings where the Insurer alleges that by reason of this Exclusion any loss or destruction or damage or any consequential loss is not covered (or is covered only up to a specified limit of liability), the burden of proving to the contrary shall be upon the Insured.

In the event any part of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in force and effect.

10 Territorial Limits

Damage, injury or liability arising out of any occurrence outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, except where stated to the contrary.

11 Pollution or Contamination

Loss, destruction or damage caused by or resulting from pollution or contamination except such loss or destruction of or damage to the Property Insured or, if applicable, loss resulting from loss or destruction of or damage to property used by the Insured at the Premises for the purpose of the Business caused by

- a** pollution or contamination which itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, bursting, overflowing, discharging or leaking of water tanks, water apparatus or water pipes, sprinkler leakage or impact by any road vehicle or animal, always provided that such peril is insured by this Policy
- b** any of the perils listed in **11a** which itself results from pollution or contamination.

12 Changes In Water Table Level

Damage attributable solely to changes in the water table level.

13 Economic Sanctions

Cover or benefit for any business or activity to the extent that the provision of such cover, payment of any claim or provision of such benefit would expose the Insurer 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.

14 Contagious and Infectious Disease

Loss, destruction, damage, cost, expense, or any consequential loss, directly or indirectly caused by, arising out of, attributable to, or contributed to by:

- A** Contagious or Infectious Disease;
- B** the fear or threat (whether actual or perceived) of a Contagious or Infectious Disease;
- C** the presence or suspected presence of Pathogens at, in or on the premises or property of any person or entity; or
- D** any action taken or advice given (whether or not by a competent authority) to prevent, reduce, control or mitigate the occurrence, outbreak, spread or effects of a Contagious or Infectious Disease or any Pathogens

irrespective of any other cause, occurrence or event operating concurrently, independently or in any sequence to cause the loss.

But this Exclusion will not apply to Physical Damage to Property Insured under the Policy and any business interruption directly resulting from such Physical Damage, where such Physical Damage itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal, or theft.

For the purposes of this Exclusion:

Loss includes, but is not limited to financial and business interruption loss, loss of value, marketability or use of property, fines and penalties.

Cost or expense includes, but is not limited to any cost or expense to:

- A** clean-up, detoxify, decontaminate, or remove Pathogens from any property where the property is or is feared to have been affected by Pathogens or a Contagious or Infectious Disease;
- B** monitor or test for Pathogens or a Contagious or Infectious Disease; or
- C** provide medical treatment for persons affected by a Contagious or Infectious Disease.

Malicious persons do not include persons who maliciously, deliberately or recklessly:

- A** cause Pathogens to come into contact with the premises or property of any person or entity; or
- B** cause or attempt to cause another person or persons to contract a Contagious or Infectious Disease and, in or by so doing, cause Pathogens to come into contact with the premises or property of any person or entity.

Physical Damage – means physical loss, damage or destruction. For the avoidance of any doubt, the presence of a Pathogen on property or contamination of property by a Pathogen does not constitute Physical Damage.

Contagious or Infectious Disease – means any disease, illness or condition affecting humans or animals which is caused by or can be transmitted by means of any Pathogen, where the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms (including from one human to another, one animal to another, from an animal to a human or vice versa, or through contaminated water, faeces or food).

Pathogen – means any pathogen, including but not limited to a virus, bacterium, parasite, fungus, other organism, micro-organism, any variation or mutation thereof, whether deemed living or not, or any other substance or agent capable of causing a Contagious or Infectious Disease.

Section 1 – Public Liability

Definitions

Act of Terrorism

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

Asbestos

Asbestos or fibres or particles of asbestos or any material containing asbestos.

Injury

- 1 bodily injury, death, disease, illness, mental injury or nervous shock
- 2 invasion of the right of privacy, false arrest, false imprisonment, false eviction or malicious prosecution of any person.

Pollution or Contamination

- 1 all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
- 2 all Injury, loss or damage directly or indirectly caused by such pollution or contamination.

All pollution or contamination which arises out of or in connection with one incident shall be deemed to have occurred at the time such incident takes place.

Territorial Limits

- 1 Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
- 2 any member country of the European Union
- 3 elsewhere in the world in respect of Injury or Damage caused by or arising from non-manual activities of any partner, director or Employee of the Insured normally resident within Great Britain, Northern Ireland, the Channel Islands and the Isle of Man and occurring during any journey or temporary visit.

Cover

The Insurer will indemnify the Insured against legal liability to pay compensation and claimants costs and expenses in respect of accidental

- 1 Injury to any person
- 2 Loss of or Damage to material property
- 3 Nuisance, trespass, obstruction or interference with any right of way, light, air or water

occurring within the Territorial Limits during the Period of Insurance in connection with the Business.

Costs and Expenses

In addition the Insurer will pay costs and expenses incurred by the Insurer or with the written consent of the Insurer

- 1 in connection with the defence of any claim
- 2 for representation of the Insured
 - a at any coroner's inquest or fatal accident inquiry in respect of death
 - b at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury or Damage

which may be the subject of indemnity under this Section.

Limit of Indemnity

- 1 The Insurer's liability for all compensation payable in respect of
 - a any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
 - b all Pollution or Contamination which is deemed to have occurred during any one Period of Insurance

will not exceed the Limit of Indemnity.

Section 1 – Public Liability (continued)

2 In respect of all claims against the Insured made within the legal jurisdiction of the United States of America or Canada or any dependency or trust territory the Limit of Indemnity shall be inclusive of the amount of all

- a** claimants' costs and expenses
- b** costs and expenses incurred by the Insurer or with the written consent of the Insurer in connection with the defence of such claims.

Provided that

- a** in respect of an Act of Terrorism the Limit of Indemnity shall not exceed £5,000,000. If the Insurer alleges that by reason of this limitation any loss damage cost or expense is not covered the burden of proving the contrary shall be upon the Insured
- b** in respect of the indemnity provided under this Section for Extension 11 – Corporate Manslaughter and Corporate Homicide Act 2007 – Legal Defence Costs
 - i** the liability of the Insurer shall not exceed £5,000,000 or the Limit of Indemnity (whichever is lesser) in any one Period of Insurance
 - ii** all amounts payable will form part of and not be in addition to the Limit of Indemnity
 - iii** where the Insurer has already indemnified the Insured in respect of legal costs or expenses incurred in connection with the defence of criminal proceedings (including appeals against conviction arising from such proceedings) arising out of the same cause or occurrence which gave rise to said proceedings under another Section of the Policy the amount paid under that Section shall contribute to the maximum amount payable under this Section.

Extensions

(Subject to the terms, limits, conditions and exclusions of this Section and the Policy)

1 Indemnity to Other Parties

If the Insured so requests the Insurer will indemnify the following parties:

- a** any officer, committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance first aid, fire, medical or security services against liability incurred in such capacity
- b** any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured

as though each such party was individually named as the Insured in this Section

- c** any principal for whom the Insured have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured is legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured.

Provided that

- i** each such party shall observe, fulfil and be subject to the terms and conditions of this Section in so far as they can apply
- ii** the Insurer's liability to the Insured and all parties indemnified shall not exceed in total the Limit of Indemnity.

Section 1 – Public Liability (continued)

2 Health and Safety at Work – Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so requests any partner, director or Employee of the Insured in the terms of this Section in respect of

- a** costs and expenses incurred with the Insurer's written consent
- b** costs and expenses of the prosecution awarded against any such party

in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that

- i** the proceedings relate to the health safety or welfare of any person other than an Employee
- ii** the Insurer shall have the absolute conduct and control of all the said proceedings and appeals.

The Insurer will not pay for

- a** fines or penalties of any kind
- b** proceedings or appeals in respect of any deliberate or intentional criminal act or omission
- c** costs or expenses insured by any other insurance.

3 Motor Contingent Liability

The Insurer will indemnify the Insured in the terms of this Section against liability arising out of the use in connection with the Business of any vehicle not owned provided or being driven by the Insured but this Section does not cover any such liability

- a** in respect of Damage to such vehicle
- b** arising out of any such use in any country outside the European Union
- c** incurred by any party other than the Insured
- d** incurred by any party identified in Extension 1 – (Indemnity to Other Parties) paragraph **b**, other than an Employee

For the purpose of this Cover, Exclusion 1 of this Section does not apply.

4 Court Attendance Compensation

If during the Period of Insurance any partner, director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required:

- i** any director or partner **£750**
- ii** any Employee **£250**

5 Joint Insured Cross Liabilities

If more than one party is named as the Insured this Section shall apply as though each were insured separately provided that the Insurer's liability to all parties indemnified shall not exceed in total the Limit of Indemnity.

Section 1 – Public Liability (continued)

6 Overseas Personal Liability

The Business is extended to include personal activities (not connected with any gainful occupation or profession nor with the ownership or tenure of any land or building) of any partner director or Employee of the Insured or family member of such partner, director or Employee normally resident within the Territorial Limits as defined in this Section, in the course of any journey or temporary visit to any other country made in connection with the Business.

7 Data Protection

The Insurer will indemnify the Insured and if the Insured so requests any Employee or director or partner of the Insured against legal liability to pay compensation and claimants' costs and expenses in respect of distress under Section 168 of the Data Protection Act 2018 occurring as a result of a contravention of General Data Protection Regulation (GDPR) committed during the Period of Insurance within the United Kingdom and arising in connection with the Business provided that the Insured is registered with the Information Commissioner's Office.

The Insurer will not pay for:

- a** any distress caused by any deliberate act or omission by the Insured the result of which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission
- b** the payment of fines or penalties
- c** any distress caused by a Cyber Event
- d** the costs and expenses of replacing reinstating rectifying or erasing blocking or destroying any Data
- e** any distress caused by any act of fraud or dishonesty by the Insured
- f** any legal liability arising from the recording, processing or provision of Data for reward or to determine the financial status of any person.

For the purposes of this Extension:

Data includes but is not limited to Personal Data, facts, concepts and information, software or other coded instructions in a formalised manner useable for communications, interpretation or processing.

Personal Data means any information relating to an identified or Identifiable Natural Person.

An Identifiable Natural Person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

Cyber Event means:

- a** any unauthorised Processing of Data by the Insured
- b** any breach of laws and infringement of regulations pertaining to the maintenance or protection of Data
- c** any Network Security Failure in the Insured's Sphere.

Processing means any operation or set of operations which is performed on data or on sets of data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaption or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

Insured's Sphere means any system or device leased, owned, operated, or lost by or which is made available or accessible to the Insured for purpose of Processing Data.

Network Security Failure means any non-physical and technological failure of computer system security or other technological security measures leading to unauthorised access and/or theft of Data, loss of operational control of Data, transmission of virus or malicious code and/or denial of service.

The liability of the Insurer under this Extension shall not exceed £500,000 in the aggregate during the Period of Insurance inclusive of the amount of all claimants' costs and expenses and all costs and expenses incurred by the Insurer or with the written consent of the Insurer in connection with the defence of any claim.

Section 1 – Public Liability (continued)

8 Defective Premises Act 1972

The Insurer will indemnify the Insured in the terms of this Section against liability incurred by the Insured under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with premises or land disposed of by the Insured.

This extension does not cover

- a the cost of rectifying any Damage or defect in the premises or land disposed of
- b liability for which the Insured is entitled to indemnity under any other insurance
- c liability arising out of the presence of Asbestos.

9 Contractual Liability

In respect of liability assumed by the Insured by a contract or agreement entered into by the Insured and which would not have attached in the absence of such contract or agreement the indemnity provided by this Section shall only apply if the sole conduct and control of any claim is vested in the Insurer.

The Insurer will not pay for liquidated damages or fines or damages imposed by or payable under any penalty clause.

10 Consumer Protection and Food Safety Acts – Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so request any partner, director or Employee of the Insured in the terms of this Section in respect of legal costs and expenses incurred with the written consent of the Insurer in connection with the defence of any criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under

- a Part 2 of the Consumer Protection Act 1987 or
- b Section(s) 7, 8, 14 and/or 15 of the Food Safety Act 1990

committed or alleged to have been committed during the Period of Insurance in connection with the Business. Provided that the Insurer shall have the conduct and control of all said proceedings and appeals.

The Insurer will not pay for

- i fines or penalties of any kind
- ii proceedings or appeals in respect of any deliberate act or omission
- iii costs or expenses insured by any other policy.

11 Corporate Manslaughter and Corporate Homicide Act 2007 – Legal Defence Costs

The Insurer will indemnify the Insured in respect of

- a legal costs and expenses incurred with the prior written consent of the Insurer and
- b costs of the prosecution awarded against the Insured

in connection with the defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought under The Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent in the Channel Islands or the Isle of Man in respect of any fatal injury occurring during the Period of Insurance in the course of the Business and which may be the subject of indemnity under this Section.

Provided that the Insurer agrees details of the specific solicitor or counsel who are to act on behalf of the Insured prior to their appointment.

The Insurer will not pay for

- i any fines or penalties imposed on the Insured or the cost of implementing any remedial order or publicity order
- ii legal costs and expenses in connection with an appeal unless a solicitor or counsel advise that there are strong prospects of succeeding in the appeal or recovering costs awarded against the Insured at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed
- iii costs and expenses provided by another source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance

Section 1 – Public Liability (continued)

- iv costs and expenses in connection with the defence of any criminal proceedings brought in any country other than Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
- v costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by the Insured or any partner or director of the Insured or any Employee.

12 Efficacy

The Insurer will indemnify the Insured in respect of liability arising out of

- a advice relating to the design plan or specification
- b advice, design, plan or specification

of theft or fire protection devices or systems installed or repaired by the Insured.

The Insurer's liability under this Extension in respect of or arising out of any one occurrence attributable to one original cause and in the aggregate in any one Period of Insurance will not exceed the Limit of Indemnity stated in the Schedule.

The Insurer will not pay for the Excess stated in the Schedule.

13 Financial Loss

This Extension is not operative unless shown on the current Schedule as Insured.

The Insurer will indemnify the Insured in respect of all sums which the Insured becomes legally liable to pay as compensatory damages and claimants costs and expenses for accidental Financial Loss occurring within the Territorial Limits during the Period of Insurance in connection with the Business.

Provided that the Insurer's liability under this Extension for all claims for Financial Loss will not exceed the Limit of Indemnity stated in the Schedule.

Under this Extension, the Insurer will not pay for;

- a liability which results from any deliberate act or omission by the Insured and which could reasonably have been expected having regard to the nature and circumstances of such act or omission
- b liability which results from fraud, dishonesty, insolvency, financial default, conspiracy, conversion, deceit, intimidation, inducement, breach of contract, injurious falsehood or passing off of or infringement of trademark, trade name, merchandise mark, registered design, copyright or patent right or negligent misstatements
- c any act of libel or slander or defamation
- d the abandonment or postponement of any exhibition, meeting, function or other event organised by the Insured
- e liability arising by virtue of any data protection legislation
- f liability suffered as a result of non-delivery or late delivery of goods or non-completion of works or operations by or on behalf of the Insured
- g liability in respect of prototype goods which are supplied on an experimental or trial basis
- h Financial Loss arising solely from the failure or unsuitability of products to perform the function for which they were manufactured, sold, supplied, repaired, services, tested or processed where such failure or unsuitability is directly or indirectly traceable to any defect in the design, formula, specification or quality assurance system of such products
- i loss of money, securities or electronic data
- j Financial Loss arising out of advice, design, formula, plan or specification given separately for a fee or other remuneration
- k Financial Loss arising out of the inspection or certification of electrical systems or installations unless such systems or installations have been installed, maintained or repaired by the Insured
- l the Excess stated in the Schedule.

Section 1 – Public Liability (continued)

For the purposes of this Extension:

Financial Loss means a pecuniary loss, cost or expense and not occasioned by Injury, Damage to material property or Pollution or Contamination.

14 Fee for Intervention (FFI)

The Insurer will indemnify the Insured in the event that the Insured becomes legally liable to pay a Fee for Intervention to the Health and Safety Executive as a result of the Insured committing a material breach of health and safety law.

Provided that:

- a** such material breach
 - i** is alleged to have been committed during the Period of Insurance in connection with the Business within the Territorial Limits
 - ii** relates to the health, safety and welfare of any person including any partner, director or Employee of the Insured
- b** the Insurer will not be liable under this Extension for
 - i** the cost of any fine or other penalty
 - ii** any Fee for Intervention arising out of any deliberate act or omission by the Insured or any partner, director Employee of the Insured
 - iii** the first £250 in respect of each and every claim
 - iv** any amount in excess of £1,000 in respect of each and every claim in total under this Extension and any other Extension under this Policy providing indemnity for payment of a Fee for Intervention to the Health and Safety Executive.

15 Loss of Keys

The Insurer will indemnify the Insured against

- a** all sums which the Insured shall become legally liable to pay including any indirect losses
- b** liability for the costs of any necessary temporary protection of the Insured's customers' premises

as a direct result of the Insured's customers' keys including electronic passcards being lost whilst in the custody or control of the Insured or any partner, director or Employee of the Insured in connection with the Business occurring within the Territorial Limits during the Period of Insurance.

Provided that:

- i** such loss necessitates the replacement or alteration of locks at the Insured's customers' premises
- ii** the Insurer will not be liable for the first £250 in respect of each and every claim
- iii** the maximum amount payable by the Insurer will be £10,000 any one claim and £50,000 in any one Period of Insurance.

16 Temporary Employees

The Insurer will indemnify the Insured in respect of temporary Employees up to a maximum of 3 persons for no more than 100 days worked in total in any one Period of Insurance.

This Extension does not remove the need to declare changes in Employee numbers as required by Policy Condition 12 Number of Persons.

Section 1 – Public Liability (continued)

Section Exclusions

Policy Exclusions 1, 2, 5, 6 and 13 apply to this Section and in addition the Insurer will not pay for:

1 Injury to Employees

Liability in respect of Injury to any Employee arising out of and in the course of the employment or engagement of such person by the Insured.

2 Work on Offshore Installations

Liability in respect of Injury or Damage arising in connection with work on, or travel to or from Offshore Installations.

3 Fines, penalties, liquidated, punitive, exemplary or aggravated damages

Liability in respect of

- a** fines, penalties or liquidated damages
- b** punitive, exemplary or aggravated damages or any damages resulting from the multiplication of compensatory damages.

4 Pollution or Contamination

Liability in respect of

- a** Pollution or Contamination occurring in the United States of America or Canada or any dependency or trust territory
- b** Pollution or Contamination occurring elsewhere unless caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

5 Mechanically Propelled Vehicles

Liability arising out of the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (or trailer attached thereto) which is required by any road traffic legislation to be the subject of compulsory insurance or other security but this Exclusion shall not apply

- a** while such vehicle is being used as a tool of trade (other than in respect of liability which is compulsorily insurable under road traffic legislation)
- b** in respect of the loading or unloading of such vehicle or the delivery or collection of goods to or from such vehicle except where more specifically insured by any other policy.

6 Vessels or Craft

Liability arising out of the ownership, possession or use by or on behalf of the Insured of any vessel or craft designed to float on or in or through water, air or space (other than hand-propelled watercraft).

7 Property in the charge or control of the Insured

Liability in respect of Damage to any property belonging to or in the charge or control of the Insured other than

- a** personal effects or vehicles of any partner, director or Employee of or visitor to the Insured
- b** premises (and their contents) not belonging, leased, rented or hired to the Insured but temporarily in the charge of the Insured for the purpose of carrying out work
- c** premises (including their fixtures and fittings) leased, rented or hired to the Insured but this Section does not cover liability attaching to the Insured solely under the terms of any tenancy or other agreement.

Section 1 – Public Liability (continued)

8 Damage to Goods Supplied

Liability in respect of

- a** Damage to any goods or other property sold, supplied, delivered, installed or erected by or on behalf of the Insured
- b** all costs of or arising from the need for reinstatement, making good, removal, repair, rectification, replacement

or recall of

- i** any such goods or property
- ii** any defective work executed by or on behalf of the Insured

except that **8a** and **8bi** above shall not apply to liability in respect of Damage to the said goods or property if such Damage is caused by or arises from

- 1** any alteration, repair or servicing work executed
- 2** any other goods or property sold, supplied, delivered, installed or erected

by the Insured under a separate contract.

9 Advice and Design

Liability for Injury or Damage arising out of or in connection with advice, design, formula, specification, inspection, certification or testing provided or performed for a fee by or on behalf of the Insured.

10 Contract Works and J.C.T. Clause 6.5.1

Liability in respect of Damage to any property

- a** comprising or to be incorporated in the contract works in respect of any contract undertaken by the Insured
- b** against which the Insured are required to effect insurance under the terms of Clause 6.5.1. of the J.C.T. (R.I.B.A.) Conditions of Contract or of any other contract condition requiring insurance of a like kind.

11 Excess

The Excess.

12 Asbestos

- a** Liability in any way caused by, arising from or contributed to by
 - i** exposure to or inhalation of Asbestos
 - ii** fear of the consequences of exposure to or inhalation of Asbestos
- b** Liability for the costs of management (including those of any persons under any statutory duty to manage), removal, repair, alteration, recall, replacement or reinstatement of any property arising out of the presence of Asbestos

Section 1 – Public Liability (continued)

13 Cyber Event

Any loss, damage, expense or liability howsoever arising out of a Cyber Event.

This Exclusion does not apply to:

- a** Bodily injury, death, disease, illness, mental injury, mental anguish or nervous shock to any person
- b** False arrest, false imprisonment, false eviction or malicious prosecution of any person
- c** Loss of or damage to material property
- d** Nuisance, trespass, obstruction or interference with any right of way, light, air or water
- e** Pollution or Contamination occurring other than in the United States of America or Canada, and caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance

Subject otherwise to the terms, conditions and exclusion of this Policy.

For the purposes of this Exclusion the following Definitions apply:

Cyber Event means

- a** any unauthorised Processing of Data by the Insured
- b** any breach of laws and infringement of regulations pertaining to the maintenance or protection of Data
- c** any Network Security Failure in the Insured's Sphere

Data includes but is not limited to Personal Data, facts, concepts and information, software or other coded instructions in a formalised manner useable for communications, interpretation or processing.

Personal Data means any information relating to an identified or Identifiable Natural Person.

An Identifiable Natural Person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

Processing means any operation or set of operations which is performed on Data or on sets of Data, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

Damage to Data means any loss, destruction or corruption of Data. Any Damage to Data of a Third Party by the Insured is not deemed to be a Cyber Event if there is not any Network Security Failure involved.

Insured's Sphere means any system or device leased, owned, operated, or lost by or which is made available or accessible to the Insured for the purpose of Processing Data.

Network Security Failure means any non-physical and technological failure of computer system security or other technological security measures leading to unauthorized access and/ or theft of Data, loss of operational control of Data, transmission of virus or malicious code and/or denial of service.

Section 1 – Public Liability (continued)

Section Conditions

The Policy Conditions apply to this Section and in addition:

1 Fire Precautions

It is a condition precedent to any liability of the Insurer that the following precautions shall be complied with by the Insured, their Employees or by their subcontractors whenever carrying out any work involving the application of heat or use of angle grinders and no liability shall attach to the Insurer unless the precautions shall have been complied with:

- a** when blow torches, blow lamps, electric oxy-acetylene or other welding or flame cutting equipment, hot air guns or angle grinders are to be used
 - i** a thorough examination of the immediate vicinity of the work (including the area of work itself and including the area on the other side of any wall or partition) shall be made to see whether any combustible material is in danger of ignition either directly and/or by conduction of heat and a record of inspection kept
 - ii** all moveable and combustible materials (including materials to be worked upon or which have been worked upon and to the greatest extent practicable, any materials in the course of being worked upon) shall be removed away from the immediate vicinity of the work (to a distance of not less than 15 metres from the point of application of heat or use of angle grinders)
 - iii** all combustible materials which cannot be moved (including materials to be worked upon or which have been worked upon and to the greatest extent practicable, any materials in the course of being worked upon) shall be covered and fully protected by overlapping sheets or screens of non-combustible material
- b** there shall be available for immediate use at the site of the work either
 - i** 2 portable multi-purpose dry powder fire extinguishers to European Standard BS EN3 or British Standard BS 5423 with a minimum capacity of 4.0 kilograms each and serviced in accordance with BS 5306-3 or
 - ii** a hydraulic hose reel provided the situation is one where water would not aggravate a fire or explosion
- c** the lighting of all blow lamps, blow torches, welding and cutting equipment shall be carried out strictly in accordance with the manufacturers instructions and no piece of lighted equipment shall be left unattended
- d** where the equipment involves the use of gas cylinders, those not required for immediate use shall be kept outside the building in which the work is taking place (and in any event at least 15 metres from the point of application of heat or use of angle grinders)
- e** any tar bitumen or asphalt boiler shall not be left unattended and shall be located at ground level on a non-combustible surface and in the open air whilst lighted
- f** for 1 hour after completion of each period of work or stage of work involving the application of heat or use of angle grinders or for 1 hour after the completion of work involving the application of heat or use of angle grinders in any area in all circumstances that the area previously worked upon ceases to be sufficiently visible to ensure that any outbreak of fire or signs of the possible outbreak of fire will be noticed any area or areas in which work has been carried out shall not be left unattended and a thorough inspection of the area surrounding the work (including that described in paragraph **a i** of this Condition) shall be made at frequent intervals up to the end of the period of 1 hour to ensure that nothing is smouldering and there is no risk of fire (and a record of inspections shall be kept).

Section 1 – Public Liability (continued)

2 Underground Services

It is a condition precedent to any liability of the Insurer in respect of Damage to pipes, cables, mains or other underground services arising out of or caused by digging, drilling, boring, excavation, or earth moving operations, that;

- a the Insured shall prior to the commencement of such work
 - i have made enquiries with the owner or relevant authority responsible as to the location of existing pipes, cables, mains or other underground services and shall have received written confirmation or have confirmed any conversation in writing
 - ii carry out investigation using remote electrical devices to locate existing pipes, cables, mains or other underground services where practicable
 - iii convey the location of such pipes, cables, mains and underground services to those Employees or contractors carrying out such work on behalf of the Insured
- b the Insured shall adopt or cause to be adopted a method of work which minimises the risk of Damage to pipes, cables, mains and other underground services
- c the Insured shall retain a full written record of the enquiries and measures taken to locate and minimise the risk of Damage to such pipes cables mains and other underground services.

3 Bona Fide Subcontractors

In respect of work commencing within the Period of Insurance it is a condition precedent to liability of the Insurer in respect of Injury or Damage arising out of or caused by work undertaken on behalf of the Insured by bona fide subcontractors that;

- a the Insured obtain and retain a written record that such subcontractors have in force throughout the duration of any work undertaken by them on behalf of the Insured Public Liability Insurance with a limit of indemnity not less than £1,000,000 covering legal liability for Damage to property and Injury to any person other than an employee
- b in the event of a claim related to work undertaken by bona fide subcontractors the Insured shall provide documentary evidence of the Public Liability Insurance held by such subcontractors at the time of their appointment to carry out the work
- c annual payments to such subcontractors will not exceed £50,000 per annum or 25% of the Insured's annual turnover, whichever is the greater unless otherwise agreed by the Insurer.

4 Flammable Solvents

It is a condition precedent to any liability of the Insurer that the following precautions shall be complied with by the Insured, their Employees or their subcontractors whenever solvents or glues with a flash-point below 23 degrees Centigrade are used when work is undertaken away from the Insured's own premises:

- a Smoking by Employees or subcontractors must not take place
- b No appliance for the application or supply of heat is to be used
- c Prior to commencement of work the site of work is to be checked by the Insured or a responsible person appointed by the Insured and all naked flames in pilot lights and appliances are to be extinguished
- d Adequate ventilation must be maintained where the Insured, their Employees or subcontractors are working.

Section 2 – Employers' Liability

Definitions

Territorial Limits

- 1** Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
- 2** elsewhere in the world in respect of Injury sustained by any Employee resident within the territories specified in definition **1** above and caused whilst such Employee is temporarily employed outside these territories, provided that any action for compensation in respect of such Injury is brought in a court of law within the said territories or any member country of the European Union.

Act of Terrorism

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

Cover

The Insurer will indemnify the Insured against legal liability to pay compensation and claimants costs and expenses in respect of Injury sustained by any Employee arising out of and in the course of the employment or engagement of such person by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance.

Costs and Expenses

In addition the Insurer will pay costs and expenses incurred by the Insurer or with the written consent of the Insurer

- a** in connection with the defence of any claim
- b** for representation of the Insured
 - i** at any coroner's inquest or fatal accident inquiry in respect of death
 - ii** at proceedings in any court of summary jurisdiction or on indictment in any higher court in respect of any alleged breach of statutory duty resulting in Injury

which may be the subject of indemnity under this Section.

Limit of Indemnity

The Insurer's liability for all compensation, costs and expenses payable in respect of any one claim or series of claims arising out of one occurrence shall not exceed the Limit of Indemnity.

Provided that

- a** in respect of an Act of Terrorism the Limit of Indemnity shall not exceed £5,000,000. If the Insurer alleges that by reason of this limitation any loss, Damage, cost or expense is not covered the burden of proving the contrary shall be upon the Insured
- b** in respect of the indemnity provided under this Section for Extension 5 – Corporate Manslaughter and Corporate Homicide Act 2007 – Legal Defence Costs
 - i** the liability of the Insurer shall not exceed £5,000,000 in any one Period of Insurance
 - ii** all amounts payable will form part of and not be in addition to the Limit of Indemnity
 - iii** where the Insurer has already indemnified the Insured in respect of legal costs or expenses incurred in connection with the defence of any criminal proceedings (including appeals against conviction arising from such proceedings) arising out of the same occurrence which gave rise to said proceedings under another Section of the Policy the amount paid under that Section shall contribute to the maximum amount payable under this Section.

Section 2 – Employers' Liability (continued)

Extensions

(Subject to the terms, limits, conditions and exclusions of this Section and the Policy)

1 Indemnity to Other Parties

If the Insured so requests the Insurer will indemnify the following parties

- a any officer or committee member or other member of the Insured's canteen, social, sports or welfare organisations or ambulance, first aid, fire, medical or security services against liability incurred in such capacity
- b any partner, director or Employee of the Insured against liability incurred in such capacity and in respect of which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured

as though each party was individually named as the Insured in this Section

- c any principal for whom the Insured has agreed to execute work under contract or agreement against liability arising out of the performance of such work by the Insured and in respect of which the Insured is legally liable and would have been entitled to indemnity under this Section if the claim had been made against the Insured.

Provided that

- i each such party shall observe, fulfil and be subject to the terms and conditions of this Section in so far as they can apply
- ii the Insurer's liabilities to the Insured and all parties indemnified shall not exceed, in the aggregate, the Limit of Indemnity.

2 Health and Safety at Work – Legal Defence Costs

The Insurer will indemnify the Insured and if the Insured so requests any partner, director or Employee of the Insured in the terms of this Section in respect of

- a costs and expenses incurred with the Insurer's written consent
- b costs and expenses of the prosecution or an appeal against any such party

in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the Period of Insurance in connection with the Business.

Provided that

- i the proceedings relate to the health, safety or welfare of any Employee
- ii the Insurer shall have the absolute conduct and control of all the said proceedings and appeals
- iii the Insurer will not pay for
 - a fines or penalties of any kind
 - b proceedings or appeals in respect of any deliberate or intentional criminal act or omission
 - c costs or expenses insured by any other policy.

3 Unsatisfied Court Judgements

If a judgement for compensation or costs in respect of Injury sustained by any Employee arising out of and in the course of employment or engagement by the Insured in connection with the Business and caused within the Territorial Limits during the Period of Insurance

- a is obtained by such Employee in any court situate within Great Britain, Northern Ireland, the Channel Islands and the Isle of Man against any person or corporate body domiciled or operating from premises within such territories and
- b remains wholly or partly unsatisfied 6 months after the date of such judgement

the Insurer will if the Insured so requests pay to the said Employee the amount of any such compensation and costs to the extent that they remain unsatisfied.

Section 2 – Employers' Liability (continued)

Provided that

- i there is no appeal outstanding
- ii the Employee shall have assigned the judgement to the Insurer
- iii this Section was shown as operative in the Schedule at the time of the Injury.

4 Court Attendance Compensation

If during the Period of Insurance any partner, director or Employee of the Insured is required to attend court as a witness at the request of the Insurer in connection with a claim which is the subject of indemnity under this Section the Insurer will pay compensation to the Insured on the following scale for each day that attendance is required

- i any director or partner **£750**
- ii any Employee **£250**

5 Corporate Manslaughter and Corporate Homicide Act 2007 – Legal Defence Costs

The Insurer will indemnify the Insured in respect of

- a legal costs and expenses incurred with the prior written consent of the Insurer and
- b costs of the prosecution awarded against the Insured

in connection with the defence of any criminal proceedings (including any appeal against conviction arising from such proceedings) brought under The Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man in respect of any fatal injury sustained and caused during the Period of Insurance in the course of the Business and which may be subject to indemnity under this Section.

Provided that the Insurer agrees details of the specific solicitor or counsel who are to act on behalf of the Insured prior to their appointment.

The Insurer will not pay for

- i any fines or penalties imposed on the Insured or the cost of implementing any remedial order or publicity order
- ii legal costs and expenses in connection with an appeal unless a solicitor or counsel advise that there are strong prospects of succeeding in the appeal or recovering costs awarded against the Insured at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed
- iii costs and expenses provided by another source or any other insurance or where but for the existence of this Extension would have been provided by such source or insurance
- iv costs and expenses in connection with the defence of any criminal proceedings brought in any country other than Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
- v costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by the Insured or any partner or director of the Insured or any Employee.

6 Fee for Intervention (FFI)

The Insurer will indemnify the Insured in the event that the Insured becomes legally liable to pay a Fee for Intervention to the Health and Safety Executive as a result of the Insured committing a material breach of health and safety law.

Provided that

- a such material breach
 - i is alleged to have been committed during the Period of Insurance in connection with the Business within the Territorial Limits
 - ii relates to the health, safety and welfare of any person including any partner, director or Employee of the Insured

Section 2 – Employers’ Liability (continued)

- b** the Insurer will not be liable under this Extension for
 - i** the cost of any fine or other penalty
 - ii** any Fee for Intervention arising out of any deliberate act or omission by the Insured or any partner, director Employee of the Insured
 - iii** the first £250 in respect of each and every claim
 - iv** any amount in excess of £1,000 in respect of each and every claim in total under this Extension and any other Extension under this Policy providing indemnity for payment of a Fee for Intervention to the Health and Safety Executive.

Section Exclusions

Policy Exclusions 2 and 6 apply to this Section and in addition this Section does not cover liability in respect of:

- 1 Work on Offshore Installations**
Injury to any Employee who is working on, visiting or travelling to or from Offshore Installations.
- 2 Mechanically Propelled Vehicles**
Injury to any Employee arising out of the ownership possession or use by or on behalf of the Insured of any mechanically propelled vehicle or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security.
- 3 Temporary Employees**
Employees engaged on a temporary basis unless a figure in respect of temporary employees is shown on the Schedule.

Section Conditions

The Policy Conditions apply to this Section and in addition:

1 Compulsory Insurance Legislation

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in the territories specified by the Territorial Limits definition of this Section but the Insured shall repay to the Insurer all sums paid by the Insurer which the Insurer would not have been liable to pay but for the provisions of such law.

2 Certificate of Employers’ Liability Insurance

If this Policy or Section is cancelled any certificate of Employers' Liability insurance issued hereunder is similarly cancelled from the same date.

Section 3 – Tools

Definitions

Tool(s)

Any hand tool, hand held portable power tool or their parts or item of portable electronic equipment (other than any Mechanically Propelled Constructional Plant) belonging to or hired or leased by any Insured Person for which they are legally responsible.

Mechanically Propelled Construction Plant

Self propelled vehicles designed to be used solely as a tool of trade on a contract site or vehicles which are not licensed for road use and used solely as a tool of trade on a contract site and mechanical plant (excluding hand tools and any hand held portable power tools or their parts).

Territorial Limits

- 1 Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
- 2 any country in the European Union.

Insured Person

Insured or any partner, director or permanent Employee of the Insured.

Cover

The Insurer will indemnify the Insured against Damage to Tools occurring during the Period of Insurance and within the Territorial Limits definition of this Section.

The Insurer will pay the value of any such Tool or at its option replace, reinstate or make good the Damage.

Limit of Liability

The Insurer's liability under this Section shall not exceed the single article limit set out in the Schedule in respect of Damage to each Tool and in the aggregate (for each Insured Person) the Sum Insured in respect of all Tools damaged in any one Period of Insurance.

Section 3 – Tools (continued)

Section Exclusions

The Policy Exclusions apply to this Section and in addition this Section does not cover;

- 1** the Excess
- 2** any consequential loss
- 3** any Damage by theft or attempted theft of Tools
 - a** by any Insured Person or persons employed by the Insured
 - b** left unattended on any site or premises where the Insured or any Employee is carrying out work in connection with the Business unless stored in a securely locked building
 - c** elsewhere within the Territorial Limits unless stored in a motor vehicle, trailer, room or box and there is evidence of forcible and violent entry to or exit from the motor vehicle, trailer, room or box
- 4** any Damage by theft or attempted of portable computers and ancillary equipment and/ or portable telecommunication equipment from any unattended motor vehicle unless the vehicle is securely locked and such items are hidden from view
- 5** any Damage caused by or arising out of wear and tear, corrosion, obsolescence, rust, mildew, wet or dry rot, frost or other deterioration, normal upkeep or making good, depreciation, mechanical or electrical breakdown or derangement failures or breakages

- 6** any Damage to any mechanically propelled vehicle or waterborne vessel or craft
- 7** any Damage to cutting edges, cutting tools, trailing cables, flexible pipes, driving chains, conveyor belts, driving belts or articles of a brittle nature, unless caused by fire lightning or storm or the theft of a complete item
- 8** any Damage caused by or arising from disappearance or shortage which is only revealed when an inventory is made or is not traceable to an identifiable event
- 9** any Damage to rubber tyres by the application of brakes or by punctures, cuts or bursts.

Section Conditions

The Policy Conditions apply to this Section.

Section 4 – Contract Works

Definitions

Contract(s)

The agreement under which the Contract Works are undertaken.

Contractor

The party undertaking the Contract Works on behalf of the Employer.

Contract Price

The sum agreed between the Insured and his principal or Employer as payment for completion of the works or where there is no principal or Employer, the value of the works to be completed on site.

Contract Site

The single site where the Contract Works will be

- i performed and
- ii permanently situated when completed and including adjacent thereto.

Employer

The party on whose behalf the Contract Works are undertaken (other than a director, partner or Employee of the Contractor).

Insured Person

The Insured or any partner director or permanent Employee of the Insured.

Maintenance Period

The period specified in the Contract during which the Insured is responsible for rectifying defects arising from the Contract Works.

Mechanically Propelled Construction Plant

Self propelled vehicles designed to be used solely as a tool of trade on a Contract Site or vehicles which are not licensed for road use and used solely as a tool of trade on a Contract Site.

Money

Cash, bank and currency notes, cheques, crossed bankers drafts, postal orders, luncheon vouchers, current postage stamps, trading stamps, holiday with pay stamps, National Savings stamps, National Savings certificates, Premium Bonds, credit sales vouchers or receipts, VAT purchase invoices, unexpired units in franking machines, gift tokens, deeds, bonds, bills of exchange, promissory notes, treasury notes or securities and consumer redemption vouchers, belonging to the Insured or for which the Insured are responsible.

Property Insured

Any property belonging to the Insured or for which they are responsible and for which a Sum Insured is included in the Schedule whilst on or adjacent to the Contract Works and intended for use in connection with the Contract including

a Contract Works

The permanent and temporary works undertaken by or on behalf of the Insured in performance of the contract or Speculative Development including Site Materials anywhere within the Territorial Limits but excluding any Contract

- i where the original Contract Price exceeds the maximum amount specified in the Schedule
- ii which is separately insured

b Site Materials

All unfixed materials and goods delivered to or placed on or adjacent to the Contract Works and intended for incorporation in them but excluding Own Plant and Hired in Plant

c Own Plant

Contractors plant and equipment (other than Tools) belonging to the Insured or hired to them under a hire purchase or lease agreement or on free loan and for use in connection with the Contract Works

Section 4 – Contract Works (continued)

d **Hired in Plant**

Contractors plant and equipment (other than Tools) and site huts and other temporary accommodation hired by the Insured and for which they are responsible under the terms of their hiring agreement or otherwise but not plant and equipment and site huts and other temporary accommodation on hire purchase or subject to a lease agreement or on free loan and for use in connection with the Contract Works

e **Property Awaiting Sale**

Property built by the Insured including show houses and show flats whilst not under a contract for sale or rental after the date of completion. Completion shall mean completed or complete other than the prospective purchasers or tenants choice of decorations or final fitments.

Speculative Development

Buildings constructed by the Insured other than under Contract.

Territorial Limits

- a Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
- b any other country of the European Union.

Terrorism

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

Tool(s)

Any hand tool, hand held portable power tool or their parts or item of portable electronic equipment (other than any Mechanically Propelled Constructional Plant).

Unoccupied Building

Any building or part of any building which is empty or not in use by the Insured or any tenant of the Insured.

Cover

- 1 The Insurer will indemnify the Insured against Damage to the Property Insured anywhere in the Territorial Limits occurring during the Period of Insurance by any cause not excluded by this Section.
- 2 In addition the Insurer will indemnify the Insured against Damage to the Contract Works occurring during the Period of Insurance

- a happening during any Maintenance Period and arising from a cause occurring prior to the commencement of the Maintenance Period
- b caused by the Insured in the course of any operations carried out by them during the Maintenance Period for the purpose of complying with their obligations in respect of maintenance or making good of defects as may be referred to in the Contract conditions.

Limit of Liability

The Insurer's liability for any one loss during any one Period of Insurance shall not exceed in total the maximum contract price or Sum Insured for each item shown on the Schedule.

Inflation Protection

If at any time the Contract Price is exceeded, the Sum Insured shown as the Maximum Contract Price shall be increased similarly by an amount not exceeding 10%.

Section 4 – Contract Works (continued)

Extensions

(Subject to the terms conditions exclusions and limits of this Section and the Policy)

1 Employers' Interest

This Section extends to include the interest of any employer for whom the Insured is carrying out a contract to which this Section applies but only to the extent that such interest is required to be insured jointly with that of the Insured under the Contract conditions.

2 Professional Fees

The maximum Contract Price includes an amount in respect of architects, surveyors, consulting engineers and other professional fees in accordance with those authorised by the appropriate professional body necessarily incurred in the reinstatement, repair or replacement of the Property Insured following Damage by any cause insured by this Section but not such fees for preparing or contending any claim. The amount payable for such fees shall not exceed that authorised by the appropriate professional body.

3 Debris Removal

The insurance by this Section includes costs and expenses necessarily incurred with the Insurer's consent in:

- a removing debris
- b dismantling or demolishing
- c shoring up or propping
- d cleaning or repairing drains, service mains, gullies, manholes and the like within the site of the Contract Works

of the portion or portions of the Property Insured damaged in circumstances giving rise to a claim under this Section.

The Insurer will not pay for such costs and expenses

- i arising from Pollution or Contamination of property not insured by this Section
- ii exceeding 10% of the Sum Insured under each item of this Section and provided always the Sum Insured shown in the Schedule remains the Insurer's maximum liability.

4 Property Stored

The insurance by this Section extends to include Damage to Site Materials which are intended for incorporation within the Contract Works whilst temporarily stored anywhere within the Territorial Limits but only to the extent that the Insured is liable under the contract conditions or such Site Materials have been allocated to a specific contract undertaken or to be undertaken by the Insured.

5 Mechanically Propelled Construction Plant in Transit

The insurance by this Section extends to include Mechanically Propelled Construction Plant whilst in transit under its own power within the Territorial Limits.

6 Immobilised Plant

The insurance by this Section extends to include any necessary costs incurred in the recovery of Own Plant or Hired in Plant which may become immobilised or immovable whilst being used in connection with the contract provided that the cause of such immobilisation or immovability is the subject of an admissible claim under this Section.

7 Free Materials

Property for which the Insured is responsible shall include all materials and goods supplied free of charge by the Employer or their agents for which the Insured is responsible under the terms of the Contract for incorporation in Contracts insured by this Section provided always the Sum Insured shown in the Schedule remains the Insurer's maximum liability.

8 Re-drawing Plans and Documents

The insurance by this Section extends to include Damage to plans, drawings, specifications, documents and records whilst anywhere in the Territorial Limits (except on sites of Contracts not insured by this Section) provided that the Insurer's liability is limited to

- a the value of the materials as stationery together with the cost of clerical labour involved in their reproduction, and not the value to the Insured of the information contained therein
- b £25,000 in respect of any one claim or in any one Period of Insurance.

Section 4 – Contract Works (continued)

9 Local Authorities

The insurance in respect of the Contract Works extends to include such additional cost of reinstatement following Damage to the Property Insured as may be incurred solely by reason of the necessity to comply with Building or Other Regulations under or framed in pursuance of any Act of Parliament or with Bye-Laws of any Public Authority.

The Insurer will not pay for

- a such additional cost incurred
 - i which can be recovered elsewhere
 - ii where notice has been served upon the Insured prior to Damage
 - iii for which there is an existing requirement which has been implemented within a given period
 - iv in respect of any part of such Property Insured which is undamaged other than the foundations or that part which is the subject of Damage
- b the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable by reason of compliance with any of the aforesaid Regulations or Bye-Laws

provided that the work of reinstatement shall be commenced and carried out within 12 months of Damage.

10 Continuing Hire Charges

The insurance provided under this Section includes the Insured's legal liability to pay continuing hire charges following Damage to Hired in Plant.

Provided that;

- a this Extension does not apply in respect of Hired in Plant for which a valid claim has not otherwise been admitted under this Policy
- b in respect of Damage, the Insurer will not be liable under this Extension for hire charges that are payable during the first 48 hours that each item of Hired in Plant is out of commission

- c the terms of any hiring agreement are no more onerous than the Construction Plant-hire Association Model Conditions
- d the Insurer's liability under this Extension will not exceed an amount of £25,000 in any one Period of Insurance.

11 Speculative Development – Property Awaiting Sale

The Insurer will indemnify the Insured in respect of Damage to any Property Awaiting Sale occurring during a period of 90 days after the date of practical completion.

Provided that

- a in respect of each occurrence the Insurer's liability shall not exceed £100,000 in respect of any one claim or series of claims arising out of any one original cause
- b in respect of each occurrence the Insured shall be responsible for the first £500 of any Damage
- c whenever any show house or show flat is closed for business all security devices shall be put into full and effective operation and that such devices shall include
 - i British Standard locks on all external doors
 - ii key operated window locks on all ground floor and other accessible windows
 - iii an intruder alarm with an audible signalling device.

12 Own Plant

The insurance provided under this Section includes Damage to Own Plant at the Insured's own premises, or elsewhere in a locked building or compound.

13 Consecutive Damage

Any Damage to the Property Insured at any one Contract Site during any period of 72 hours caused by or arising from storm, tempest, subsidence collapse, flood or other water damage shall for the purpose of the Excess be deemed to be one occurrence.

Section 4 – Contract Works (continued)

14 Expediting Costs

The insurance provided under this Section extends to include any additional costs of overtime, weekend and shift working hours, bonus payments, plant hire charges, express delivery and the like necessarily and reasonably incurred by the Insured with the consent of the Insurer to expedite reinstatement or replacement or repair of or Damage to the Contract Works for which an indemnity is being provided by this Section.

Provided that

- a** the Insurer will not be liable for any costs incurred which relate either to expedition or the completion of any construction, erection or installation of Property Insured not Damaged or to the expedition of the completion of the Contract Works at a faster rate than would have been obtained had no Damage occurred
- b** the Insurer's liability for such additional costs is limited to 10% of the Contract Price but not exceeding £25,000.

15 Housing Grants Act

The insurance provided under this Section will indemnify the Insured against an award (or any part thereof) made in respect of a construction dispute and resulting from an adjudication procedure which complies with the provisions of the Housing Grants Construction and Regeneration Act 1996.

Provided that

- a** indemnity shall only apply to the extent that such an award relates to loss, damage or liability for which an indemnity is provided by this Section
- b** any payment made by the Insurer in respect of such an award shall be made without prejudice to any other rights of the Insurer under this Section
- c** it is a condition precedent to any liability of the Insurer to make any payment under this Section that where there is a construction contract dispute relating to Damage or liability for which an indemnity is or may be provided by this Section

- i** any notice received by the Insured from any party of intention to refer such a dispute for adjudication shall be forwarded to the Insurer immediately upon receipt
- ii** the Insured shall provide notice to the Insurer of any intention by the Insured to refer any such dispute for adjudication
- iii** the Insured shall not accept any award made by an adjudicator to such a dispute as being final without prior agreement of the Insurer.

Section 4 – Contract Works (continued)

Section Exclusions

The Policy Exclusions apply to this Section and, in addition this Section does not cover:

1 Damage to:

- a any aircraft, aerospace device, tower crane, vessel, craft, or device designed to float in or on or travel through water or plant and equipment mounted on-board
- b any mechanically propelled vehicle (including any attached trailer) for which a Certificate of Motor Insurance is required, other than Mechanically Propelled Construction Plant
- c Money
- d property forming or which has formed part of any structure prior to the commencement of the Contract Works
- e property for which the Insured is relieved of responsibility by the Contract conditions
- f property more specifically insured
- g the Contract Works or any part of them for which a Certificate of Practical Completion has been issued or which have been handed over to the Employer or purchaser or occurring after the Contract Works have been completed pending sale other than to the extent stated in respect of the:
 - i Maintenance Period
 - ii Extension 11 Speculative Development – Property Awaiting Sale
 - iii period of 14 days immediately following the issue of a Certificate of Practical Completion during which the Insured shall under the Contract conditions remain responsible for such permanent work or any part thereof
- h cutting edges, tools, trailing cables, flexible pipes, driving belts and chains or conveyor belts unless accompanied by Damage to the complete item
- i rubber tyres by the application of brakes or by punctures, cuts or bursts
- j Hired in Plant unless such hire is subject to the recommended hire conditions of the Construction Plant-hire Association or conditions no more onerous to the Insured
- k trees, shrubs and plants caused by frost and failure of seeds to germinate
- l any amounts in excess of £2,500 in respect of computer and ancillary equipment.

2 Damage to and the cost necessary to repair, replace or rectify Property Insured

- a which is in a defective condition due to a defect in design, plan, specification, materials or workmanship of such Property Insured or any part thereof
- b Damaged to enable the replacement, repair or rectification of Property Insured excluded by 2a above.

Exclusion 2a shall not apply to other Property Insured which is free of such defective condition but is Damaged as a consequence of such defect.

For the purpose of this Section and not merely this Exclusion the Property Insured shall not be regarded as Damaged solely by virtue of the existence of any defect in design, plan, specification, materials or workmanship in the Property Insured or any part thereof

Section 4 – Contract Works (continued)

- 3** any Damage by theft or attempted of portable computers and ancillary equipment and/ or portable telecommunication equipment from any unattended motor vehicle unless the vehicle is securely locked and such items are hidden from view
- 4** Damage caused by
 - a** mechanical or electrical breakdown or derangement of machinery, plant or equipment
 - b** wear, tear, corrosion, obsolescence, rust, mildew, wet or dry rot, or other deterioration
 - c** direct application of tools or the entry of foreign bodies unless solely due to the acts of malicious persons
 - d** Pollution or Contamination other than that of or to the Property Insured
 - e** confiscation, commandeering, nationalisation or requisition or destruction by or under the order of any government or public municipal or local authority
- 5** Damage caused by or arising from disappearance or shortage which is only revealed when an inventory is made or is not traceable to an identifiable event
- 6** liquidated damages or penalties for non-completion or delay in completion of the Contract Works or for non-compliance with Contract conditions or consequential Damage of any kind or description
- 7** the Excess
- 8** the site of any Contract Works
 - a** involving work on waterways or motorways
 - b** following stoppage of work from any cause for a period of 3 consecutive months.
- 9** normal upkeep or normal making good.

Section 4 – Contract Works (continued)

Section Conditions

The Policy Conditions apply to this Section and in addition

1 Reasonable Precautions

The Insured shall take all reasonable precautions in the selection of labour and maintain in efficient condition all plant and appliances used in connection with any Contract covered by this Section and the Insurer shall at all times have access to examine any such plant and appliances. The Insured shall ensure that all equipment and plant requiring inspection under any Statute or Order shall be so inspected.

2 Additional Claims Requirement

The Insured shall if required by the Insurer produce or give access to any property alleged to be Damaged and the Insured shall be bound to satisfy the Insurer by such evidence as may be reasonably required that the loss or Damage in respect of which a claim is made has actually arisen from one of the risks insured against.

3 Subrogation Waiver

In the event of a claim arising under this Section following Damage to the Contract Works, the Insurer agrees to waive any rights, remedies, or relief to which they might become entitled by subrogation against any nominated or domestic subcontractor referred to in any Contract under the Joint Contracts Tribunal (JCT) Standard Building Contract.

4 Automatic Reinstatement of Sum Insured

In the absence of written notice by the Insured or the Insurer to the contrary, in consideration of Sums Insured or limits of liability not being reduced by the amount of any claim from the date of the Damage, the Insured will pay the appropriate additional premium due for the period from the date of Damage to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft.

5 Reinstatement

If any property is to be reinstated or replaced by the Insurer, the Insured shall at their own expense provide all such plans, documents, books and information as may reasonably be required. The Insurer shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than its Sum Insured.

Section 5 – Personal Accident and Sickness

Definitions

Accident/Accidental

A sudden and unforeseen event which happens by chance after the inception of this Section and results in Accidental Bodily Injury or Accidental Death.

Accidental Bodily Injury/Injuries

Bodily injury caused by

- 1 accidental violent external and visible means or
- 2 exposure to the elements following a mishap to any vehicle, vessel or aircraft in which the Member is travelling.

Accidental Death

Death that occurs by way of an accident solely as a result of Accidental Bodily Injury and independently of any other cause.

Doctor

A legally qualified medical practitioner. It does not include any director, partner or principal of the Insured or someone living in their household, a member of their immediate family or their partner.

Eligibility Criteria

To be eligible for this Section the Member must at the start of the Period of Insurance be:

- a living and present in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands, and;
- b at least 18 and no older than 80 years of age for Personal Accident Cover or 75 for Sickness Cover;
- c in work and have been so continuously for the previous 6 months.

Employed/Employment

Working for at least 16 hours a week under a contract of employment that does not have a fixed or implied end date and is not a fixed-term contract. The Member must be receiving a salary or wages that can be evidenced via bank account records and/or HM Revenue & Customs records.

Gross Weekly Income

If the Member is Employed by the Insured:

The average weekly taxable earned income before income tax is paid, minus any expenses which are allowable against income tax (including any commission and/or bonus payments) for the 6 months immediately prior to the start of the Members Inability to Work; or

If the Member is self-employed and registered with HM Revenue & Customs as self-employed:

The weekly average income for the 6 months immediately prior to the start of the Members Inability to Work which earnings have been declared to HM Revenue & Customs.

Hospital

A lawfully registered establishment providing medical and surgical treatment and 24-hour a day nursing care by registered nurses for ill or injured people. It does not include a convalescent, self-care or rest home, or a department in a Hospital which has the role of a convalescent or nursing home.

Hospitalisation/Hospitalised

Staying in a Hospital for a continuous period of at least 24 hours to receive treatment or care on the advice of a Doctor because of an Accident.

Inability to Work

Starts on the day the Member is certified as being unfit to work by a Doctor.

Loss

A loss or series of losses arising out of or consequent upon or contributed to directly or indirectly by one originating event.

Loss of Hearing

Total and permanent loss of hearing which has lasted 3 consecutive months of the Member's lifetime and is at the end of that period in the opinion of an independently qualified medical referee beyond hope of improvement.

Section 5 – Personal Accident and Sickness (continued)

Loss of Use of Limb(s)

Total and permanent loss by physical separation or total and permanent loss of use of a hand at or above the wrist or a foot at or above the ankle.

Loss of Sight

Total and permanent loss of sight will be considered as having occurred:

- a in both eyes if the Member's name has been added to the Register of Blind persons on the authority of a fully qualified ophthalmic specialist
- or
- b in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen Scale

which has lasted 3 consecutive months of the Member's lifetime and is at the end of that period in the opinion of an independent optician (acceptable to the Insurer) beyond hope of improvement.

Loss of Speech

Total, permanent and irrecoverable loss of speech caused by an Accident.

Loss of use of a shoulder, elbow, hip, knee, wrist or ankle

Total, permanent and irrecoverable loss of movement of the affected joint caused by an Accident.

Loss of use of a thumb, finger or big toe

Total, permanent and irrecoverable loss of use or loss by physical separation of the entire thumb, finger or big toe caused by an Accident.

Loss of use of any other toe

Total, permanent and irrecoverable loss of use or loss by physical separation of the entire toe caused by an Accident.

Member(s)

Any partner, proprietor or working director of the Insured between the ages of 16 and 80 years who meets the Eligibility Criteria

Operative Time of Cover

24 hours.

Paraplegia

The permanent and total paralysis of the two lower limbs, bladder and rectum.

Permanent Total Disablement

Disablement other than Loss of Sight, Loss of Hearing or Loss of Limb which permanently, completely and continuously prevents the Member from performing each and every function of his/her Usual Occupation, and which having lasted 52 weeks of the Member's lifetime is at the end of that period beyond hope of improvement

Pre-existing Medical Condition

Any condition, injury, illness, disease, sickness or related condition and/or associated symptoms, whether specifically diagnosed or not:

- a which medical evidence shows the Member knew about or were experiencing symptoms that the Member would have been aware of at the start of the Period of Insurance; or
- b for which the Member sought or received advice, treatment or counselling from any Doctor during the 12 months immediately before the start of the Period of Insurance.

Quadriplegia

The permanent and total paralysis of the two upper limbs and the two lower limbs.

Sickness

An identifiable illness, disease, medical complaint or medical condition which is not Accidental Bodily Injury.

Temporary Partial Disablement

Disablement that completely prevents a Member from performing more than 50% of the functions of their Usual Occupation.

Temporary Total Disablement

A disablement which wholly prevents the Member from performing each and every function of his/her Usual Occupation but is not Permanent Total Disablement.

Section 5 – Personal Accident and Sickness (continued)

Usual Occupation

The tasks, duties and other functions which the Insured normally pays the Member to perform in connection with the Business of the Insured.

Weekly Compensation

Compensation payable as a result of Temporary Partial Disablement, Temporary Total Disablement or Sickness.

Cover

The Insurer will pay the Insured compensation in accordance with the Sum Insured if any Member;

- 1** sustains an Accidental Bodily Injury during the Period of Insurance and Operative Time of Cover which within 12 months thereof directly and independently of any other cause results in Permanent Total Disablement, Temporary Partial Disablement or Temporary Total Disablement of a Member
- 2** contracts a Sickness during the Period of Insurance and the Sickness results in Temporary Total Disablement starting in the same Period of Insurance.

Basis of Settlement

Compensation will be paid in accordance with the following Scale of Compensation and Level of Cover stated in the Schedule.

Scale of Compensation

Benefit	Level of Cover	
	Level 1	Level 2
1 Accidental Death	£30,000	£50,000
2 Permanent Total Disablement	£50,000	£100,000
3 Quadriplegia	£100,000	£200,000
4 Paraplegia	£50,000	£100,000
5 Loss of Sight in both eyes	£30,000	£50,000
6 Loss of Limb (two limbs)	£30,000	£50,000
7 Loss of Sight in one eye	£15,000	£25,000
8 Loss of Limb (one limb)	£15,000	£25,000
9 Loss of Hearing in both ears	£15,000	£25,000
10 Loss of Speech	£15,000	£25,000
11 Loss of Hearing in one ear	£3,000	£5,000

Permanent Loss of use of the following which the Member has survived for at least 1 month:

12 Loss of use of a shoulder, elbow, hip, knee, wrist, thumb or ankle	£5,000	£10,000
13 Loss of use of a finger or big toe	£3,000	£5,000
14 Loss of use of any other toe	£1,000	£2,000

Short Term Income Protection (Weekly Compensation)

15 Temporary Total Disablement (per week)	£250	£500
16 Temporary Partial Disablement (per week)	£150	£250
17 Sickness, if selected (per week)	£250	£500

Section 5 – Personal Accident and Sickness (continued)

Limitations

In respect of each Member:

- 1** this Section shall cease to be in force immediately after the occurrence of any Accidental Bodily Injury qualifying for payment under Benefits **1** to **11**.
- 2** Weekly Compensation in respect of one or more Accidental Bodily Injuries or Sickness occurring in any one Period of Insurance will not be paid for more than 52 weeks in total or past the end of the Members contract of Employment or fixed term contract.
- 3** Weekly Compensation will be paid at the end of each period of 4 consecutive weeks disablement.
- 4** Weekly Compensation will not be paid for the first 2 weeks of each period of Temporary Partial Disablement, Temporary Total Disablement or Sickness.

Extensions

(Subject to the terms conditions exclusions and limits of this Section and the Policy)

1 Hospitalisation Benefit

If within the Operative Time of Cover a Member sustains Accidental Bodily Injury which results in Hospitalisation as an inpatient for more than 24 hours within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man on the recommendation of a Doctor the Insurer will pay the following to the Insured for each continuous 24 hour period:

Period	Level of Cover	
	Level 1	Level 2
1 The first 24 hours	Nil	Nil
2 Day 2 to 14	£50 per day	£100 per day
3 Day 15 single payment of	£500	£1,000
4 Day 16 to 44	£50 per day	£100 per day
5 Day 45 onwards	Nil	Nil

2 Burns

If within the Operative Time of Cover a Member sustains Accidental Bodily Injury which results in third degree burns affecting more than 15% of the body the Insurer will pay the following to the Insured:

Level of Cover

Level 1	Level 2
£500	£1,000

3 Dislocation

If within the Operative Time of Cover a Member sustains Accidental Bodily Injury which results in the displacement from their normal position of bones meeting at a joint, requiring relocation under local or general anaesthetic or traction the Insurer will pay the following to the Insured:

	Level of Cover	
	Level 1	Level 2
1 Spine; back; hip	£125	£250
2 Knee; ankle; shoulder; collar bone; elbow; wrist	£50	£100
3 Any other joint	£25	£50

4 Fracture

If within the Operative Time of Cover a Member sustains Accidental Bodily Injury which results in a break through the full thickness of the bone identified by an x-ray (or in the case of a fracture which is unable to be x-rayed, by confirmation from a Doctor) the Insurer will pay the following to the Insured:

	Level of Cover	
	Level 1	Level 2
1 Upper leg; vertebral body; Pelvis; Skull	£250	£500
2 Vertebra other than vertebral body; lower leg; lower jaw; breastbone; shoulder blade; kneecap; upper arm, lower arm	£125	£250
3 Lower leg; hand (metacarpals); foot (metatarsals); clavicle; coccyx; wrist (carpals) and Colles' fracture ankle (tarsals) and Pott's fracture	£50	£100

Section 5 – Personal Accident and Sickness (continued)

5 Independent Financial Advice

If within the Operative Time of Cover a Member sustains Accidental Bodily Injury which results in payment of Benefits **1** to **11** the Insurer shall indemnify the Insured for up to £1,000 for the Member (or their surviving dependants) to have up to two sessions of professional financial advice by an Independent Financial Adviser authorised and regulated by the Financial Conduct Authority.

6 Parasport Equipment

If within the Operative Time of Cover a Member sustains Accidental Bodily Injury which results in payment of Benefits **2** to **8** the Insurer shall pay up to £10,000 for costs and associated expenditure of specialist equipment for the purpose of participation in a sport that forms part of a rehabilitation plan for the Member under the supervision of a Doctor.

Section Exclusions

Policy Exclusion 1 applies to this Section and in addition the Insurer will not be liable to make any payment in respect of injury or disablement of any Member;

- 1** sustained whilst or consequent upon or contributed to directly or indirectly by the Member engaging in
 - a** aviation other than as a passenger (not as a member of the crew nor for the purpose of undertaking any trade or technical operation) in a fully licensed passenger-carrying aircraft
 - b** any gainful occupation outside the Business.
- 2** arising as a consequence of the suicide, intentional self-injury or insanity of or the influence of alcohol or drugs (other than drugs taken in accordance with the treatment prescribed and directed by a qualified medical practitioner but not for the treatment of drug addiction)
- 3** caused or contributed to directly or indirectly by
 - a** pregnancy or childbirth
 - b** sexually transmitted diseases
 - c** HIV (Human Immunodeficiency Virus) and/or any HIV related illness including AIDS (Acquired Immune Deficiency Syndrome) and/or any mutant derivative or variations thereof however caused
 - d** a Pre-existing Medical Condition
- 4** arising from travel to or from or work on Offshore Installations
- 5** arising out of or consequent upon service in the Armed Forces of any Nation or International Authority or other such organisation

Section 5 – Personal Accident and Sickness (continued)

- 6** arising out of or consequent upon or contributed directly or indirectly by any Member(s) committing a criminal act or taking part or whilst engaged in civil commotions or riots of any kind
- 7** arising out of Accidental Bodily Injury, death or disablement as a result of or contributed to by
 - a** sickness or disease
 - b** any naturally occurring condition or gradually operating cause
- 8** for any claim or series of claims arising out of or consequent upon (or contributed to directly or indirectly by) any one originating event in excess of £750,000
- 9** as a result of any event directly or indirectly arising out of any nuclear, chemical or biological Contamination due to any act of Terrorism regardless of any other cause or any other event contributing at the same time or in any other sequence to such event

For the purpose of this Exclusion;

an act of Terrorism means an act, including but not limited to the use of force or violence and/ or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear;

Contamination means contamination or poisoning of people by nuclear and/or biological substances which cause illness and/ or disablement and/or death;

if the Insurer alleges that by reason of this Exclusion any loss, damage, cost or expense is not covered, the burden of proving the contrary shall be upon the Insured

- 10** for Sickness unless a Cover amount is stated in the Schedule under Sickness
- 11** for any Temporary Total Disablement or Sickness amount in excess of 65% of the Member's Gross Weekly Income
- 12** for any Temporary Partial Disablement amount in excess of 32.5% of the Member's Gross Weekly Income
- 13** for Sickness resulting from the Member failing to follow the advice of a Doctor
- 14** for Sickness which commences within the first 28 days after the date from which the Member first becomes covered under this Sickness Cover unless the Member was covered by another sickness insurance immediately prior to this Sickness Cover
- 15** for Sickness which is suffered as a result of the Member being pregnant or giving birth unless Sickness arises from a diagnosed medical complication which is not a normal symptom of pregnancy or childbirth
- 16** for Sickness contracted by a Member who is over 75 years of age at the start of the latest Period of Insurance.

Section 5 – Personal Accident and Sickness (continued)

Section Conditions

The Policy Conditions 1–6 and 11–15 apply to this Section and in addition

- 1** No claim will be paid unless the Insured and where applicable the Member complies strictly with these conditions:
 - a** The Insured or the Member must give notice to the Insurer as soon as possible and in any event within 30 days after the happening of any loss, damage or occurrence which may result in a claim under this Policy.
 - b** The Insured or the Member must provide the Insurer with all information and evidence which the Insurer may reasonably require at no cost to the Insurer.
 - c** The Insured or the Member must at the Insurer's request provide a medical examination report in respect of any Accidental Bodily Injury where the Insured requires the Insurer to consider a claim under this policy for which the Insurer will pay the cost of the medical examination fee.
 - d** The Insured must ensure that as soon as possible after the occurrence of any Accidental Bodily Injury the Member obtains and follows the advice of a registered medical practitioner. The Insurer will not be liable for any bodily injury or medical condition which is worsened or prolonged or any other consequences which arise as a result of the Member's failure to obtain and follow such advice and to use such treatment remedies or appliances as may be prescribed.
 - e** In the event of the death of a Member the Insurer will be entitled to have a post-mortem examination carried out at its expense.
 - f** For the Insured to claim for Weekly Benefits under this policy the Member must have no other weekly benefits insurance in force except as declared to and accepted by the Insurer during the Period of Insurance.
- 2** If the Insured fails to comply with Policy Condition 5 (Fair Presentation of the Risk), the Insurer will not invoke any of the remedies available to it under that Condition as against the Insured, if the failure concerns only facts or information which relate to a particular Member or Members. In that case, provided that the Member concerned or the Insured on their behalf made a careless misrepresentation of facts, the Insurer may invoke the remedies available to it under Policy Condition 5 as against that Member only, as if a separate insurance contract had been issued to such person, leaving the remainder of the Policy unaffected.
- 3** Payment by the Insurer to the Insured of any Weekly Compensation does not prejudice the Insured's entitlement to any other Benefit but payment of Weekly Compensation will cease if the Insurer pays any of Benefits **1** to **14** and the Insurer will not be liable to pay any further Benefits in respect of the same Member for the same claim.
- 4** The Scale of Compensation shows the Weekly Compensation payable to the Insured for each complete working week of Temporary Total Disablement or Sickness. Payment for any incomplete working week will be calculated as a proportion of the Weekly Compensation shown in the Scale of Compensation equivalent to the number of days of disablement compared to the number of days which the Insured normally pays the Member to work in a normal week.
- 5** The Insurer will not pay more than one of the Benefits **1** to **14** shown in the Scale of Compensation in respect of any one Member for injuries arising from the same Loss.
- 6** The Insurer will only pay Temporary Total Disablement or Sickness in respect of any one Member for the same Loss.

Section 5 – Personal Accident and Sickness (continued)

- 7 The Insurer will only pay for one fracture per bone.
- 8 If a claim or series of claims under this Section arising out of or consequent upon (or contributed to directly or indirectly by) any one originating event exceeds £750,000 the amount of benefit paid will be proportionately reduced to an amount that does not exceed £750,000.
- 9 Unless otherwise agreed by the Insurer and specifically noted in this Section no person aged 80 or over at commencement of the Period of Insurance will be covered by this Section.
- 10 If any fraud to which Policy Condition 4 (Fraud) relates is perpetrated by or on behalf of a Member (and not on behalf of the Insured), Policy Condition 4 should be read as if it applies only to that Member's claim and references to the Policy should be read as if they were references to the cover effected for that person alone and not to the Policy as a whole.

Section 6 – Commercial Legal Expenses

The cover provided under this Section covers Claims where the Insured Person

- is first aware, or should have been aware of a dispute with a third party; or
- first becomes aware, or should have been aware, of a dispute with a third party relating to their legal rights; or
- first receives notification from HMRC or another relevant authority, of its intention to investigate or instigate an HMRC Investigation; and

notifies the Insurer of the same during the Period of Insurance.

Definitions

In addition to the Policy Definitions the following Definitions also apply to this Section:

Acts of Parliament

All Acts of Parliament referred to in this Section will include a reference to all Orders and Regulations made under them and to any subsequent amendments or re-enactments enforceable within the Territorial Limits.

Any One Claim

All Claims or series of Claims including any appeal against a judgment or decision arising out of the same original cause, event or circumstance.

Awards of Compensation

Basic Awards and Compensatory Awards made against the Insured by an employment tribunal, employment appeal tribunal or superior court, or associated settlements agreed as a result of negotiation, conciliation or arbitration proceedings and to which the Insurer's previous Consent has been given, other than

- a any awards of compensation against the Insured for a redundancy payment or monies due under a contract of employment; or
- b any award arising from a failure by the Insured to provide written reasons for dismissal; or
- c any award or pay specified in a reinstatement or re-engagement order; or
- d any financial benefit or compensation payable under any share option scheme or pension scheme.

Basic Awards

Basic Awards are determined in accordance with section 119 of the Employment Rights Act 1996. For the avoidance of doubt Basic Awards do not include additional awards, protective awards, aggravated damages or interim relief.

Claim

For the purposes of this Section a claim is any

- civil proceeding, excluding employment or taxation disputes, brought by or against an Insured Person; or
- employment claim brought against the Insured; or
- HMRC investigation into the tax affairs of the Insured; or
- criminal proceeding brought against an Insured person.

Provided that the Claim is made by or against the Insured and notified to the Insurer during the Period of Insurance, a Claim will be deemed to be made as follows:

- for civil cases, excluding employment or taxation disputes, the date the Insured Person is first aware or should have been aware of a dispute with a third party.
- for employment disputes the date when the Insured first receives a Claim Form (ET1) from an employment tribunal.
- for taxation disputes or investigations affecting the Insured's Business, the date when HMRC, or another relevant authority, first notifies the Insured of the intention to carry out an HMRC Investigation.
- for criminal cases, the date when the Insured Person receives a summons informing them criminal proceedings are being taken against them.
- for all cases involving possible changes to a statutory licence, the date when the Insured Person receives the decision of the relevant licensing authority informing them of their intention to suspend, revoke or alter the terms of the business licence.

Compensatory Awards

The amounts awarded in accordance with section 123 of the Employment Rights Act 1996 at the discretion of an employment tribunal, employment appeal tribunal or superior court to compensate for loss of earnings and benefits. For the avoidance of doubt Compensatory Awards do not include additional awards, protective awards, aggravated damages or interim relief.

Section 6 – Commercial Legal Expenses (continued)

Commercial Tenancy Agreement

An agreement under which the Insured:

- a lets the Premises to a Commercial Tenant; or
- b occupies the Premises as a Commercial Tenant

in connection with the Business and in return for the payment of rent.

Commercial Tenant

The lawful tenant who occupies the Premises for non-residential purposes.

Contract

An actual or alleged contract, whether verbal or in writing to which the Insured is a party, for the sale, purchase, hire, service, supply or repair of goods or for the supply or purchase of a service. A Contract does not include:

- any actual or alleged contract with an Employee, sub-contractor or self-employed person for the purposes of employment activities; or
- any franchise or distribution agreement.

Data Protection Compensation Awards

Compensation awarded in accordance with Data Protection Legislation against the Insured for the holding, loss or unauthorised disclosure of data.

Debt Recovery Service

The debt collection service nominated by the Insurer which is provided as an Additional Service to the Insured for the recovery of Undisputed Debts.

Employee

Any person under a permanent full or permanent part time contract of service or apprenticeship with the Insured.

Territorial Limits

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

For claims relating to personal injury – as above plus any member country of the European Union and Liechtenstein, Iceland, Norway and Switzerland.

Guideline Hourly Rates

The guideline hourly rates for solicitors set by the Senior Court Costs Office.

HMRC

HM Revenue & Customs.

HMRC Investigation

a Tax Enquiry

A written notice of enquiry, issued by HMRC, to carry out an Income Tax or Corporation Tax compliance check which either:

- i includes a request to examine any aspects of the Insured's books and records; or
- ii advises of a check of the Insured's whole tax return

b VAT Disputes

A dispute with HMRC following the issue of an assessment, written decision or notice of a civil penalty relating to the Insured's VAT affairs

c Employer Compliance Dispute

A dispute with HMRC concerning the Insured's compliance with Pay As You Earn, national insurance contributions or Construction Industry Scheme.

Insured Person

The Insured and, at the request of the Insured, the Insured's proprietors, partners and directors and also all Employees acting in the normal course of their employment.

Insurer

Allianz Insurance plc and any of its subsidiary companies.

Section 6 – Commercial Legal Expenses (continued)

Jury Service Allowance

The payment of up to £100 per day to the Insured in respect of an Insured Person who is absent from work as a result of their attendance for jury service within the Territorial Limits, but only in so far as payment of such sum has been made by the Insured to the Insured Person under any contract of employment and cannot be recovered from the court. For every day the Insured Person is off work, including the time it takes to travel to and from the court, the payment will be the lesser of

- a if the Insured Person works full time, 1/250th of the Insured Person's annual salary or wages; or
- b if the Insured Person works part time, a proportion of the Insured Person's weekly salary or wages equivalent to one day's salary or wages; or
- c £100.

Payments will be calculated to the nearest half day (assuming a whole day is eight hours).

Lawphone Legal Helpline

A telephone advisory service provided by the Insurer:

- a to advise the Insured on Business related legal matters and
- b for the Insured to report all Claims under this Section to the Insurer.

Legal Expenses

Fees and Expenses

- a any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the Legal Representative on the Standard Basis up to the Guideline Hourly Rates incurred with the prior written consent of the Insurer in respect of any Claim, including costs and expenses of expert witnesses and those incurred by the Insurer in connection with such Claim.

- b any legal or professional fees, expenses or other disbursements incurred by other parties in pursuing or defending any Claim, insofar as the Insured Person is held liable in a civil court or tribunal to pay such costs or under a settlement made with another party with the Insurer's prior written consent, but excluding any costs which the Insured Person may be ordered to pay by a court of criminal jurisdiction.
- c any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the Legal Representative on the Standard Basis up to the Guideline Hourly Rates incurred with the prior written consent of the Insurer in an appeal, or in resisting an appeal, against the judgment of a relevant court or tribunal in respect of any Claim.
- d any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the Legal Representative at such rates, or in such amounts, as may be agreed with the prior written consent of the Insurer where it is necessary for an accountant to represent the Insured in connection with any Claim relating to an HMRC Investigation or subsequent appeal, but excluding any tax, interest and penalties demanded, assessed or requested by HMRC.

Legal Expenses do not include the payment of Value Added Tax (VAT) which is recoverable by the Insured Person from elsewhere.

Legal Representative

A solicitor, barrister, accountant or any other appropriately qualified person that the Insurer appoints in the name of and on behalf of the Insured Person with the prior written agreement of the Insurer to act for the Insured Person in respect of any Claim in accordance with the terms of this Section.

Section 6 – Commercial Legal Expenses (continued)

Reasonable Prospects of a Satisfactory Outcome

- a** In civil proceedings and in all appeals, including employment tribunal disputes, Reasonable Prospects of a Satisfactory Outcome only exist if the Legal Representative advises that the Insured Person is more likely than not to succeed, assuming the case was determined at trial or other final hearing at first instance and the likely damages claimed and recovered by or against the Insured Person will exceed the Insured Person's own likely Legal Expenses.
- b** In criminal proceedings and in all appeals, Reasonable Prospects of a Satisfactory Outcome only exist if the Legal Representative advises that
 - i** the Insured Person is more likely than not to succeed in defending the prosecution assuming the case was determined at trial or other final hearing at first instance; or
 - ii** the Insured Person is more likely than not to succeed in a significant mitigation of their sentence or fine where the Insured Person intends to plead guilty to the offence, or is advised to do so by the Legal Representative.
- c** In an HMRC Investigation and in all appeals following an HMRC Investigation, Reasonable Prospects of a Satisfactory Outcome only exists if the Insured is more likely than not to succeed in reversing the decision made or reducing the liabilities alleged by HMRC.

Standard Basis

The normal method used by the court to assess Legal Expenses which the court decides are proportionate to the Insured Person's legal action and have been reasonably incurred by the Legal Representative and the Insured Person's opponent.

Undisputed Debt

Money and interest that has not been paid to the Insured under the terms of a Contract. An Undisputed Debt will exist if, in the opinion of the Debt Recovery Service or the Insurer, the other party to the Contract would not have a realistic chance of succeeding in defending any legal action taken in respect of the amount due.

Witness Attendance Allowance

The payment of up to £100 per day to the Insured in respect of the Insured Person who is absent from work as a result of their attending as a witness for the Insured at a hearing, court, tribunal or arbitration within the Territorial Limits at the request of the Legal Representative with the Insurer's prior written consent, but only in so far as this is not otherwise recoverable by the Insured Person from the relevant hearing, court, tribunal or arbitration. For every day the Insured Person is off work, including the time it takes to travel to and from the court, the payment will be the lesser of

- a** if the Insured Person works full time, 1/250th of the Insured Person's annual salary or wages; or
- b** if the Insured Person works part time, a proportion of the Insured Person's weekly salary or wages equivalent to one day's salary or wages; or
- c** £100.

Payments will be calculated to the nearest half day (assuming a whole day is eight hours).

Section 6 – Commercial Legal Expenses (continued)

Limit of Indemnity

The maximum amount the Insurer is liable to pay under this Section is the Limit of Indemnity shown on the Schedule.

Cover

The Insurer agrees to pay up to the Limit of Indemnity and on behalf of the Insured Person:

- a** Legal Expenses;
- b** Awards of Compensation;
- c** Data Protection Compensation Awards;
- d** Jury Service Allowance; and
- e** Witness Attendance Allowance

incurred by the Insured Person in the pursuit or defence of any Claim:

- a** brought within the Territorial Limits; and
- b** made and first notified to the Insurer within the Period of Insurance; and
- c** arising from the Insured's Business.

Provided that

- a** the Insured Person first became aware or should have been aware of the dispute, and reported this to the Insurer during the Period of Insurance; and
- b** Reasonable Prospects of a Satisfactory Outcome exist at all times; and
- c** for employment disputes only, the Insured has consulted with and followed the advice of Lawphone Legal Helpline, another solicitor or a suitably qualified person.

Section Exclusions

In addition to the Policy Exclusions the Insurer will not provide any cover where the Claim relates to or arises out of the following.

- 1** Any cause, event or circumstance occurring prior to or existing at the inception or on or after the renewal of this Section and which the Insured Person knew, or ought to have known, may give rise to a Claim by or against the Insured Person.
- 2** Any employment issue where the Insured has not consulted with, and followed the advice of, Lawphone Legal Helpline or any other solicitor or suitably qualified person before taking any action or making any decision which might give rise to a Claim against the Insured, such as making any significant changes to an Employee's contract or taking any action which leads to the giving of a formal warning to, or the dismissal of (including redundancy), an Employee. The Insured should be able to evidence that advice received has been followed.
- 3** Any dispute which arises out of the establishment of, or failure to establish, a transfer of employment under the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Acquired Rights Directive 2001 or a breach, or alleged breach, of either.
- 4** Any matter relating to a tax avoidance scheme. For the avoidance of doubt a tax avoidance scheme is any matter which is, or may be, notifiable to HMRC under the regulations for Disclosure of Tax Avoidance Schemes (DOTAS) or the disclosure regime for VAT.
- 5** Any matter or investigation conducted by HMRC Fraud Investigation Service or Specialist Investigations, or conducted under the HMRC Civil Investigation of Fraud, Code of Practice 9, or Criminal Investigations procedures or conducted under the General Anti-Abuse Rule.

Section 6 – Commercial Legal Expenses (continued)

- 6** Any claim relating to or arising from the following alleged activities:
- i** Fraud, money laundering, bribery offences, breaches of international sanctions, theft or other dishonest activities; or
 - ii** Offences against another person including but not limited to violence or sexual offences; or
 - iii** Criminal proceedings relating to the manufacture, distribution or use of weapons, alcohol, drugs, indecent or obscene materials; or
 - iv** Any enquiry, investigation or criminal proceedings by HMRC into alleged dishonest or alleged criminal activities; or
 - v** Pollution
- 7** Any dispute arising from an agreement the Insured enters into to let the Premises for residential purposes.
- 8** For all matters relating to statutory licences there is no cover for:
- i** Any claim or appeal arising out of a hearing which took place because of a commercial decision made by the Insured Person in relation to the Business; or
 - ii** Any claim or appeal following a hearing the Insured Person knew about, or should reasonably have known about, before this Section commenced; or
 - iii** Any claim or appeal against a decision involving a statutory licence in respect of which the Insured Person has made an appeal in the 12 months before this Section commences; or
 - iv** Any disciplinary or internal procedures conducted by authorities charged with the regulation of the Insured Person in the performance of their normal Business activities, or any appeal following such procedures; or

- v** Any suspension, revocation, alteration or refusal to renew a statutory licence which is required by Acts of Parliament or national or local government regulation or order.

For the avoidance of doubt a statutory licence is a licence or certificate of registration issued under statute, statutory instrument or by a Government or local authority to the Insured Person and which is required to enable the Insured Person to carry on the normal activities of the Business.

- 9** The pursuit by the Insured of an Undisputed Debt.
- 10** Commercial Tenancy Agreements where the dispute
- i** relates to service charges, tax, planning or building regulations or decisions; or
 - ii** relates to the renewal of a lease or Commercial Tenancy Agreement; or
 - iii** is over the freehold, leasehold, commonhold or title of the Premises; or
 - iv** is with Government or local authority departments concerning the imposition of rates or other local taxes.
- 11** A dispute arising from a breach or alleged breach of a professional duty by an Insured person arising out of or in connection with any
- i** advice or specification; or
 - ii** error or omission in any advice.
- 12** An enquiry under Public Notice 160 or Section 60 of the VAT Act 1994.
- 13** Any matter concerning IR35 legislation.
- 14** Any dispute concerning computer hardware, software, systems or services designed or adapted specifically for the Business.
- 15** Any adjudication or arbitration whether formal or informal.

Section 6 – Commercial Legal Expenses (continued)

- 16** A deliberate, conscious, intentional or reckless act or statement by the Insured Person or where the Insured Person has shown wilful disregard for the need to take all reasonable steps to avoid, prevent and limit the extent of any such Claim.
- 17** An allegation of libel, slander or malicious falsehood including defamation or injury to reputation.
- 18** An application for a private prosecution, judicial review or other challenge to any legislation or proposed legislation or the decision of any public body.
- 19** Assignment, bailment, bills of exchange, credit, securities or guarantees.
- 20** Legal Expenses, Awards of Compensation, Data Protection Compensation Awards, Jury Service Allowance or Witness Attendance Allowance incurred without the Insurer's prior written Consent.
- 21** Fines, aggravated or liquidated damages or other penalties imposed by a court, tribunal or regulator, including any costs awarded against the Insured Person following criminal proceedings.
- 22** Any dispute between the Insured Person and the Insurer or between the Insured Person and the Legal Representative in respect of a Claim under this Section, or between the Insured and the provider of any Additional Service or telephone helpline available under this Section.
- 23** Any dispute between individuals comprising the Insured or with any subsidiary, parent or associated company of the Insured including any dispute with an existing or former employee, director or shareholder or arising from a shareholding agreement, a partnership agreement or a trust.
- 24** Patents, copyrights, trademarks, merchandise marks, registered designs or other intellectual property, breach of secrecy or confidentiality, passing off actions or restrictive covenants.
- 25** Defending the Insured Person in any legal proceedings arising from alleged or actual breach of any duty owed by that person as a director or officer of the Insured, other than in relation to the Insured Person's activities as a pension trustee.
- 26** Legal Expenses or other expenses incurred by the Insured which relate to the preparation of accounts, self assessment activities or any work carried out prior to the commencement of the HMRC Investigation.
- 27** Any HMRC compliance check or dispute with HMRC concerning the Insured's compliance with regulations relating to the National Minimum wage or the National Living Wage.
- 28** Any HMRC enquiry which is not shown in the definition of HMRC Investigation.
- 29** Any dispute arising out of the amount payable under an insurance policy.
- 30** Any dispute arising out of damage caused to motor vehicles.
- 31** Any dispute relating to the eviction of persons who are not Tenants from the Insured's Property or the repair of damage to the Insured's Property from persons who have been evicted and are not Tenants.
- 32** Any Commercial Tenancy dispute where the Commercial Tenant is a sub-let or part of a multi-occupation.
- 32** Any Claim in respect of which the Insured Person is entitled to an indemnity or contribution under any other Section of this Policy.
- 33** Any dispute with Allianz Insurance plc or any of its subsidiary companies.
- 34** Any matter involving the defence of a personal or bodily injury claim (including psychiatric injury or stress).

Section 6 – Commercial Legal Expenses (continued)

Section Conditions

In addition to the Policy Conditions, the following also apply to this Section.

A General Conditions

1 Arbitration

Any dispute between the Insured Person and the Insurer concerning this Section shall be referred to a single arbitrator who will be either a solicitor or barrister agreed upon by the parties or failing agreement one who is nominated by the President of the appropriate Law Society or by the Chairman of the Bar Council or equivalent professional body within the Territorial Limits.

All the costs of the arbitration shall be met in full by the party against whom the arbitration award is made unless that person made the other an earlier without prejudice offer which was more favourable than the arbitration award. If the arbitration award is not clearly made against one party the arbitrator will have the power to apportion costs. If the arbitration award is made in the Insurer's favour, the Insured Person's costs will not be recoverable under this Section. The arbitration award will be final and binding upon both the Insured Person and the Insurer and cannot be the subject of an appeal.

2 Maintenance of Records

It is a condition precedent to the Insurer's liability to provide Cover under this Section that the Insured has kept and maintained reasonable books and records. Where the Insured is a corporate organisation such books and records must have been kept in accordance with the Companies Acts.

3 Disclosure of the Existence of this Section

The Insured Person and the Legal Representative must not reveal the existence of this Section to any other person or entity unless the Insurer has given prior written consent or is ordered to do so by a court.

4 Assignment

This Section may not be assigned by the Insured Person or by the Insured Person's executors or administrators.

B Claims Process Conditions

1 Notification of Claims

It is a condition precedent to the Insurer's liability to provide Cover under this Section that the Insured Person notifies the Insurer in writing, by the completion of a claim form, or in another way confirmed by the Insurer in writing to the Insured Person

- i immediately after the Insured Person becomes, or should have become, aware of any event or circumstance which gives rise to a Claim involving the Insured Person; and
- ii immediately following receipt of any letter or other notification of a claim, claim form, summons or other legal process.

If the Insured Person fails to notify the Insurer of such event or circumstance during the same Period of Insurance in which the Insured Person first became aware of it, the Insurer will not provide cover for any Claim arising from that event or circumstance. When such a notification has been given, any subsequent Claim in respect of the event or circumstance notified will be treated as though the Claim had been first notified to the Insurer during the same Period of Insurance in which notification of the original event or circumstance occurred.

Important procedure for employment disputes

If a **Claim Form (ET1)** is received from an employment tribunal it is a condition precedent to the Insurer's liability that the Insured must **immediately** complete a claim form and forward it to the Insurer, to arrive no later than 7 days after receipt of the **Claim Form (ET1)**. **Response Form (ET3)**, which should be left blank, must also be sent to the Insurer.

Important procedure for criminal proceedings

If a summons is received by the Insured notifying of criminal proceedings involving the Insured it is a condition precedent to the Insurer's liability that the Insured must **immediately** contact the Insurer and forward a copy of the summons to the Insurer, to arrive no later than 7 days after receipt of the summons by the Insured.

Section 6 – Commercial Legal Expenses (continued)

2 Consent

It is a condition precedent to the liability of the Insurer to provide Cover under this Section that the Insured Person first obtain the Insurer's prior written agreement ("Consent") to

- i provide cover under this Section in respect of the Claim; and
- ii incur Legal Expenses; and
- iii pay Awards of Compensation, Data Protection Compensation Awards, Jury Service Allowance or Witness Attendance Allowance.

Consent will only be given if the Insured Person can satisfy the Insurer that:

- a there are Reasonable Prospects of a Satisfactory Outcome and
- b in a particular case, it is reasonable for Legal Expenses to be incurred and/or for the Insurer to agree to meet any Awards of Compensation, Data Protection Compensation Awards, Jury Service Allowance or Witness Attendance Allowance to be accepted under this Section.

If the Insurer and the Legal Representative do not agree on whether Reasonable Prospects of a Satisfactory Outcome exist, then the Insurer will seek the opinion of another legally qualified advisor or other expert appropriate to the Claim whom it considers it necessary to consult. If that advisor or expert's opinion differs from that of the Legal Representative, their opinion shall be substituted for that of the Legal Representative for the purposes of determining whether or not Reasonable Prospects of a Satisfactory Outcome exist.

In all cases the Insured Person will be advised in writing of the granting or refusal of Consent.

3 Dealing with the Claim

If the Insurer grants Consent a Legal Representative will be instructed and will then act in accordance with Claims Process Condition 8.

The Insurer may withdraw Consent previously given at any time if facts become known which would mean that a particular Claim should not have been accepted under the terms of this Section or if there are no longer Reasonable Prospects of a Satisfactory Outcome. Provided there has been full compliance with the Section terms the Insurer agrees to indemnify the Insured Person in respect of Legal Expenses, Jury Service Allowance or Witness Attendance Allowance incurred up to the date when the Insurer notified the Insured Person that Consent had been withdrawn.

If the Insured Person decides to proceed with the pursuit or defence of a Claim to which the Insurer has refused to give Consent and is subsequently successful the Insurer will, subject to the terms, exclusions and conditions of this Section, pay Legal Expenses, Jury Service Allowance or Witness Attendance Allowance as if the Insurer had given Consent at the outset.

4 Duty of the Insured Person to Minimise Claims

In respect of any Claim for which Consent has been granted under the Section the Insured Person must take all reasonable measures to minimise the Legal Expenses, Awards of Compensation, Data Protection Compensation Awards, Jury Service Allowance or Witness Attendance Allowance incurred and any other matters which may affect the Insurer's liability in respect of any Claim under this Section.

If the Insured Person fails to comply with this term then the Insurer will have the right to adjust the Insurer's liability under this Section to the extent that the Claim would have cost the Insurer had the Insured Person complied with this term.

Section 6 – Commercial Legal Expenses (continued)

5 The Insurer's Right to Settle Claims

The Insurer shall have the right to take over and conduct in the name of the Insured Person the pursuit or defence of any Claim at any time and can settle any Claim on behalf of the Insured Person on such terms as the Insurer deems appropriate. At its absolute discretion, the Insurer may decide to settle the Claim by paying the Insured Person the amount of damages claimed by, or against, the Insured Person instead of indemnifying the Insured Person for Legal Expenses, Awards of Compensation, Data Protection Compensation Awards or Witness Attendance Allowance. Where the Insurer exercises this discretion the Insurer will cease to be liable for any further Legal Expenses, Awards of Compensation, Data Protection Compensation Awards or Witness Attendance Allowance in respect of that Claim.

6 Insolvency of the Insured Person

During the course of any Claim to which the Insurer has given Consent, the Insurer has the right to withdraw that Consent immediately if the Insured Person

- a becomes insolvent; or
- b enters into liquidation; or
- c makes an arrangement with creditors; or
- d enters into a deed of arrangement; or
- e has part or all of their affairs assets or property placed in the care or control of a receiver or a liquidator; or
- f has an administration order over their affairs assets or property.

Provided there has been full compliance with the Section terms the Insurer agrees to indemnify the Insured Person in respect of Legal Expenses, Jury Service Allowance and Witness Attendance Allowance incurred up to the date when the Insurer notified the Insured Person that Consent had been withdrawn.

7 Appeal Procedure

If, following legal proceedings to which the Insurer has given Consent, the Insured Person wishes to appeal against the judgment or decision of a court or tribunal, it is a condition precedent to the Insurer's liability to provide cover under this Section that the grounds of such appeal must be submitted to the Insurer in good time and by secure means so that the Insurer may consider whether there are Reasonable Prospects of a Satisfactory Outcome in respect of the appeal and if so whether to Consent to such an appeal. The terms of Claims Process Condition 2 shall apply to any appeal which the Insured Person wishes to make.

If the Insurer wishes to appeal against the judgement or decision of a court or tribunal, the Insured Person will co-operate fully in an appeal. If the Insured Person fails to do so, any Legal Expenses, Awards of Compensation, Data Protection Compensation Awards, Jury Service Allowance or Witness Attendance Allowance paid for by the Insurer must be repaid.

8 Legal Proceedings

a Freedom to choose a Legal Representative

For any Claim where the Insurer may be liable to pay Awards of Compensation in respect of employment disputes or Data Protection Compensation Awards, the Insurer will choose the Legal Representative.

For any other Claim the Insurer will choose the Legal Representative at any time before the Insurer agrees that legal proceedings need to be issued or defended. The Insured Person can only choose a Legal Representative if the Insurer agrees that legal proceedings need to be issued or defended or if a conflict of interest arises which means that the Legal Representative originally chosen by the Insurer cannot act for the Insured Person. The Insured Person must send the name and address of the Insured Person's chosen Legal Representative to the Insurer. If the Insurer agrees to appoint a Legal Representative that the Insured Person chooses, that Legal Representative will be appointed on the same terms as the Insurer would have appointed its chosen Legal Representative, except where the Insurer and the Legal Representative reach a different agreement.

Section 6 – Commercial Legal Expenses (continued)

In respect of any Claim for which the Insurer has granted Consent, the Legal Representative will be appointed in the name of and on behalf of the Insured Person to act for the Insured Person in accordance with the terms of this Section.

In agreeing to the selection of a Legal Representative the Insured Person will comply with Claims Process Condition 4.

The Insurer's liability to provide cover under this Section will cease immediately with no liability to indemnify the Insured Person in any respect unless in its absolute discretion the Insurer agrees to another Legal Representative being appointed to continue acting for the Insured Person under the terms of this Section, if:

- i due to any conduct or failure to act by the Insured Person, the Legal Representative reasonably refuses to continue acting for the Insured Person, or
- ii the Insured Person dismisses the Legal Representative against the advice of the Legal Representative and without the Insurer's prior written agreement.

b Disclosures to the Legal Representative

It is a condition precedent to the Insurer's liability to provide cover under this Section that the Insured Person must

- i give the Legal Representative all possible help and information including a complete and truthful account of the facts of the case; and
- ii provide the Legal Representative with all relevant documentary or other evidence in the Insured Person's possession; and
- iii provide, obtain or execute all documents considered necessary by the Legal Representative and attend meetings or conferences as requested.

c Access to Information

The Insurer is entitled to receive from the Legal

Representative any information, document or advice in connection with any Claim, even if privileged. On request the Insured Person will give to the Legal Representative any instructions necessary to secure the required access.

d Duties of the Insured Person and Legal

Representative in relation to any Claim

- i It is a condition precedent to the Insurer's liability to provide cover under this Section that the Insured Person, or on their behalf, the Legal Representative immediately notify the Insurer in writing of any information as soon as it is received which may affect the Insurer's opinion on the Reasonable Prospects of a Satisfactory Outcome of the Claim
- ii The Insured Person, or on their behalf the Legal Representative must inform the Insurer in writing as soon as any offer to settle a Claim is received or made. The Insured Person or the Legal Representative must not under any circumstances enter into any agreement to settle without the Insurer's prior written consent. If the Insured Person, or on their behalf the Legal Representative, fails to inform the Insurer as soon as an offer to settle a Claim is received or made, cover under this Section will cease with effect from the date of the offer. If, in the Insurer's opinion, the Insured Person unreasonably withholds agreement to settle, cover under this Section will cease from the date on which the Insured Person ought reasonably have agreed to settle. The Insurer agrees to indemnify the Insured Person in respect of Legal Expenses incurred up to the date when cover ceased
- iii The Insured Person, or on their behalf the Legal Representative, must report in writing the result of the Claim to the Insurer when it is finished.

Section 6 – Commercial Legal Expenses (continued)

e Payment of Legal Representative's Bills

The Insurer shall have the right to settle Legal Expenses at the conclusion of a Claim.

The Insured Person should forward all bills which are received from the Legal Representative relating to the Claim to the Insurer without delay following conclusion of the Claim. If the Insurer requires, the Insured Person must ask the Legal Representative to submit the bill of costs for audit or assessment by the appropriate court or, at the discretion of the Insurer, a law costs draughtsman or other competent party. The Insurer will only pay Legal Expenses that are determined as reasonable by the audit or assessment.

The Insurer may settle a payment of Legal Expenses, Awards of Compensation, Data Protection Compensation Awards, Jury Service Allowance or Witness Attendance Allowance direct with the Legal Representative if it is appropriate for the Insurer to do so. The payment of some Legal Expenses does not imply that all Legal Expenses will be paid on the Insured Person's behalf.

The Insured Person must not, without the Insurer's prior written consent, enter into any agreement with the Legal Representative as to the basis of calculation of Legal Expenses. This agreement is normally known as either a conditional fee agreement or a damages based agreement.

f Instruction of a Barrister

If, during the course of any Claim (and subject always to compliance with Claims Process Condition 2), the Insured Person or the Legal Representative considers it necessary and wishes to instruct a barrister, the barrister's name must first be submitted to the Insurer for Consent to the proposed instruction.

g Conduct of the Claim

It is a condition precedent to the Insurer's continuing liability to provide cover under this Section that the Insured Person

- i does not withdraw from a Claim or dismiss the Legal Representative without the written agreement of the Insurer and the Legal Representative; and
- ii co-operates fully with the Legal Representative and the Insurer in the conduct of the Claim; and
- iii follows the advice of the Legal Representative.

If the Insured Person fails to comply with i, ii or iii then the Insurer's liability to provide cover under this Section will cease immediately and the Insurer will not be responsible for the payment of Legal Expenses, Awards of Compensation or Data Protection Compensation Awards and will be entitled to reimbursement of all Legal Expenses already incurred and any Jury Service Allowance or Witness Attendance Allowance already paid in respect of the Claim unless the Insurer agrees to appoint another Legal Representative to continue the Claim.

h Award of Costs

Where the Insured Person is awarded costs, it is a condition precedent to the Insurer's liability to provide cover for Legal Expenses that the Insured Person and the Legal Representative must take every reasonable step to recover Legal Expenses which would be or have been subject to payment under this Section. All such recoveries will be taken into account when calculating the Insurer's liability under this Section.

i Alternative Dispute Resolution

When, in the Insurer's opinion, alternative dispute resolution would appear to provide a more effective method of resolving any Claim, the Insurer may request that the Insured Person agrees to submit such Claim to a professional dispute resolution service, to be selected by the Insurer.

In considering alternative dispute resolution the Insured Person will comply with Claims Process Condition 4 and will not therefore unreasonably withhold Consent.

Section 6 – Commercial Legal Expenses (continued)

Communications

All notices and communications from the Insurer or the Insurer's representatives to the Insured Person will be deemed to have been duly sent if sent to the Insured Person's last known address or, in relation to any matters arising out of any Claim, if sent to the Legal Representative.

All notices and communication from the Insured Person to the Insurer should be sent to:

Allianz Legal Protection
Allianz-ALP
PO Box 10623
Wigston
LE18 9HJ
United Kingdom

Telephone: **0370 243 4340**

(open 9am to 5pm, Monday to Friday, excluding Bank Holidays)

Email: alpenquiries@allianz.co.uk

Additional Services

In addition to the indemnity provided by this Section, further services are available to the Insured. The Insured may access these services at any time during the Period of Insurance, although the Insurer will not be liable to the Insured or Insured Person for any Legal Expenses or other costs or expenses, loss or damage incurred as a result of using the services or any advice received from the provider of these services. This is because these services are not provided by the Insurer.

Further, no liability can be accepted for inability to provide any benefits or advice due to breakdown or failure of the telephone network.

There may be an additional charge payable by the Insured or Insured Person for the use of these additional services.

1 Undisputed Debt Recovery Service

The Insured has access to the Undisputed Debt Recovery Service if the Insured has an Undisputed Debt of at least £250 and the legal action to recover that Undisputed Debt can be brought within Great Britain. The Undisputed Debt should be referred to the Undisputed Debt Recovery Service as soon as possible after the amount becomes due and payable.

The Undisputed Debt Recovery Service is provided by an organisation that specialises in the recovery of debts. The organisation providing the Undisputed Debt Recovery Service is not part of the Insurer and does not act on the Insurer's behalf. For Undisputed Debts that are pursued in England or Wales, that organisation will be DWF LLP, of 5 St Paul's Square, Old Hall Street, Liverpool L3 9AE. For Undisputed Debts that are pursued in Scotland, the service will be provided by Jackson Boyd Solicitors, of 247 West George Street, Glasgow, Lanarkshire G2 4QE.

When the Insured needs to contact the Undisputed Debt Recovery Service the Insured should call the number below, which relates to the country in which the Undisputed Debt will be pursued. The Insured should quote 'Allianz Undisputed Debt Recovery Service' and the Master Policy reference contained within the Policy Schedule.

Debts pursued in England or Wales: **0151 907 3141**
Debts pursued in Scotland: **0141 249 6171**

The telephone lines are open between the hours of 9.00am and 5.00pm, Monday to Friday (excluding Public Holidays).

Use of the Undisputed Debt Recovery Service by the Insured will be subject to a fee being payable by the Insured to the Undisputed Debt Recovery Service. The fee will be a percentage of the Undisputed Debt.

Section 6 – Commercial Legal Expenses (continued)

The level of the fee, and the time at which it will be payable by the Insured, will be confirmed to the Insured by the Undisputed Debt Recovery Service when the Undisputed Debt Recovery Service is initially contacted. There may be additional expenses that are necessarily incurred by the Undisputed Debt Recovery Service to recover the Undisputed Debt. These will also be payable by the Insured and will be confirmed by the Undisputed Debt Recovery Service to the Insured at the appropriate time.

This Section does not cover the fee charged by the Undisputed Debt Recovery Service or any expenses incurred in recovering the Undisputed Debt.

If, in the view of the Undisputed Debt Recovery Service and the Insurer, the other party to the Contract submits a viable defence in respect of the Undisputed Debt the Insured must report the matter as a civil Claim in respect of a contract dispute pursuit. The pursuit of the disputed debt will then be handled in accordance with the terms and conditions of this Section.

2 Solicitor Employment Support Service

The Insured has access to the Solicitor Employment Support Service if the Insured requires the use of a solicitor to carry out a redundancy programme relating to an Employee, on behalf of the Insured.

In the first instance the Insured should contact Lawphone on **0344 873 0845** and provide a brief summary of the problem. The details will be passed to an advisor who will return the Insured's call. If the advisor decides the Insured would benefit from the use of a solicitor they will pass the details on to the solicitor to arrange a mutually convenient time for this to take place.

There is an additional charge to use this service and this additional charge will not be covered by this Policy.

The telephone helpline is provided by Allianz Legal Protection, a trading name of Allianz Insurance plc.

The Solicitor Employment Support Service is provided by DWF LLP of 5 St Paul's Square, Old Hall Street, Liverpool L3 9AE.

3 Specialist Legal Support Service

The Insured has access to a specialist solicitor if:

- Lawphone is unable assist with the legal problem because it is specialist in nature; or
- the Claim is not covered by this Section; or
- the Insured requires a full legal review of the Business.

This service aims to deal with issues which are specialist in nature. The solicitor will work with the Insured to prevent legal problems from happening by concentrating on specific areas of the Business or assessing the Business for areas where legal issues may arise and address those areas.

There is an additional charge for this service depending on the issues which need to be addressed and this additional charge will not be covered by this Policy.

In the first instance the Insured should contact Lawphone on **0344 873 0845** and provide a brief summary of the problem. The details will be passed to an advisor who will return the Insured's call.

The solicitor support is provided by DWF LLP of 5 St Paul's Square, Old Hall Street, Liverpool L3 9AE.

4 Crisis Response

The Insured has access to a range of services to provide support to prepare for, and deal with, a business crisis. In the first instance the Insured will need to register at dwf.law/crisisresponse for access to the free crisis response service including crisis response updates by email, cyber security updates and access to a free dedicated workshop programme.

In addition, the Insured will have access to crisis management training, reviews and a bespoke crisis management plan. There is an additional charge for this service depending on the issues which need to be addressed and this additional charge will not be covered by this Policy.

The crisis response service is provided by DWF LLP of 5 St Paul's Square, Old Hall Street, Liverpool L3 9AE.

Section 7 – Property Damage

Definitions

Premises

The Buildings at the address or addresses shown in the Schedule, including their grounds, all within the boundaries for which the Insured are responsible and being, unless more specifically described in the Schedule, occupied solely by the Insured for the purpose of the Business.

Cover

The Insurer will pay the Insured for Damage to Property Insured at the Premises caused by any of the Events operative under this Policy and not otherwise excluded occurring during the Period of Insurance.

Events

1 Fire, excluding Damage to the property insured caused

- a by explosion resulting from fire
- b by earthquake or subterranean fire
- c by its own spontaneous fermentation or heating, or its undergoing any heating process or any process involving the application of heat
- d to any particular piece of electrical apparatus or fitting which has caused a fire due to self ignition, over running, excessive pressure, short circuiting, self heating or leakage of electricity

Lightning

Explosion

- a of boilers
- b of gas

used for domestic purposes only, but excluding any Damage caused by earthquake or subterranean fire.

2 Explosion, excluding Damage

- a caused by or consisting of the bursting by steam pressure of a boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus belonging to the Insured or under the control of the Insured, in which internal pressure is due to steam only
- b in respect of and originating in any vessel, machinery or apparatus or its contents, belonging to the Insured or under the control of the Insured, which requires to be examined to comply with any statutory regulations, unless there is in force a policy of insurance or other contract providing the required inspection service.

3 Aircraft or other aerial devices or articles dropped from them.

4 Riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons excluding

- a Damage arising from nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority
- b Damage arising from cessation of work
- c Damage
 - i by theft or attempted theft
 - ii in respect of any building which is/are Unoccupied

directly caused by malicious persons not acting on behalf of or in connection with any political organisation, but the Insurer will pay for such Damage caused by fire or explosion.

5 Earthquake

6 Subterranean Fire

Section 7 – Property Damage (continued)

7 Storm, Tempest or Flood, excluding

- a Damage attributable solely to change in the water table level
- b Damage by frost, subsidence, ground heave or landslip
- c Damage in respect of fences, gates or moveable Property in the Open
- d Damage to Property contained in open-fronted or open-sided Buildings.

8 Escape of Water from any Tank, Apparatus or Pipe, excluding

- a Damage by water discharged or leaking from any automatic sprinkler installation
- b Damage in respect of any Building which is/are Unoccupied.

9 Impact by any road vehicle or animal.

10 Sprinkler Leakage

Accidental escape of water from any automatic sprinkler installation in the Premises not caused by

- a freezing whilst the Building in so far as it is in the Insured's ownership or tenancy is Unoccupied
- b explosion, earthquake, subterranean fire or heat caused by fire.

11 Theft or Attempted Theft involving forcible and violent entry to or exit from the Buildings or hold-up by violence or threat of violence to the Insured or any partner, director, employee of the Insured or members of their families or any other person who has a legal right to be on the Premises excluding Damage

- a expedited or in any way brought about by the Insured or any partner, director or employee of the Insured or any other person who has a legal right to be on the Premises
- b to Money, deeds, securities, jewellery, precious stones or precious metals, bullion, furs, curiosities, works of art or rare books unless such property is specifically described in the Schedule

- c to Property in the Open or in open sided or fronted buildings or in buildings not on permanent foundations unless such buildings are specifically described in the Schedule.

12 Subsidence, Ground Heave or Landslip of any part of the Premises on which the Property Insured stands excluding Damage caused by

- a collapse, cracking, shrinkage, expansion or settlement of Buildings or any part thereof
- b coastal or river erosion
- c defective design or workmanship or the use of defective materials including inadequate construction of foundations
- d settlement or movement of made up ground
- e the normal settlement or bedding down of new structures
- f Damage to solid floor slabs or resulting from their movement unless the foundations beneath the external walls of the Buildings are Damaged at the same time and from the same cause
- g Damage to yards, car parks, roads, pavements, landlords fixtures and fittings, security lighting and cameras, walls, gates, fences, fixed fuel oil tanks and fixed diesel tanks, piping, ducting, cables, wires and associated control gears and accessories, paved areas or footpaths
- h which originates prior to the inception of this cover
- i demolition, construction, structural alteration or repair to any Buildings or groundworks or excavation at the same Premises
- j Events **1, 2, 5, 6** or **8** of this Section.

Special Condition

The Insured shall notify the Insurer immediately they become aware of any demolition, groundworks, excavation or construction being carried out on the same or any adjoining site. The Insurer shall then have the right to vary the terms or cancel cover in respect of subsidence, ground heave or landslip.

Section 7 – Property Damage (continued)

13 Accidental Damage, excluding

- a** Damage caused by, or consisting of, or arising from, or attributable to
 - i** any of the Events
 - ii** any of the exclusions to the Events

specified in Events 1–12 and 14, whether Events 1–12 and 14 are insured or not
- b** Damage caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, frost, its own faulty or defective design or materials but this shall not exclude Damage which itself results from a cause not otherwise excluded
- c** Damage caused by or consisting of faulty or defective workmanship, operational error or omission by the Insured or any employee of the Insured but this shall not exclude
 - i** such Damage not otherwise excluded which itself results from an insured Event
 - ii** subsequent Damage which itself results from a cause not otherwise excluded
- d** Acts of fraud or dishonesty by any partner, director or employee of the Insured but this shall not exclude such Damage not otherwise excluded which itself results from Events 1–12 and 14 of this Section
- e** Damage caused by or consisting of corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects, change in temperature, colour, flavour, texture or finish but this shall not exclude
 - i** such Damage not otherwise excluded which itself results from Events 1 to 12 and 14 of this Section
 - ii** subsequent Damage which itself results from a cause not otherwise excluded
- f** Damage consisting of
 - i** joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
 - ii** mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates

but this shall not exclude such Damage which itself results from other Damage and is not otherwise excluded, or subsequent Damage which itself results from a cause not otherwise excluded
- g** Damage caused by disappearance, unexplained or inventory shortage or the misfiling or misplacing of information
- h** Damage caused by normal settlement or bedding down of new structures
- i** Damage to any Building or structure caused by its own collapse or cracking, but this shall not exclude such Damage resulting from other Damage in so far as it is not otherwise excluded
- j** Damage in respect of fences, gates and moveable Property in the Open caused by wind, rain, hail, sleet, snow or dust
- k** Damage to any Property resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair
- l** Damage in respect of
 - i** jewellery, precious stones or precious metals, bullion, furs, curiosities, works of art or rare books
 - ii** property in transit
 - iii** glass (other than fixed glass), sanitaryware (other than fixed sanitaryware), china, earthenware, marble or other fragile or brittle objects
 - iv** Money, bonds or securities of any description but this shall not exclude other Damage in so far as it is not otherwise excluded

Section 7 – Property Damage (continued)

- m** Damage to
 - i** vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
 - ii** property or structures in course of construction or erection and materials or supplies in connection with all such property or structures
 - iii** land, roads, pavements, piers, jetties, bridges, culverts or excavations
 - iv** livestock, growing crops or trees

but this shall not exclude such Property specifically described in the Schedule

- n** theft or attempted theft.

14 Escape of Oil from any fixed heating installation excluding

- a** Damage in respect of any Property Insured in any Building which is Unoccupied
- b** Damage unless caused by a sudden identifiable unintended and unexpected incident which has taken place in its entirety at a specific time and place during the Period of Insurance
- c** the value of the oil lost

Basis of Settlement

- 1** The Insurer will pay the Insured the value of the Property Insured at the time of its Damage, or at the Insurer's option will reinstate or replace such Property or any part of such Property.
- 2** The most the Insurer will pay for any one claim is the Total Sum Insured, or for each item its individual Sum Insured, or any other limit of liability in this Section whichever is the less at the time of Damage.
- 3** Any Excess will be deducted from the amount payable after the application of all terms and conditions of this Section and the Policy. The Excess applies to each separate Premises.

Automatic Reinstatement

In the absence of written notice by the Insured or the Insurer to the contrary, in consideration of Sums Insured or limits of liability not being reduced by the amount of any claim from the date of the Damage, the Insured will pay the appropriate additional premium due for the period from the date of Damage to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft.

Basis of Settlement Adjustments

Subject to the terms, conditions, exclusions and limits of this Section, in calculating the most the Insurer will pay for any one claim, adjustments shall be made in accordance with the following clauses.

1 Index Linking

- a** For Contents and other Property specifically described in the Schedule (other than Stock) the Sums Insured will be adjusted each month by the percentage change in the Retail Price Index (or some other suitable Index the Insurer decides upon)
- b** Additional premium will not be charged on such adjustments during the Period of Insurance. The renewal premium will be calculated on the adjusted Sum Insured applying on the last day of the month 3 months before the renewal month
- c** In the event of insured Damage the monthly Index Linking adjustments will continue during the period between the date of Damage and the completion of repair or replacement, provided that the Insured takes all reasonable steps to have the repair or replacement carried out without delay. The period of Index Linking adjustments after Damage is limited to one year.

Section 7 – Property Damage (continued)

2 Public Authorities

Subject to the Public Authorities Special Conditions set out below, cover for Contents includes an amount in respect of any additional cost of reinstatement which is incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of any Act of Parliament, with bye-laws of any public authority or to comply with the stipulations of European Union legislation, in consequence of Damage, excluding

- a the cost incurred in complying with such regulations, byelaws or stipulations
 - i in respect of Damage occurring prior to the granting of this cover
 - ii in respect of Damage not insured by this Section
 - iii under which notice has been served upon the Insured before the date of the Damage
 - iv in respect of undamaged Property or undamaged portions of Property, other than foundations (unless specifically excluded) of that portion of the Property Damaged
- b the additional cost that would have been required to make good the Property Damaged to a condition equal to its condition when new, had the necessity to comply with such regulations, bye-laws or stipulations not arisen
- c the amount of any charge or assessment arising out of capital appreciation, which may be payable in respect of the Property, by reason of compliance with any such regulations, bye-laws or stipulations.

Public Authorities Special Conditions

- 1 The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the Damage, or within such further time as the Insurer may allow, and may be carried out upon another site (if such regulations, bye-laws or stipulations so necessitate), subject to there being no resulting increase in the liability of the Insurer.

- 2 If the liability of the Insurer is reduced by the application of any of the terms and conditions of this Section or the Policy (other than as a result of this clause), the liability of the Insurer under this clause will be reduced in proportion.

- 3 The liability of the Insurer shall not exceed in respect of any one claim

- a in respect of undamaged portions of property (other than foundations) 15% of the total amount the Insurer would have been liable to pay to reinstate the property if the Property Insured by the item at the Premises where Damage occurred had been wholly destroyed
- b in respect of the property suffering Damage the Sum Insured applicable to each separate premises.

- 4 All the terms and conditions of this Section and the Policy shall apply to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause.

3 Services

Cover includes telephone, gas, water and electric instruments, meters, piping, cabling and their accessories, including similar property in adjoining yards or roadways or underground, all pertaining to Contents insured by this Section, being the property of the Insured or for which the Insured are responsible.

4 Professional Fees

The Sum Insured for Contents includes an amount in respect of architects', surveyors', legal and consulting engineers' fees, other than where an item covering such fees is specifically described in the Schedule. Cover applies only to those fees necessarily and reasonably incurred in consequence of Damage, in the reinstatement or repair of Property Insured.

Section 7 – Property Damage (continued)

5 Removal of Debris Costs

Sums Insured for Contents and Stock include an amount in respect of removal of debris costs, other than where an item covering such costs is specifically described in the Schedule.

Cover applies only to those costs necessarily and reasonably incurred in consequence of Damage, in

- a removing debris
- b dismantling and demolishing
- c shoring up or propping
- d clearing, cleaning and/or repairing drains, gutters, sewers for which the Insured are responsible.

The Insurer will not pay for any costs or expenses

- a incurred in removing debris other than from the site of such Property Damage and the area immediately adjacent to such site
- b arising from pollution or contamination of Property not insured by this Section.

6 Contract Price

In respect only of goods sold but not delivered, for which the Insured remain responsible under the terms of a contract of sale, where such contract of sale is cancelled following Damage by reason of its conditions, either wholly or to the extent of the Damage, cover will be based on the contract price.

For the purpose of this clause the value of all goods to which this basis of settlement could apply in the event of Damage will also be ascertained on this basis.

7 Dismantling and Re-erection Costs

Cover includes the cost of dismantling, re-erection, fitting and fixing of Contents following Damage.

8 Fire Extinguishers, Sprinklers and Security Equipment

The Insurer will pay the reasonable costs incurred by the Insured in

- a re-filling, recharging or replacing any fire extinguishers, local or fixed fire suppression or gas flooding systems, sprinkler installations and sprinkler heads

- b having any fire and/or intruder alarms and closed circuit television equipment re-set in consequence of Damage,

provided that

- i the Insured maintain all such equipment under contract and in accordance with the manufacturer's instructions with a maintenance company acceptable to the Insurer
- ii the Insurer shall not be liable in respect of any costs and expenses recoverable from the maintenance company or from the fire service
- iii the liability of the Insurer in respect of any one claim shall not exceed £25,000.

9 Seventy Two Hours Clause

Damage occurring within 72 consecutive hours of and arising from Event 7 (Storm, tempest or flood) is deemed to be one claim.

The Insured have the right to select the moment from which the 72 hour period shall be deemed to have commenced within the terms of this Section, provided that such Damage occurred prior to expiry of the Period of Insurance.

10 Locks and Keys

The Insurer will pay the cost of replacing keys, locks or lock mechanisms necessary to maintain the security of the Premises following theft of keys by force or violence from within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands from any director, partner or employee of the Insured authorised to hold such keys, up to an amount of £5,000 for any one claim.

11 Damage to the Premises

The Insurer will pay costs for which the Insured are responsible, necessarily and reasonably incurred by the Insured to repair Damage to the Premises in consequence of theft or attempted theft (as insured by this Section).

The Insurer will also pay the cost of any temporary boarding-up or making good necessary to keep the Premises secure.

Section 7 – Property Damage (continued)

12 Money

The Insurer will indemnify the Insured against Damage to Money occurring during the period of insurance held in connection with the Business by any cause not excluded.

This extends to Damage sustained as a direct result of theft or attempted theft of Money from any safe or strong room, bag or other container used by the Insured or authorised partner, director or employee of the Insured to carry money.

The Insurer will be liable for;

Cash and other Negotiable Money

- a** on the premises within a locked safe – up to £5,000
- b** in transit or bank night safe – up to £5,000
- c** outside of a safe outside business hours on the premises – up to £500
- d** in the personal custody of the Insured or their employees outside of business hours – up to £500

any one claim.

Transit

In respect of Money in transit in the personal custody of the Insured, any authorised partner, director or employee of the Insured, it is a condition precedent to any liability under this Section that such Money will be accompanied by 2 adults when in excess of £3,000.

Unless otherwise agreed by the Insurer in writing or amended by a clause applicable to this Section as specified in the Schedule.

For the purposes of this Extension the following definitions shall apply:

Extension Definitions

a Business Hours

The period during which the Insured or any partner, director or employee of the Insured is on the Premises for the purpose of the Business.

b Insured Person

Insured or any partner, director or employee of the Insured aged between 16 and 70 years.

c In Transit

In transit in the personal custody of the Insured, any Authorised partner, director or employee of the Insured, a security organisation approved by the Insurer, or by registered post.

d Money

Negotiable Money and Non-negotiable Money belonging to the Insured or for which the Insured are responsible.

e Negotiable Money

Cash, bank and currency notes, credit cards, uncrossed cheques, uncrossed postal orders, luncheon vouchers, current postage stamps, trading stamps, National Insurance stamps not affixed to cards, Holiday with Pay stamps, National Savings stamps, unexpired units in franking machines, gift tokens, consumer redemption vouchers, mobile telephone vouchers and telephone cards.

f Non-negotiable Money

Crossed cheques, crossed postal orders, crossed bankers' drafts, National Insurance stamps fixed to cards, National Savings certificates, Premium Bonds, credit sales vouchers or receipts and V.A.T. purchase invoices.

Section 7 – Property Damage (continued)

Extension Exclusions

The Insurer will not pay for:

- i** loss arising from the dishonesty of any partner, director or employee of the Insured which is not discovered within 15 working days of such loss
- ii** damage to any machine which uses coins, notes or tokens
- iii** loss due to theft of or from any unattended Vehicle
- iv** shortage due to error or omission
- v** any loss from a safe or strong room unless the key or keys to safe or strong room are removed from the Premises, or if a person is authorised to hold such keys and that person lives on the Premises, that person removes all keys to that part of the Premises in which that person actually lives
- vi** Damage outside of Great Britain, Northern Ireland, the Isle of Man or the Channel Islands

Extension Conditions

Precautions

- a** The Insured must exercise due care in selecting employees to be entrusted with Money and shall obtain and will continue to obtain satisfactory written references and confirmation of such
- b** references directly from the previous employers
- c** keep a proper written record of all Money covered by this Section and allow the Insurer to inspect this record at all reasonable times.
- d** secure and lock all cash registers, safes and other money containers whenever such containers are left unattended during business hours.

13 Data Processing Media

In the event of Damage to Contents comprising Data Processing Media, the amount payable by the Insurer will be;

- a** the cost of purchasing blank Data Processing Media (without any data thereon) to replace that which has been physically lost or destroyed; or
- b** the cost of repairing the Data Processing Media which has been physically damaged; and
- c** the costs of copying data from back-up or from originals of a previous generation onto the replacement or repaired Data Processing Media, provided always that this Policy will not cover;
 - i** any research and engineering costs;
 - ii** any costs of recreating, gathering or assembling data;
 - iii** any reduction in value of data or any amount pertaining to the value of such data, even if such data cannot be recreated, gathered or assembled or copied from back-up or originals of a previous generation.

If the Insured elects not to repair or replace Data Processing Media which has been Damaged, the amount payable by the Insurer will not include any of the costs set out at sub-clauses **a** to **c** and the basis of settlement shall instead be the difference between the re-sale value of the Data Processing Media without any data on it immediately before the Damage and the re-sale value of the Data Processing Media without any data on it immediately after the Damage.

The liability of the Insurer in respect of any one claim shall not exceed £25,000.

Section 7 – Property Damage (continued)

Section Exclusions

The Policy Exclusions apply to this Section and in addition this Section does not cover:

- 1 Property which at the time of Damage is insured by or would but for the existence of this Section be insured by any marine policy or policies, but the Insurer will pay for any excess beyond the amount which would have been payable under such marine policy or policies had this Section not been effected
- 2 any Property more specifically insured by or on behalf of the Insured
- 3 Damage to paintings, prints and works of art with a value in excess of £10,000 any one item unless specifically described in the Schedule
- 4 consequential loss or Damage of any kind or description
- 5 the Excess.

Section Conditions

The Policy Conditions apply to this Section and in addition the following:

1 Alteration

Unless the Insurer agrees in writing, cover under this Section shall automatically cease in respect of any of the Property Insured

- a which is disposed of or removed
- b which consists of or is situated in any Buildings or parts of Buildings described in the Schedule as occupied becoming Unoccupied, or as Unoccupied becoming occupied
- c in which the interest of the Insured ceases other than by will or operation of law

during the Period of Insurance.

2 Reinstatement

If any Property is to be reinstated or replaced by the Insurer, the Insured shall at their own expense provide all plans, documents, books and information as may reasonably be required. The Insurer shall not be bound to reinstate exactly, but only as circumstances permit and in a reasonably sufficient manner.

Section 8 – Goods In Transit

Definitions

Property Insured

Goods appertaining to the Business whilst in transit including loading and unloading anywhere in Great Britain, Northern Ireland, the Republic of Ireland, the Isle of Man or the Channel Islands by any of the Insured's own vehicles.

Sum Insured

The Insurer's liability under this Section in respect of any one vehicle is limited to the Sum Insured shown in the Schedule.

Cover

The Insurer will indemnify the Insured against Damage occurring during the Period of Insurance by any cause not excluded hereafter nor by the Policy Exclusions or Policy Conditions to the Property Insured.

Section Conditions

The Policy Conditions apply to this Section and in addition:

1 Safeguarding of Property

The Insured shall take all reasonable measures to safeguard the Property Insured from Damage and to maintain vehicles in an efficient and road worthy condition.

2 Employees

The Insured shall take all reasonable care in the selection of honest and competent employees.

3 Additional Theft Protection

If any additional protections to any vehicle are reasonably required by the Insurer following Damage due to theft the Insured shall comply within a reasonable period specified by the Insurer.

Section Exclusions

The Policy Exclusions apply to this Section and in addition this Section does not cover:

- 1 any Damage due to:
 - a depreciation or deterioration unless caused by accident to the conveying vehicle
 - b delay or loss of market
 - c default in package or addressing of any parcel or package
- 2 any consequential loss of any kind or description
- 3 any theft of the Property Insured from any vehicle left unattended, unless such vehicle has all points of access closed and secured by all the locks and other protections and has all the keys removed from the vehicle
- 4 glass, livestock, precious metals or stones, jewellery, watches, furs, money, security, stamps, documents, manuscripts, business books, plans or designs.

Section 9 – Professional Indemnity

Definitions

Asbestos

Asbestos or fibres or particles of asbestos or any material containing asbestos.

Claim

Any:

- a** written demand for compensation in respect of a Wrongful Act of the Insured; or
- b** civil, regulatory or administrative proceedings whereby a Wrongful Act of the Insured is alleged.

Company

The Insured or any Subsidiary (including any predecessor business).

Cyber Event

Any actual, alleged or suspected:

- a** Damage to, loss, destruction, corruption, theft, or loss of operational control of data, or unauthorised or negligent processing, collection, recording, retrieval, disclosure, dissemination, or disposal of data, by the Insured, an independent contractor or an outsourced service provider of the Insured Company; and/or
- b** unauthorised access to or use of any personal information, personal data or confidential information (other than information that is lawfully available in the public domain or to the general public unless such information which had been publicly available became uniquely identifiable through collection and/or processing) while under the care and custody, or control, of the Insured, an independent contractor or an outsourced service provider of the Insured Company; and/or
- c** non-physical and technological failure of the Company's Computer System, or failure of technological security measures aimed at protecting data in any form. This includes, but is not limited to, any interruption of the Insured Company's business caused by such event(s); and/or

- d** malicious direction of network traffic, introduction of malicious computer code, or other malicious attack directed at, occurring within, or utilising the Company's Computer System. This includes, but is not limited to, any interruption of the Insured Company's business caused by such event(s); and/or
- e** interruption of the Insured Company's business caused by an accidental, unintentional or negligent act, error or omission of the Insured person in the operation or maintenance of the Company's Computer System which causes total or partial unavailability of the Company's Computer System; and/or
- f** breach of laws and regulations pertaining to privacy and resulting from items **a** to **e** above.

For the purposes of items **a** and **c** of the Cyber Event definition, data includes but is not limited to personal information, personal data and/or confidential information (other than information that is lawfully available in the public domain or to the general public unless such information which had been publicly available became uniquely identifiable through collection and/or processing) in any form.

Company's Computer System means a computer system (including, but not limited, to hardware, software and/or computer programs) leased, owned or operated by or which is made available or accessible to the Insured Company or its outsource service provider(s) for the purpose of storing and processing the Insured Company's electronic data or software.

Damages

Any amount that the Insured shall be legally liable to pay to a Third Party in respect of judgments or arbitral awards rendered against the Insured, or for settlements negotiated by the Insurer with the consent of the Insured.

Defence Costs

Reasonable fees, costs and expenses incurred by or on behalf of the Insured, with the prior written consent of the Insurer, in the investigation, defence, adjustment, settlement or appeal of any Claim. It will not include any element of the Insured's own time, costs or lost profits incurred in dealing with a Claim.

Section 9 – Professional Indemnity (continued)

Documents

All documents of any nature whatsoever including computer records and electronic or digitised data; but does not include any currency, negotiable instruments or records thereof.

Employee(s)

Any natural person who is, has been or during the Period of Insurance becomes expressly engaged under a contract of employment with the Company.

Employee will not include any principal, partner, director or Member of the Insured in their capacity as such.

Excess

The amount specified as such in the Schedule.

Fitness for Purpose Warranty

Any warranty given by the Insured in the course of their Professional Services with respect to the implied fitness for purpose of the design and specification of any Works.

Fraud or Dishonesty

Fraudulent or dishonest conduct:

- a** not condoned, expressly or implicitly by any principal, partner, director or Member of the Company; and
- b** that results in liability of the Company to any Third Party.

Insured

The Company or any Insured Person

Insured Person

- a** Any natural person, who is or has been a principal, partner, director or Member of the Company in their capacity as such;
- b** any Employee;
- c** any natural person employed by the Company to whom the Financial Conduct Authority has given its approval to perform Controlled Function 30 for the Company pursuant to Section 59 of the Financial Services and Markets Act 2000 or any re-enactment thereof;
- d** any spouse, civil partner, estate or legal representative of any Insured Person for Loss arising from a Claim for a Wrongful Act of such an Insured Person listed in **a**, **b** and **c** above;

- e** the administrator, heirs, legal representatives or executor of a deceased, incompetent, insolvent or bankrupt Insured Person's estate for Loss arising from a Claim for a Wrongful Act of such Insured Person listed in **a**, **b** and **c** above.

Legal Panel

The firms of solicitors appointed from time to time by the Insurer to provide representation on behalf of the Insured under this Section.

Loss

Damages or Defence Costs, however Loss shall not include and this Policy will not cover any:

- a** taxes;
- b** non-compensatory damages, including punitive, multiple, exemplary or liquidated damages;
- c** fines or penalties unless insurable by law;
- d** the costs and expenses of complying with any order for, grant of or agreement to provide injunctive or other non-monetary relief;
- e** benefits or overheads of, or charges or expenses incurred by any Insured including but not limited to the cost of any Insured's time;
- f** fees or commissions, for any Professional Services rendered or required to be rendered by the Insured or that portion of any settlement or award in an amount equal to such fees, commissions, or other compensation; or
- g** any matters which may be deemed uninsurable under the law governing this Policy or the jurisdiction in which a Claim is brought.

Member

A member of a Limited Liability Partnership.

Pollutants

Any solid, liquid, gaseous, biological, radiological or thermal irritant, toxic or hazardous substance, or contaminant, including but not limited to, lead, smoke, vapour, dust, fibres, mould, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and waste. Such waste includes, but is not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.

Section 9 – Professional Indemnity (continued)

Professional Services

The services performed by the Insured under a contract for any professional design or specification, as building or engineering contractors including but not limited to supervision of construction, feasibility studies, technical information, calculation or survey subject to any surveys being performed by a Properly Qualified Person.

Professional Services will not include supervision by the Insured of its own or its subcontractors' workmanship where such supervision is no different from that which would be expected of the Insured if it only had a workmanship and/or a management obligation.

Professional Services will also include the duty to warn of defects in the professional activities of others.

Properly Qualified Person

The Insured with a minimum of five years relevant experience or a person recognised as a Fellow or Associate of the following bodies:

- a** the Royal Institution of Chartered Surveyors; or
- b** the Incorporated Society of Valuers and Auctioneers; or
- c** the Architects and Surveyors Institute; or
- d** the Faculty of Architects and Surveyors; or
- e** the Royal Institute of British Architects; or
- f** the Royal Incorporation of Architects in Scotland.

Property Damage

Damage to or loss of or destruction of tangible property or loss of use thereof.

Related Claim

Any Claims alleging, arising out of, based upon or attributable to the same facts or alleged facts, or circumstances or the same Wrongful Act, or a continuous repeated or related Wrongful Act.

Retroactive Date

The date specified as such in the Statement of Fact.

Settlement Value

In respect of any Claim covered under this Section:

- a** the full amount claimed; or
- b** any settlement offer from the claimant(s) which is capable of acceptance.

Subsidiary

Any entity in which the Company, either directly or indirectly through one or more entities;

- a** controls the composition of the board of directors;
- b** controls more than half of the voting power; or
- c** holds more than half of the issued share capital;

on or before the inception date of this Policy.

For any Subsidiary or any Insured thereof, cover under this Policy shall only apply to Wrongful Acts committed while such entity is a Subsidiary of the Company.

Territorial Limits

Anywhere in the United Kingdom, Channel Islands, Isle of Man or as varied in the Schedule.

Third Party

Any entity or natural person except

- a** the Insured; or
- b** any other entity or natural person having a financial interest or executive role in the operation of the Insured or any Subsidiary.

Works

- a** The permanent works to be constructed and completed; and/or
- b** any temporary works required for construction and completion of the permanent works

in relation to the Professional Services.

Wrongful Act

Any actual or alleged act, error or omission committed solely in the performance of or failure to perform Professional Services.

Section 9 – Professional Indemnity (continued)

Extensions

(Subject to the terms, limits, Conditions and Exclusions of this Section and the Policy. All cover under the Fraud or Dishonesty, Joint Venture, Professional Liability and Specialist Consultants Extensions is afforded solely with respect to Claims first made against the Insured during the Period of Insurance and notified to the Insurer as required by this Section.)

1 Professional Liability

The Insurer will pay on behalf of the Insured all Loss resulting from any Claim against the Insured for a civil liability arising from the Insured's Professional Services.

2 Lost Documents

The Insurer will indemnify an Insured for costs and expenses reasonably incurred with the Insurer's prior written consent in replacing or restoring any Documents which are the property of an Insured and which during the Period of Insurance have been destroyed, damaged, lost, distorted, erased or mislaid provided that:

- i such loss or damage is sustained while the Documents are either: (1) in transit; or (2) in the custody of an Insured or of any person to whom an Insured has entrusted them in the ordinary course of their Professional Services;
- ii the Documents have been the subject of a diligent search by or on behalf of an Insured;
- iii the amount of any claim for such costs and expenses will be supported by evidence of expenditure that will be subject to approval by a competent person to be nominated by the Insurer with the consent of the Policyholder; and
- iv the Insurer will not be liable for any costs and expenses arising out of wear, tear and/or gradual deterioration, moth and vermin.

This cover will be subject to a Sub-limit of Liability of £50,000 in the aggregate during the Period of Insurance. An Excess of £1,000 each and every claim will apply to this cover.

3 Collateral Warranty

The Insurer will pay on behalf of the Insured all Loss resulting from any Claim for any Wrongful Act of the Insured arising from any collateral warranties, duty of care or similar agreements provided by the Insured, but only to the extent that the benefits of such warranties or agreements are not greater or longer lasting than those given to the party with whom the Insured originally contracted to provide Professional Services, and only to the extent that such liability would have attached to the Insured in the absence of such contractual duty, term or agreement.

4 Fitness for Purpose

The Insurer will pay on behalf of the Insured all Loss resulting from any Claim arising out of any Fitness for Purpose Warranty solely with respect to the design and/or specification of any Works.

Provided always that the Fitness for Purpose Warranty is in accordance with practice conventionally accepted as appropriate at the time of the execution of the Works having regard to the size, scope and complexity of the project.

5 Fraud or Dishonesty

The Insurer will pay on behalf of the Insured, who is not the actual perpetrator, all Loss resulting from any Claim for Fraud or Dishonesty of any Employee(s) of the Company provided that the relevant fraudulent or dishonest conduct occurred before the date of discovery by any principal, partner, director or Member of a Company of reasonable cause of suspicion of Fraud or Dishonesty on the part of the Employee(s), whether or not it is possible at that date to identify the Employee(s) involved in the Fraud or Dishonesty.

Section 9 – Professional Indemnity (continued)

6 Health & Safety Legislation

The Insurer will pay on behalf of the Insured all reasonable costs and expenses incurred with the prior written consent of the Insurer for defence of any proceedings first brought against the Insured under the Health & Safety Legislation by any regulatory body or similar body where in the Insurer's opinion defending such proceedings could prevent a concurrent or subsequent Claim.

The Insurer shall not be liable to pay such reasonable costs and expenses:

- a unless the proceedings shall have arisen from a Wrongful Act committed by the Insured in the performance of Professional Services; or
- b where there is a subsequent plea of finding of guilt on the part of the Insured; or
- c where in the Insurer's opinion on the balance of probabilities the proceedings are unlikely to be defended successfully.
- c such costs are supported by evidence of expenditure which shall be subject to approval by a competent person to be nominated by the Insured with the consent of the Insurer;
- d such costs shall not include any element of profit or loss of profit, nor any element of overheads, staff remuneration, standing idle time or management time of the Insured; and
- e the Insurer has consented in writing to the payment of such costs before work is carried out, such consent not to be unreasonably withheld, however whilst awaiting the Insurer's consent, the Insurers will indemnify the Insured for such expense incurred over a period not exceeding 14 days beginning from the time mitigation was undertaken by the Insured subject to condition b above, being satisfied otherwise all preapproval costs will be borne by the Insured.

This Extension will be subject to a Sub-limit of liability of 80% of the Defence Costs incurred up to a maximum amount of £250,000 in any one Period of Insurance.

7 Mitigation

Where the Insured first makes a determination during the Period of Insurance that it has committed a Wrongful Act requiring remediation or mitigation, the Insurer will pay the reasonable and direct cost of any remediation or mitigation, provided that:

- a the Insurer shall during the Period of Insurance have been informed in writing of the Wrongful Act and the work that is required to rectify it or mitigate its consequences;
- b the Insurer shall be reasonably satisfied that the Insured has committed a Wrongful Act requiring remediation or mitigation and that such costs are necessary to prevent or reduce the amount of a Claim covered under the Professional Liability Extension, and that the amount of Damages prevented or reduced would be greater than the cost of the work;

Section 9 – Professional Indemnity (continued)

Limit and Excess

Limit of Indemnity

- a** The total amount payable by the Insurer under this Section for all Claims in the aggregate during the Period of Insurance shall not exceed the Limit of Indemnity.
- b** Sub-limits of liability, Extensions and Defence Costs are part of that amount and are not payable in addition to the Limit of Indemnity.
- c** Each sub-limit of liability set forth in this Section is the most the Insurer will pay in the aggregate under this Section as Loss in respect of any insurance cover or Extension to which it applies.
- d** The inclusion of more than one Insured under this Section does not operate to increase the total amount payable by the Insurer under this Section.
- e** The Limit of Indemnity is the total sum payable by the Insurer. Any sum paid by the Insurer under this Section shall erode the Limit of Indemnity. In no circumstances shall the liability of the Insurer exceed the Limit of Indemnity.

Other Insurance / Indemnification

Unless otherwise required by law, cover under this Section is provided only as excess over any self-insurance or other valid and applicable insurance, unless such other insurance is written only as specific excess insurance over the Limit of Indemnity. This Section will not cover Defence Costs of any Claim where another insurance policy imposes upon another insurer a duty to defend such Claim.

Excess

The Insurer will be liable only for Loss, or cover under the Mitigation Extension, which exceeds the Excess. For the avoidance of doubt, the Excess does not apply to Defence Costs. It is to be borne by the Insured and will remain uninsured. The Excess is not part of the Limit of Indemnity. A single Excess will apply per Claim.

Section Exclusions

Policy Exclusions 1, 2, 5, and 13 apply to this Section and in addition the Insurer will not pay for;

1 Liability involving Transport or Property Owned by the Insured

Loss arising from the ownership, possession or use by or on behalf of the Insured of any aircraft, watercraft, hovercraft, motor vehicle or trailer or any buildings, structures, premises or land or that part of any building leased, occupied or rented by the Insured or any property of the Insured.

2 Employers' Liability

any Claim by any person for Injury, incurred, contracted or occurring whilst under a contract of service or apprenticeship with the Insured or for any breach of any obligation owed by the Insured as an employer.

3 Manufacturing Liability

Loss arising out of, based upon or attributable to any manufacturing defect in any product.

4 Contractual Liability

Loss arising out of, based upon or attributable to any:

- a** liability assumed or accepted by the Insured under any contract or agreement; or
- b** guarantee or warranty;

except to the extent such liability would have attached to the Insured in the absence of such contractual duty, term or agreement.

5 Area of Activities

any work or activities undertaken by the Insured outside the Territorial Limits.

Section 9 – Professional Indemnity (continued)

6 Infrastructure

Loss arising out of, based upon or attributable to:

- i software or mechanical failure;
- ii electrical failure, including any electrical power interruption, surge, brown out or black out; or
- iii telecommunications or satellite systems failure;

outside the direct control of an Insured.

7 Pollution

Loss in connection with any Claim arising out of, based upon or attributable to:

- a the actual, alleged or threatened presence, discharge, dispersal, release, migration or escape of Pollutants, or
- b any direction, request or effort to:
 - i test for, monitor, clean up, remove, contain, treat, detoxify or neutralise Pollutants, or
 - ii respond to or assess the effects of Pollutants.

8 Directors' And Officers' Liability

Loss arising out of, based upon or attributable to any Claim made against the Insured in their capacity as a director, officer, trustee, Member or partner of the Company in respect of the performance or non-performance of their duties as a director, officer, trustee, Member or partner of the Company.

9 Previous Claims / circumstances

Loss in connection with any Claim made prior to the inception of this Section including any Related Claims thereto, or arising out of, based upon or attributable to a circumstance which has been properly notified under any other Policy or certificate of insurance attaching prior to the inception of this Section including any Related Claims thereto.

10 Insolvency

Loss arising out of, based upon or attributable to the insolvency, liquidation, administration or receivership of the Company.

11 Failure to Arrange Insurance and/or Finance

Loss arising from the Insured's failure to arrange and/or maintain insurance and/or finance.

12 Prior Acts

Loss arising out of based upon, attributable to or in any way involving any Wrongful Act which first takes place before the Retroactive Date.

13 Surveys and Valuations (Properly Qualified Persons)

Loss arising out of, based upon or attributable to any survey or valuation unless it was undertaken by, or under the direct supervision of, a Properly Qualified Person.

14 Asbestos

Loss in connection with any Claim arising out of, based upon or attributable to:

- a the actual, alleged or threatened presence, discharge, dispersal, release, migration or escape of Asbestos, or
- b any direction, request or effort to:
 - i test for, monitor, clean up, remove, contain, treat, detoxify or neutralise Asbestos, or
 - ii respond to or assess the effects of Asbestos.

15 Bodily Injury/Property Damage

Loss arising out of, based upon or attributable to Bodily Injury or Property Damage unless arising from an actual or alleged failure to achieve the legally required standard of care, diligence and expertise in performing Professional Services.

Section 9 – Professional Indemnity (continued)

16 Fitness for Purpose

Loss arising out of, based upon or attributable to any of the following:

- a where the contract for the Works has not defined the intended purpose and use of such Works;
- b any unforeseen ground conditions;
- c process engineering other than where the process engineering relates to the structural integrity of the Works;
- d Pollution; or
- e defective workmanship or materials.

This Exclusion will only apply in respect of any Fitness for Purpose Warranty.

17 Cyber Event

Loss arising out of, based upon or attributable to any Cyber Event.

18 Costs Assessment

Loss arising out of, based upon or attributable to any failure by any Insured or other party acting for an Insured to make an accurate pre-assessment of the cost of performing Professional Services.

19 Trade Debts

Loss arising out of, based upon or attributable to any:

- i trading debt incurred by an Insured or
- ii guarantee given by an Insured for a debt.

20 Cladding and Fire Safety Claims

Loss in connection with any Claim arising out of, based upon or attributable to Cladding Claims.

For the purposes of this Exclusion Cladding Claims shall mean any Claim in respect of:

- a the Combustibility of any Aluminium Composite Panels (and any associated core/filler and insulation material) and/or;

- b any Equivalent External Wall Systems (and any associated core/filler and insulation material);
- c and/or any Fire Safety Claims.

For the purpose of this Exclusion, the following definitions will apply:

Aluminium Composite Panels means aluminium composite material rain screen cladding.

Fire Safety Claims means any Claim in any way related to the fire safety of a building.

Equivalent External Wall Systems means those external wall systems used for the same or similar purposes as aluminium composite panels.

21 Basement and Swimming Pool Exclusion

Loss in connection with any Claim arising out of, based upon or attributable to a Wrongful Act by the Insured in relation to any basements or swimming pools.

22 Conduct

Loss arising out of, based upon or attributable to any actual or alleged dishonest, fraudulent or criminal conduct of an Insured.

This exclusion will not apply to the Fraud or Dishonesty cover.

23 Employment Practice Violation

Loss arising out of, based upon or attributable to any act, error or omission with respect to any employment or prospective employment of any past, present, future or prospective employee or Insured Person of any Company.

24 U.S.A./Canada

any Claim made or pending within or to enforce a judgment obtained in the United States of America, Canada, or any of their territories or possessions.

Section 9 – Professional Indemnity (continued)

Section Conditions

The Policy Conditions 1–8 inclusive and 10 apply to this Section and in addition the following:

Claims Conditions

1 Circumstances

The Policyholder will as soon as reasonably practicable during the Period of Insurance notify the Insurer at the address listed in the Claim Notifications Condition below of any circumstance of which any Insured becomes aware during the Period of Insurance which is reasonably expected to give rise to a Claim. The notice must include at least the following:

- i** a statement that it is intended to serve as a notice of a circumstance of which an Insured has become aware which is reasonably expected to give rise to a Claim;
- ii** the reasons for anticipating that Claim (including full particulars as to the nature and date(s) of the potential Wrongful Act(s));
- iii** the identity of any potential claimant(s);
- iv** the identity of any Insured involved in such circumstance; and
- v** the date on and manner in which an Insured first became aware of such circumstance.

Provided that notice has been given in accordance with the requirements of this clause, any later Claim arising out of such notified circumstance (and any Related Claims) will be deemed to be made at the date when the circumstance was first notified to the Insurer.

2 Claim Notifications

The Insured will give written notice to the Insurer of any Claim first made against the Insured as soon as practicable and during the Period of Insurance.

All notifications must be in writing to:

Claims Division
Allianz Insurance plc
500 Avebury Boulevard
Milton Keynes
MK9 2XX

or by telephone to **0344 893 9500**

Lines are open from 9am to 5pm Monday to Friday.

If posted, the date of posting will constitute the date that notice was given, and proof of posting will be sufficient proof of notice.

3 Notice

Notice to Insurers under the Discovery of a Claim or Circumstance Condition shall not be valid unless it has been received in writing by the Insurer at the address listed in the Claim Notifications Condition.

4 Insured's Consent

The Insurer may make any settlement it deems expedient of any Claim against the Insured, subject to the Insured's written consent. Where the Insured does not consent, the Insurer may elect to pay to the Insured the Settlement Value less the applicable Excess that the Insurer wishes to accept. Upon such payment being made there is no further cover available under this Section for that Claim.

Section 9 – Professional Indemnity (continued)

5 Defence

The Insurer does not assume any duty to defend, and the Insured will defend and contest any Claim made against them unless the Insurer, in its sole and absolute discretion, elects in writing to take over and conduct the defence and settlement of any Claim. If the Insurer does not so elect, it will be entitled, but not required, to participate fully in such defence and the negotiation of any settlement that involves or appears reasonably likely to involve the Insurer. In the event that the Insurer decides that representation by a solicitor is necessary (such decision to be at the sole discretion of the Insurer) then the Insured will select one of the Legal Panel to provide such legal representation.

6 Cooperation

The Insured will at their own cost:

- a** render all reasonable assistance to the Insurer and co-operate in the defence of any Claim and the assertion of indemnification and contribution rights;
- b** use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any Loss under this Policy; and
- c** give such information and assistance to the Insurer as the Insurer may reasonably require to enable it to investigate any Loss or determine the Insurer's liability under this Section.

7 Related Claims

If during the Period of Insurance a Claim is made or a Circumstance is notified in accordance with the requirements of this Section any Related Claim made after expiry of the Period of Insurance will be accepted by the Insurer as having been:

- a** made at the same time as the notified Claim was made or the relevant Circumstance was notified, and
- b** notified at the same time as the notified Claim or Circumstance.

All Related Claims will be deemed to be one single Claim and deemed to be made at the date of the first Claim of the series or at the first Circumstance notified, whichever is first.

General Conditions

8 Subrogation

The Insured will take all steps necessary or such steps as are required by the Insurer before or after any payment by the Insurer under this Section to preserve the rights and remedies which the Insured may have to recover the Loss. If any payment is to be made under this Section in respect of a Claim, the Insurer will be subrogated to all rights of recovery of the Insured whether or not payment has in fact been made and whether or not the Insured has been fully compensated for its actual Loss. The Insurer will be entitled to pursue and enforce such rights in the name of the Insured, who, both before and after payment under this Section, will provide the Insurer with all reasonable assistance and co-operation in doing so, including the execution of any necessary instruments and papers. The Insured will do nothing to prejudice the Insurer's rights under this subrogation condition.

The Insurer agrees not to exercise any such rights of recovery against any Employee unless the Claim is brought about or contributed to by the dishonest, fraudulent, intentional criminal or malicious act or omission of the Employee. In its sole discretion, the Insurer may, in writing, waive any of its rights set forth in this subrogation Condition.

Any amounts recovered in accordance with this Condition will be applied in the following order:

- a** to compensate the Insurer and the Insured for the costs incurred in making the recovery (such payment to be allocated between the Insurer and the Insured in the same proportions as they have borne the costs thereof); and
- b** to the Insurer up to the amount of the Loss paid by the Insurer; and
- c** to the Insured in respect of any uninsured element of the Claim (including the Excess under this Section).

Section 9 – Professional Indemnity (continued)

9 Contract Rights

Nothing in this Policy is intended to confer an enforceable benefit on any Third Party, whether pursuant to the Contract (Rights of Third Parties) Act 1999 or otherwise.

10 Several Liability Notice

The subscribing insurers' obligations under insurances to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason whatsoever does not satisfy all or part of its obligations.

11 Dispute Resolution

Where, following receipt by the Insurer of all information reasonably required to provide such decision;

- a a final decision has been given by the Insurer regarding any aspect of this Policy or any matter relating to cover thereunder;
 - b that decision is disputed between the Insurer and the Insured; and
 - c such dispute cannot be resolved within 14 days of the date on which such decision is communicated to the Policyholder,
- the dispute will be referred to arbitration under

The Insurance & Reinsurance Arbitration Society ("A.R.I.A.S (UK)") Arbitration Rules.

The Arbitration Tribunal (the "Tribunal") will consist of three arbitrators, one to be appointed by the Insured party involved in the arbitration, one to be appointed by the Insurer and the third to be appointed by the two appointed arbitrators. The third member of the Tribunal will be appointed as soon as practicable (and no later than 28 days) after the appointment of the two party-appointed arbitrators. The Tribunal will be constituted upon the appointment of the third arbitrator.

The arbitrators will be persons (including those who have retired) with not less than ten years' experience of insurance or reinsurance within the industry or as lawyers or other professional advisers serving the industry.

Where a party fails to appoint an arbitrator within 14 days of being called upon to do so or where the two party-appointed arbitrators fail to appoint a third within 28 days of their appointment, then upon application, A.R.I.A.S (UK) will appoint an arbitrator to fill the vacancy. At any time prior to the appointment by A.R.I.A.S (UK) the party or arbitrators in default may make such appointment. The Tribunal may at its sole discretion make such orders and directions as it considers necessary for the final determination of the matters in dispute. The Tribunal will have the widest discretion permitted under the law governing the arbitral procedure when making such orders or directions. The seat of arbitration will be London, England and the law governing the arbitration will be under the law of England & Wales.

Section 10 – Directors and Officers Liability

Definitions

Asbestos

Asbestos or fibres or particles of asbestos or any material containing asbestos.

Claim

The Insured's business activities relating to the Business Description shown in the Schedule.

Computer Programmes

A collection of instructions that describe a task, or set of tasks, to be carried out by a Computer System, including application software, operating systems, firmware and compilers.

Computer System

A computer and all input, output, processing, storage (including offline media libraries), intranets and communication facilities including related communication or open systems networks and extranets which are connected directly or indirectly to such a device.

Costs, Charges and Expenses

Any costs, fees and expenses incurred by or on behalf of any Directors and Officers, with the Insurer's prior written consent:

- a** in defence of a Claim, and/or;
- b** as Investigation Costs;

excluding salaries, wages and other expenses of the Directors and Officers or Employees of the Insured.

Criminal Act

Any Theft, Fraud, or Robbery whether committed alone or in collusion with others, with the intention to cause a Loss specifically and directly to the Insured and/or to obtain an improper financial gain from the Insured and/or any Client. Criminal Act does not include IT Criminal Act.

Data

Any electronic data of a form readily usable by Computer Programmes within the Insured's Computer System.

Director and Officer

Any natural person who was, is now or in the future becomes a Director or officer or manager of the Insured. In the event of the death, incapacity, insanity, insolvency or bankruptcy of any Director and Officer, the Insurer agrees to indemnify the estate, heirs, legal personal representatives or assigns of that Director and Officer in respect of the liability incurred by them in the terms of this Section.

Discovered or Discovery

The moment when any of the Insured's directors and officers, partners, trustees or any member of the Insured's risk management department, legal department, audit department or human resources department, first becomes aware of Criminal Acts or IT Criminal Acts or reasonably suspects that Criminal Acts or IT Criminal Acts have occurred, which would cause this person to reasonably assume that a Loss covered under this Section has been or is likely to be incurred, even though the exact amount or detail of the Loss may not then be known.

A single Loss shall be deemed to have been discovered at the time the first Criminal Act or IT Criminal Act is discovered.

Discovery Period

The period commencing immediately after the expiry date of the Period of Insurance, during which written notice may be given to the Insurer of:

- a** a Claim first made during such period or the Period of Insurance for a Wrongful Act that occurred prior to the expiry date of the Period of Insurance; or
- b** a Criminal Act or IT Criminal Act that was committed prior to the expiry date of the Period of Insurance, first Discovered during such period or during the Period of Insurance and only where Loss arising from such Criminal Act or IT Criminal Act is not partially nor wholly covered by any other insurance policy in force after the expiry date of the Period of Insurance.

Section 10 – Directors and Officers Liability (continued)

Fungal Pathogens

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

Investigation

Any formal or official hearing, investigation or inquiry by a governmental, regulatory or judicial agency into the affairs of a Company, an Outside Entity or an Insured Person in their capacity as such, if an Insured Person receives written documentation during the Period of Insurance or Discovery Period:

- a that legally requires such Insured Person to attend such hearing, investigation or inquiry; or
- b in which the Insured Person is identified by an investigating authority as a subject of such hearing, investigation or inquiry.

An Investigation shall be deemed to be first made when the Insured Person is first so required or identified.

Investigation shall not include routine regulatory supervision, inspection or compliance reviews or any investigation which focuses on an industry rather than a Company, Outside Entity or Insured Person in their capacity as such.

IT Criminal Act

Any Data or Computer Programmes which the Insured has relied upon in good faith and in the ordinary course of its business which is fraudulently, dishonestly or maliciously prepared, created, input, modified, damaged or deleted as a result of wilful, unlawful and targeted intrusions into the Insured's Computer System committed with the intent to cause a loss specifically and directly to the Insured.

Insured Person

Any natural person who was, is or during the Period of Insurance becomes:

- a director, officer, Non-executive Director or de facto director of any Company or any Approved Person or the equivalent in any other jurisdiction

- b a director, officer or employee of any Company and who by virtue of such position is a Shadow Director as defined in section 251 of the Companies Act 2006 (or any re-enactment thereof or the equivalent legislation in any other jurisdiction) of a company
- c any Outside Entity Director following the exhaustion of any:
 - i indemnification provided by the Outside Entity; and
 - ii other collectible directors and officers or management liability cover issued to the Outside Entity that protects the Outside Entity Director;
- d a director, officer or employee of any Company who is a compliance committee member appointed by a Company
- e a prospective director or officer in any listing particulars, prospectus, circular or similar document issued by any Company
- f an employee of any Company whilst acting in a managerial or supervisory capacity for the Company
- g an employee of any Company to the extent that the employee is:
 - i named as a defendant in connection with an Employment Practice Wrongful Act
 - ii joined as a party to any action against any person defined in a to f above.

Insured Person shall also include:

- h the lawful spouse or civil partner (as defined in the Civil Partnership Act 2004 or any re-enactment thereof or the equivalent legislation in any other jurisdiction) of any person set out in a to g above arising out of a Wrongful Act of such person and where recovery is sought solely because joint property is held or owned by or on behalf of the spouse or civil partner

and

- i legal representatives, heirs, assigns or estates of any person set out in a to g above in the event of their death, incapacity, insolvency or bankruptcy where recovery is sought solely because of a Wrongful Act of such person.

Insured Person shall not include insolvency practitioners or external auditors.

Section 10 – Directors and Officers Liability (continued)

Investigation Costs

Any costs, fees and expenses incurred in attending and being represented at any investigation initiated by a formal, regulatory, administrative, criminal or investigative inquiry into the Business, where the investigating body has the powers to carry out such an inquiry, and where any Directors and Officers or Employees of the Insured are required to attend such an inquiry.

Loss(es)

Damages and settlements entered into with the Insurer's prior written consent and Costs, Charges and Expenses (including Pollution Defence Costs), excluding:

- a** punitive or exemplary damages except where insurable by law;

and/or

- b** criminal or civil fines or penalties; and/or
- c** taxes; and/or
- d** matters deemed uninsurable under the laws of England and Wales.

Outside Entity

Any organisation, association joint venture or company other than:

- a** a Company
- b** an organisation, association or company that has a level II or III American Depositary Receipt Programme or is directly listed on an exchange in the United States of America
- c** a financial institution including any bank, clearing house, depository institution, investment firm, investment advisor, investment manager, investment fund, stockbroker, mortgage broker, credit institute, asset manager, private equity or venture capital company, insurance company or similar company

unless added by clause issued by the Insurer.

Pollution Defence Costs

Costs, Charges and Expenses where the Claim giving rise to those Costs, Charges and Expenses involves allegations relating to Pollution or Contamination.

Pollution Defence Costs Limit of Indemnity

The limit of the Insurer's liability in respect of Pollution Defence Costs which shall be in the amount set out in the Schedule.

Securities

Any financial or investment instrument issued by a Company which denotes an ownership interest and provides evidence of a debt, a right to share in the earnings of such company, or a right in the distribution of a property.

Subsidiary

Any entity of which the Insured either own more than 50% of the voting rights or own more than 50% of total issued share capital.

Territorial Limits

Worldwide excluding the United States of America.

Wrongful Act

Any actual or alleged act or omission by the Directors and Officers in the discharge of their duties solely in their capacity as Directors and Officers of the Business, individually or collectively.

Cover

The Insurer agrees:

- a** to pay on behalf of the Directors and Officers for Loss sustained as a result of any Claims which are first made during the Period of Insurance arising from a Wrongful Act except for Loss which is recoverable under Cover b below
- b** to pay on behalf of the Insured for Loss sustained as a result of any Claims which are first made during the Period of Insurance arising from a Wrongful Act where an indemnity has been given or lawfully is required to be given by the Insured to the Directors and Officers

Section 10 – Directors and Officers Liability (continued)

- c** to pay on behalf of the Directors and Officers for any Investigation Costs where the relevant investigation is first initiated during the Period of Insurance. The Insurer's liability for Investigation Costs shall be limited to £100,000 in the aggregate. For the avoidance of doubt cover afforded shall not operate to increase in any way the Limit of Indemnity stated in the Schedule
- d** to pay on behalf of the Directors and Officers any Pollution Defence Costs where the Claim or investigation is first initiated during the Period of Insurance

subject always to the Excess and the Limits of Indemnity, terms, conditions and exclusions of this Section and the Policy.

Limit of Indemnity

The maximum liability payable under this Section and Extensions of this Section inclusive of all Costs and Expenses shall be the Limit of Indemnity stated in the Schedule in respect of any one Claim or series of Claims against the Insured arising out of one occurrence.

- 1** The Limit of Indemnity set out in the Schedule shall be the maximum aggregate amount payable hereunder inclusive of:
 - a** Costs, Charges and Expenses; and/or
 - b** any Pollution Defence Costs.
- 2** The Pollution Defence Costs Limit of Indemnity may be exhausted by any payments made by the Insurer in respect of any and all Losses.

Notwithstanding the above the Pollution Defence Costs Limit of Indemnity is subject to a sublimit of 10% of the Limit of Indemnity set out in the Schedule for this Section.

Section Exclusions

For the avoidance of doubt, the Exclusions below also apply to Investigation Costs incurred by the Insured.

Policy Exclusions 1, 2, 5, 6 and 13 apply to this Section and in addition the Insurer will not be liable for any Loss or any Investigation Costs in connection with any Claim:

- 1** for:
 - a** Injury, mental anguish, emotional distress, sickness, disease or death; and/or
 - b** Damage to, destruction of, or Loss of use of any tangible property
- 2** based upon or arising out of:
 - a** any Wrongful Act, circumstance or situation which has been or should have been the subject of notice given under any prior insurance; and/or
 - b** any proven dishonest, fraudulent or criminal act or omission of any Director and Officer; and/or
 - c** the Directors and Officers gaining any personal profit or advantage to which they were not entitled either at law or in equity; and/or
 - d** the return by the Directors and Officers of remuneration to which they were not entitled either at law or in equity; provided that any Wrongful Act pertaining to any Director and Officer shall not be imputed to any other person for the purposes of determining the applicability of this Exclusion
- 3** which is insured under any other insurance regardless of whether such Claim is collectable or recoverable. However, this Exclusion shall not apply to Loss which exceeds the deductible and limit of liability of such other insurance

Section 10 – Directors and Officers Liability (continued)

- 4** by the Insured except where such Claim is:
 - a** brought by or under the direction of an administrator, liquidator or receiver; and/or
 - b** brought by a shareholder or a group of shareholders of the Insured and in the Insured's name without the involvement of any Directors or Officers; and/or
 - c** for Costs, Charges and Expenses in respect of the Claim brought by the Insured
- 5** of any Subsidiary for, or in consequence of, any Wrongful Act occurring prior to the date such entity became a Subsidiary
- 6** based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving:
 - a** any prior and/or pending litigation as at the date specified in the Schedule; and/or
 - b** any fact, circumstance, situation, transaction or event underlying or alleged in such litigation, regardless of the legal theory upon which such Claim is predicated
- 7** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving or related to:
 - a** actual or alleged seepage, Pollution or Contamination of any kind; and/or
 - b** the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to Asbestos or materials or products containing Asbestos whether or not there is another cause of Loss, which may have contributed concurrently or in any sequence to a Claim; and/or
 - c** Fungal Pathogens whether or not there is another cause of Loss which may have contributed concurrently or in any sequence to a Claim, except for Costs, Charges and Expenses incurred subject to the limit stated under the Pollution Defence Costs Limit of Indemnity
- 8** brought outside the Territorial Limits or under the laws of countries outside the Territorial Limits or brought to enforce a judgement, remedy or settlement obtained under the laws or regulations of any country outside the Territorial Limits
- 9** based upon or arising out of any Director or Officer acting in the capacity of trustee or fiduciary or administrator of any employer-sponsored pension or superannuation scheme or superannuation programme, including any actual or alleged violation of any responsibilities, obligations or duties imposed by the UK Pensions Act 1995 or any amendments or re-enactments thereof, or any similar legislation applicable in any other jurisdiction
- 10** directly or indirectly caused by or consisting of or arising from:
 - a** authorised or unauthorised transmission of Electronic Data
 - b** the content of any website, the Insured's email, intranet or extranet
 - c** erasure, loss, distortion, corruption or alteration of Electronic Data or any loss of use resulting in reduction of functionality
 - d** failure of electronic, electromechanical data processing or electronically controlled equipment or Electronic Data to correctly recognise any given date or to process data or to operate properly due to a failure to recognise any given date
- 11** for any Claims or investigations brought against the Insured directly
- 12** arising out of, based upon or attributable to any activities of the Company in, or connected in any way with the United States of America
- 13** arising out of, based upon, or attributable to any public offering of any Securities during the Period of Insurance, provided that this Exclusion shall not apply to debt offerings anywhere in the World.

Section 10 – Directors and Officers Liability (continued)

14 arising out of, based upon or attributable to:

- a** any Claim, Investigation or Self Report Investigation first made or commenced prior to the inception date of the Policy including any Related Claim thereto irrespective of when it arises;

or

- b** circumstances which have been notified under any other policy or certificate of insurance providing management liability cover and which attaches prior to the inception date of the Policy.

15 arising out of, based upon, or attributable to:

- a** any legal or arbitral proceeding involving any Company or Outside Entity or any Insured Person initiated prior to, or pending at the Prior/Pending Litigation Date; or
- b** any fact, circumstance, situation, transaction or event underlying or alleged in such proceeding or alleging or deriving from the same or essentially the same facts, or that has the same source or cause as the matters alleged in such litigation

Settlements

- 1** No admittance of liability nor settlement of any Claim shall be made nor Costs, Charges and Expenses incurred without the Insurer's prior written consent, such consent not to be unreasonably withheld. The Insurer shall advance Costs, Charges and Expenses, provided that:
 - a** if it is ultimately established that the Insurer has no liability under this Policy, the Insured shall reimburse the Insurer for all such sums advanced;
 - b** any advance of Costs, Charges and Expenses shall reduce the Limit of Indemnity in accordance with the terms of the Policy;

- c** if a Claim is brought against the Directors and Officers and the Insured, the Insurer shall advance all Costs, Charges and Expenses whilst any Directors and Officers are named in such action.

- 2** If a Claim is brought against the Directors and Officers and the Insured, the Insurer shall advance all Costs, Charges and Expenses whilst any Directors and Officers are named in such action.
- 3** It shall be the duty of the Directors and Officers, and not the Insurer's duty, to defend any Claim. However, the Insurer shall be entitled but not obliged to assume the conduct of the defence or settlement of any Claim notified under this Policy and for that purpose to appoint a solicitor and/or barrister and/ or appropriate legal expert to defend a Claim.
- 4** Directors and Officers shall be entitled at their own risk to contest any Claim which in the Insurer's opinion should be compromised or settled provided that the Insurer shall not be liable for any Loss incurred as a result of the Director's and Officer's refusal to compromise or settle such Claim.

Excess

- 1** No Loss shall be paid by the Insurer until the applicable Excess is exceeded, the only exception being when the Insured is unable to make actual indemnification to the Directors and Officers by reason of insolvency
- 2** If more than one Claim arises from the same Wrongful Act, then it will be deemed a single Claim for the purpose of determining the application of the Excess.
- 3** If a Claim is covered in part under Cover **a** and in part under Cover **b**, then the Excess shall be that applicable to Cover **b**.

Section 10 – Directors and Officers Liability (continued)

Section Conditions

The Policy Conditions 1–15 inclusive and 24 apply to this Section and in addition the following:

1 Adjustment

- a If the Insured acquires or creates a Subsidiary subsequent to the inception of this Section, the following provisions apply:
 - i coverage hereon in relation to such Subsidiary shall attach from the date of acquisition or
 - ii creation for subsequent acts;
 - iii if the Subsidiary exceeds 25% of the Insured's consolidated assets or the Subsidiary is listed on any stock exchange anywhere in the world then full information must be supplied to the Insurer within 60 days. In this event the Insurer reserves the right to review the terms and conditions of this Section.
- b From the date that an entity ceases to be a Subsidiary during the Period of Insurance or ceases to be a Subsidiary during any insurance of which this is a renewal, the following provisions apply:
 - i there shall be no coverage for subsequent Wrongful Acts relating to that Subsidiary;
 - ii coverage shall continue for the remainder of the Period of Insurance, for Claims arising from Wrongful Acts relating to that Subsidiary committed prior to the date the entity ceased to be a Subsidiary.

2 Assistance and Co-operation

In the event of the notification of any Claim or of any Wrongful Act which may lead to a Claim, the Directors and Officers and the Insured agree to provide the Insurer with any information or assistance as may reasonably be requested.

3 Authorisation

It is agreed that the Insured act on behalf of the Directors and Officers in matters concerning this Section including cancellation and notification.

4 Change of Circumstances

The Insurer shall be notified as soon as practicable, but in any event no more than 60 days after the Insured or any Directors and Officers are first made aware of the consolidation or merger of the Business with another.

On receipt of such notice the Insurer shall have the right to amend the terms and conditions of this Section.

5 Notification

- a In the event of a Claim, it is a condition precedent to the Insurer's liability under this Section that notice be given to the Insurer as soon as practicable but in no event more than 30 days after the expiry date of the Period of Insurance shown in the Schedule.
- b If during the Period of Insurance, the Insured or the Directors and Officers become aware of a Wrongful Act which they believe may lead to a Claim, it is a condition precedent to the Insurer's liability under this Section that notice be given to the Insurer during the Period of Insurance. Any Claim arising out of such Wrongful Act shall then be deemed to have been made during the Period of Insurance. Such notice must state why it is believed that a Claim will be made.

6 Termination

In the event that:

- a there is a takeover of the Business; and/or
- b the Business is merged or consolidated with another entity so that the Business is not the surviving entity; then, from the date that such event takes place, this Section does not cover any Wrongful Act occurring subsequently.

Additional Benefits

24 Hour Lawphone legal advice helpline

(Only applicable if Section 6 – Commercial Legal Expenses is shown in the Schedule as "Insured")

Lawphone provides advice on any commercial legal matter 24 hours a day, 365 days a year. There is no additional charge for the advice provided by Lawphone. The advice the Insured receives from Lawphone will be in accordance with the laws of Great Britain and Northern Ireland. Lawphone does not provide advice on the laws of any other country or jurisdiction. The Insurer will record the calls for the Insured and Insurer's mutual protection and the Insurer's training purposes.

Lawphone: **0344 873 0845**

When the Insured contacts Lawphone the Insured should quote the Master Policy reference contained within the Policy Schedule and provide a brief summary of the problem. The details will be passed to an advisor who will return the Insured's call.

All areas of law relevant to the Business of the Insured are covered. This advice is available to the Insured during the Period of Insurance of the Policy, although no liability can be accepted for inability to provide advice due to breakdown or failure of the telephone network.

If Lawphone advises that specialist in-depth advice is required the Insured will be passed on to a specialist solicitor to deal with the problem. There may be an additional charge for any work the solicitor is instructed to undertake by the Insured and this additional charge will not be covered by this Policy.

Lawphone is provided by Allianz Legal Protection, part of Allianz Insurance plc.

Tax advice helpline

(Only applicable if Section 6 – Commercial Legal Expenses is shown in the Schedule as "Insured")

This helpline provides advice on any business tax matter affecting the Insured and is available between the hours of 9.00am and 5.00pm, Monday to Friday (excluding Public Holidays). There is no additional charge for the advice provided by this helpline. Advice provided by the helpline will be in accordance with the taxation laws of Great Britain and Northern Ireland. The Tax Advice Helpline cannot provide advice on the laws of any other country or jurisdiction.

Please note that this is a telephone service, which is intended for general enquiries. It does not provide advice on any matter relating to tax planning and does not engage in documentation review or enter into any written correspondence with the Insured, except where the advisor considers it appropriate to forward details of written procedures to the Insured by email. Advice and guidance will be in accordance with the advisor's understanding of the circumstances as described by the Insured.

This service should not be used as a substitute for a formal consultation with the Insured's accountant or other tax advisor, who can review the Insured's particular circumstances in more depth than is intended by this service.

When contacting the Tax Advice Helpline, the Insured should quote the Master Policy reference contained within the Policy Schedule.

Tax Helpline: **0344 873 0244**

The Insured can contact the helpline as often as required during the term of the Policy.

This helpline is provided by Markel Tax a trading division of Markel Consultancy Services Ltd of One Mitchell Court, Castle Mound Way, Rugby CV23 0UY.

Since this service is not provided by the Insurer, the Insurer shall not be liable to the Insured or any Insured Person for any advice given or services rendered by the provider of the Tax Advice Helpline or for any losses incurred in the event that the telephone helpline is not available for any reason.

Additional Benefits (continued)

Allianz Legal Online

(Only applicable if Section 6 – Commercial Legal Expenses is shown in the Schedule as "Insured")

As part of the Commercial Legal Expenses facility the Insured has access to extensive online business support via Allianz Legal Online.

This facility provides tools and services that will help the Insured to produce legal paperwork in connection with the Insured's Business, for example, bespoke contracts of employment. In addition it provides the Insured with up to date online guidance and advice on many legal issues, such as, employment legal procedures, managing the Insured's Business and debt recovery. The legal paperwork and guidance will always be in accordance with the laws of Great Britain and Northern Ireland.

The Insured can access Allianz Legal Online at: allianzlegal.co.uk.

A registration number is required to enter the web site and this is shown within the Commercial Legal Expenses details on the Policy Schedule. If the Insured has any problems relating to Allianz Legal Online please contact the Allianz Legal Online customer services team on **0345 644 8966** or email them at support@allianzlegal.co.uk.

If the Insured requires a solicitor review of the document or specialist in-depth advice the Insured will be passed on to a specialist solicitor. There may be an additional charge for any work the solicitor is instructed to undertake by the Insured.

Allianz Legal Online is provided by Epoq Legal Ltd of Middlesex House, 29-45 High Street, Edgware, Middlesex HA8 7UU.

Since the documents, tools and services offered through Allianz Legal Online are not provided by the Insurer, the Insurer shall not be liable to the Insured or any Insured Person for any deficiency in any of the documents, tools and services offered.

Glass replacement

Broken glass is dangerous and in some circumstances can be a major security risk. Allianz have negotiated a special arrangement for you with one of Britain's leading glass replacement specialists. In an event of emergency or if your property is insecure please phone our Claims Team on **0344 412 9988**.

Help on starting and running a business

Running a business means facing a constant stream of challenges and opportunities often with limited resources. Whether you're looking for help with management techniques, finance, export skills, design, technology, marketing or information technology, one phone call will put you in touch with a highly experienced team of experts with hands-on experience.

To contact your regional Business Support Helpline, telephone:

England:

Business Support Helpline (England)

Email: enquiries@businesssupporthelpline.org

Telephone: **0800 998 1098**

Monday to Friday, 9am to 6pm
(except bank holidays).

Wales:

Business Wales Helpline

Telephone: **0300 060 3000**

Monday to Friday, 8.30am to 5.30pm
(except bank holidays).

Scotland:

Find Business Support Scotland

Telephone: **0300 303 0660**

Textphone: **0800 023 2071**

Monday to Friday, 8.30am to 5.30pm
(except bank holidays).

Support and advice can also be obtained through the GOV.UK website at gov.uk/business-support-helpline.

Additional Benefits (continued)

Allianz Risk Management

Additional risk management guidance and support can be accessed via allianz.co.uk/risk-management, our free, online risk management website which offers an array of information including:

- comprehensive guidance for key and trade sector specific topics, including an overview of criteria to consider and actions to take when assessing and managing risk
- a business impact analysis tool, to assist you in a better understanding of where your business may be vulnerable to disruption and the mitigation measures that can be adopted
- access to a range of discounted online training packages to help you in the management and control of hazards and risks in your workplace
- news keeping you up-to-date with the latest developments in business risk
- A-Z of key UK legislation providing an outline of its purpose, who's responsible for compliance and what needs to be done
- a network of quality approved suppliers providing a range of discounted products and services.

Privacy Notice Summary

Please find below a summary of our Privacy Notice.
The full notice can be found on the Allianz UK website:
allianz.co.uk/privacy-notice.

If you would like a printed copy of our Privacy Notice, please contact the Data Rights team using the details below.

Allianz Insurance plc is the data controller of any personal information given to us about you or other people named on the policy, quote or claim. It is your responsibility to let any named person know about who we are and how this information will be processed.

Allianz Insurance plc, Allianz Engineering Inspection Services Limited, Petplan Ltd and VetEnvoy are companies within the Allianz Holdings.

Anyone whose personal information we hold has the right to object to us using it.

They can do this at any time by telling us and we will consider the request and either stop using their personal information or explain why we are not able to.

If you wish to exercise any of your data protection rights you can do so by contacting our Data Rights team:

Telephone: **0208 231 3992**
Email: datarights@allianz.co.uk
Address: Allianz Insurance Plc, Allianz,
57 Ladymead, Guildford,
Surrey, GU1 1DB

Any queries about how we use personal information should be addressed to our Data Protection Officer:

Telephone: **0330 102 1837**
Email: dataprotectionofficer@allianz.co.uk
Address: Data Protection Officer, Allianz,
57 Ladymead, Guildford,
Surrey, GU1 1DB

Employers' Liability Tracing Office

If your policy provides Employers' Liability cover information relating to your insurance policy will be provided to the Employers' Liability Tracing Office (the "ELTO") and added to an electronic database, (the "Database") in a format set out by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2011.

The Database assists individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK whilst working for employers carrying on, or who carried on, business in the UK and as a result are covered by the employers' liability insurance of their employers, (the "Claimants"):

- i** to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and
- ii** to identify the relevant employers' liability insurance policies.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

The Database will be managed by the ELTO and further information can be found on the ELTO website elto.org.uk.

Contact

Telephone 0333 015 6629

Email support@niceicinsurance.com

Online [niceicinsurance.com](https://www.niceicinsurance.com)

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Registered office: 57 Ladymead, Guildford, Surrey GU1 1DB, United Kingdom.

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