



# POLICY DOCUMENT

## RECRUITMENT



# Contents

|   |    |
|---|----|
| About Your Policy   | 01 |
| Your Policy   | 02 |
| Section 1 - Combined Liability  | 09 |
| Section 2 – Professional Indemnity  | 17 |
| Section 3 – Property Damage   | 22 |
| Section 4 – Terrorism   | 37 |
| Section 5 – Legal Expenses  | 44 |
| Section 6 – Personal Accident   | 54 |
| Section 7 – Directors & Officers  | 59 |
| Definitions applicable to all Sections of this Policy (other than Section 5 – Legal Expenses, and Section 7 – Directors & Officers) | 78 |
| Offshore Endorsement  | 89 |
| Optional Extensions   | 91 |

# About Your Policy

This **Policy** has been produced by **Pen Underwriting Limited** a Managing General Agent of the **Insurers**. The **Insurers** have delegated authority to **Pen Underwriting Limited** to underwrite Insurance and handle **Claims** for **You** on their behalf.

**Your Policy** is made up of Sections prepared from a **Proposal** form or declaration or statement of fact provided by **You** or from **Your** instructions or any information in connection with this insurance provided to **Pen Underwriting Limited** or the **Insurer** or **Your** insurance adviser.

This **Policy Document** explains the insurance provided under this contract.

Each Section may include terms Definitions Conditions and Exclusions unique to the Section which should be read in conjunction with the **Policy** Definitions, Conditions and Exclusions.

An Endorsement forms an addition to the Section and varies the insurance provided by the Section.

The **Schedule** or Appendix and any Endorsement should be read together for precise details of **Your** insurance protection.

Please take care to review all documentation carefully to ensure that the information provided accurately reflects **Your** circumstances and that the cover provided suits **Your** requirements.

**You** should pay particular attention to any terms conditions limits and exclusions including endorsements which may require **You** to take action.

Tom Downey



Chief Executive Officer of Pen Underwriting Limited

# Your Policy

The coverage under this **Policy** unless otherwise stated in the **Policy Document** is provided by the following;

Insurance cover under the Legal Expenses Section is provided by the following **Insurer**:

## Markel International Insurance Company Limited

FCA Firm Reference Number - 202570  
Company Registration Number - 966670  
Registered Office Address - 20 Fenchurch Street,  
London EC3M 3AZ

Insurance cover under the Directors & Officers Section is provided by the following **Insurer**:

## AXA Insurance UK plc

AXA Insurance UK plc Registered in England and Wales No 78950. Registered Office: 20 Gracechurch Street, London EC3V 0BG.

A member of the AXA Group of Companies. AXA Insurance UK plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Telephone calls may be monitored and recorded.

Insurance cover under All Other Sections is provided by the following **Insurer**:

## Chubb European Group SE

Chubb European Group SE (CEG) is a Societas Europaea, a public company registered in accordance with the corporate law of the European Union. Members' liability is limited. CEG is headquartered in France and governed by the provisions of the French insurance code. Risks falling within the European Economic Area are underwritten by CEG, which is authorised and regulated by the French Prudential Supervision and Resolution Authority (4 Place de Budapest, CS 92459, 75436 Paris Cedex 09, France). Registered company number: 450 327 374 RCS Nanterre. Registered office: La Tour Carpe Diem, 31 Place des Corolles, Esplanade Nord, 92400 Courbevoie, France. Fully paid share capital of €896,176,662.

CEG's UK branch is registered in England & Wales. UK Establishment address: 100 Leadenhall Street, London EC3A 3BP. Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority (FS Register number 820988). Details about the extent of regulation by the Prudential Regulation Authority are available on request.

CEG is a subsidiary of a US parent and Chubb Limited (a NYSE listed company) and part of the Chubb Group of companies. Consequently, CEG is subject to certain US laws and regulations in addition to EU, UN and national sanctions restrictions which may prohibit it from providing cover or paying claims to certain individuals or entities, and from insuring certain types of activities in or connected with certain countries and territories such as, but not limited to, Iran, Syria, North Korea, North Sudan, Cuba and Crimea..

**Your Insurers** identified above are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Full details can be found on the Financial Conduct

Authority's register by visiting <https://register.fca.org.uk/> or by contacting the Financial Conduct Authority on 0207 066 1000 and using the above references.

## Duty of Fair Presentation

This **Policy** is a contract between **You** and the **Insurer**.

**You** must take all reasonable care to provide complete and accurate answers to the questions **We** ask when **You** take out, make changes to, and renew **Your Policy**. Please tell **Your** broker within 14 days of becoming aware of any changes to the information **You** provided when applying for this insurance. Please contact **Your** broker if **You** require a copy of **Your** Quote Summary, declaration or **Your Schedule**.

When **We** are notified of a change, **We** will tell **You** whether this affects **Your Policy**. For example whether **We** are able to accept the change and if so, whether the change will result in revised terms and/or a revised **Premium** being applied to **Your Policy**. If **We** are not able to accept the change and it becomes necessary to cancel this insurance, **We** will do so as described within the **Cancellation** conditions contained within the **Policy**.

**Please read the whole document carefully.** It is arranged in different sections. It is important that

- **You** are clear which sections **You** have requested and want to be included;
- **You** understand what each section covers and does not cover;
- **You** understand **Your** own duties under each section and under the insurance as a whole.

Please contact **Your** broker immediately if this Document is not correct or if **You** would like to ask any questions.

## Important Notice:

The **Insured** is required to make a fair presentation of the risk to **Insurers**.

If the **Insured** breaches its duty to provide a fair presentation and any such breach was deliberate or reckless, **Insurers** may regard the **Policy** as void and are not required to return any paid **Premium** to the **Insured**.

If the breach was not deliberate or reckless, **Insurers'** remedy shall depend upon what **Insurers** would have done if the **Insured** had complied with the duty of fair presentation:

1. **Insurers** may regard the **Policy** as void if **Insurers** would not have entered into the **Policy** on any terms in the absence of the breach. In this case, the **Insurers** must return the **Premium** paid.
2. If the **Insurers** would have entered into the **Policy**, but on different terms (other than terms relating to **Premium**) the **Policy** is to be treated as if those different terms applied from the outset, if the **Insurer** so requires.
3. If the **Insurers** would have entered into the **Policy** but would have charged a higher **Premium** the **Insurers** may reduce proportionately the amount to be paid on a **Claim** (and, if applicable, the amount already paid on prior **Claims**).

## Complaints (All sections other than Section 5)

At Pen Underwriting, it is always **Our** intention to provide a first class standard of service. However, it is appreciated that occasionally things go wrong. In the majority of cases the agent who arranged the insurance will be able to resolve any concerns and **You** should contact them directly in the first instance.

Alternatively **You** can complain by contacting **Pen Underwriting Limited** (as per the contact details below) quoting **Your Policy** and/or **Claim** number. **We** will investigate **Your** concerns and provide a response as soon as possible.

Address:  
 Pen Underwriting Limited Complaints  
 7th Floor Spectrum Building  
 55 Blythswood Street  
 Glasgow  
 G2 7AT

Telephone: 0141 285 3539  
 Email: [pencomplaints@penunderwriting.com](mailto:pencomplaints@penunderwriting.com)

## Complaints Procedure For Section 5

Abbey Legal Protection are dedicated to providing a high quality service and want to ensure they maintain this at all times. If the **Insured** is not satisfied with any part of the service they have received then they should contact the Abbey Legal Protection who will do their best to resolve the problem. In the first instance please contact:

The Customer Services Manager  
 Abbey Legal Protection  
 20 Fenchurch Street  
 London  
 EC3M 3AZ

Tel: 0370 600 1480  
 Email: [complaints@abbeylegal.com](mailto:complaints@abbeylegal.com)

The Abbey Legal Protection is authorised and regulated by the Financial Conduct Authority. Firm Number: 308829

## If you are not satisfied with the response to your complaint

**You** can also contact **Your Insurer**, contact details can be found in the **Schedule**.

Should **You** remain dissatisfied having received a Final Response to **Your** complaint and **You** fit the definition of an 'eligible complainant', **You** may then be able to refer **Your** complaint to the Financial Ombudsman Service (FOS). Please note that the FOS allow 6 months from the date of the Final Response to escalate **Your** complaint to them. Further details on eligibility and the referral process can be found on the FOS Website.

Address:  
 The Financial Ombudsman Service  
 Exchange Tower  
 London  
 E14 9SR

Telephone: 0800 0234567 (for landline users)  
 Telephone: 0300 1239123 (for mobile users)  
 Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
 Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

## Our complaints process

In **Our** experience many problems can be resolved by speaking to the staff directly responsible for the handling of **Your Policy** or **Claim**. They will do their best to address the problem and in **Our** experience most issues can be resolved satisfactorily at this stage.

When **You** contact **Us** **We** promise to;

- fully investigate **Your** complaint
- keep **You** informed of progress
- do everything possible to resolve **Your** complaint
- learn from **Our** mistakes
- use the information from **Your** complaint to proactively improve **Our** service in the future.

## Compensation Scheme

The providers of this insurance as defined in this **Policy** are covered by the Financial Services Compensation Scheme (FSCS). If they cannot meet their obligations **You** may be entitled to compensation under this scheme depending on the type of insurance and the circumstances of the Claim.

**You** are covered for 90 per cent of the **Claim** without any upper limit. However, for compulsory classes of insurance **You** are covered for 100 per cent of the **Claim** without any upper limit.

In the unlikely **Event** of **Us** being unable to meet **Our** liabilities, **You** may be entitled to compensation under the Financial Services Compensation Scheme.

Their contact details are:

Financial Services Compensation Scheme,  
 10th Floor, Beaufort House,  
 15 St. Botolph Street,  
 London, EC3A 7QU

Tel: 0800 678 1100 or +44 (0)20 7741 4100

## Cooling Off Period

**You** are entitled to cancel this insurance by contacting **Your** broker within 14 days of either the date **You** receive

**Your Policy** documentation; or, the start of the **Period of Insurance** whichever is the later.

## How to make a Claim

At Pen Underwriting, **We** understand that **Claims** form a critical component of **Our** offering the moment the **Policy** becomes tangible and **We** are relied upon to deliver upon **Our** commitment to **You**.

Pen Underwriting have assembled an experienced team who embody **Our** three key principles of:

- 1) **Partnership** – working together to achieve the optimum outcome to the Claim
- 2) **Expertise** – **We** employ staff and engage service providers who are experts in their field
- 3) **No-nonsense** – **We** apply a flexible and proactive approach to the **Claims** process

For details on how to notify **Your** Claim, please refer to **Your Schedule**.

## The Law that governs this Policy

Unless the parties have agreed otherwise in writing any dispute concerning the interpretation of this **Policy** shall be governed and construed in accordance with English law and shall be resolved within the exclusive jurisdiction of the courts of England and Wales.

## Contracting parties and rights of action

A person or company who is not a party to this **Policy** has no rights under the Contracts (Rights of Third Parties) Act 1999 in respect of this **Policy**. This Condition does not affect any right or remedy which exists or is available apart from that Act.

## Data Protection

Pen Underwriting Limited are the data controller of any personal information you provide to us or personal information that has been provided to us by a third party. We collect and process information about you in order to arrange insurance policies and to process claims. Your information is also used for business purposes such as fraud prevention and detection and financial management. This may involve sharing your information with third parties such as insurers, brokers, reinsurers, claims handlers, loss adjusters, credit reference agencies, service providers, professional advisors, our regulators, police and government agencies or fraud prevention agencies.

We may record telephone calls to help us monitor and improve the service we provide. For further information on how your information is used and your rights in relation to your information please see our Privacy Policy - <https://www.penunderwriting.co.uk/Privacy-andCookies>. If you are providing personal data of another individual to us, you must tell them you are providing their information to us and show them a copy of this notice.

## General provisions applicable to all sections of the Policy

### Alteration

The **Insured** shall give notice to the **Insurer** of any material alteration or change in circumstances affecting the risk covered and until the **Insurer** shall have agreed in writing to accept liability for such altered risk the **Insurer** shall not provide an indemnity in respect of liability arising from such altered circumstances.

This **Policy** will be avoided if after the commencement of this insurance:

1. the **Insured's Business** is wound up or carried on by a liquidator or receiver or permanently discontinued;
2. the interest of the **Insured** ceases other than by death; or
3. any alteration is made either in the **Insured's Business** or in the described **Premises** or **Property** therein whereby the risk of loss destruction or damage is increased; unless agreed in advance by the **Insurer** in writing.

Section 3 of this **Policy** shall be avoided in respect of any **Property Insured** altered after the commencement of this insurance:

1. by removal;
2. whereby the risk of damage is increased; or
3. whereby the interest of the **Insured** ceases except by will or operation of law; unless agreed in advance by the **Insurer** in writing.

### Application of Excess

Save where provided to the contrary in any Section of this **Policy**, the applicable amount shown in the **Schedule** as an **Excess** is the amount of all damages, loss, **Costs and Expenses** for which the **Insured** is responsible in respect of each and every **Occurrence** (in respect of Sections 1 and 2) or each and every **Claim** (in respect of Section 3 to 6) before the **Insurer** is liable to make any payment under this **Policy**. The applicable **Excess** amount shall not erode the applicable **Limit** shown in the **Schedule**. **Claims** handling up to this **Excess** shall be the responsibility of the **Insured**.

Where cover in respect of any one **Occurrence** or **Claim** (as applicable) is provided under more than one Section of this **Policy**, the highest applicable **Excess** shall apply.

The **Insurer** may, at its discretion, pay any part or all of the **Excess** to settle any **Claim** or proceedings, in which case the **Insured** shall promptly reimburse the **Insurer** for any such sum.

### Arbitration

If any difference shall arise as to the amount to be paid under this **Policy** (liability being otherwise admitted) such difference shall be referred to arbitration under ARIAS Arbitration Rules.

The Arbitration Tribunal shall consist of three arbitrators, one to be appointed by the claimant, one to be appointed by the respondent and the third to be appointed by the two appointed arbitrators.

The third member of the tribunal shall be appointed as soon as practicable (and no later than 28 days) after the appointment of the two party-appointed arbitrators. The tribunal shall be constituted upon the appointment of the third arbitrator.

The arbitrators shall be persons (including those who have retired) with not less than 10 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 ARIAS (UK) will appoint an arbitrator to fill the vacancy. At any time prior to the appointment by ARIAS (UK) the party or arbitrators in default may make such appointment.

The tribunal may in its sole discretion make such orders and directions as it considers to be necessary for the final determination of the matters in dispute.

The tribunal shall have the widest discretion permitted under the law governing the arbitral procedure when making such orders or directions.

The seat of arbitration shall be London.

The proper law of this contract shall be the law of England and Wales.

### Assignment

Assignment of interest under this **Policy** shall not bind the **Insurer** without its prior consent.

### Audits and Inspection

At any time during the **Period of Insurance** or thereafter, the **Insured** shall make available to the **Insurer** (and the **Insurer** shall have the right to audit, inspect and copy) any books, papers and other records of the **Insured** (including those of its agents and brokers) in connection with this **Policy** or the subject matter hereof.

### Cancellation

#### Canceling this insurance

**You** can cancel this insurance at any time by writing to **your** broker.

The **Insurer** can cancel this insurance by giving **You** thirty (30) days' notice in writing. The **Insurer** will only do this for a valid reason (examples of valid reasons are as follows):

- non-payment of **Premium**;
- a change in risk occurring which means that the **Insurer** can no longer provide **You** with insurance cover; or

- non-cooperation or failure to supply any information or documentation the **Insurer** requests.

### Refund of Premium

This insurance has a cooling off period of fourteen (14) days from either:

- the date **You** receive this insurance documentation; or
- the start of the **Period of Insurance**

whichever is the later.

If this insurance is cancelled then, provided **You** have not made a **Claim**, **You** will be entitled to a refund of any **Premium** paid, subject to a deduction for any time for which **You** have been covered. This will be calculated on a proportional basis. For example, if **You** have been covered for six (6) months, the deduction for the time **You** have been covered will be half the annual **Premium**.

If **You** cancel this insurance outside the cooling off period, there will be an additional charge, as stated in the **Schedule**, to cover the administrative cost of providing the insurance.

If the **Insurer** pay any **Claim**, in whole or in part, then no refund of **Premium** will be allowed.

### Changes

This **Policy** may be changed only by a written endorsement issued by a duly authorised representative of the **Insurer**.

### Choice of Law and Forum

This **Policy** of insurance shall be governed by and construed in accordance with the laws of England and Wales and the Commercial **Court**, Queen's Bench Division of the High **Court** of Justice, Royal Courts of Justice, The Strand, London WC2A 2LL shall have exclusive jurisdiction in respect of any dispute arising under or in connection with this **Policy**, including any dispute as to the formation or validity of the **Policy**.

### Currency

All payments under this **Policy** shall be made in Pound Sterling. If any calculation or payment is to be made in any other currency, then the rate of exchange to apply shall be that applicable on the date of settlement or, with respect to any other payments under this **Policy** the date of the **Insurer's** agreement to release such payment, as published in the Financial Times.

In no **Event** will any conversion into or from another currency result in any increase in any of the Limits of Liability or Indemnity (as applicable).

### First Named Insured

The person or organisation first named as the **Insured** in the **Schedule** is primarily responsible for the payment of all premiums. The first named **Insured** will act on behalf of all other persons or organisations indemnified under this **Policy** for the giving and receiving of all notices, the receipt of any return premiums that become payable under this

**Policy** and the negotiation, agreement to and acceptance of endorsements.

### Fraudulent Claims

If the **Insured** makes a fraudulent **Claim** under this **Policy**:

1. the **Insurer** shall not be liable to pay the **Claim** and any sums paid by the **Insurer** in respect of the **Claim** shall be repaid to the **Insurer** immediately;
2. the **Insurer** may by giving notice in writing to the **Insured** at their last known address treat this **Policy** as having been terminated with effect from the time of the **Fraudulent Act**.

If the **Insurer** does treat this **Policy** as having been terminated

1. it may refuse all liability to the **Insured** under this **Policy** in respect of any **Relevant Event** occurring after the time of the **Fraudulent Act**; and
2. it need not return any of the premiums paid under this **Policy**;

provided that such termination does not affect the rights and obligations of the parties to this **Policy** with respect to any **Relevant Event** occurring before the time of the **Fraudulent Act**

For the purposes of this Condition:

**Fraudulent Act** means the behaviour that makes a **Claim** fraudulent.

**Relevant Event** means whatever triggers the **Insurer's** liability under this **Policy**.

### Inadvertent Non-Disclosure

The **Insured** is required to make a fair presentation of the risk to **Insurers**.

If the **Insured** breaches its duty to provide a fair presentation and any such breach was deliberate or reckless, **Insurers** may regard the **Policy** as void and are not required to return any paid **Premium** to the **Insured**.

If the breach was not deliberate or reckless, **Insurers'** remedy shall depend upon what **Insurers** would have done if the **Insured** had complied with the duty of fair presentation:

1. **Insurers** may regard the **Policy** as void if **Insurers** would not have entered into the **Policy** on any terms in the absence of the breach. In this case, the **Insurers** must return the **Premium** paid.
2. If the **Insurers** would have entered into the **Policy**, but on different terms (other than terms relating to **Premium**) the **Policy** is to be treated as if those different terms applied from the outset, if the **Insurer** so requires.
3. If the **Insurers** would have entered into the **Policy** but would have charged a higher **Premium** the **Insurers** may reduce proportionately the amount to

be paid on a **Claim** (and, if applicable, the amount already paid on prior **Claims**).

However in any case where the **Insured** should have notified under any preceding insurance circumstances which could give rise to a **Claim** and the indemnity or cover available under this **Policy** is greater or wider in scope or amount than the indemnity to which the **Insured** would have been entitled under any preceding insurance (whether with other **Insurers** or not) then the **Insurer** shall only be liable to indemnify the **Insured** in respect of that **Claim** to the extent of the indemnity which would have been afforded by such preceding insurance.

### Interpretation

This **Policy** and the **Schedule** shall be read together as one document and any word or expression to which a specific meaning has been attached in any part of this **Policy** or of the **Schedule** shall bear such specific meaning wherever it may appear.

### Non-Compliance

Where: (i) there has been a failure to comply with a term (express or implied) of this **Policy**, other than a term which defines the risk as a whole; and (ii) compliance with such term would tend to reduce the risk of loss of a particular kind and/or loss at a particular location and/or loss at a particular time, the **Insurer** cannot rely on the breach of such term to exclude, limit or discharge its liability if the **Insured** shows that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

If the **Insured** breaches any warranty in this **Policy**, the **Insurer's** liability under the **Policy** shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). The **Insurer** will have no liability to the **Insured** for any loss which occurs, or which is attributable to something happening, during the period when the **Insurer's** liability is suspended.

### Non-Contribution

If at the time of the happening of any **Occurrence** covered by this **Policy** there is any other existing insurance whether effected by the **Insured** or not covering the same liability the **Insurer** shall not be liable to indemnify the **Insured** in respect of such liability except so far as concerns any **Excess** beyond the amount which would have been payable under such other insurance had this **Policy** not been effected.

### Premium Adjustment

If the first and renewal premiums under this **Policy** have been calculated (wholly or in part) upon estimates furnished by the **Insured**, the **Insured** shall keep proper records containing all particulars relative thereto and the **Insurer** shall be allowed to inspect such records at all reasonable times. The **Insured** shall within one month from the expiry of each **Period of Insurance** supply to the **Insurer** such particulars as the **Insurer** may require, whereupon the **Premium** for such period shall be adjusted and the difference paid by or allowed to the **Insured** as the case may be, subject to any Minimum **Premium** specified in the **Schedule**.

### Remedies for Non-Disclosure or Mis-Representation

In the **Event** of any non-disclosure or misrepresentation which is neither deliberate nor reckless the **Insurer's** proportionate remedy shall be based upon what the **Insurer** can demonstrate it would have done if a fair presentation of the risk had been made, as follows:

If the **Insurer**:

1. would not have entered into this **Policy**, then the **Insurer** may avoid this **Policy** but shall return the **Premium** to the **Insured**;
2. would have entered into this **Policy** but only on different terms, then the **Insurer** may treat this **Policy** as having included those different terms with effect from Inception; and/or
3. would have entered into this **Policy** but only at a higher **Premium**, then the **Insurer** may proportionately reduce the amount of any **Claim** with effect from **Inception**.

It is agreed between the **Insurer** and the **Insured** that:

1. the remedies under 2. and 3. above are cumulative; and
2. the **Insurer's** pre-contractual rights are unimpaired where any non-disclosure or misrepresentation is deliberate or reckless.

For the purposes of this Condition, **Inception** means the commencement of the current **Period of Insurance**.

### Sanction Limitation

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

### Subrogation

The **Insurer** shall be subrogated to all the **Insured's** rights of recovery against any person or organisation, before or after any payment under this **Policy**. The **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing after loss to prejudice such rights. For the purposes of this condition, 'the **Insured**' shall include all persons and organisations indemnified under this **Policy**.

### Survey

The **Insurer** or a representative of the **Insurer** is permitted to undertake a survey of the **Insured's Premises**. If this option is exercised by the **Insurer** it shall produce a survey report for the **Insurer**.

Between inception of this **Policy** and the production of the survey report, the terms, Conditions and Exclusions of this **Policy** remain unaltered.

In the **Event** that the survey report is unsatisfactory to the **Insurer**, the **Insurer** shall have the right to:

1. amend the **Policy** terms, Conditions or Exclusions and / or require completion of risk improvements issued in writing by the **Insurer** within a defined period.

If the **Insurer** elects to change the terms in accordance with 1) above, the **Insured** may:

- a) terminate the **Policy** within 30 days of receipt of the revised terms by giving notice in writing to the **Insurer**; or
  - b) continue the **Policy** at the revised terms for the remainder of the **Period of Insurance**
2. terminate the **Policy** by serving not less than 30 days' notice in writing to the **Insured** and the broker at the address of the **Insured** as shown in the **Schedule** of this **Policy**.

In the **Event** of termination of the **Policy** under this Survey Condition:

- a) **Premium** is due to the **Insurer** on a pro rata basis for the period that the **Insurer** is on risk; or
- b) if **Premium** for the **Period of Insurance** has been paid to the **Insurer**, the **Insured** shall be entitled to pro rata return of **Premium** for the unexpired **Period of Insurance**.

### Variation

1. This Condition applies where the **Insurer** is induced to agree a Variation to this **Policy** by any material non-disclosure or misrepresentation (a "qualifying breach").
2. If the qualifying breach was deliberate or reckless the **Insurer** may by giving notice in writing to the **Insured** at their last known address treat this **Policy** as having been terminated with effect from the time when the Variation was made and retain the **Premium**.
3. In all other cases the remedy for a qualifying breach is as follows:
  - a) If the total **Premium** was increased or not changed as a result of the Variation and in the absence of the qualifying breach the **Insurer**:
    - i. would not have agreed the Variation, then the **Insurer** may treat this **Policy** as if the Variation were never made but in that **Event** shall return any additional **Premium** to the **Insured**;
    - ii. would have agreed the Variation but only on different terms, then the **Insurer** may treat the Variation as having always included those different terms; and/or

- iii. would have agreed the Variation but only at a higher **Premium** than that actually charged for it, then subparagraph 4. below applies.

The remedies under ii. and iii. above are cumulative.

- b) If the total **Premium** was reduced as a result of the Variation and in the absence of the qualifying breach the **Insurer**:
  - i. would not have agreed the Variation, then the **Insurer** may treat this **Policy** as if the Variation were never made and in addition paragraph 4. below applies;
  - ii. would have agreed to the Variation but only on different terms, then the **Insurer** may treat the Variation as having always included those different terms; and/or
  - iii.
    - a) would have increased the **Premium**;
    - b) would not have reduced the **Premium**; or
    - c) would have reduced the **Premium** by less than it did.

The remedies under ii. and iii. above are cumulative.

4. Proportionate reduction

If this paragraph 4. applies, the **Insurer** may reduce proportionately the amount to be paid in respect of any **Claim** arising out of events after the Variation, meaning that the amount payable is only Y% of what it would otherwise have been under the this **Policy** whether

- a) on the original terms,
- b) as varied, or
- c) under the different terms provided for by virtue of paragraph 3.a ii. or 3.b ii. above

as the case may be, where:

$$Y = \text{Total Premium actually charged} \times 100 \div P$$

and in this formula "P" means:

- a) In the circumstances described by paragraph 3.a.iii., the total **Premium** the **Insurer** would have charged;
- b) in the circumstances described by paragraph 3.b i., the original **Premium**;
- c) in the circumstances described by paragraph 3.b.iii., the original **Premium** if the **Insurer** would not have changed it, and otherwise the increased or (as the case may be) reduced total **Premium** the **Insurer** would have charged.

For the purposes of this Condition, Variation means mid-term adjustment(s) made to this **Policy**.

**Warranty**

1. Subject to paragraph 2. below, breach of any warranty will automatically suspend cover under this **Policy** until the **Insured** remedies such breach (if it is possible for the **Insured** to remedy such breach), with the result that the **Insurer** will have no liability to the **Insured** for any loss which occurs, or which is attributable to something happening, during the period of suspension.
2. This subparagraph 2. applies to any term of this **Policy** which meets the following:
  - a) it does not define the risk as a whole; and
  - b) the remedy for its breach is not expressly set out in this **Policy**; and
  - c) compliance with the term would tend to reduce the risk of loss:
    - i. of a particular kind; and/or
    - ii. at a particular location; and/or
    - iii. at a particular time.

The **Insurer** may not rely on breach of such a term to exclude, limit or discharge its liability for any loss if the **Insured** shows that breach of that term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

For the purposes of this Condition, loss means loss, destruction, damage, cost, expense, **Consequential Loss** or injury.

**Warranties and Similar Clauses**

Where: (i) there has been a failure to comply with a term (express or implied) of this **Policy**, other than a term which defines the risk as a whole; and (ii) compliance with such term would tend to reduce the risk of loss of a particular kind and/or loss at a particular location and/or loss at a particular time, the **Insurer** cannot rely on the breach of such term to exclude, limit or discharge its liability if **You** show that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred

If **You** breach any warranty in this **Policy**, the **Insurer's** liability under the **Policy** shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). The **Insurer** will have no liability to **You** for any loss which occurs, or which is attributable to something happening, during the period when the **Insurer's** liability is suspended.

# Section 1 – Combined Liability

## Section 1A - Employers' Liability

The **Insurer** agrees to indemnify the **Insured** in the terms of this **Policy** and subject to the Limits of Liability against all sums which the **Insured** shall become legally liable to pay as damages in respect of **Bodily Injury** sustained by any **Employee** caused during the **Period of Insurance** within the **Territorial Limits** and arising out of and in the course of employment by the **Insured** in the **Business**.

The **Insurer** will also pay **Costs and Expenses** in respect of any **Occurrence** to which this **Policy** applies.

## Limits of Liability

Under Section 1A of this **Policy** the maximum amount as stated in the **Schedule** which the **Insurer** shall be liable to pay as damages and **Costs** and **Expenses** in respect of **Any One Claim** against the **Insured** or series of **Claims** against the **Insured** arising out of any one **Occurrence** and for the purpose of such **Limit of Liability** the **Insured** shall be deemed to include all parties entitled to indemnity under this **Policy** regardless of whether such parties are designated as the **Insured**.

## Extensions

The Insurance provided by this Section is extended to include the following:

### Unsatisfied Court judgments

In the **Event** of a judgment for damages being obtained by any **Employee** or the personal representatives of any:

1. **Employee** in respect of **Bodily Injury** to the **Employee** caused during the **Period of Insurance** and arising out of and in the course of employment by the **Insured** in the **Business** against any company or individual other than the **Insured** operating from **Premises** within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man in any **Court** situate in the aforesaid territories, and
2. remaining unsatisfied in whole or in part 6 months after the date of such judgment

then subject otherwise to the terms exclusions limitations and conditions applicable to Section 1A of this **Policy** the **Insurer** will at the request of the **Insured** pay under Section 1A to the **Employee** or the personal representatives of the **Employee** the amount of any such damages and any awarded **Costs** to the extent that they remain unsatisfied provided that:

1. there is no appeal outstanding;
2. if any payment is made under the terms of this Extension the **Employee** or the personal representatives of the **Employee** shall assign the judgment to the **Insurer**; and
3. all reasonable steps necessary have been taken to recover monies due from the party against whom the judgment was obtained.

## Exclusions

Section 1A of this **Policy** does not apply to liability:

**Employees Offshore** to any **Employee** arising while **Offshore**.

**Employee passengers** for which compulsory motor insurance or security is required under any road traffic legislation in force within any member country of the European Union

**Radioactive Contamination** of whatsoever nature directly or indirectly caused by contributed to by or arising from:

1. ionising radiations or **Contamination** by radioactivity from any nuclear fuel or from any nuclear **Waste** from the combustion of nuclear fuel; or
2. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof ;

but in respect of **Bodily Injury** sustained by any **Employee** this Exclusion shall apply only when the **Insured** under a contract or agreement has either undertaken

1. to indemnify another party; or
2. to assume the liability of another party in respect of such **Bodily Injury**.

**Terrorism** caused by or arising from:

1. any **Terrorism**; and/or
2. **Bodily Injury**, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken

in controlling, preventing, suppressing or in any way relating to any **Terrorism**;

provided that this Exclusion shall only apply in respect of payments of amounts in **Excess** of £ 5, 000, 000 for **Any One Claim** or series of **Claims** arising out of any one **Occurrence**.

If the **Insurer** alleges that by reason of this Exclusion any liability is not covered by this **Policy**, the onus of proving to the contrary shall be upon the **Insured**.

## Conditions

### Non-Avoidance

The indemnity granted by Section 1A of this **Policy** is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in Great Britain, Northern Ireland, the Isle of Man, or the Channel Islands 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

## Section 1B - Public and Products Liability

The **Insurer** agrees to indemnify the **Insured** in the terms of this **Policy** and subject to the Limits of Liability against all sums which the **Insured** shall become legally liable to pay as damages in respect of accidental:

1. **Bodily Injury** occurring;
2. **Damage** occurring;
3. **Trespass, Nuisance or Obstruction** occurring; or
4. **Personal and Advertising Injury** offences committed during the **Period of Insurance** within the **Territorial Limits** and arising in connection with the **Business**. The **Insurer** will also pay **Costs and Expenses** in respect of any **Occurrence** to which this **Policy** applies.

### Limits of Liability

Under this Section 1B the maximum amount as stated in the **Schedule** which the **Insurer** shall be liable to pay as damages as a result of any one **Occurrence** or of any series of **Occurrences** arising directly or indirectly from one source or original cause.

For the purpose of this Definition, **Occurrence** or **Occurrences** also means offence or offences provided always that the liability of the **Insurer**:

1. for all damages payable in respect of all **Bodily Injury** and **Damage** occurring during any one **Period of Insurance** and caused by **Products** shall not exceed the **Limit of Liability** for Section 1B stated in the **Schedule**;
2. for all damages payable in respect of all **Personal and Advertising Injury** offences committed during any one **Period of Insurance** shall not exceed the **Limit of Liability** for Section 1B stated in the **Schedule**.

### Extensions

The Insurance provided by this Section is extended to include the following:

#### Damage to leased or rented Premises

Notwithstanding subparagraph 2 of the exclusion entitled Custody or Control of this Section 1B, legal liability for damages to

**Premises** (including fixtures and fittings) leased or rented to the **Insured** provided that this Extension shall not apply in respect of:

1. liability assumed under any contract or agreement unless such liability would have attached in the absence of such contract or agreement; or
2. **Damage** to any such **Premises** which is **Insured** under any **Property** or fire insurance **Policy** arranged by the **Insured** or under which the **Insured** is entitled to indemnity in respect of such **Damage**.

### Defective Premises act

The **Insurer** will indemnify the **Insured** in the terms of this Section against legal liability incurred by the **Insured** by virtue of Section 3 of the Defective **Premises** Act 1972 or Section 5 of the Defective **Premises** (Northern Ireland) Order 1975 in connection with **Premises** which have been disposed of by the **Insured**.

Provided that this Extension shall not apply in respect of the cost of remedying any **Defect** (or alleged **Defect**) in such **Premises**.

### Crisis response

The **Insurer** will indemnify the **Insured** for **Crisis Response Expenses** due to **Bodily Injury** or **Damage** caused by any **Occurrence** to which Section 1B of this **Policy** applies that are paid or incurred by the **Insured** within the **Territorial Limits** during the **Period of Insurance** and first reported in writing to the **Insurer** during the same **Period of Insurance** or within 30 days of expiry thereof.

The liability of the **Insurer** under this Extension to pay **Crisis Response Expenses** shall not exceed the Limits of Liability shown in the **Schedule**.

### Motor contingent liability

Notwithstanding the exclusions entitled Aircraft Watercraft Vehicles (point 2) and **Data** Risk and Cyber Liability of this Section, in respect of legal liability of the **Insured** named in the **Schedule** arising from the use in connection with the **Business** of any motor vehicle not the **Property** of nor provided by the **Insured** provided that this Extension shall not apply in respect of:

1. **Damage** to any such vehicle or its **Contents**;
2. liability arising while such vehicle is being:
  - a) driven by the **Insured**;
  - b) driven with the general consent of the **Insured** or of the representative of the **Insured** by any person who to the knowledge of the **Insured** or of such representative does not hold a valid licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a license; or
  - c) used elsewhere that are within the member countries of the European Union.

Subparagraph 4. of the Extension entitled Indemnity to Others does not apply to this Extension.

### Personal overseas liability

The **Insurer** will indemnify in the terms of Section 1B of this **Policy** the **Insured** and at the request of the **Insured** any **Director** partner or **Employee** of the **Insured** or spouse of any such person against legal liability for damages in respect of **Bodily Injury** or **Damage** arising from personal activities while temporarily outside the **Territorial Limits** in connection with the **Business** provided that this Extension shall not apply in respect of:

1. liability arising from the ownership or **Occupation** of any land or **Building**; or
  2. liability **Insured** by any other **Policy** of insurance;
- and that any such **Director** partner **Employee** or spouse shall as thought/they were the **Insured** be subject to the terms of this **Policy** in so far as they can apply

### Residual employers' liability

Notwithstanding the Exclusion entitled **Employees** of this Section, liability in respect of **Bodily Injury** sustained by any **Employee**:

1. which is **Insured** or normally **Insured** by an employers' liability and/or workers compensation and/or public liability **Policy** in the territory in which the **Employee** is employed in which case the indemnity provided by this Extension shall only apply to amounts in **Excess** of:
  - a) US\$1, 000, 000 in respect of any **Occurrence** in the United States of America or any territory within its jurisdiction; or
  - b) £500, 000 in respect of any **Occurrence** elsewhere in the world; or
  - c) the **Limit of Indemnity** provided by such **Policy**; or
  - d) the applicable minimum limit required by law; whichever is greater.
2. arising from the exercise of subrogation rights against the **Insured** by any state social security or similar scheme.

This Extension shall not apply to liability for **Bodily Injury** to **Employees** who are employed by the **Insured** in Great Britain Northern Ireland the Isle of Man or the Channel Islands.

### Supervision Direction or Control Extension

Section 1B - Public and Products Liability of this Policy is extended to apply to liability arising from circumstances where the Insured is responsible for any supervision direction or control of a Contractor.

For the purpose of this Extension Contractor means any individual person (whether trading in his/her own name or as a limited liability company) placed on a temporary contract or assignment by the Insured but only in respect of such temporary contract or assignment.

### Exclusions

Section 1b of this **Policy** does not apply to liability:

#### Abuse

caused by or arising out of or in any way connected with Abuse.

For the purpose of this Exclusion Abuse means

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

#### Advice

arising out of the provision of or failure to provide any instruction advice information or professional service in return for a fee.

#### Aircraft Products

arising from **Products** knowingly supplied for use or installation in or on any aircraft or aerospace device which could affect the navigation flying capabilities or safety of such aircraft or device.

#### Aircraft watercraft vehicles

arising from or caused by the ownership possession control or use by or on behalf of the **Insured** of:

1. any aerospace device or any airborne or waterborne craft or vessel (other than manually propelled waterborne craft) or the loading or unloading of such craft or vessel; or
2. any mechanically propelled vehicle or trailer attached thereto:
  - a) in circumstances for which insurance or security is required in accordance with any road traffic legislation in force within the member countries of the European Union; or
  - b) whilst being used on any public road in any other country whether or not insurance in respect of liability there for is compulsory;

or the loading or unloading of such vehicle or trailer attached thereto provided that if there is no indemnity afforded by any motor or other insurance **Policy** this Exclusion shall not apply to liability arising from:

- a) the act of loading or unloading or the bringing to or taking away of a load from such vehicle or trailer; or
- b) the operation of plant as a tool of trade within the member countries of the European Union but only insofar as such liability is not the subject of compulsory insurance or security in accordance with any road traffic legislation in force in such countries.

#### Asbestos

for any loss demand **Claim** or suit arising out of or related in any way to **Asbestos** or **Asbestos**-containing materials The **Insurer** shall have no duty of any kind with respect to any such loss demand **Claim** or suit.

#### Custody or control

in respect of **Damage to Property**:

1. belonging to the **Insured**;

2. in the custody or control of the **Insured** or any **Employee** or agent of the **Insured** other than:
  - a) personal effects (including motor vehicles) belonging to visitors directors partners and **Employees** of the **Insured**;
  - b) **Premises** (including their **Contents**) not leased or rented to the **Insured** but temporarily occupied by the **Insured** for the purpose of carrying out work.
3. being that particular part of such **Property** worked upon to the extent that the **Damage** results from such work.

**Contractual liability**

assumed under any contract or agreement except where

- a) such liability would have attached in the absence of such contract or agreement
- b) the Company has agreed in writing that the exclusion does not apply to a particular contract

**Damage to Products**

in respect of **Damage** to or any **Costs** or expenses claimed or incurred for repair removal replacement recall disposal or loss of use of any **Products** out of which the **Occurrence** arises.

**Data risk and cyber liability**

directly or indirectly arising from or in connection with:

1. the modification, corruption, loss, destruction, theft, misuse, illegitimate access, unlawful or unauthorised processing or disclosure of **Data** or the loss, destruction or theft of any computer, electronic device, hardware or component thereof which contains **Data**;
2.
  - a) unauthorised access or access by **Malware**
  - b) the presence of **Malware** on
  - c) the spread of **Malware** by
  - d) the unauthorised use of
  - e) the malicious use of
  - f) malicious interference with or any distributed **Denial of Service Attack** against;

Any Computer System:

- i) owned, operated, controlled, leased or used by; or
- ii) Sold, supplied, altered, constructed, repaired, serviced, designed, tested, installed or processed

by or on behalf of the **Insured**.

**Employees**

in respect of **Bodily Injury** sustained by any **Employee** arising out of and in the course of employment by the **Insured** in the **Business**.

**Employees Offshore** to any **Employee** arising while **Offshore**.

**Fines or penalties**

for fines liquidated damages or under any penalty clause.

**Medical Treatment**

arising out of the provision of **Medical Treatment**

Provided that this Exclusion shall not apply in respect of liability arising from the provision of first aid on the premises of the Insured.

**Personal and Advertising Injury**

in respect of **Personal and Advertising Injury**:

1. arising out of oral or written publication of material:
  - a) if the first oral or written publication of the same or similar material took place prior to the commencement date of this **Policy**; or
  - b) which to the knowledge of the **Insured** is false.
2. arising out of a breach of contract other than misappropriation of advertising ideas under an implied contract;
3. arising out of the failure of goods **Products** or services to conform with advertised quality or performance;
4. arising out of the wrong description of the price of goods **Products** or services; or
5. committed by an **Insured** whose **Business** is advertising broadcasting publishing or telecasting;

provided that this subparagraph 5. above does not apply to the offences described subparagraphs 1. and 2. in the definition entitled **Personal and Advertising Injury**.

**Pollution**

arising out of the discharge dispersal release escape of smoke vapours soot fumes acids alkalis toxic chemicals liquids or gases **Waste** materials or other irritants contaminants or **Pollutants** into or upon land the atmosphere or any water course or body of water however this Exclusion does not apply to **Bodily Injury** or **Damage** if such discharge dispersal release or escape is sudden and accidental.

**Radioactive Contamination**

of whatsoever nature directly or indirectly caused by contributed to by or arising from:

1. ionising radiations or **Contamination** by radioactivity from any nuclear fuel or from any nuclear **Waste** from the combustion of nuclear fuel; or
2. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

**War**

directly or indirectly occasioned by happening through or in consequence of War invasion act of foreign enemy hostilities (whether War be declared or not) civil War rebellion revolution insurrection or military or usurped power

**Conditions**

**USA/Canada –**

With regard to Section 1 of this **Policy** it is hereby agreed between the **Insurer** and the **Insured** that in respect of **Occurrences** happening in or **Claims** or **Legal Proceedings** brought or originating in the United States of America or Canada or in any other territory within the jurisdiction of either such country:

1. the liability of the **Insurer** under Section 1 of this **Policy** in respect of all damages payable together with all **Costs and Expenses** shall not exceed the **Limit of Liability** for Section 1 stated in the **Schedule**;
2. regardless of any of the other provisions of this **Policy**, this insurance does not apply to punitive or exemplary damages; and
3. regardless of the Exclusion entitled Pollution of this Section 1, this insurance does not apply to
  - a) liability arising out of the discharge dispersal release or escape of smoke vapours soot fumes acids alkalis toxic chemicals liquids or gases **Waste** materials or other irritants contaminants or **Pollutants** into or upon land the atmosphere or any water course or body of water;
  - b) any cost or expense arising out of any governmental demand or request that an **Insured** test for assess monitor clean-up remove contain treat de-toxify or neutralise any irritants contaminants or **Pollutants**;

and the **Insurer** shall not have the duty to defend any **Claims** or suits seeking to impose any such liability cost or expense or any other relief.

It is further agreed between the **Insurer** and the **Insured** that the **Premium** for this insurance has been calculated accordingly.

**Use of Heat**

Where the **Insured** enters into contract other than under their own standard terms of **Business** and such contract involves the use of electric, oxy-acetylene or other welding or flame cutting plant or blow lamps or torches then the **Insured** shall make it an enforceable condition of such contract that no liability shall attach to either the **Contractor** or the **Insured** unless either

- (a) the undernoted precautions are observed by the other contracting party

or

- (b) more extensive precautions of a similar nature required by the other contracting party's own **Insurers** are observed.

**Precautions**

1. All moveable combustible material will be removed from the area in which work is to be carried out and/or other material including floor and fixtures within such areas shall be protected with adequate fire resistant covers
2. Ignited equipment or appliances or naked lights shall not be left unattended and gas cylinders not required for immediate use shall be kept at a safe distance from any possible fire hazard
3. Suitable fire extinguishing appliances will be kept available for immediate use at each working site
4. Before heat is applied to material built into or projecting through one side of a wall or partition an inspection will be made of the other side of the wall or partition to ensure that no combustible materials are in danger of ignition by direct or conducted heat
5. An examination shall be carried out after each period of work and again one hour after the work ceases to check that there is no danger of fire and such examination will include all areas adjacent to the working areas which could be affected by the application of heat.

**Specific Definitions applicable to this Section Only**

**Damage**

loss of or physical damage to material property including resultant loss of use of such property

**Section 1C - Driver's Negligence**

If shown as operative in the **Policy** Schedule, the **Insurer** will pay in respect of accidental damage to any motor vehicle the **Property** of or hired or lent to a **Customer** or client of the **Insured** and caused by the negligent act of any temporary driver supplied by the **Insured** under a contract between the **Insured** and such **Customer** or client and whilst driven by such temporary driver.

**Limit of Liability**

Under Section 1C of this **Policy** the maximum amount as stated in the **Schedule** which the **Insurer** shall be liable to pay as damages as a result of any one **Occurrence** or of any series of **Occurrences** arising directly or indirectly from one source or original cause.

**Motor Contingent Liability**

legal liability of the **Insured** described in the **Schedule** arising from the use in connection with the **Business** of any motor vehicle not the **Property** of nor provided by the **Insured**.

Provided that this Extension shall not apply in respect of

1. Damage to any such vehicle or its **Contents**
2. liability arising while such vehicle is being
  - a) driven by the **Insured**
  - b) driven with the general consent of the **Insured** or of the representative of the **Insured** by any person who to the knowledge of the **Insured** or of such representative does not hold a valid licence to drive such vehicle unless such a person has held and is not disqualified from holding or obtaining such a licence
  - c) used elsewhere than within the member countries of the European Union.

### Vehicle Removal

The **Insurer** will indemnify the **Insured** in the terms of Section 1C of this **Policy** in respect of the reasonable cost of removal of any damaged vehicle to the nearest repairer should the vehicle be disabled as a result of an **Accident**.

### Exclusions

Section 1C of this **Policy** does not apply to liability in respect of:

1. any **Employee** arising while **Offshore**.
2. Loss of Use, etc.  
  
Loss of use, depreciation, wear and tear and **Claims** in respect of mechanical or electrical **Breakdown**, failures or breakages
3. Tyres and Radios
  - (a) Damage to tyres by application of brakes or by punctures, cuts or bursts unless resulting from an **Accident**
  - (b) Damage to any device designed for the purpose of transmitting or receiving radio signals
4. Weather, Deterioration  
  
Damage caused by
  - (a) climate or atmospheric conditions or extremes of temperature
  - (b) or happening through deterioration, rust, corrosion, inherent **Defect**, or any process of cleaning, restoration, alteration or repair
5. Wilful Acts  
  
any wilful act of the **Insured** or of any temporary driver supplied by the **Insured**
6. Theft of Accessories  
  
the theft of accessories and/or spare parts unless stolen with the entire vehicle

7. Vehicle Drivers  
  
Damage arising from the driving of a vehicle by any person
  - (a) under the age of 21 years and / or
  - (b) who at the time of the accident does not hold a full driving licence which is clear of endorsements other than endorsements for speeding and/or parking offences or CU10, CU20, CU30, CU40, CU50, CU80, MS10, MS20, MS30, MS40, MS50, MS60, MS70, MS80, MW10, PC10, PC20, PC30, PL10, PL20, PL30, PL40, PL50, TS10, TS20, TS30, TS40, TS50, TS60, TS70 up to a maximum of nine points in the last 3 years and /or
  - (c) who has not held a valid UK licence or equivalent European Community or European Economic  
  
Area licence subject to vehicle licence rules and regulations to drive such vehicles for more than two years and / or
  - (d) who has not worked as a driver of such a vehicle for at least 180 days during the 24 months immediately preceding the **Accident** and / or
  - (e) who has been involved in 2 or more **accidents** and/or **Claims** in the last 3 years.
8. Damage to Plant  
  
Damage arising from the operation or use of any plant, lifting gear or fork lift truck attached to the vehicle
9. Racing, Pacemaking or Speed Testing Damage caused by racing, pacemaking or speed testing.

### Extensions Applicable to Section 1

#### Acquisitions

The **Insurer** will indemnify in the terms of this **Policy** any company or other **Business** entity either acquired or created by the **Insured** during the **Period of Insurance** from the date of such acquisition or creation provided that:

1. the **Business** of such company or entity is not materially different from the **Business**;
2. the **Insured** supplies to the **Insurer** full details of such company or entity within 30 days of its acquisition or creation;
3. the aggregate annual **Turnover** of all such companies or entities acquired or created during any one **Period of Insurance** shall not exceed 10% of the annual **Turnover** of the **Insured** as declared to the **Insurer** at the beginning of such **Period of Insurance**;

4. if after the date of acquisition or creation separate insurance covering the same liability remains in force subject to a **Limit of Indemnity** lower than that which applies to this **Policy** the liability of the **Insurer** in respect of such company or entity shall not exceed the difference between the relevant **Limit of Indemnity** under such separate insurance and the relevant **Limit of Liability** applicable to this **Policy**; and
5. the **Insurer** shall have the right to charge an additional **Premium** and to alter the terms conditions and exclusions of this **Policy** in respect of such company or entity from the date of its acquisition or creation.

In respect of any such company or entity which does not meet provisos 1. to 4. above:

1. the **Insurer** will not provide an indemnity until full details of such company or entity have been submitted to and accepted by the **Insurer** and the **Insured** has agreed to pay any additional **Premium** and accept any change in the terms conditions and exclusions required by the **Insurer**; and
2. the **Insurer** reserves the right to decline cover for such company or entity.

#### Claims preparation Costs

The **Insurer** will indemnify the **Insured** for necessary and reasonable **Costs** incurred by the **Insured** or by the

**Insured's** representatives in preparing and verifying details required by the **Insurer** in order to investigate any **Claim** under this **Policy** for which the **Insurer** has accepted liability provided always that the liability of the **Insurer** for all such **Costs** under this Extension shall not exceed £ 50, 000 in respect of **Any One Claim** and £ 100, 000 in respect of all **Claims** during any one **Period of Insurance**.

#### Cross liabilities

Where more than one party comprises the **Insured** any **Claim** by one **Insured** against any other **Insured** shall be treated as though the party so claiming is not an **Insured** party provided that the **Limit of Liability** shall not be deemed to be increased hereby.

This Extension does not apply in respect of **Personal and Advertising Injury**.

Indemnity to Principals and Others

The **Insurer** will also indemnify in the terms of this **Policy**:

1. in the **Event** of the death of the **Insured** his/her legal personal representative in respect of liability incurred by the **Insured**; or
2. any principal with whom the **Insured** has entered into an agreement to the extent required by such agreement but only in respect of liability for which the **Insured** would have been entitled to indemnity under this **Policy** if the claim had been made against the **Insured** and at the request of the **Insured**:

3. any **Officer** or member of the **Insured's** catering sports social and welfare organisations and fire first-aid or ambulance services;
4. any **Director** partner or **Employee** of the **Insured** in respect of liability for which the **Insured** would have been entitled to indemnity under this **Policy** if the **Claim** had been made against the **Insured**; or
5. any **Director** partner or **Employee** of the **Insured** in respect of liability for private work undertaken by **Employees** with the consent of the **Insured**;

provided that:

- a) such person(s) shall not be entitled to indemnity under any other **Policy**;
- b) such principal/ person(s) shall as though he/ they were the **Insured** be subject to the terms of this **Policy** in so far as they can apply; and
- c) the **Limit of Liability** shall not be increased hereby.

#### Legal defence Costs

The **Insurer** will indemnify the **Insured** or, at the request of the **Insured**, any **Employee Director** or partner of the **Insured**, against legal **Costs and Expenses** incurred with the prior approval of the **Insurer** in the defence of any criminal proceedings brought for a breach of:

1. the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work(Northern Ireland) Order 1978;
2. Part II of the Consumer Protection Act 1987; or
3. the Food Safety Act 1990;

committed during the **Period of Insurance** in the course of the **Business**, including legal **Costs and Expenses** incurred with the prior approval of the **Insurer** in an appeal against conviction arising from such proceedings provided that this Extension shall not apply to:

1. fines or penalties imposed by any **Court**; or
2. proceedings consequent upon any deliberate act or omission.

#### Manslaughter defence Costs

The **Insurer** will indemnify the **Insured**, and at the request of the **Insured**, any party entitled to indemnity under this **Policy** in respect of legal **Costs and Expenses** incurred with the written consent of the **Insurer**;

1. in defending a charge of manslaughter (including a charge of corporate manslaughter or corporate homicide brought under the Corporate Manslaughter and Corporate Homicide Act 2007) where the death in connection with which such charge arises is likely to result in a **Claim** under this **Policy**; or
2. charge and/or the imposition of a remedial or publicity order under the Corporate Manslaughter

and Corporate Homicide Act 2007 in connection with such charge provided that in the opinion of

a Queen’s Counsel or similar legal authority (to be mutually agreed upon by the **Insured** and the **Insurer**) such appeal could be contested with the probability of success.

All payments made by the **Insurer** under this Extension shall be subject to the **Limit of Liability** stated in the **Schedule**. In respect of this Extension the **Limit of Liability** shall be inclusive of all such amounts.

## Section 2 – Professional Indemnity

**In consideration** of the **Insured** paying the **Premium** to **The Insurer**

**The Insurer agrees** to indemnify the **Insured** in the terms of this **Policy** and subject to the **Limit of Liability** against all sums which the **Insured** shall become legally liable to pay including legally obligated vicarious liability as damages as a direct result of a **Wrongful Act** committed, by the **Insured**, within the **Territorial Limits** on or after the **Retroactive Date** and in the professional conduct of the **Business**, provided that the **Claim** is first made against the **Insured** during the **Period of Insurance**.

The **Insurer** will in addition pay **Costs and Expenses** in respect of any occurrence to which this **Policy** applies.

### Extensions applicable to Section 2 only

The following Extensions to this **Policy** are all subject to the other terms, Exclusions, limitations and conditions precedent so far as they can apply except where expressly stated otherwise.

#### 1. Loss of Documents

The **Insurer** will indemnify the **Insured** in the **Event** of loss of or damage to Documents occurring on or after the **Retroactive Date** and advised to the **Insurer** during the **Period of Insurance**, in respect of

- (i) legal liability to pay damages as a result of such loss or damage
- (ii) the cost of repairing, restoring or replacing such Documents

up to the **Limit of Liability** stated in the **Schedule** in respect of any one occurrence or series of occurrences arising directly or indirectly from one source or original cause

The **Insurer** will also pay **Costs and Expenses** incurred in connection with such legal liability.

This Extension does not apply to liability arising from any act of fraud or dishonesty by any **Director** partner or **Employee** of the **Insured**.

Documents shall mean any documents which are in the custody of the **Insured** in the course of the **Business** and which are the **Property** of the **Insured** or for which the **Insured** is responsible, including **Computer Systems** records, but excluding bearer bonds, currency notes, bank notes, coupons or other negotiable instruments.

#### 2. Dishonesty Of Employees

**The Insurer** will indemnify the **Insured**:

- i) against all sums which the **Insured** shall become legally liable to pay as damages arising from any **Claim** or **Claims** first made against them during the **Period of Insurance** by reason of any dishonest, fraudulent, criminal or malicious act

or omission of any person employed at the time of such act or omission by the **Insured** or their predecessors or in **Business** and

- ii) for any loss of **Money** or any other **Property** whatsoever belonging to the **Insured** (or for which they are legally responsible) which the **Insured** shall discover that they have sustained and discovered only during the **Period of Insurance** by reason of any dishonest, fraudulent, criminal or malicious act or omission of any **Employee** employed at the time of such act or omission by the **Insured** or their predecessors in **Business**

up to the **Limit of Liability** of £250, 000 in respect of any one occurrence or series of occurrences arising directly or indirectly from one source or original cause in the aggregate and inclusive of **Costs and Expenses**.

Provided that the **Insurer** will not afford indemnity to the **Insured** under this Extension for any loss:

- a) recoverable by the **Insured** from monies otherwise payable to the individual(s) whose dishonest, fraudulent, criminal or malicious act or omission shall have caused the loss
- b) for which the **Insured** is entitled to indemnity under any other insurance fidelity fund or indemnity scheme or any other part of this **Policy**
- c) in respect of 10% of each and every **Claim** subject to a maximum **Deductible** of £1, 000
- d) where the **Insured** is unable to show that at the period of time during which the cause of action arose the **Insured** was operating his normal system of check and supervision.

Provision c) does not apply to **Costs and Expenses** incurred with the written consent of the **Insurer**.

#### 3. Dishonesty Of Placed Personnel

**The Insurer** will indemnify the **Insured**:

- i) against all sums which the **Insured** shall become legally liable to pay as damages arising from any **Claim** or **Claims** first made against them during the **Period of Insurance** by reason of any dishonest, fraudulent, criminal or malicious act or omission by **Placed Personnel** as a direct result of a **Wrongful Act** committed by the **Insured** or their predecessors in **Business** and
- ii) **The Insurer** shall only be liable for losses up to £100, 000 in the aggregate and inclusive of **Costs and Expenses**, arising from the dishonesty of **Placed Personnel** as a direct result of a **Wrongful Act** committed by the **Insured** with an **Excess** of £5, 000 for each and every loss.

Provided that the **Insurer** will not afford indemnity to the **Insured** under this Extension for any loss:

- a) recoverable by the **Insured** from monies otherwise payable to the individual(s) whose dishonest, fraudulent, criminal or malicious act or omission shall have caused the loss
- b) for which the **Insured** is entitled to indemnity under any other insurance fidelity fund or indemnity scheme or any other part of this **Policy**
- c) in respect of 10% of each and every **Claim** subject to a maximum **Deductible** of £1, 000
- d) where the **Insured** is unable to show that at the period of time during which the cause of action arose the **Insured** was operating his normal **System** of check and supervision.

The **Insurer** shall only be liable for losses up to £100, 000 arising from the dishonesty of Placed Personnel with an **Excess** of £5, 000 for each and every loss.

Provision c) does not apply to **Costs and Expenses** incurred with the written consent of the **Insurer**

#### 4. Libel And Slander

The **Insurer** will indemnify the **Insured** against all sums which the **Insured** shall become legally liable to pay as damages in respect of acts of libel or slander committed in good faith on or after the **Retroactive Date** stated in the **Schedule** in connection with the Business.

The **Insurer** will also pay **Costs and Expenses** in respect of any occurrence to which this Extension applies.

The liability of the **Insurer** under this Extension to pay damages and **Costs and Expenses** recoverable by any claimant from the **Insured** shall not exceed the **Limit of Liability** stated in the **Schedule** in respect of **Any One Claim** or series of **Claims** arising directly or indirectly from one source or original cause.

Provided that

- i) the **Claim** is first made against the **Insured** and notified to the **Insurer** during the **Period of Insurance**
- ii) this insurance shall not apply in respect of any matter contained in any communication or contribution to radio, television, or the press

#### 5. Intellectual Property Rights

The **Insurer** will indemnify the **Insured** against all sums which the **Insured** shall become legally liable to pay as damages in respect of any **Claim** first made against the **Insured** during the **Period of Insurance** arising or resulting from or based upon or connected with any infringement or alleged infringement of intellectual **Property** rights.

The **Insurer** will also pay **Costs and Expenses** in respect of any occurrence to which this Extension applies.

The **Insurer** further agrees to indemnify the **Insured** against **Costs** incurred with the **Insurer's** written consent in prosecuting any **Claim** for an injunction and/or damages for infringement of patent, design or copyright vested in the **Insured** and notified to the **Insurer** during the **Period of Insurance** provided always that the **Insurer** shall not be required to incur any obligation to meet such **Costs** hereunder where the **Insured's** course of action is not one which in all circumstances it would be reasonable to pursue.

#### 6. Breach of Confidentiality

The **Insurer** will indemnify the **Insured** against all sums which the **Insured** shall become legally liable to pay as damages in respect of any **Claim** first made against the **Insured** during the **Period of Insurance** arising out of the proper professional conduct of the **Insured's Business** arising from unintentional breach or infringement of confidential information or trade secrets of others.

The **Insurer** will also pay **Costs and Expenses** in respect of any occurrence to which this Extension applies.

#### 7. Data breach and cyber attack

The Exclusion entitled **Data** risk and cyber liability under Section 1B does not apply in respect of:

1. damages incurred by any **Third Party** as a result of:
  - a) any **Data Breach Event** relating to that **Personal Data**; or
  - b) the **Insured's** unlawful or unauthorised disclosure of **Data** belonging to that **Third Party**.
2. a) **Damage** (which does not include **Data**); or
  - b) Bodily Injury:
    - incurred by any **Third Party** and directly arising from:
      - i) unauthorised access or access by **Malware** to;
      - ii) the presence of **Malware** on;
      - iii) the spread of **Malware** by;
      - iv) the unauthorised use of;
      - v) the malicious use of; or
      - vi) malicious interference with or any distributed **Denial of Service Attack** against

any **Computer System** operated or controlled by the **Insured** or sold, supplied, altered, constructed, repaired, serviced, designed, tested, installed or processed by the **Insured**.

The liability of the **Insurer** under this Extension shall be £100, 000 in respect of all **Occurrences** happening during any one **Period of Insurance**.

#### 8. Data protection act

**Personal and Advertising Injury** also means **Damage** or distress occurring as a result of an offence under Section 13 of the **Data** Protection Act 1998 committed during the **Period of Insurance** within the **Territorial Limits** and arising in connection with the **Business** provided that this Extension shall not apply to liability

1. in respect of the **Costs and Expenses** of rectifying or erasing **Data** or **Personal Data**;
2. arising from fraud or dishonesty; or
3. arising from any agreement to store process or supply **Data** or **Personal Data** for a fee or by reciprocal arrangement.

“**Data**” and “**Personal Data**” have the meanings defined in the **Data** Protection Act 1998.

#### Exclusions applicable to Section 2 only

This **Policy** does not apply to liability

##### 1. Employees

in respect of **Bodily Injury**, sickness, disease or death sustained by any person arising out of and in course of their employment under a contract of service or apprenticeship with the **Insured**; and to any **Employee** arising while **Offshore**.

##### 2. Excess

for the amount shown as the **Excess** in the **Schedule** but this Exclusion shall not apply to

- a) **Costs and Expenses** incurred with the **Insurer’s** written consent and
- b) the Dishonesty of **Employees** Extension for which the **Excess** is replaced by proviso of such Extension in respect of each **Claim** or series of **Claims** arising from any one occurrence

##### 3. Fines, Liquidated Damages, etc.

- a) for fines liquidated damages or under any penalty clause
- b) for punitive or exemplary damages
- c) for multiple damages but this Exclusion 3.c) shall not apply in respect of the original award of damages made prior to the application of the multiplier

##### 4. USA and Canada Jurisdiction

in respect of any **Claims** made or actions instituted in the first instance within the United States of

America or Canada nor to any judgement or order for the enforcement of any judgement obtained in such territories whether by way of any reciprocal judgement agreement or otherwise

##### 5. USA and Canada Jurisdiction

in respect of any **Claims** made or actions instituted in the first instance within the United States of America or Canada nor to any judgement or order for the enforcement of any judgement obtained in such territories whether by way of any reciprocal judgement agreement or otherwise

##### 6. Legal Advice, etc.

arising from the provision of professional legal advice or professional advice in respect of investments, accounts, insurance, pensions, surveys, valuations, designs, or Computer Systems provided that this Exclusion does not apply to the provision of payroll services

##### 7. Contractual Liability

assumed under any contract or agreement unless such liability would have attached in the absence of such contract or agreement

##### 8. War

directly or indirectly occasioned by happening through or in consequence of **War** invasion act of foreign enemy hostilities (whether **War** be declared or not) civil **War** rebellion revolution insurrection or military or usurped power

##### 9. Radioactive Contamination

of whatsoever nature directly or indirectly caused by contributed to by or arising from

- a) ionising radiations or **Contamination** by radioactivity from any nuclear fuel or from any nuclear **Waste** from the combustion of nuclear fuel
- b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

##### 10. Medical Treatment

arising out of the provision of **Medical Treatment**

Provided that this Exclusion shall not apply in respect of liability arising from the provision of first aid on the premises of the **Insured**.

##### 11. Temporary Assignments

caused by or arising from the activities of personnel engaged by the **Insured** under contracts of service and who are placed on temporary assignments with clients of the **Insured**.

## 12. Allegations against Placed Personnel

Based upon, arising from or in consequence of allegations that **Placed Personnel**

- a) Rendered or failed to render: (a) Legal Advice or (b) investment advice services; or (c) Medical Services: or
- b) Exercised discretionary authority to make or implement decisions of behalf of the **Customer**.

- 3) all payments & **Money** transfers validated by a third person prior to initiation
- 4) **You** have established call back procedures to suppliers or third parties (or intra group entities where appropriate) when changes to their account details have been requested?
- 5) in respect of computer or machine prepared cheques or other bank instruments for more than £5, 000, supporting documentation was examined by an Authorised Signatory before requisition was input and also one manually applied signature was added after the cheque or instrument was prepared; and
- 6) bank statements, receipts, counterfoils and supporting documents were checked at least monthly against cash book entries and the balance was tested with cash and unpresented cheques independently of the **Employees** responsible at least monthly; and
- 7) **Employees** receiving cash or cheques in the course of their duties were required to remit all monies received or bank in full on the day of receipt or next banking day; and
- 8) cash in hand was checked independently of **Employees** responsible at least monthly and additionally without warning every six months
- 9) The **Insured** must keep properly detailed and written up accounting records.
- 10) Once in every period of twelve months, an **Insured** must have their annual accounts audited by an Independent firm of Chartered Accountants or Chartered Certified Accountants.

## Conditions applicable to this section

### 1. Precautions

It shall be a condition precedent to any liability of the **Insurer** to make any payment under this **Policy** that the **Insured** at their own expense shall take all reasonable precautions to prevent **Occurrences** which may give rise to liability under this **Policy**

### 2. Waiver of Subrogation Against Employees

If any payment is made under this insurance in respect of a **Claim** and the **Insurer** is thereupon subrogated to all the **Insured's** rights of recovery in relation thereto the **Insurer** shall not exercise any such rights against any **Employee** of the **Insured** or any **Contractor** unless the **Claim** has been brought about or contributed to by the dishonest fraudulent criminal or malicious act or omission of the **Employee** or **Contractor**

### 3. Notification Period

In the **Event** of **Cancellation** or non-renewal of this **Policy**, any **Claim** made against the **Insured** and reported to the **Insurer** within 30 days of expiry of the **Period of Insurance** will be treated as though it had been notified to the **Insurer** during the **Period of Insurance**

### 4. Notification of Circumstances

If the **Insured** notifies the **Insurer** during the **Period of Insurance** of circumstances which might give rise to a **Claim**, any **Claim** arising from such circumstances shall be deemed to have been made in the **Period of Insurance** in which such notice was given.

## Conditions Precedent applicable to this Section

As a condition precedent to the right to be indemnified under this **Policy** the following procedures must be adhered to at all times during the **Period of Insurance**:-

- 1) all manually prepared cheques or other bank instruments drawn for more than £5, 000 required two manually applied signatures added after the amount had been inserted, one of which to be an Authorised Signatory; and
- 2) no cheque or instrument is signed until an Authorised Signatory has examined the supporting documentation; and

## Specific Definitions applicable to this Section

### Business

Means the provision of advice or services, as part of the activities of an **Insured**, stated in the **Schedule**.

### Claim(s)

Means a written demand, whether or not containing a demand for monetary compensation made against an **Insured** by a **Third Party** and arising from **Business** activity.

### Customer

Means any person or organization for whom the **Insured** provides **Business** activity; provided that the term **Customer** shall not include any **Insured**, any entity owned or controlled by any **Insured**, any person or entity owing or controlling or under common ownership or control with any **Insured**, or any entity of which any **Insured** is a **Director, Officer, partner or principal shareholder**.

### Employee

Means a natural person under a contract of service with an **Insured**. For the avoidance of doubt **Employee** does not mean **Placed Personnel**.

### Placed Personnel

Means a natural person placed by the **Insured Organisation** in the regular service of a **Customer** as a temporary, permanent or casual **Employee**, whether full or part time who is under a **Customer's** supervision.

**Third Party**

Means any person other than an **Insured**.

**Insurer** in respect of related **Costs and Expenses** where these are payable in addition to the **Limit of Liability** shall be limited to an amount that is in the same proportion as the **Insurer's** contribution to such award or settlement.

**Claims Conditions applicable to Section 1 and 2**

The following Conditions apply to Sections 1 and 2.

**Claims procedure**

In the **Event** of any occurrence giving rise to or which may give rise to a **Claim** under this **Policy**

1. the **Insured** shall:
  - a) give immediate written notice thereof (and full particulars of the occurrence) to the **Insurer**;
  - b) notify the **Insurer** in writing immediately he/ they shall have knowledge of any impending prosecution inquest or fatal **Accident** inquiry in connection with any occurrence for which there may be liability under Sections 1 and 2;
  - c) forward to the **Insurer** immediately on receipt every **Claim** notice letter verbal notice of **Claim** or other originating process or any other document served on the **Insured**; and
  - d) give all such information and assistance as the **Insurer** may require within such time limits as are specified by the **Insurer**.
2. the **Insured** or any other party who may be entitled to indemnity under this **Policy** shall NOT negotiate admit liability or make any promise payment or settlement without the **Insurer's** written consent.
3. the **Insurer** shall be entitled:
  - a) if and so long as it desires, to take over and to have the sole conduct and control of any **Claim** and **Legal Proceedings** or alternative disputes resolution relating thereto in the name of the **Insured** and shall have full discretion in the settlement of any **Claim**; and
  - b) to prosecute in the name of the **Insured** but for the **Insurer's** benefit any **Claim** for compensation or indemnity.

**Discharge of Liability**

The **Insurer** may at its sole discretion in respect of any occurrence or occurrences covered by this **Policy** pay to the **Insured** the **Limit of Liability** applicable to such occurrence or occurrences (but deducting therefrom any sum or sums already paid), or any lesser sum for which the **Claim** or **Claims** arising from such occurrence or occurrences can be settled and the **Insurer** shall thereafter be under no further liability in respect of such occurrence or occurrences except for the payment of **Costs and Expenses** incurred prior to the date of such payment and for which the **Insurer** may be responsible hereunder (unless the **Limit of Liability** is stated to be inclusive of **Costs and Expenses**).

If any award or settlement in respect of any **Claim** exceeds the applicable **Limit of Liability**, then the liability of the

## Section 3 – Property Damage

The **Insurer** agree subject to the limits, definitions, terms, exclusions and conditions contained herein or endorsed here on, to insure in the manner and to the extent provided herein in respect of events happening during the **Period of Insurance**

The **Insurer** will indemnify the **Insured** in respect of **Damage** to the **Property Insured** at the **Premises** other than as excluded herein The **Limit of Liability** under each item is subject to Average. See the **Policy Clause - Average**.

### Exclusions

The **Insurer** will not indemnify the **Insured** in respect of

- (1) **Damage** caused by or consisting of
  - (a) an existing or hidden **Defect** in the **Property**
  - (b) gradual deterioration or wear and tear
  - (c) frost or change in the water table level
  - (d) faulty design of the **Property Insured** or faulty materials used in its construction
  - (e) faulty workmanship, operating error or omission by the **Insured** or any **Employee**
  - (f) the bursting of
    - (i) a boiler
    - (ii) other equipment

where the internal pressure is due to steam only and belongs to the **Insured** or is under the **Insured's** control

However, the **Insurer** will indemnify the **Insured** in respect of any subsequent **Damage** which results from a cause not otherwise excluded

- (2) **Damage** caused by or consisting of
  - (a)
    - (i) corrosion, rust or rot
    - (ii) shrinkage, evaporation or loss of weight
    - (iii) dampness or dryness
    - (iv) scratching
    - (v) vermin or insects
  - (b) change in
    - (i) temperature
    - (ii) colour
    - (iii) flavour

- (iv) texture or finish
- (c)
  - (i) nipple or joint leakage or failure of welds
  - (ii) cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and any associated piping
- (d) mechanical or electrical **Breakdown** of the **Property Insured**

However, the **Insurer** will indemnify the **Insured** in respect of

- (i) **Damage** not otherwise excluded which itself results from a **Defined Peril** or any other **Accident** cause
- (ii) any subsequent **Damage** which itself results from a cause not otherwise excluded
- (3) **Asbestos** material removal or modification, unless:
  - a) the **Asbestos** forms part of the **Property Insured** and itself suffers **Damage** caused by or resulting from a cause not otherwise excluded; or
  - b) as a result of any governmental direction or request declaring that **Asbestos** material in or part of or utilized in any undamaged portion of the **Property Insured** can no longer be used for the purpose for which it was intended or installed and must be removed or modified
- (4) **Damage** caused by pollution or **Contamination**

However, the **Insurer** will indemnify the **Insured** in respect of **Damage**, not otherwise excluded, to the **Property Insured** caused by

  - a) pollution or **Contamination** which results from a **Defined Peril**
  - b) a **Defined Peril** which results from pollution or **Contamination**
- (5) **Damage** caused by or consisting of
  - a. subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or escape of water from any tank, apparatus or pipe
  - b. normal settlement of new structures
  - c. acts of fraud or dishonesty
    - i. disappearance
    - ii. unexplained or inventory shortage
    - iii. misfiling, misplacing of information or clerical error

- (6) **Damage** to
- (a) gates
  - (b) fences
  - (c) moveable **Property** in the open by
    - (i) wind
    - (ii) rain, hail, sleet or snow
    - (iii) Flood
    - (iv) dust
- (7) **Damage** by fire to the **Property Insured** resulting from its undergoing any process involving the application of heat
- (8) **Damage** to the **Property Insured** resulting from its undergoing any process of
- a. production or packaging
  - b. treatment, testing or commissioning
  - c. servicing or repair

However, the **Insurer** will indemnify the **Insured** in respect of this if **Damage** is caused by fire or explosion

- (9) **Damage** while the **Building** is unoccupied caused by
- a. escape of water from any tank, apparatus or pipe
  - b. malicious persons

However, the **Insurer** will indemnify the **Insured** in respect of this if **Damage** is caused by fire or explosion.

- (10) **Damage** to
- (a) china, earthenware, marble or other fragile objects (not including **Stock** in trade)
  - (b) a structure caused by its own collapse or cracking

However, the **Insurer** will indemnify the **Insured** in respect of this **Damage** if it results from a **Defined Peril** and is not otherwise excluded

- (11) **Damage** to
- (a) **Property** in the course of construction including materials for use in the construction
  - (b) (i) livestock
    - (ii) growing crops or trees unless specifically stated as **Insured** in the **Schedule**

- (12) **Damage** caused by theft or attempted theft

- a. not involving entry into or exit from **Buildings** by forcible and violent means

However this clause does not apply to cover granted by **Clause 7 - Changing Locks**

- b. by any person lawfully in the **Building**
- c. where the **Insured** or the **Insured's** partners, directors or **Employees** or any member of the **Insured's** household is involved
- d. from any **Building** or part of any **Building** not capable of being locked

- (13) **Damage** to **Property** more specifically **Insured**

- (14) The Material Damage Excess

- (15) **Consequential Loss** or **Damage** of any kind

- (16) **Employees Offshore**: this section does not apply to liability to any **Employee** arising while **Offshore**.

### Extensions to cover

- (1) **Glass**

The **Insurer** will indemnify the **Insured** in respect of

- (a) breakage (including the cost of boarding up) of glass at the **Premises**
- (b) (i) **Damage** to
  - (1) **Contents** of display windows
  - (2) window and door frames
- (ii) the cost of removing and reinstating obstructions to replace glass
- (c) breakage of fixed
  - (i) wash hand basins, pedestals, baths, sinks
  - (ii) lavatory bowls, bidets, cisterns
  - (iii) shower trays, splashbacks at the **Premises**

The maximum that the **Insurer** will pay in respect of item b(i) and (ii) is £2, 000 in the aggregate.

The **Insurer** will not indemnify **the Insured** in respect of

- (1) breakage of glass in
  - (a) light fittings
  - (b) signs
  - (c) vehicles
  - (d) vending machines
- (2) breakage

- (a) to **Stock** in trade or goods in trust
- (b) while the **Premises** is unoccupied
- (c) in transit or while being fitted
- (d) caused by workmen carrying out alterations or repairs to the **Premises**

(3) the Material Damage Excess.

(2) **Subsidence**

Operative only if shown in the **Schedule. Definition**

The **Insurer** will indemnify the **Insured** in respect of **Damage** to the **Property Insured** at the **Premises** caused by subsidence of, or ground heave of the site of the **Property Insured** or landslip.

The **Insurer** will only indemnify the **Insured** in respect of **Damage** to

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

provided **Damage** also occurs to the **Building** to which such **Property** applies and that **Building** is **Insured** by this Section.

The **Insurer** will not indemnify the **Insured** in respect of

- (1) **Damage** caused by
  - (a) collapse, cracking, shrinking or settlement of any **Building**
  - (b) coastal or river erosion
  - (c) defective design or inadequate construction of foundations
  - (e) settlement or movement of made up ground

(2) **Damage** as a result of movement of solid floor slabs

However, the **Insurer** will indemnify the **Insured** if there is **Damage** to the foundations beneath the exterior walls of the **Premises** at the same time.

(3) The Subsidence **Excess**.

(3) **Portable Electronic Equipment**

Operative only if shown in the **Schedule**.

The **Insurer** will indemnify the **Insured** in respect of **Damage** for Portable Electronic Equipment whilst anywhere within the **Territorial Limits** including whilst in transit or as stated under the Portable Electronic Equipment **Territorial Limits** Extension Clause.

The **Insurer** will not indemnify the **Insured** in respect of **Damage** caused

- (a) by theft or attempted theft from any unattended vehicle where
  - (i) all doors and windows have not be locked
  - (ii) the vehicles are not garaged in a locked **Building** or locked and secured in a fully enclosed yard or compound when left overnight
- (b) to Portable Electronic Equipment in any soft topped, open topped or open sided vehicle by storm or malicious persons or theft or attempted theft.

**Clauses**

The following clauses apply to both the **Buildings** and **Contents** items where **Insured**.

(1) **All Other Contents**

This term includes

- (a) **Employees'** pedal cycles and other personal belongings but only if they are not otherwise **Insured**

The maximum the **Insurer** will pay for any one person's **Property** is £500.

- (b) visitors' personal belongings

The maximum that the **Insurer** will pay for any one person's **Property** is £500.

- (c) paintings, curios or other works of art

The maximum that the **Insurer** will pay is £500.

- (d) wines, spirits, cigarettes and tobacco held for entertainment purposes The maximum that the **Insurer** will pay is £500.

- (e) Trade samples and goods in trust held at the **Premises**

The maximum that the **Insurer** will pay is £500.

(2) **Automatic Reinstatement of Limit of Liability**

The **Limits of Liability** stated in the **Schedule**

will not be reduced by the amount of any **Claim** unless the **Insurer** or the **Insured** give notice to the contrary.

The **Insured** must pay the additional **Premium** required to reinstate the **Limits of Liability**.

(3) **Basis of Claim Settlement**

- (a) If **Property Insured** other than **Business** records **Stock** in trade, **Employees'** pedal cycles

or personal belongings is destroyed the **Insurer** will pay for its rebuilding or replacement by similar **Property** in a condition as good as, but not better than or more extensive than, its condition when new.

If such **Property** is only partially destroyed, the **Insurer** will pay for replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new. However, the **Insurer** will not pay more than the **Insurer** would have done if the **Property** had been completely destroyed.

- (b) The **Property** may be replaced on another site and in a manner suitable to the **Insured's** needs, but this must not increase the **Insurer's** liability.
- (c) All work must begin and be carried out as quickly as possible.
- (d) If, at the time of **rebuilding** or replacement 85% of the cost which would have been required to replace the whole of the **Property Insured** under that item is greater than the **Limit of Liability** at the time the **Damage** occurred the **Insured** will be liable to pay a proportionate share of the loss.
- (e) The **Insurer** will not pay under this clause
  - (i) until the **Insured** have incurred the cost of replacing or repairing the **Property**
  - (ii) if the **Insured**, or someone acting on the **Insured's** behalf have **Insured** the **Property** under another **Policy** which does not have a similar basis of reinstatement
  - (iii) if the **Insured** do not comply with any of the terms of this clause.

#### (4) Theft Damage

The **Insurer** will indemnify the **Insured** in respect of **Damage** to the **Premises** for which the **Insured's** are responsible by **Theft** or attempt thereat provided that any one loss shall not exceed the **Limit of Liability** in respect of **Contents**.

#### (5) Business Records

Following **Damage** as **Insured** under this Section, to any item on **Business** Records, the **Insurer** will pay

- (a) The cost of replacing
  - (i) **Computer System** records
  - (ii) books, deeds, manuscripts
  - (iii) plans, drawings or documents

which require to be replaced and are capable of being replaced belonging to the **Insured** or held by the **Insured** in trust and for which the

**Insured** is responsible.

- (b) The cost of obtaining evidence of the **Contents** of any essential documents which are not capable of being replaced
  - but only for
    - (i) the value of the materials
    - (ii) the cost of labour and computer time spent in reproducing them.

The maximum the **Insurer** will pay is £1, 000 in respect of any one

- (i) **Computer System** record
- (ii) book, deed, manuscript
- (iii) plan, drawing or document

The maximum the **Insurer** will pay in respect of any one loss shall not exceed the **Contents Limit of Liability** as stated in the **Schedule**.

The **Insurer** will not pay for

- (a) expenses in connection with producing information to be recorded
- (b) the value to the **Insured** of any information lost.

#### (6) Capital Additions

The insurance provided by this Section on **Buildings** and **Contents** shall include in so far as the same are not otherwise **Insured** and in addition to the **Limit of Liability** stated in the **Schedule**

- (a) any newly acquired or newly erected **Buildings** and **Contents** anywhere within the **Territorial Limits**
- (b) alterations, additions and improvements to **Buildings** and **Contents** but excluding appreciation in value

Provided always that

- (a) The **Insured** shall advise the **Insurer** as soon as practicable of any such newly acquired and/or newly erected **Property** and in any **Event** within 3 months of any such alterations, additions and improvements
- (b) at any one **Premises** this additional insurance shall not exceed 10% of the appropriate **Limit of Liability** or £100, 000 in the aggregate, whichever is the lesser amount.

#### (7) Changing Locks

The **Insurer** will are lost pay for the cost of changing locks at the **Premises** if keys from

- (a) the **Premises**

- (b) The **Insured's** home
- (c) the home of any authorised **Employee**

following theft or attempted theft or

whilst in the **Insured's** custody or that of an **Employee** following theft involving violence or threat of violence to the **Insured** or an **Employee**.

If the keys belong to a safe they must be

- (i) removed from the **Premises** overnight
- (ii) kept in a secure place away from the safe when the **Insured** or an **Employee** occupies the **Premises**.

The maximum the **Insurer** will pay for any one loss is £1, 000.

### (8) Construction and Occupation of the Buildings

Unless otherwise stated in the **Schedule** the **Buildings** are

- (a) constructed of brick, stone or concrete
- (b) roofed with slates, tiles, concrete, metal or Asbestos
- (c) occupied for the sole purpose of **The Business**

and otherwise only as a private dwelling if the **Buildings** are empty or disused the **Insured** must give the **Insurer** notice.

### (9) Debris Removal

The **Limit of Liability** for each item, except on **Stock** and materials in trade, includes **Costs and Expenses** the **Insured** incur, with the **Insurer's** consent, for

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

of the parts of the **Property** which have suffered **Damage Insured** under this Section.

The **Insurer** will not indemnify You in respect of **Costs and Expenses**

- (a) incurred in removing debris from anywhere other than the site of the **Damage** and the area adjacent to it
- (b) arising from pollution or **Contamination** of **Property** not **Insured** under this Section
- (c) more specifically **Insured**.

### (10) European Union & Public Authorities

Following **Damage** as **Insured** under this Section, to any item on **Buildings**, the **Insurer** will pay the

additional cost of reinstating the **Property Insured** necessary to comply with any

- (a) European Community Legislation
- (b) Act of Parliament
- (c) Bye-Laws of any Public Authority.

The **Insurer** will not indemnify You in respect of

- (1) **Costs** incurred
  - (a) in respect of **Damage** not **Insured** by this Section
  - (b) where notice was served on the **Insured** before the **Damage** occurred
  - (c) where an existing requirement must be completed within a stipulated period
  - (d) in respect of **Property** or parts of the **Property**, other than foundations (unless foundations are specifically excluded) which have not suffered **Damage**
- (2) any charge or assessment arising from capital appreciation following compliance with this legislation.

The reinstatement of the **Property**

- (a) must begin and be carried out as quickly as possible
- (b) may be carried out on another site and in a manner suitable to the **Insured's** needs but this must not increase the **Insurer's** liability

If the **Insurer's** liability under this Section is reduced by the application of any terms or conditions precedent, **the Insurer's** liability under this Clause will be similarly reduced.

The maximum the **Insurer** will pay under this Clause in respect of any one item is

- (a) 15% of the item **Limit of Liability**
- (b) where the **Limit of Liability** applies to **Property** at more than one **Premises**, 15% of the amount the **Insurer** would have been liable to pay if the **Property Insured** by the item at the **Premises** where **Damage** occurred had been completely destroyed.

### (11) Fire Extinguishing Expenses

The **Insurer** will reimburse the **Insured** for the cost of refilling, recharging and/or replacing any fire extinguishing appliances and/or equipment including sprinkler heads following **Damage**, and Fire Brigade charges and other extinguishing expenses for which the **Insured** may be assessed for an amount not exceeding £2, 500 any one loss.

**(12) Limit of Liability**

The maximum the Insurer will pay under this Section will not exceed the Limits of Liability in the Schedule.

**(13) Loss of Metered Water**

The Insurer will pay for charges that the Insured are responsible for, if water is accidentally discharged from a metered water System providing service to the Premises.

The maximum that the Insurer will pay is £1, 000 any one Occurrence.

**(14) Other Interests**

The interest of other parties in this insurance is noted it being understood that in the Event of any Damage the nature and extent of such other interests will be disclosed by the Insured.

**(15) Professional Fees**

The Limit of Liability for each Building item includes an amount for professional fees necessarily incurred in reinstating or repairing the Property Insured, following Damage Insured under this Section.

The Insurer will not indemnify the Insured in respect of fees

- (a) more specifically Insured
- (b) incurred in preparing a Claim.

**(16) Reinstatement (Day One Basis)**

If the Buildings and/or Contents items in the Schedule to this Policy show differing amounts under the Limit of Liability and Declared Value headings then the insurance provided by this Section on the said Buildings and/or Contents shall be on a "Day One" Reinstatement basis and the Limit(s) of Liability are the Declared Value(s) plus a percentage increase as agreed between the Insured and the Insurer.

- (a) The Insured having stated the Declared Value(s) (shown in the Schedule) for Buildings and/or Contents the Premium has been calculated accordingly
- (b) Declared Value means the Insured's assessment of the cost of Reinstatement of such Property Insured arrived at in accordance with the definition of Reinstatement, at the level of Costs applying at the commencement ("Day One") of the Period of Insurance (ignoring inflationary factors which may operate subsequently). Such cost of Reinstatement shall include due allowance for
  - (i) debris removal Costs
  - (ii) the additional cost of Reinstatement to comply with the European and Public Authority Stipulations

- (iii) professional fees

as set out in Clauses (9) Debris Removal, (10) European Union & Public Authorities (including undamaged Property) and (15) Professional Fees, of this Section.

**Conditions applicable to this Extension.**

- (a) At the commencement of each subsequent Period of Insurance the Insured shall notify the Insurer of the Declared Value of such Property Insured. In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance
- (b) If at the commencement of Damage the Declared Value of such Property Insured is less than the cost of Reinstatement at the commencement of the Period of Insurance then the Insurer's liability for the Damage shall not exceed that proportion of the Damage which the Declared Value bears to such cost of Reinstatement. This proviso applies separately to each Declared Value stated in the Schedule
- (c) Where a Claim is payable as if Clause (2) Reinstatement had not been incorporated the Limit(s) of Liability shall be reduced to the Declared Value(s) and proviso (b) above shall not apply.

**(17) Temporary Removal**

The Insurer will indemnify the Insured in respect of Damage as Insured under this Section to the Property Insured, while temporarily removed elsewhere within the Territorial Limits.

The maximum the Insurer will pay in respect of any one item is

- (a) £1, 000 in respect of Computer System records, books, deeds, manuscripts, plans, drawings or documents
- (b) £5, 000 in respect of any other Property Insured.

The Insurer will not indemnify the Insured in respect of Damage caused

- (a) by theft or attempted theft from any unattended vehicle where
  - (i) all doors and windows have not be locked
  - (ii) the vehicles are not garaged in a locked Building or locked and secured in a fully enclosed yard or compound when left overnight
- (b) to Property in any soft topped, open topped or open sided vehicle by storm or malicious persons or theft or attempted theft.
- (c) to Portable Electronic Equipment unless the Portable Electronic Equipment Extension to Cover is shown as Covered in the Schedule.

**(18) Transfer of Interest**

If at the time of **Damage** to a **Building Insured** under this Section, the **Insured** have entered into a contract to sell **Your** interest in it, but

- (a) the contract has not yet been completed
- (b) the **Building** has not yet been **Insured** by or on behalf of the purchaser

and the purchase is subsequently completed, the **Insurer** will indemnify the purchaser to the extent that this Section insures that **Building**.

This will not affect either the **Insured's** or the **Insurer's** rights and liabilities up to the date of completion of the purchase.

**(19) Underground Services**

Where the **Insurer** provide indemnity in respect of the **Insured's Buildings**, or the **Insured** are liable as tenant, the **Insurer** will indemnify the **Insured** in respect of accidental **Damage** to underground

- (a) pipes
- (b) cables

which extend from the **Buildings** to the public mains.

The **Insurer** will not indemnify the **Insured** in respect of

- (1) the cost of maintenance
- (2) accidental **Damage** caused by
  - (a) (i) gradual deterioration or wear and tear
    - (i) corrosion, rust, rot or fungus
    - (ii) vermin or insects
    - (iii) atmospheric or climatic conditions
    - (iv) normal settlement or shrinkage
  - (b) faulty workmanship, defective design or the use of defective materials.

**(20) Workmen**

Workmen are allowed in and about the **Premises** for the purpose of making new erections or alterations, repair, decoration, plant installation, general maintenance and the like without prejudice to the terms and conditions of this Section and of the **Policy**

**(21) Fine Art**

In the **Event** of **Damage** to **Fine Art** the basis upon which the amount payable under Section 1 is to be calculated shall be the cost of:

For **Collections** the lesser of the:

- 1. assigned value set out in the **Schedule** or on file with the **Insurer**; and
- 2. cost to restore or repair the item plus any depreciation in value remaining after restoration or repair.

For **unscheduled Collections** the lesser of the:

- 1. cost to restore or repair the item plus any depreciation in value remaining after restoration or repair; and
- 2. market value of the item on the date of **Damage**.

For **Collections of Others** the lesser of the:

- 1. amount for which the **Insured** is legally liable; and
- 2. applicable Sums **Insured** in the **Schedule**.

For **Collections** which are described as a part of a pair or set, the:

- 1. stated value of the entire pair or set; or
- 2. cost to repair the pieces and if the pair or set with the repaired pieces has a lower market value than it had prior to the **Damage** the **Insurer** will reimburse the difference; or
- 3. stated value of the pieces prior to the **Damage** when the pieces cannot be found or repaired and if the remaining pieces have a reduced market value the **Insurer** will reimburse the difference; after consultation with the **Insured**.

In no **Event** will the **Insurer** pay more than the stated value of the pair or set as shown in the **Schedule**.

**Section 3A – Computer Breakdown**

**Definitions**

(also refer to the **Policy Definitions** at the back of the **Policy**).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

**Breakdown**

The actual breaking distortion or electrical burn-out of any part of the **Computer Equipment** whilst in use at the **Premises** arising from defects in the item causing sudden stoppage of its function and requiring its repair or replacement.

**Computer Equipment**

All parts of the **Electronic Data** processing installation at the **Premises** including all ancillary equipment and wiring but excluding **Computer Equipment** controlling any manufacturing process.

The definition also includes Portable Electronic Equipment and other portable **Computer Equipment** anywhere in the **United Kingdom** when the new replacement value of such equipment has been included in the **Limit of Liability**.

### Damage

direct physical loss of, or destruction of, or damage to the property insured from any sudden and accidental cause except as hereinafter excluded

### Failure of Distribution Equipment

Total failure for a period of at least 30 consecutive minutes of the electrical supply to an item of **Computer Equipment** resulting from sudden and unforeseen loss of or material **Damage** to the distribution equipment within the **Premises**.

### Indemnity Period

The period during which **The Business** results are affected as a result of **Breakdown** of the **Computer Equipment** or **Failure of Distribution Equipment**, starting from the date of **Breakdown** or **Failure of Distribution Equipment** and lasting no longer than the **Maximum Indemnity Period**.

### Loss of Data

Erasure destruction distortion or corruption of **Computer System** records used with the **Computer Equipment** whilst anywhere in the world resulting from an identifiable cause but excluding the loss of or loss of use of **Computer System** records directly resulting from pre-existing faults in or unsuitability of **Computer System** records and also excluding losses discovered later than twelve months after the loss was initiated.

### Maximum Indemnity Period

12 months.

### Cover

The **Insurer** will indemnify the **Insured** in respect of

- (1) Breakdown of the Computer Equipment
- (2) **Increased Cost of Working** following **Breakdown** or **Failure of Distribution Equipment**

and the amount payable will be

- (a) the **Additional Expenses** the **Insured** reasonably incur in order to continue **The Business** during the **Indemnity Period** immediately following the **Occurrence** less any savings in expenses as a result of the **Occurrence**
- (b) auditors' or accountants' charges reasonably incurred for producing and certifying details of a **Claim** under this Section.

- (3) Reinstatement of **Data**

and the amount payable will be the cost of replacing **Computer Systems** records used with the **Computer Equipment** following **Loss of Data**.

### Exclusions

The **Insurer** will not indemnify the **Insured** in respect of

- (1) **Breakdown** of **Computer Equipment** which is not covered by a maintenance rental hire or lease agreement or manufacturers warranty providing free parts and free labour at inclusive cost
- (2) any loss recoverable under any guarantee or maintenance rental hire or lease agreement contract
- (3) gradual deterioration or wear and tear
- (4) **Computer Equipment** more than 10 years old from the year of manufacture
- (5) prototype equipment
- (6) the first £250 of each and every **Claim** after the application of Average.
- (7) liability to any **Employee** arising while **Offshore**.

### Extensions

- (1) **Additional Rental Charges**

The **Insurer** will indemnify the **Insured** for any reasonable increase in existing **Computer Equipment** rental lease or hire charges payable for the 24 month period immediately following an **Insured Breakdown**.

The maximum the **Insurer** will pay under this extension is £2, 500.

- (2) **Consulting Engineers' Fees and Claims Investigation Costs**

The **Insurer** will indemnify the **Insured** for reasonable **Costs** incurred including consulting engineers' fees in investigating possible repairs (whether or not successful) and/or the reinstatement of an item of **Computer Equipment** following **Breakdown**.

The maximum the **Insurer** will pay under this extension is £5, 000.

- (3) **Incompatibility of Computer Records**

If **Breakdown** results in the replacement of **Computer Equipment** with **Computer Equipment** which is incompatible with the **Insured's** undamaged **Computer System** records the **Insurer** will indemnify the **Insured** against

- (a) **Costs** of modification of the **Computer Equipment**
- (b) **Costs** of replacing and/or reinstating **Computer System** records reasonably incurred to achieve compatibility.

The maximum the **Insurer** will pay under this extension is £5, 000.

**(4) Removal of Debris/Protection from Further Damage**

The **Insurer** will indemnify the **Insured** against the **Costs** incurred in

- (a) removing debris and/or dismantling and/or demolishing any item of **Computer Equipment** following **Breakdown**.
- (b) protecting any item of **Computer Equipment** whether, damaged or not provided that this is necessitated by **Breakdown**.

The maximum the **Insurer** will pay under this extension is £5, 000.

**(5) Temporary Repairs and Expediting Permanent Repairs**

The **Insurer** will indemnify the **Insured** against reasonable **Costs** incurred in making a temporary repair or in expediting a permanent repair to an item of **Computer Equipment** following **Breakdown**.

The maximum the **Insurer** will pay under this extension is £5, 000.

**Clauses**

**Automatic Reinstatement of Limit of Liability**

The **Limit(s) of Liability** and limits stated in the **Schedule** will not be reduced by the amount of any **Claim** unless the **Insurer** or the **Insured** give notice to the contrary.

The **Insured** must pay the additional **Premium** required to reinstate the **Limit(s) of Liability** and limits.

**Average**

If at the time of replacement or repair 85% of the cost which would have been required to replace all **Computer Equipment** is greater than the **Limit of Liability** at the time of the loss the **Insured** will be liable to pay a proportionate share of the loss.

**Basis of Claims Settlement - Reinstatement**

If **Computer Equipment** is destroyed beyond economic repair the **Insurer** will pay for its replacement by **Computer Equipment** of equal performance and/or capacity or if this is not possible by **Computer Equipment** with the nearest higher performance and/or capacity.

If an economic repair is possible the **Insurer** will pay for the repair of the **Computer Equipment** to its condition when new.

If **Computer Equipment** is destroyed or damaged in part only the **Insurer** will not pay more than the **Insurer** would have done if the **Computer Equipment** had been completely destroyed.

**Limit of Indemnity**

The maximum the **Insurer** will pay under this Section will not exceed the **Limit(s) of Liability** in the **Schedule** plus any extra amounts for which the **Insurer** are liable under the Extensions.

**Condition Precautions**

The **Insured** shall at all times take precautions to retain in efficient working condition and available for immediate use any standby or spare machinery or any other loss minimising factors in existence when this insurance was first effected.

**Conditions Precedent**

The following conditions precedent apply:

**(1) Back up Records**

It is a condition precedent to the **Insurer's** liability that the **Insured** shall back-up **Computer System** records (other than software programs) at least once every 24 hours and store such back-ups in a safe and secure environment.

**(2) Storage Verification and Security**

It is a condition precedent to the **Insurer's** liability that the **Insured** shall observe the manufacturers 'and/or suppliers' recommendations for storage verification and security of **Computer System** records.

**Section 3B – Money and Assault**

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

**Bodily Injury**

**Bodily Injury** by violent and visible means which, directly and independently of any other cause, results in death or disablement.

**Business Hours**

The **Insured's** normal working hours and any other period during which the **Insured** or any **Employee**, entrusted with **Money** is on the **Premises** in connection with **The Business**.

**Damage**

direct physical loss of, or destruction of, or damage to the property insured from any sudden and accidental cause except as hereinafter excluded

**Insured Person**

The **Insured** or the **Insured's** directors, principals or **Employees** aged between 16 and 65.

**Loss of Limb**

- (1) Severance at or above the wrist or ankle or
- (2) Total and permanent loss of use of a hand, arm, foot or leg.

**Cover - Money**

The **Insurer** will indemnify the **Insured** in respect of

- (1) Loss of **Money**, which
    - (a) belongs to the **Insured**
- or

(b) The **Insured** are responsible for

in connection with **The Business** up to the Limit Any One loss set against each item in the Specification below

- (2) Loss or **Damage** to
- (a) any case, bag, or waistcoat used for carrying **Money** following theft or attempted theft
  - (b) clothing and personal effects belonging to the **Insured**, the **Insured's** principals or any **Employee** up to a limit of £500 per person following theft or attempted theft involving violence or threat of violence away from the **Premises**.

## Specification

### Item 1 Limit Any One Loss

£250,000 Stamped National Insurance cards, crossed cheques, crossed Giro cheques, crossed **Money** orders, crossed postal orders, crossed bankers' drafts, crossed warrants, national savings certificates, **Premium** savings bonds, franking machine impressions, credit company sales vouchers and VAT invoices

### Item 2 Limit Any One Loss **Money** other than described in Item 1

- (a) £2,000 in transit or in a bank night safe until removed by a bank official
- (b) £2,000 on contract sites while the **Insured** or any **Employee** is working there
- (c) £500 at the **Insured's** home or the home of any **Employee** or principal

### Item 3 Limit Any One Loss **Money** other than described in Item 1 on the **Premises**

- (a) £2,000 during **Business Hours**
- (b) £1,000 contained in a locked safe outside **Business Hours**
- (c) £250 not contained in a locked safe outside **Business Hours**
- (d) £500 in vending or gaming machines on the **Premises**

## Cover – Assault

The **Insurer** will pay compensation to the **Insured** for **Bodily Injury** to an **Insured Person** caused by theft or attempted theft, which happens in the course of **The Business** and results in any of the following contingencies

- (1) Death
- (2) total and permanent loss of sight in one or both eyes
- (3) Loss of one or more limbs occurring within 24 months of **Bodily Injury**
- (4) any other total and permanent disablement which, after 24 months of the **Occurrence**, prevents the **Insured Person** from pursuing any **Occupation**
- (5) total disablement which, within 24 months of **Bodily Injury**, prevents the **Insured Person** from pursuing their normal **Occupation**
- (6) partial disablement which, within 24 months of **Bodily Injury**, prevents the **Insured Person** from pursuing a substantial part of their normal **Occupation**.

## Exclusions

The **Insurer will not indemnify** the **Insured** in respect of

- (1) shortages due to clerical or accounting errors
- (2) loss due to the dishonesty of the **Insured's** principals or any **Employee**
  - (a) not discovered within 7 working days of the loss
  - (b) where a more specific insurance is in force, except for any amount in **Excess** of that insurance
- (3) loss of **Money** from unattended vehicles
- (4) loss or **Damage** outside the **Territorial Limits**.

This section also does not apply to liability to any **Employee** arising while **Offshore**.

## Clauses

### (1) Amounts Payable

- (a) The **Insurer** will pay
  - (i) weekly compensation at 4 weekly intervals
  - (ii) compensation under contingencies (5) and (6) for a maximum of 2 years from the date that the disablement started
- (b) weekly compensation being paid for the same injury will end if the **Insurer** pay compensation under any of contingencies (1)-(4)
- (c) insurance will end for the **Insured Person** if the **Insurer** pay compensation under any of contingencies (1)-(4)

- (d) the **Insurer** will pay the following compensation

| Peril Number | Compensation  |
|--------------|---------------|
| (1)          | £10, 000      |
| (2)          | £10, 000      |
| (3)          | £10, 000      |
| (4)          | £10, 000      |
| (5)          | £100 per week |
| (6)          | £50 per week  |

**(2) Medical Evidence**

- (a) the **Insurer** may require
- (i) an **Insured Person** to undergo medical examination or
  - (ii) a post mortem to be carried out at The **Insurer's** expense.
- (b) the **Insured**, or the **Insured's** legal representative will supply to **the Insurer**, at the **Insured's** expense, any
- (i) certificate
  - (ii) information
  - (iii) evidence
- in the format the **Insurer** require.

**Conditions Precedent**

The following conditions precedent apply:

**(1) Records and Key Security**

It is a condition precedent to the **Insurer's** liability that

- (a) **You** shall keep a complete record of **Money** in a secure place other than in a safe or strongroom containing **Money**
- (b) outside **Business Hours** the safe or strongroom will be kept locked and the keys removed from The **Premises** unless the **Premises** are occupied by the **Insured** or any authorised **Employee** in which case the keys will be kept in a secure place away from any safe or strongroom.

**(2) Money in Transit**

It is a condition precedent to the **Insurer's** liability for **Money** (other than stamped National Insurance Cards, crossed cheques, crossed giro cheques, crossed **Money** orders, crossed postal order, crossed bankers' drafts, , crossed warrants, national savings certificates, **Premium** savings bonds, franking machine impressions, credit company sales vouchers and VAT invoices) in transit that

- (a) it be accompanied by the following number of persons over £2, 000 up to £5, 000 at least 2 persons over £5, 000 up to £8, 000 at least 3 persons over £8, 000 at least 4 persons

- (b) private transport is used for amounts greater than £2, 000 where the distance exceeds half a mile.

The **Insurer's** liability will not exceed the limits stated under **Specification** and elsewhere in this Section.

**Section 3C – Business Interruption**

**Definitions (specific to this section)**

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section.

**Notes**

- (1) All terms in this Section exclude value added tax to the extent that the **Insured** are accountable to the tax authorities for value added tax.
- (2) Any adjustment made for current cost accounting will be ignored.

**Annual Income**

The **Income** during the twelve months immediately before the date of the **Damage**

**Accounts Receivable**

The total last recorded by **the Insured** under the provisions of Conditions Precedent (2) Debit Recording adjusted for

- (1) bad debts
- (2) amounts debited (or invoiced but not debited) and credited (including credit note sand cash not passed through the books at the time of the **Damage**) to Customers Accounts in the period between the date to which the last statement relates and the date of the **Damage**, and
- (3) any abnormal condition of trade which had or could have had a material effect on **The Business**

The figures adjusted will represent as near as possible, the figures which would have been obtained at the date of the **Damage** had the **Damage** not occurred.

**Customers' Accounts**

The **Insured's** accounts for all customers who trade with the **Insured** on a credit or hire purchase basis.

**Damage**

direct physical loss of, or destruction of, or damage to the property insured from any sudden and accidental cause except as hereinafter excluded

**Income**

The gross fees and other **Income** received or receivable by the **Insured** in the course of **The Business** at the **Premises**.

**Indemnity Period**

The period during which **The Business** results are affected due to the **Damage**, starting from the date of the **Damage** and lasting no longer than the Maximum **Indemnity Period**.

**Maximum Indemnity Period**

The number of months stated in the **Schedule**.

**Rent Receivable**

means the amount of the rent received or receivable from the letting of the properties within the **Territorial Limits** in the course of the **Business**.

**Standard Rent Receivable**

means the **Rent Receivable** during the period corresponding with the **Indemnity Period** in the twelve months immediately before the date of the **Damage** appropriately adjusted where the **Indemnity Period** exceeds twelve months to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

**Cover**

The **Schedule** will state which **Option** applies.

The **Insurer** will indemnify the **Insured** in respect of Cover as specified in the **Schedule** resulting from **Damage** to **Property Insured** used by the **Insured** at the **Premises** for the purpose of **The Business** to the extent of Cover under the **Property Damage** Section and where liability is admitted under a **Policy** of insurance covering the **Insured's** interest in such **Property Insured**, other than as excluded herein.

**Option A - Loss of Income**

The amount payable will be

- (1) the amount by which the **Income** falls short of the **Annual Income** which would have been received during the **Indemnity Period** due to the **Damage**
- (2) any additional expense the **Insured** incur to prevent or limit the reduction in **Income** during the **Indemnity Period** due to the **Damage**. the **Insurer** will not pay more than the **Insurer** would pay under (1) above.
- (3) auditors' or accountants' charges reasonably incurred for producing and certifying details of a **Claim** under this Section

less any savings during the **Indemnity Period** in respect of **Business** charges or expenses payable out of **Income** which reduce or stop due to the **Damage**.

The total amount payable in respect of **Any One Claim** shall not exceed the **Limit of Liability** stated in the **Schedule** at the time of the **Damage**.

If at the time of **Damage**, the **Limit of Liability** in respect of loss of **Income** is less than the **Income** which but for the **Damage** would have resulted during the **Maximum Indemnity Period** from date of **Damage** the **Insured** will be liable to pay a proportionate share of the loss.

**Option B - Increased Cost of Working**

The amount payable will be

- (1) the extra **Costs** of
  - (a) rent, rates and taxes for
  - (b) any **Premium** or compensation necessary to obtain the use of
  - (c) removal to and from temporary **Premises**
- (2) the extra cost of clerical assistance
 

and all such **Additional Expenses** the **Insured** reasonably incur due to the **Damage** in order to continue **The Business** during the **Indemnity Period**
- (3) auditors' or accountants' charges reasonably incurred for producing and certifying details of a **Claim** under this Section

less any savings in expenses made due to the **Damage**.

The total amount payable in respect of **Any One Claim** shall not exceed the limit stated in the **Schedule** at the time of the **Damage**.

**Option C – Accounts Receivable**

The **Insurer** will indemnify the **Insured** in respect of loss sustained by **You** for **Accounts Receivable** directly due to **Damage** at the **Premises** to the **Insured's** books of account, other **Business** books or records.

The amount payable in respect of any one **Occurrence** of **Damage** will not exceed:

- (1) the difference between
  - (a) **the Accounts Receivable**

and

  - (b) the total of the amounts received or traced
- (2) the additional expenditure incurred with the **Insurer's** consent in tracing and establishing customers' debit balances after the **Damage**
- (3) if the **Insurer** require any information to verify a **Claim** the **Insured's** professional accountants at the time of the **Claim** may produce and report details contained in **Business** books or records. Their report will be accepted as prima facie evidence of the details.

The **Insurer** will pay the **Insured's** professional accountant's charges for

- (a) producing information the **Insurer** require for investigating any **Claim**

and

- (b) confirming the information in accordance with the **Insured's Business** books

The maximum the **Insurer** will pay for any **Claim**, including professional accountant's fees, is the limit stated in the **Schedule**.

- (1) The **Insurer** will not indemnify the **Insured** in respect of loss due to records being mislaid or misfiled
- (2) loss arising from deliberate falsification of records
- (3) failure to collect debts which have been traced and established.

### Option D – Loss of Rent/Rent Receivable

**Rent Receivable** is limited to loss of **Rent Receivable** and additional expenditure and the amount payable as indemnity thereunder shall be:

- a in respect of loss of **Rent Receivable**: the amount by which the **Rent Receivable** during the **Indemnity Period** shall, in consequence of the **Damage**, fall short of the **Standard Rent Receivable**
- b in respect of additional expenditure: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Rent Receivable** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage**, but not exceeding the amount of the reduction in **Rent Receivable** thereby avoided

less any sum saved during the **Indemnity Period** in respect of such of the expenses and charges payable out of **Rent Receivable** as may cease or be reduced in consequence of the **Damage** provided always that the liability of the **Insurer** shall not exceed the **Limit of Liability**.

### Exclusions

The **Exclusions** applying to Section 3B – **Money** and Assault of this **Policy**, shall also apply to this Section of this **Policy**

### Clauses

The **Insurer** will also indemnify the **Insured** in respect of loss as **Insured** under this Section resulting from

#### (1) Boilers

**Damage** to boilers or other equipment in which internal pressure is due to steam only on the **Premises**

#### (2) Notifiable Disease, Infestation and Defective Sanitation

The **Occurrence** at the **Premises** of

- (a) murder or suicide

- (b) food or drink poisoning
- (c) a notifiable human infectious or contagious disease
- (d) vermin or pests
- (e) defective sanitation

where use of the **Premises** is restricted on the order or advice of the local authority.

For the purposes of this extension:-

- a **Notifiable Disease** shall mean illness sustained by any person resulting from
  - i food or drink poisoning, or
  - ii any human infectious or human contagious disease, an outbreak of which the competent local authority has stipulated shall be notified to them, but excluding Acquired Immune Deficiency Syndrome (AIDS) or any AIDS related condition and Legionnaires' Disease

The maximum **the Insurer** will pay under this clause will not exceed the lower of £25, 000, or the **Business Interruption Limit of Liability** shown in the **Schedule**, in respect of all **Occurrences** in any one **Period of Insurance**.

The **Insurer** will not indemnify the **Insured** in respect of the first twenty four hours of any **Occurrence**

### (3) Documents in Transit

**Damage** to

- (a) **Computer System** records
- (b) books, deeds, manuscripts
- (c) plans, drawings or documents

belonging to the **Insured** or held by the **Insured** in trust and for which **You** are responsible, while temporarily at **Premises** which the **Insured** do not occupy or in transit by road, rail or inland waterway in the **Territorial Limits**.

The maximum the **Insurer** will pay under this clause will not exceed the lower of £25, 000, or the **Business Interruption Limit of Liability** shown in the **Schedule**, in respect of any one **Occurrence**.

### (4) Government or Local Authority Action

Access to the **Premises** being hindered or prevented as a result of the actions or advice of a government or local authority due to an emergency which is likely to endanger life or **Property**.

The **Insurer** will not indemnify the **Insured** in respect of

- (a) any incident which lasts less than 8 hours

- (b) any period other than the actual period when access to the **Premises** was prevented
- (c) industrial action

The maximum the **Insurer** will pay under this clause will not exceed the lower of £25, 000, or the **Business Interruption Limit of Liability** shown in the **Schedule**, in respect of any one **Occurrence**.

#### (5) **Prevention of Access**

**Damage to Property** in the vicinity of the **Premises** by any cause included under the **Property Damage** Section which hinders or prevents access to the **Premises**.

Vicinity shall mean within one mile of the **Insured's Premises**

The maximum the **Insurer** will pay under this clause will not exceed the lower of £25, 000, or the **Business Interruption Limit of Liability** shown in the **Schedule**, in respect of any one **Occurrence**.

#### (6) **Failure of Utilities**

Accidental failure of public supplies of electricity or gas or water at the terminal ends of the public supply undertaking's feed to the **Premises**

The **Insurer** will not indemnify the **Insured** in respect of

- (a) accidental failure which lasts less than 30 minutes
- (b) the deliberate act of any supply authority
- (c) the exercise of any supply authority power to withdraw or supply
- (d) Industrial action
- (e) drought.

The maximum the **Insurer** will pay under this clause will not exceed the lower of £100, 000, or the **Business Interruption Limit of Liability** shown in the **Schedule**, in respect of any one **Occurrence**.

#### (7) **Suppliers**

**Damage** to any of the **Insured's** suppliers' **Premises** within Great Britain, Northern Ireland, the Republic of Ireland, the Channel Islands or the Isle of Man by any cause included under the **Property Damage** Section.

The **Insurer** will not indemnify the **Insured** in respect of **Damage** at any **Premises** of suppliers of electricity, gas, water or telecommunications services.

The maximum the **Insurer** will pay under this clause will not exceed the lower of £25, 000, or the **Business Interruption Limit of Liability** shown in the **Schedule**, in respect of any one **Occurrence**.

#### (8) **Telecommunications**

Accidental failure of the supply of telecommunication services at the incoming line terminals or receivers at the **Premises**.

The **Insurer** will not indemnify the **Insured** in respect of accidental failure

- (a) caused by the deliberate act of any supply authority
- (b) caused by the exercise of any supply authority's power to withdraw or restrict supply or services
- (c) caused by industrial action
- (d) drought or other weather conditions unless equipment has been damaged
- (e) lasting less than 24 consecutive hours.

The maximum the **Insurer** will pay will be

- (i) £100 for each day in respect of any one failure
- (ii) £2, 500 in respect of all failures in any one **Period of Insurance**.

#### **Endorsement**

The following **Endorsement** applies

#### **Alteration**

The **Insurer** will not indemnify the **Insured** in respect of this Section if

- (1) The Business is
  - (a) Wound up or carried on by a liquidator or receiver
  - (b) Permanently discontinued
- (2) The **Insured's** interest ceases otherwise than by the **Insured's** death.

However, the **Insurer** will indemnify the **Insured** if the **Insurer** issue written agreement stating otherwise.

#### **Conditions Precedent**

The following conditions precedent apply

- (1) Claims Procedure
 

It is a condition precedent to the **Insurer's** liability that the **Insured** will

  - (a) take any action reasonably practicable to minimise any **Interruption** of or interference with **The Business** or to avoid or diminish the loss
  - (b) at the **Insured's** expense, provide the **Insured** with

- (i) a written **Claim** and
  - (ii) details of other insurances covering the **Damage** or loss resulting from it within 30 days after the expiry of the **Indemnity Period** or such further time that the **Insurer** may allow
  - (iii) books, records and documents the **Insurer** require to assess the **Insured's Claim**
- (c) repay the **Insurer**, any payment on account the **Insurer** have already made, if the **Insured** fail to comply with this condition.

The following conditions precedent only applies if **Option C Accounts Receivable** is shown as Covered in the **Schedule**.

## (2) Debit Recording

It is a condition precedent to the **Insurer's** liability that at the end of each quarter the **Insured** must record the total amount outstanding in **Your Customers' Accounts**. The **Insured** must keep this information in a different **Building** to that containing the **Insured's** accounting and other **Business** records.

This information may be maintained by the **Insured's** accountant.

The following Minimum Security Endorsements automatically apply to listed properties in the Policy Schedule for a respective risk.

### Minimum Security Endorsement A, B, C & D

The Premises must be protected in accordance with (a) to (c) below whenever the premises are unoccupied or closed for business and are not attended by you or an authorised employee for the purpose of the business

- (a) Doors - all external (and internal doors leading to integral garages) are fitted with a key-operated deadlock conforming to BS3621
- (b) Garage Doors - all garage doors are fitted with a key-operated deadlock or a good quality closed shackle padlock
- (c) Windows - all external basement ground floor and garage windows and other windows sky-lights and fanlights accessible from roofs fire escapes drain pipes walls or other features of any building are fitted with key-operated window locks or screwed or bolted shut Note - not applicable to openings of less than 23cm by 15cm (9 inches by 6 inches)

These requirements do not apply to properly secured fire exits designated by the Fire Prevention Officer

### Minimum Security Endorsement E

The Premises must be protected in accordance with (a) to (d) below whenever the premises are unoccupied or closed for business and are not attended by you or an authorised employee for the purpose of the business

- (a) Doors - all external (and internal doors leading to integral garages) are fitted with a key-operated deadlock conforming to BS3621
- (b) Garage Doors - all garage doors are fitted with a key-operated deadlock or a good quality closed shackle padlock
- (c) Windows - all external basement ground floor and garage windows and other windows sky-lights and fanlights accessible from roofs fire escapes drain pipes walls or other features of any building are fitted with key-operated window locks or screwed or bolted shut Note - not applicable to openings of less than 23cm by 15cm (9 inches by 6 inches)
- (d) Intruder Alarm – a NSI/NACOSS/SSAIB approved intruder alarm system

Requirements (a) - (c) do not apply to properly secured fire exits designated by the Fire Prevention Officer

Furthermore

- i) the intruder alarm system shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or such other organisation as agreed with us
- ii) no alteration to or substitution of
  - any part of the intruder alarm system
  - the procedure agreed with us for police or any other response to any activation of the intruder alarm system
  - the maintenance contract

shall be made without our agreement

- iii) all keys to the intruder alarm system are removed from the premises when they are left unattended
- iv) you will maintain secrecy of codes for the operation of the intruder alarm system and no details of the same are left on the premises
- v) you shall appoint at least two key holders and lodge written details (which must be kept up to date) with the alarm company and police authorities

## Section 4 – Terrorism

Notwithstanding anything contained in Section 3 of this **Policy** to the contrary, in consideration of the payment of the **Terrorism Premium** and its Insurance **Premium Tax** in respect of the **Period of Insurance**:

### A. Pool Re

In the **Event** that Her Majesty's Government or Her Majesty's **Treasury** or any other authorised authority issues a Certificate certifying an **Event** or **Occurrence** to have been an **Act of Terrorism** (defined for the purposes of this Section below) or in the **Event** that Her Majesty's Government or Her Majesty's **Treasury** or any other authorised authority refuses to issue a Certificate certifying an **Event** or **Occurrence** to have been an **Act of Terrorism**, and that refusal is reversed by the decision of a validly constituted Tribunal, the **Insurer** agrees to indemnify the **Insured** up to the **Limits of Liability** stated in the **Schedule** against **Damage** and/or **Business Interruption** proximately caused by such **Act of Terrorism** provided that:

1. such **Damage** and/or **Business Interruption** occurs in the **Specified Territory**;
2. in any action, suit or other proceedings where the **Insurer** alleges that any **Damage** and/or **Business Interruption** is not covered by this Section the burden of proving that such **Damage** and/or **Business Interruption** is covered shall fall upon the **Insured**;
3. the insurance effected by this Section excludes any losses whatsoever:
  - a) occasioned by riot, civil commotion, **War**, invasion, act of foreign enemy, hostilities (whether **War** be declared or not), civil **War**, rebellion, revolution, insurrection or military or usurped power;
  - b) directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:
    - i. the alteration, modification, distortion, corruption of or **Damage** to any computer or other equipment or component or **System** or item which processes, stores, transmits, retrieves or receives **Data** or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
    - ii. any alteration, modification, distortion, erasure, corruption of **Data** processed by any such computer or other equipment or component or **System** or item;

whether the property of the **Insured** or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **Virus** or **Similar Mechanism** or **Hacking** or **Phishing** or **Denial of Service Attack**;

4. the insurance effected by this Section excludes:
  - a) any type of property which has been specifically excluded in Section 3 of this **Policy**;
  - b) any **Nuclear Installation** or **Nuclear Reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes, wires, cables, drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **Nuclear Installation** or **Nuclear Reactor**.
5. save for the exclusions listed in subparagraphs 3. and 4. above no other exclusions in Section 3 of this **Policy** shall apply to the insurance effected by part A. of this Section. All the other terms, limits, definitions and conditions of Sections 1 and 2 of this **Policy** shall apply to the insurance effected by part (A) of this Section except for:
  - a) any commitment regarding the **Period of Insurance**;
  - b) any terms in Section 3 of this **Policy** which provide for adjustments of **Premium** based upon declarations on expiry or during the **Period of Insurance**; or
  - c) any extension of described **Premises** to locations outside the **Specified Territory**.

### B. Specified Territory – Non-Pool Re (Wrap)

In the **Event** that Her Majesty's Government or Her Majesty's **Treasury** or any other authorised authority refuse to issue a Certificate certifying an **Event** or **Occurrence** to have been an **Act of Terrorism**, and such refusal is upheld by the decision of a validly constituted Tribunal, this Section amends the insurance provided by Section 3 of this **Policy** in respect only of **Damage** and/or **Business Interruption** occurring in the **Specified Territory** the exclusion in respect of **Terrorism** in Section 3 of this **Policy** shall not apply in respect of such **Event** or **Occurrence**.

Provided that under part B. of this Section the terms, definitions, exclusions, provisions and conditions of Section 3 of this **Policy** shall apply.

#### Definitions Applicable to Section 4 only:

##### Act of Terrorism

means any act or acts of persons acting on behalf of or in connection with, any organisation which carries out activities directed to wards the overthrowing or influencing, by force or violence, of Her Majesty's Government in the **United Kingdom** or any other government de jure or de facto.

##### Damage

direct physical loss of, or destruction of, or damage to the property insured from any sudden and accidental cause except as hereinafter excluded

**Terrorism Premium**

means any **Premium** paid in respect of this extension of cover.

**Exclusions applicable to Section 3 and 4 (excluding 3C Business Interruption)**

The following exclusions apply to Sections 3, and 4 of this **Policy** except where expressly varied below.

**A. Excluded Causes**

Sections 3 and 4 of this **Policy** does not cover loss or destruction of or **Damage** directly or indirectly caused or occasioned by or arising from:

1. 1.1 inherent vice, latent **Defect**, gradual deterioration, wear and tear, frost or any other gradually operating cause;
- 1.2 corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, marring, scratching, vermin or insects;
- 1.3 change in temperature, humidity, colour, flavour, texture or finish;
- 1.4 changes in the water table level;
- 1.5 theft or attempted theft from yards or gardens at the described **Premises**, unless involving forcible and violent entry into or exit therefrom;
- 1.6 **Asbestos** material removal or modification, unless:
  - a) the **Asbestos** forms part of **Property Insured** and itself suffers **Damage** caused by or resulting from a cause not otherwise excluded; or
  - b) as a result of any governmental direction or request declaring that **Asbestos** material in or part of or utilised in any undamaged portion of the **Property Insured** can no longer be used for the purpose for which it was intended or installed and must be removed or modified;
- 1.7 settling, cracking, shrinkage, or expansion of car parks, yards, pavements, foundations, walls, floors, ceilings or swimming pools;
- 1.8 joint leakage, failure of welds, cracking, fracturing, nipple leakage, implosion, collapse or overheating of: boilers, economisers, superheaters, pressure vessels, tubes or pipes, or any range of steam and feed piping in connection therewith;
- 1.9 **Computer Breakdown** where there is no annual maintenance contract in place with either manufacturer or supplier; or
- 1.10 all other mechanical or electrical **Breakdown** or derangement of the particular machine,

apparatus or equipment except when and to the extent **Insured** under the Extension entitled **Breakdown** of machinery; or

- 1.11 the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services;

but this shall not exclude subsequent **Damage** or **Business Interruption** resulting therefrom due to a cause not otherwise excluded.

2. 2.1 faulty or defective workmanship, design or materials, misapplication of tools, operational error or omission on the part of the **Insured** or any of its **Employees**;
- 2.2 the **Property Insured**, and the **Contents** of any machinery, undergoing any process, test or commissioning or being actually worked upon;
- 2.3 the correction of defects in design or content of 3.10 any action taken in controlling, preventing, any computer records or program and any **Costs** suppressing or in any way relating to **Terrorism**; and expense associated therewith;
- 2.4 subsidence, ground heave or landslide:
  - a) to any **Property Insured** which stands on made up ground or mine workings;
  - b) to any **Property Insured** occurring as a result of construction, demolition, excavation or ground works at a neighbouring site;
  - c) at any site at which the **Property Insured** stands which has previously incurred any such **Damage**; or
  - d) which originated prior to the inception of this **Policy**;

but this shall not exclude subsequent **Damage** or **Business Interruption** resulting from a **Defined Peril**.

3. 3.1 loss of market or delay;
- 3.2 any wilful act or neglect of the **Insured**;
- 3.3 the **Insured** or any **Officer** of the **Insured** parting with title or possession of any property if induced to do so by any fraudulent scheme, trick or pretence, misrepresentation (whether verbal or not) or concealment;
- 3.4 acts of fraud or dishonesty by any **Officer** or authorised representative or agent of the **Insured** or any other person to whom the **Insured** entrusts **Property Insured** or **Money**;
- 3.5 unexplained disappearance, inventory shortage, misfiling or misplacing of information;
- 3.6 a safe or strong room being opened by the use of a key or combination code through the key or

combination having been left at the described **Premises** outside **Business Hours**;

- 3.7 by theft or attempted theft from any vehicle whilst the vehicle is unattended by the driver or mate unless all windows, doors and other means of access are fully closed, fastened and, where possible, locked and all keys are removed from the vehicle to a place of safety;
- 3.8 **War**, invasion, act of foreign enemy, hostilities (whether **War** be declared or not), civil **War**, rebellion, revolution, insurrection or military or usurped power, nationalisation, confiscation, requisition, seizure, or destruction by the government or any public authority;
- 3.9 or in connection with any **Act of Terrorism** regardless of any other cause or **Event** contributing concurrently or in any other sequence of loss including any cost or expense of whatsoever nature directly or indirectly incurred by the **Insured**;
- 3.10 any action taken in controlling, preventing, suppressing or in any way relating to **Terrorism**;  
  
in respect of exclusions 3.9 and 3.10 above, if the **Insurer** alleges that by reason of this exclusion any loss, **Damage**, cost or expense is not covered by this insurance, the burden of proving the contrary shall be upon the **Insured**.
- 3.11 any act of riot or civil commotion in Northern Ireland, except in respect of **Damage** to any **Property Insured** and **Business Interruption** caused by or resulting from fire or explosion;
- 3.12 any act of strikers, locked out workers or persons taking part in labour disturbances or malicious persons in Northern Ireland;
- 3.13 malicious **Damage** or vandalism (except in respect of **Damage** to any **Property Insured** and **Business Interruption** caused by or resulting from fire or explosion), bursting, overflowing, freezing, discharging or leaking of water tanks, apparatus, pipes, heating, cooling or fire protection systems when the described **Premises** are empty or disused for a continuous period of 30 days or more unless otherwise agreed by the **Insurer**; or
- 3.14 pollution or **Contamination**, except in respect of **Damage** to the **Property Insured** caused by or resulting from:
  - a) pollution or **Contamination** which itself results from a **Defined Peril**; or
  - b) a **Defined Peril** which itself results from pollution or **Contamination**. Nor do Sections 3 and 4 of this **Policy** cover loss, destruction of or **Damage**:

- 4. 4.1 caused by or resulting from distortion, erasure, corruption or alteration of **Electronic Data** from **Malicious Programming** or loss of use, reduction

in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or **Event** contributing concurrently or in any other sequence to the loss, but this shall not exclude subsequent **Damage** or **Business Interruption** caused by or resulting from fire or explosion;

- 4.2. to **Property Insured** or any loss or expense whatsoever resulting or arising therefrom or any **Business Interruption** or any liability whatsoever directly or indirectly caused by or contributed to by or arising from any **Nuclear Source**;
- 4.3. to any **Building** or other structure caused by or resulting from its own cracking or collapse unless resulting from a **Defined Peril**; or
- 4.4. to **Property Insured**:
  - a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat;
  - b) resulting from its undergoing any process of production, packing, treatment, servicing or repair except in respect of **Damage** to any **Property Insured** and **Business Interruption** caused by or resulting from fire or explosion; or
  - c) resulting from the solidification of molten material except in respect of subsequent **Damage** to any **Property Insured** and **Business Interruption** caused by or resulting from a **Defined Peril**.

Nor do Sections 3 and 4 of this **Policy** cover:

- 5. 5.1 **Damage** to and the cost necessary to replace, repair or rectify **Contract Works**:
  - a) which are in a defective condition due to a **Defect** in design, plan, specification, materials or workmanship of such **Contract Works** or any part thereof;
  - b) which rely for their support or stability on subparagraph a) above; or
  - c) lost or damaged to enable the replacement, repair or rectification of **Contract Works** excluded by subparagraphs a) and b) above.

Exclusions 5.1.a and 5.1.b above shall not apply to other **Contract Works** which are free of the defective condition but are damaged in consequence thereof the **Contract Works** shall not be regarded as lost or damaged solely by virtue of the existence of any **Defect** in the design, plan, specification, materials or workmanship in the **Contract Works** or any part thereof.

- 5.2 **Damage** to **Contract Works** arising from any multiple lifting operation(s) where two or more lifting machines are used for the purpose of lifting or lowering a load.

- 5.3 fines, penalties or liquidated damages in respect of non-completion or non-compliance with contract provisions.
- 5.4 **Damage** to:
  - a) any constructional plant and equipment (including temporary **Buildings**).
  - b) personal tools and effects the property of the **Insured's** or contractors' (including sub-contractors of any tier) **Employees**.
- 5.5 **Damage** to property forming or which formed part of any structure prior to the commencement of the **Contract Works**.

Nor do Sections 3 and 4 of this **Policy** cover:

- 6. 6.1 **Damage** caused by faulty, inadequate or defective installation;
- 6.2 **Damage** for which a supplier, **Contractor** or repairer is responsible either by law or under contract;
- 6.3 **Damage** caused by failure of machinery to perform in accordance with plans or specifications; or
- 6.4 any rate, tax, duty, development or other charge or assessment arising out of capital appreciation as a result of complying with any regulations or requirements.

Nor do Sections 3 and 4 of this **Policy** cover **Damage** to **Contents** and **Stock** in transit:

- 7. 7.1 by air or sea;
- 7.2 resulting from atmospheric or climatic conditions unless reasonable precautions have been taken to protect **Contents** and **Stock** against such conditions;
- 7.3 arising as a result of packing being inadequate to withstand normal handling during transit or due to insufficient labelling or incorrect addressing;
- 7.4 carried by the **Insured** for hire or reward unless the **Insured** is contractually responsible for **Damage** occurring to such **Contents** and **Stock**; or
- 7.5 which is **Contract Works** property.

## B. Excluded Property

Sections 3 and 4 of this **Policy** do not cover:

- 1. water, air, land (including top-soil back-fill drainage or culverts), roads, runways, railway lines, dams, reservoirs, storage lakes, canals, rigs, wells, tunnels, docks, piers, jetties, excavations, wharves, mines, property underground and off-shore property;
- 2. jewellery, precious stones, bullion, furs, curiosities and relics;

- 3. overhead electrical and telecommunication transmission and distribution lines, overhead transformers or other similar overhead communication, transmission or distribution equipment and their supporting structures other than those within 250 metres of the described **Premises**;
- 4. **Money**, except to the extent **Insured** under the Extension entitled **Money**;
- 5. vehicles required to be licensed for road use (including accessories thereon), railway locomotives or rolling stock, watercraft, aircraft or spacecraft (including but not limited to satellites).
- 6. Property in transit;
- 7. moveable property in the open, fences or gates in respect of **Damage** caused by **Flood**, storm or escape of water;
- 8. Property that, at the commencement of loss, destruction of or **Damage**, is **Insured** by or would but for the existence of this **Policy** be **Insured** by any marine **Policy** or policies, including the risks of loading or unloading from any vessel, railway wagon or conveyance;
- 9. explosives and contraband;
- 10. Property that is or becomes empty or disused for a continuous period in **Excess** of sixty (60) days unless inspected at least once in every 7 days, unless agreed by the **Insurer**; or
- 11. Property more specifically **Insured** elsewhere

Nor do Sections 3 and 4 of this **Policy** cover:

**Employee Offshore:** this section will also not provide liability to any **Employee** arising while **Offshore**.

## Conditions applicable to Sections 3 and 4 (excluding 3C Business Interruption)

In addition to the General Provisions the following Conditions apply to each Section of Sections 3 and 4 of this **Policy** except where expressly provided to the contrary.

### Action by the Insured

In the **Event** of **Damage** for which a **Claim** is or may be made under this **Policy** the **Insured** shall:

- 1. notify the **Insurer** promptly;
- 2. notify the police authority immediately it becomes evident that any **Damage** has been caused by theft or attempted theft or by malicious persons;
- 3. carry out and permit to be taken any action which may reasonably be practicable to prevent, minimise or check any further **Damage** or **Interruption** or interference with the **Insured's Business**; and

4. deliver to the **Insurer** at the **Insured's** expense:
- a) full information in writing of the circumstances,
  - b) details of any other insurance on any **Property Insured**;
  - c) all such proofs and information relating to the **Claim** as may be reasonably required; or
  - d) if demanded, a statutory declaration of the truth of the **Claim** and of any matters connected with it;

in any **Event** within 30 days after such **Damage** (7 days in the case of **Damage** caused by theft or attempted theft, riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons) or such further time as the **Insurer** may allow.

If the **Event** is one in consequence of which a **Claim** may be made under Section 3 of this **Policy**, the **Insured** shall, not less than 30 days after the expiry of the **Indemnity Period** or within such further time as the **Insurer** may allow, deliver to the **Insurer**:

1. written particulars of its **Claim** together with details of all other insurances covering property used by the **Insured** at the described **Premises** for the purpose of the **Insured's Business** or any part of it or any resulting **Business Interruption**; and
2. such books of account and other **Business** books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by the **Insurer** for the purpose of investigating or verifying the **Claim** together with, if demanded, a statutory declaration of the truth of the **Claim** and of any matters connected with it.

If the terms of this condition have not been complied with any payment already made on account in respect of the **Claim** shall be repaid to the **Insurer** forthwith and the **Insurer** shall have no further obligation to make payment with respect to that **Claim**.

#### Average / Index Linking

If "index linking" is shown as operative in the **Schedule** the **Declared Value** for **Buildings** and **Contents** and Sum **Insured** for **Stock** at the commencement of the **Period of Insurance** shall be calculated by the **Insurer** applying an index to the amounts declared for the preceding **Period of Insurance**.

If the **Insured** does not elect "index linking", the following condition of Average shall apply:

#### In respect of items of Stock:

If at the time of **Damage** the Sum **Insured** on any item is less than the value of the property covered by such item then the **Insured** shall be considered as being its own **Insurer** for the difference and shall bear a rateable share of the loss accordingly. The amount payable by the **Insurer** in respect of such **Damage** shall be proportionately reduced.

#### In respect of Electronic Data Processing Equipment:

If at the time of any loss of **Electronic Data Processing Equipment** any such **Insured Property** is subject to a maintenance agreement and such maintenance agreement reimburses the **Insured** for any incurred loss, this **Policy** shall provide indemnity within the terms of the **Policy** only after such maintenance agreement shall have been exhausted.

#### In respect of Section 3C – Business Interruption

Where any Sum **Insured** by **Gross Profit** or **Gross Revenue** (not on a declaration linked basis of cover) be less than the sum produced by applying the **Rate of Gross Profit/Revenue** to the **Turnover** in the twelve (12) months immediately preceding the **Damage** (or to a proportionately increased multiple thereof where the Maximum **Indemnity Period** exceeds 12 months) the amount payable shall be proportionately reduced.

#### In respect of all other items:

If at the time of reinstatement the sum representing 80% of the cost which would have been incurred in reinstating the whole of the property to which any **Declared Value** is applicable exceeds such **Declared Value** at the commencement of any **Damage**, then the **Insurer's** liability shall not exceed that proportion of the amount of the **Damage** which said **Declared Value** shall bear to the sum representing the total cost of reinstating the whole of such property at that time.

#### Insurer's right following a Claim

On the happening of **Damage** in respect of which a **Claim** is made, the **Insurer** and any person authorised by the **Insurer** may, without thereby incurring any liability or diminishing any of the **Insurer's** rights under this **Policy**, enter, take or keep possession of the described **Premises** where such **Damage** has occurred and take possession of or require to be delivered to the **Insurer** any **Property Insured** and deal with such property for all reasonable purposes and in any reasonable manner.

No **Property Insured** may be abandoned to the **Insurer** whether taken possession of by the **Insurer** or not.

In the **Event** of a **Claim** arising for which the **Insurer** shall be liable under this **Policy** the **Insurer** shall be entitled (but not obliged) to:

1. undertake in the name of and on behalf of the **Insured** the absolute conduct and control of any proceedings and settlements of the same;
2. take proceedings at its own expense and for its own benefit but in the name of the **Insured** to recover compensation or secure any indemnity from any **Third Party** in respect of anything covered by this **Policy**; and

3. pay to the **Insured** in respect of any **Claim** or **Claims** the maximum liability of the **Insurer** as stated in the **Schedule**, or such lesser sum for which the said **Claim** or **Claims** can be settled (subject to deduction in either case of any sum or sums already paid on account of such **Claim** or **Claims**) and thereafter the **Insurer** shall be under no further liability in respect of said **Claim** or **Claims** except for payment of **Costs and Expenses** incurred prior to the date of such payment and for which the **Insurer** may be liable hereunder.

### Contribution

If at the time of any **Damage** resulting in a loss insured by this **Policy** there is any other insurance effected by or on behalf of the **Insured** covering any of the property lost, destroyed or damaged or any loss or any part of it, the liability of the **Insurer** hereunder shall be limited to its rateable proportion of such loss or **Damage**.

If any such other insurance shall be subject to any average (underinsurance) condition, this **Policy** if not already subject to any such condition of average, shall be subject to average in like manner.

If any such other insurance is subject to any provision whereby it is excluded from ranking concurrently with this **Policy** either in whole or in part or from contributing rateably, the liability of the **Insurer** under this **Policy** shall be limited to that proportion of the **Damage** which the Sum **Insured** under this **Policy** bears to the value of the **Property Insured**.

### Fire extinguishing appliance

The **Insured** shall keep the fire extinguishing appliances in working order during the **Period of Insurance** of this **Policy**.

### Fire protection devices

In respect of any automatic sprinkler or automatic fire alarm installations or any other fire protection in the described **Premises**, the **Insured** shall so far as its responsibility extends take all reasonable steps to maintain:

1. the installation(s) including the automatic alarm signal in efficient condition; and
2. ready access to the water supply control facilities.

### Non-invalidation

This insurance shall not be invalidated by any act or omission or by any alteration whereby the risk of **Damage** is increased, unknown to or beyond the control of the **Insured**, providing that the **Insured**, immediately it becomes aware of any such thing, shall give notice to the **Insurer** and pay an additional **Premium** if required.

### Property in transit

1. The **Insured** shall take all reasonable measures to maintain vehicles in a roadworthy condition.
2. The **Insured** will notify the carrier of the goods of **Damage** within the time limits stipulated in the applicable carriage contract.

### Radioactive Contamination

of whatsoever nature directly or indirectly caused by contributed to by or arising from:

1. ionising radiations or **Contamination** by radioactivity from any nuclear fuel or from any nuclear **Waste** from the combustion of nuclear fuel; or
2. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

but in respect of **Bodily Injury** sustained by any **Employee** this Exclusion shall apply only when the **Insured** under a contract or agreement has either undertaken

3. to indemnify another party; or
4. to assume the liability of another party in respect of such **Bodily Injury**.

### Reinstatement

If any **Property Insured** is to be reinstated or replaced by the **Insurer**, the **Insured** shall, at its 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 item **Insured** more than its Sum **Insured** or the Limits of Liability (whichever is less).

### Salvage

If any **Property Insured** is recovered by the **Insured** or the **Insurer** after a loss payment is made, the party making the recovery must give the other parties prompt notice.

If any recovered property has a salvage value, the **Insurer** shall control the disposition of such salvage.

When **Property Insured** is recovered the **Insured** may keep the:

1. recovered property and return the loss payment to the **Insurer**; or
2. loss payment and the **Insurer** will keep the recovered property.

When any recovered **Property Insured** which the **Insured** chooses to keep is in need of repair the **Insurer** will pay for the repairs subject to the applicable:

1. **Limit of Liability** shown in the **Schedule**; and
2. Basis of Settlement conditions.

If any recovered property has a salvage value or if there is any **Money** recovered through subrogation such recoveries shall be applied net of the expense of such recovery in the following order:

1. first to the **Insured** for any uninsured loss or **Damage** from an insufficient **limit of liability**;

2. second to the **Insurer** for any amounts paid in settlement of the **Insured's Claims**; and
3. third to the **Insured** for any **deductible** amount that the **Insured** paid or penalties the **Insured** paid as a result of coinsurance.

The **Insurer** shall determine the amount of loss or **Damage** on the basis that it would have been settled had the amount of the recovery been known at the time the loss was originally determined.

If there are expenses:

1. in recovering any lost or damaged **Property Insured**; or
2. as a result of subrogation;

the **Insurer** shall share the expense with the **Insured** and any company which provided **Excess** insurance in proportion to their respective shares.

If there is no recovery and proceedings are conducted solely by the **Insurer**, the **Insurer** shall bear the expenses of the proceedings.

#### Statutory regulations

In respect of any vessel, machinery or apparatus or its **Contents**, belonging to or under the control of the **Insured** which requires examination to comply with any statutory regulations, cover against **Damage** caused by an explosion originating therein is subject to the provision that such vessel, machinery or apparatus shall be the subject of a **Policy** or other contract providing the required inspection service.

#### Subrogation waiver

In the **Event** of a **Claim** arising under this **Policy**, the **Insurer** agrees to waive any rights, remedies or relief to which it might become entitled by subrogation against any company:

1. standing in the relation of parent to **Subsidiary** or **Subsidiary** to parent to the **Insured** current at the time of the **Damage**; or
2. which is a **Subsidiary** of a parent company of which the **Insured** are themselves a **Subsidiary** current at the time of the **Damage**.

#### Workmen

Workmen are permitted in or about any of the described **Premises** for the purposes of carrying out minor alterations, repairs, decoration and maintenance without prejudice to this insurance.

#### Conditions

##### Non-Avoidance

The indemnity granted by Section 3 of this **Policy** is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in Great

Britain Northern Ireland the Isle of Man or the Channel Islands 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

#### Awards of Compensation

Basic and Compensatory Awards and compensation for unlawful discrimination made against the Insured by an Employment Tribunal or settlement thereof subject to the consent of the **Coverholder** but not including Additional Awards, Protective Awards, Interim Relief, Arrears of Pay or Awards of Damages under the Equal Pay Act or arising out of failure to comply with awards in respect of reinstatement or re-engagement or any awards made under the Agency Workers Regulations. The **Insurer** will not pay any fine, award or damages incurred by deliberately avoiding a payment or liability under statutory requirements. The **Insurer** will not pay any redundancy payment or any monies due or properly payable arising under or from a contract of employment, service agreement or related document or from any related, implied or incorporated terms of a contract of service.

#### Business Description

As specified in the Schedule

## Section 5 – Legal Expenses

This Section is a “claims made” insurance and only covers **Claims** notified to the **Coverholder** during the Period of Insurance.

The **Insurer** agrees in consideration of the premium to indemnify the **Insured** to the extent and in the manner provided within this **Policy** in connection with activities within the scope and extent of the **Business Description** of the **Insured**.

Unless expressly stated nothing in this **Policy** will create rights pursuant to the Contracts (Rights of Third Parties) Act 1999.

All Acts of Parliament referred to in this **Policy** shall include any subsequent amendments, re-enactments or regulations and equivalent legislation enforceable within the **Territorial Limits**.

**The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section starting with a capital letter and in bold.**

### Any One Claim

All **Claims** connected by the same original cause, event or circumstance. In respect of a **Claim** under Part of Cover: Tax Protection, an **HMRC investigation** into a later year’s Self Assessment Return, where a previous year’s Self Assessment Return is still subject to an open enquiry, shall be deemed to be **Any One Claim**.

### Appointed Representative

A solicitor, barrister or other appropriately qualified person appointed to act for the **Insured** in accordance with the terms of this **Policy**.

### Agency Workers Awards of Compensation

Compensatory awards made against the **Insured** for breach of the Agency Workers Regulations 2010 but excluding any punitive Additional Awards for breach of the anti-avoidance provisions relating to the structure of the assignments in regulation 9 of the Agency Workers Regulations 2010 and/or any monies due or properly payable to the **Worker**.

### Claim

A claim under this Policy for **Legal Expenses, Professional Expenses, Awards of Compensation or Jury Service Allowance**.

### Client

A company or business with which **Insured** has a direct contractual relationship for the supply of workers or employees provided the **Insured** has no financial connections or control over the day to day working activities of the employee or worker.

### Construction Contract

A construction contract as defined by s.104 Housing Grants, Construction and Regeneration Act 1996. (For the avoidance of doubt supply of a s.104 construction contract to a residential occupier will be deemed a construction contract for the purposes of this policy).

### Contracting Party

A person, firm or company domiciled within the **Territorial Limits** with whom the **Insured** has a direct contractual relationship.

### Coverholder

Abbey Legal Protection a trading division of Abbey Protection Group Limited, who administers and manages this insurance on behalf of the **Insurer**.

### Debt Collection Service

The debt collection service nominated by the **Coverholder**.

### Due Date

The date monies owed to the **Insured** first becomes due and payable.

### Employee

Any person under a contract of service with the **Insured**.

### Excess

The amount specified in the Schedule the **Insured** must pay in respect of **Legal Expenses** and/or **Professional Expenses** and/or Awards of Compensation in respect of **Any One Claim** before the **Insurer** shall be liable to make any payment.

### Hirer

The company, firm, partnership or individual with whom the worker is placed to work on a temporary basis by the **Insured**.

### HMRC Investigation

**Tax Investigations** and **VAT Disputes**.

### Increased Excess

The amount specified in the Schedule the **Insured** must pay in respect of **Legal Expenses** and/or **Professional Expenses** and/or **Awards of Compensation** in respect of **Any One Claim** before the **Insurer** shall be liable to make any payment if the **Insured** instructs an alternative **Appointed Representative** to the one chosen by the **Coverholder**.

### Insured

The Company, firm, partnership or trading individual as specified in the Schedule and if the **Insured** as specified in the Schedule requests any **Employee** including director or partner of the **Insured** conditional on the same **Appointed Representative** acting for all.

Where the **Insured** as specified in the Schedule is charged under the Corporate Manslaughter and Corporate Homicide Act 2007 the **Insured** may not request any **Employee, director or partner** to be included as an **Insured**.

### Insurer

Markel International Insurance Company Limited, 20 Fenchurch Street, London EC3M 3AZ bound pursuant to a binding authority with the **Coverholder**. Unique market reference B6027APG2016001 (or renewal or replacement thereof).

The **Insurer** is liable only for the proportion of liability it has underwritten. The **Insurer** is not jointly liable for the

proportion of liability underwritten by any other insurer. Nor is the **Insurer** otherwise responsible for any liability of any other insurer that may underwrite this contract.

### Jury Service Allowance

The amount of money per day the **Insured** is liable to pay the **Employee** including director or partner each day they attend on jury service at a Court in the United Kingdom less any recovery from the Court.

### Legal Expenses

#### a) Fees

- i. Any professional fees, expenses and other disbursements reasonably incurred by the Appointed Representative with the consent of the **Coverholder**; and
- ii. Any costs incurred by other parties insofar as the **Insured** is held liable in Court or tribunal proceedings to pay such costs or becomes liable to pay such costs under a settlement made with another party with the consent of the **Coverholder** but excluding any costs which the **Insured** may be ordered to pay by a Court of criminal jurisdiction.

#### b) Witness Attendance Allowance

The amount of money per day the **Insured** is liable to pay the **Employee** including director or partner each day they are required by the Appointed Representative to attend as a witness at a Court or tribunal hearing, subject to an inner limit of £100 per day and a maximum of £1, 000 in **Any One Claim**.

### Limits of Insurer's Liability

The maximum liability of the **Insurer** under this Policy is limited to the amounts specified in the Schedule for 1 and 2 below:

1. Any One Claim;
2. All **Claims** notified during the **Period of Insurance**.

### Minimum Sum in Dispute

The sum in dispute between the **Insured** and the **Contracting Party** as specified in the Schedule below which the **Insurer** shall not be liable to provide indemnity.

### Period of Insurance

The period of time during which insurance is provided by this Policy as specified in the Schedule.

### Professional Expenses

Any fees, expenses and other disbursements reasonably incurred by the Appointed Representative with the consent of the **Coverholder** but excluding any tax or VAT, additional tax or VAT, interest or penalties demanded, assessed or required by the relevant authorities or other penalties imposed by a Court of criminal jurisdiction.

### Property

Land and/or buildings owned or occupied by the **Insured** for which the **Insured** is legally responsible.

### Statutory Licence

A licence or certificate of registration issued under statute, statutory instrument or by a Government or local authority

to the **Insured** provided that such licence or certificate is necessary to engage in the **Business Description** of the **Insured**.

### Tax Investigations

#### a) Business Self-Assessment Full Enquiry

The enquiry which takes place when an officer of HM Revenue & Customs ("HMRC") makes a request to examine all of the **Insured's** business books and records and issues a formal notice under S9A or S12AC of the Taxes Management Act 1970 or under Paragraph 24(1) Schedule 18 Finance Act 1998.

#### b) Employer Compliance Dispute

A dispute which takes place following an expression of dissatisfaction with the **Insured's** PAYE and/or NIC affairs following an employer compliance visit by HMRC or following an expression of dissatisfaction with the **Insured's** P11Ds or P9Ds.

#### c) Business Self-Assessment Aspect Enquiry

The enquiry which takes place when an officer of HMRC is sued a formal notice under Paragraph 24(1) Schedule 18 Finance Act 1998 or S9A or S12AC of the Taxes Management Act 1970 in order to make an Aspect Enquiry into certain boxes on the **Insured's** Self-Assessment Return.

#### d) Schedule 36 Pre Dispute

A written request by HMRC under Schedule 36 Finance Act 2008 to inspect business records, assets or premises.

### Temporary Worker

Any person under a contract for service which has not exceeded 2 years with the **Insured** who is alleging that they are an **Employee**.

### Territorial Limits

The countries or regions as stated in the Schedule.

### VAT Disputes

A dispute which takes place following a VAT control visit where a written decision, assessment or statement of alleged arrears is received from HMRC into the **Insured's** Value Added Tax Return; or following the receipt of a notice of VAT default surcharge, misdeclaration or late registration penalty.

### Worker

Any person under a contract for service with the **Insured**.

### Parts of Cover

The Parts of Cover applicable are as specified in the Schedule.

The **Insurer** will only indemnify the **Insured** for **Claims** where the dispute, legal proceedings and HMRC Investigation are or would be within the **Territorial Limits** and the **Claim** is notified during the Period of Insurance and the dispute or legal proceedings are in connection with activities within the scope and extent of the **Insured's Business Description**.

## Part A – Employment and Agency Workers Regulations

### A1: Employment Disputes

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** and **Awards of Compensation** incurred by the

**Insured** in defending legal proceedings brought against the **Insured** by an **Employee**, ex-**Employee**, prospective **Employee** or a prospective **Employee** of a **Client** in respect of their contract of employment with the **Insured** or a **Client** or a breach of employment related legislation.

It is a condition to the **Insurer's** liability that the **Insured** has sought and followed all the advice from the Abbey Legal Line as to the procedure to be adopted and has received specific authorisation from the Abbey Legal Line:

- a) prior to carrying out any disciplinary procedure or action or suspension of an **Employee**;
- b) prior to dismissal of an **Employee**;
- c) prior to notifying an **Employee** of their intended retirement date or retiring an **Employee**;
- d) prior to instituting a redundancy programme and prior to making an **Employee** redundant;
- e) upon notification formally or informally of a grievance from an **Employee** or ex-**Employee**;
- f) upon notification formally or informally of a complaint relating to discrimination, victimisation or harassment because of age, disability, gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation;
- g) prior to any adverse variation or proposed adverse variation of the terms and conditions of employment (including altering the hours or time or place worked or demotion or deduction from or reduction in an **Employee's** remuneration);
- h) immediately an **Employee** walks out with or without written notice;
- i) upon receipt of an appeal from an **Employee** or ex-**Employee** against a decision taken as a result of a disciplinary or grievance procedure or retirement procedure or a decision to dismiss.

### A2: Agency Workers Regulation

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** and **Agency Workers Awards of Compensation** incurred by the **Insured** in defending legal proceedings brought against the **Insured** by a **Worker** for breach of the **Worker's** rights to equal treatment in relation to basic working and employment conditions under Regulation 5 of the Agency Workers Regulations 2010. Provided:

- i. the legal proceedings are brought by a **Worker** placed by the **Insured**;

- ii. the **Insured** complied with the following procedure either before placing the **Worker** with the **Hirer** or no later than 12 weeks after the commencement of the **Worker's** placement with the **Hirer**:
  - a) made enquiries in writing to the **Hirer** and obtained, or took all reasonable steps to obtain, in writing from the **Hirer** the basic working and employment conditions in force in the **Hirer** as defined in Regulation 6 of the Agency Workers Regulations 2010, including the terms and conditions relating to:
    - pay and the duration of working time
    - night work
    - rest periods
    - rest breaks
    - annual leave
  - b) made the enquiries based on the specific qualifications and skills of the **Worker** in question;
  - c) where the **Insured** received such information from the **Hirer**, it acted reasonably in then determining what the **Worker's** basic working and employment conditions should be from the end of the 12 week qualifying period, comprising the same basic working and employment conditions as the **Worker** would have been entitled to for doing the same job had the **Worker** been directly recruited by the **Hirer** and not through the temporary work agency of the **Insured**;
  - d) ensured that where it had responsibility for applying those basic working and employment conditions to the **Worker**, the **Worker** was then treated in accordance with its determination set out in paragraph c. above.

### Exclusions to A2: Agency Workers Regulation

The **Insurer** shall not be liable to indemnify the **Insured** in respect of any **Claim** arising out of or in connection with an agreement with the **Hirer** to pay the **Hirer's** legal costs or **Agency Workers Awards of Compensation**.

## Part B - Criminal Prosecution

### B1: Criminal Prosecution Defence

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in:

- a) defending a prosecution against the **Insured** in a Court of criminal jurisdiction;
- b) an appeal by the **Insured** against the service of an Improvement or Prohibition Notice under the Health & Safety at Work Act 1974 or the Food Safety Act 1990.

**B2: Criminal Interview Under Caution**

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred by the **Insured** for representation at an interview under caution.

**Exclusions to B: Criminal Prosecution**

The **Insurer** shall not be liable to indemnify the **Insured** in respect of **Claims** arising out of or in connection with:

- a) any allegation relating to or arising from investigations by HMRC;
- b) any allegation of offences against the person, including offences of a sexual nature, other than charges under the Corporate Manslaughter and Corporate Homicide Act 2007;
- c) any allegation of criminal damage;
- d) any allegation of dishonesty;
- e) any allegation of non-endorsable road traffic offences except tachograph prosecutions and weight prosecutions;
- f) any allegation of driving whilst under the influence of alcohol and/or drugs, or speeding;
- g) any allegation of failure to insure a motor vehicle as required by law;
- h) any arrest if the **Insured** is arrested without the opportunity to attend and does not attend as a volunteer at the police station.

**Part C - Property Disputes**

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in any dispute or legal proceedings made by or brought against the **Insured**:

- a) over the physical possession of the **Property** provided that all statutory and contractual notices have been correctly served by the **Insured**;
- b) over the terms of a tenancy agreement between the **Insured** and a Contracting Party relating to the use or maintenance of the **Property** including dilapidations;
- c) other than with a tenant over the actual or alleged negligence, damage (including trespass) or nuisance to the **Property**;

provided the **Insured** will suffer financial loss if the **Insured** fails to pursue or defend the dispute or legal proceedings.

**Exclusions to C**

The **Insurer** shall not be liable to indemnify the **Insured** in respect of any **Claim** arising out of or in connection with:

- a) the review of any tax, rent or service charge;
- b) the payment or non-payment of rent unless rent is being withheld due to a dispute which is covered under **Part C: Property Disputes**;

- c) the payment or non-payment of service charge, mesne profits or tax;
- d) a dispute relating to planning or building regulations or decisions or compulsory purchase orders or any actual, planned or proposed works by or under the order of any government or public or local authority;
- e) any dispute arising from the negotiation, review or renewal of a tenancy agreement or the subsequent purchase of the **Property** whether or not such purchase is completed;
- f) any dispute where the **Insured** has failed to maintain in full force and effect during the tenancy agreement buildings insurance covering the standard range of perils if the **Insured** was contractually obligated to have such insurance in force;
- g) a dispute over subsidence or heave howsoever caused;
- h) a contract dispute other than where the contract is a tenancy agreement with a **Contracting Party**.

**Part D - Tax Protection**

**D1: Tax Investigations**

The **Insurer** agrees to indemnify the **Insured** against **Professional Expenses** incurred in respect of representation of the **Insured** in a Tax Investigation including representation at a First-tier Tribunal, Upper Tribunal and at an appeal against a decision following such a Tribunal provided there is a reasonable prospect of reducing the liabilities alleged by HMRC.

**D2: VAT Disputes**

The **Insurer** agrees to indemnify the **Insured** against **Professional Expenses** incurred in representation of the **Insured** in a VAT Dispute in respect of:

- the local review procedure in order to reach agreement with HMRC;
- a First-tier Tribunal, Upper Tribunal or VAT Tribunal, including an appeal;

provided there is a reasonable prospect of reducing the liabilities alleged by HMRC.

**Exclusions to D: Tax Protection**

The **Insurer** shall not be liable to indemnify the **Insured** in respect of:

- a) the defence of any criminal prosecution;
- b) taxation proceedings which arise out of negligent misstatements or omissions made by or on behalf of the **Insured** in respect of returns or accounts or where there has been a lack of reasonable care in the keeping of business books and records;
- c) any **Claim** where the Tax Return is submitted outside the statutory time limits and/or in a penalty position or where the **Insured** has not notified chargeability to tax within the statutory time limits;

- d) the cost of preparing and reconciling returns, accounts, records or any other statutory returns, and the cost of professional valuations to support them;
- e) an enquiry under Public Notice 160 or Section 60 of the VAT Act 1994 or matters handled by HM Revenue & Customs Specialist Investigations, Civil Investigations of Fraud and Criminal Investigations Sections. Also Code of Practice 8 and 9 cases and/or the defence of any criminal prosecution;
- f) an enquiry into the validity of a claim for Working Families Tax Credit or a dispute concerning the payment of the Working Families Tax Credit by an employer;
- g) any dispute in connection with payment of the National Minimum Wage;
- h) any **Claim** made where a Return submitted at the final filing date contains provisional figures in respect of all of the trading income and expenditure items;
- i) an investigation under a voluntary disclosure made to the HMRC in respect of omitted tax NIC or VAT liabilities which become due as a result of the **Insured's** deliberate act or following an HMRC amnesty where the **Insured** has made an incorrect return to HMRC;
- j) HMRC Enquiry into a tax planning arrangement where HMRC has allocated a Disclosure of Tax Avoidance Scheme (DoTAS) Number for inclusion on the relevant self-assessment return or where a DoTAS Number would have been issued but for the failure to notify HMRC of the tax planning arrangement; or any matter relating to bespoke tax planning outside of the normal trade such as film partnerships or film schemes, or planning involving artificially created losses or loan arrangements.

### Part E - Commercial Contract Disputes

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in the pursuit or defence of any dispute or legal proceedings made by or brought against the **Insured** in a contractual dispute with a **Contracting Party** over a contract for the sale of goods or a contract for the hire of goods or a contract for the supply of a service within the meaning laid down in the Sale of Goods Act 1979, and/or the Supply of Goods and Services Act 1982 provided that:

- a) **Legal Expenses** incurred in the pursuit of any dispute or legal proceedings shall be limited to 75% of the amount in dispute;
- b) the amount in dispute exceeds the **Minimum Sum in Dispute**;
- c) where the contract is a **Construction Contract** the construction operations are carried out or are to be carried out by the **Contracting Party** on **Property** owned by the **Insured** and the contract is for the repair or renovation of the **Property** and repair and renovation of **Property** is not part of the **Business Description** of the **Insured**;

- d) where the dispute relates to monies owed to the **Insured** and such liability is not contested the **Insured** refers the debt to the **Debt Collection Service** within 30 days of the **Due Date** and agrees use of the service shall be paid for by the **Insured** and not indemnified by the **Insurer**. If the Debt Collection Service exhausts its normal recovery procedure and recommends to the **Coverholder** that legal proceedings are necessary, the **Insured** shall immediately notify a **Claim** under **Part F - Commercial Contract Disputes**.

### Exclusions to E: Commercial Contract Disputes

The **Insurer** shall not be liable to indemnify the **Insured** in respect of **Claims** arising out of or in connection with:

- a) contracts that provide or arrange credit, insurance, securities or guarantees;
- b) contracts where the liability or right of recovery of the **Insured** is incurred through their agent or by assignment;
- c) franchise contracts;
- d) contracts governed by or alleged to be governed by the Consumer Credit Act 1974;
- e) contracts of employment;
- f) any tenancy or licence to use any property.

### Part F - Statutory Licence

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in an appeal by the **Insured** against the suspension, revocation, imposed alteration of or refusal to renew a **Statutory Licence**.

### Exclusions to F

The **Insurer** shall not be liable to indemnify the **Insured** in respect of any **Claim** arising out of or in connection with:

- a) a suspension, revocation, alteration or refusal to renew a **Statutory Licence** which is imposed by an Act of Parliament or national or local government regulation or order;
- b) any costs incurred to comply with a notice or order;
- c) driving licences.

### Part G - Jury Service

The **Insurer** agrees to indemnify the **Insured** against **Jury Service Allowance** with such indemnity being limited to £100 per day and a maximum of £1, 000 in **Any One Claim**

### Part H - Data Protection Defence

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in defending any dispute or legal proceedings, brought against the **Insured** under the Data Protection Act 1998 including an appeal by the **Insured** against a refusal of an application for registration or alteration of registered particulars or an appeal against an Enforcement, Deregistration or Transfer Prohibition Notice.

## Part I - Data Protection Awards

The **Insurer** agrees to indemnify the **Insured** against compensation the **Insured** is ordered to pay under Section 13 of the Data Protection Act 1998 consequent upon the holding, loss or unauthorised disclosure of data provided that any compensation follows the **Insured's** unsuccessful defence of an action under the Data Protection Act 1998 to which the **Coverholder's** consent had been granted and has not been withdrawn.

## Part J - Temporary Worker and Contractor Disputes

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred by the **Insured** in defending legal proceedings brought against the **Insured** by a:

- a) **Temporary Worker** in respect of a breach of employment related legislation excluding allegations of discrimination provided the **Insured's** defence includes that the **Temporary Worker** is not an **Employee**;

**Temporary Worker** or a **Contractor** in respect of an allegation of discrimination where it is a condition to the **Insurer's** liability that the **Insured** has sought and followed all the advice from the Abbey Legal Line as to the procedure to be adopted and has received specific authorisation from the Abbey Legal Line upon notification formally or informally of a complaint relating to discrimination, victimisation or harassment because of age, disability, gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation.

## Part K - Employee's Breach of Restrictive Covenants

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in pursuing legal proceedings against an **Employee** or ex-**Employee** to obtain the remedy of an injunction against that **Employee** or ex-**Employee** for their breach of an express restrictive covenant in their employment contract where the breach is the **Employee** or ex-**Employee**:

- a) soliciting the **Insured's** **Employees**, or
- b) soliciting the **Insured's** customers.

## Exclusions to K: Employee's Breach of Restrictive Covenants

The **Insurer** shall not be liable to indemnify the **Insured** in respect of any **Claims** arising out of or in connection with individuals who before the inception of this Policy either ceased to be **Employees** or were working out their notice period (whether notice of resignation or notice of dismissal and including where the **Employee** was on a was on a period of gardening leave).

## General Exclusions to Section 5 – Legal Expenses

The **Insurer** shall not be liable to indemnify the **Insured** in respect of:

- 1) the defence of the **Insured** in civil legal proceedings arising from:
  - a) injury or disease including psychiatric injury and stress;
  - b) loss, destruction or damage of or to property;
  - c) alleged breach of any professional duty;
  - d) any tortious liability (other than as specified in **Part C: Property Disputes**);
- 2) any dispute, legal proceedings or **HMRC Investigation** made, brought or commenced outside the **Territorial Limits**;
- 3) **Legal Expenses** or **Professional Expenses** incurred without the prior written consent of the **Coverholder** or in excess of the **Coverholder's** consent;
- 4) **Awards of Compensation** where the **Coverholder's** consent to incur **Legal Expenses** has not been granted or has been withdrawn;
- 5) any **Claim** relating to or arising from any cause, event or circumstance occurring prior to or existing at inception of this Policy and which has or which the **Insured** knew or ought reasonably to have known may give rise to a dispute, legal proceedings or **HMRC Investigation** or **Claim** for **Jury Service Allowance** by or against the **Insured**;
- 6) fines or other penalties imposed by a Court or tribunal;
- 7) any dispute, legal proceedings or **HMRC Investigation** in respect of which the **Insured** is, or but for the existence of this Policy would be, entitled to indemnity under any insurance policy whether a legal expenses insurance or not or under a legal aid certificate or representation order;
- 8) any **Claim** arising from: the **Insured's** intentional wrongdoing; or an act or omission with negligent disregard as to its consequences;
- 9) any dispute or legal proceedings with Government or Local Authority departments concerning the imposition of statutory charges;
- 10) disputes or legal proceedings between **Insureds** as specified in the Schedule or any endorsement thereto, or with any parent company or subsidiary company or associated company or partner;
- 11) any dispute between the **Insured** and the **Coverholder**, the **Insurer**, the Appointed Representative or their insurance broker;
- 12) any dispute or legal proceedings arising out of breach or alleged breach of confidentiality or passing off whether related to intellectual property or not;
- 13) any dispute or legal proceedings arising out of the ownership or existence of any intellectual property rights;

- 14) any dispute or legal proceedings arising out of or in connection with actual or alleged defamation or malicious falsehood;
- 15) any **Legal Expenses** or **Professional Expenses** incurred in respect of or in connection with a judicial review;
- 16) appeals arising out of legal proceedings or **HMRC Investigations** to which no **Coverholder's** consent has been granted;
- 17) any claim, legal liability or any loss or damage to property directly or indirectly caused by or contributed to by seepage, pollution or contamination of any kind;
- 18) any **Legal Expenses** or **Professional Expenses** which the **Insured** should or would have had to incur irrespective of any dispute;
- 19) any expense, legal liability or any loss or damage to property directly or indirectly caused by or contributed to by:
  - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
  - b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- 20) any loss, damage, cost or expense whatsoever directly or indirectly caused by, resulting from or in connection with (including any action taken in controlling, preventing, suppressing or in any way relating to) any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
  - a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power;

or

  - b) any act of terrorism.

For the purposes 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, 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 any section of the public in fear.

## Claims Conditions Applicable to Section 5 – Legal Expenses only

### Notification of Claims

It is a condition to the liability of the **Insurer** that the **Coverholder** be notified in writing during the **Period of Insurance** immediately the **Insured** is aware of any cause, event or circumstance which has given or may give rise to a **Claim**, dispute, legal proceedings or **HMRC Investigation** involving the **Insured**. Where such notification has been given, the **Insurer** agrees to treat any subsequent **Claim** in respect of the cause, event or circumstance notified as though the **Claim** had been notified during the **Period of Insurance**.

The **Coverholder** will forward to the **Insured** an insurance claim form that must be completed and returned immediately.

### Coverholder's Consent

It is a condition to the liability of the **Insurer** that their consent to incur **Legal Expenses** or **Professional Expenses** must firstly be obtained in writing. This consent will be given by the **Coverholder** on behalf of the **Insurer** if the **Insured** can satisfy the **Coverholder** that:

- a) it is reasonable to incur **Legal Expenses** or **Professional Expenses** having regard to the proportionality between the remedy claimed and the **Legal Expenses** or **Professional Expenses** to be incurred and;
- b)
  - i. where the **Insured** is pursuing there are reasonable prospects of proving the other party's legal liability and of recovering the damages claimed or other legal remedy sought;

or

  - ii. where the **Insured** is defending there are reasonable prospects of the **Insured** not being found liable;

or

  - iii. in respect of a criminal prosecution and where the **Insured** pleads guilty there is a reasonable prospect of a significant mitigation of the **Insured's** sentence or fine.

If during the course of a **Claim** the **Insured** ceases to satisfy the **Coverholder** in respect of a) or b) above, indemnity will be withdrawn in respect of **Legal Expenses** and **Professional Expenses** and **Awards of Compensation**. The decision to grant consent or to withhold it will be taken on receipt of:

- a fully completed insurance claim form;
- the information and documentation the **Coverholder** reasonably requests;
- a legal opinion from the Appointed Representative as to a) and b) above;

- any advice the **Coverholder** may deem it necessary to take.

With the agreement of the **Insured**, the **Coverholder** may provide assistance in settling disputes, the costs of which will be covered under this Policy subject to the payment of the **Excess** or **Increased Excess** within the **Limits of Insurer's Liability**.

The **Coverholder** at its discretion may require the **Insured** to obtain an opinion from Counsel at the **Insured's** expense as to the merits of the subject matter of the **Claim** such opinion to have regard to the same issues that the **Coverholder** has in assessing the merits of any legal action. If based upon such opinion the **Coverholder** is satisfied in respect of a) and b) above the **Legal Expenses** or **Professional Expenses** in obtaining that opinion will be paid by the **Insurer** within the **Limits of Insurer's Liability**.

In granting its consent the **Insurer** undertakes to provide indemnity to the **Insured** subject to the terms and conditions of this Policy and its Schedule but such consent does not imply that all **Legal Expenses** or **Professional Expenses** or **Awards of Compensation** will be paid. In particular **Legal Expenses** or **Professional Expenses** for matters that go beyond the immediate scope of the **Claim** shall be deemed by the **Insurer** to fall outside the indemnity provided by this Policy.

The **Coverholder** reserves the right to limit its consent by time and/or financial amount of **Legal Expenses** or **Professional Expenses** and/or stage of proceedings to allow for a review of their continued consent.

If after consent has been granted it is shown the **Claim** has not been brought within the terms and conditions of this Policy and its Schedule the **Coverholder's** consent will be withdrawn and no indemnity shall be provided. The **Insurer** shall be entitled to recover any **Legal Expenses, Professional Expenses, Awards of Compensation, Jury Service Allowance** and Compensation under **Part of Cover: Data Protection** previously paid.

If the **Insured** elects to proceed with the pursuit or defence of a dispute or legal proceedings to which the **Coverholder's** consent has been refused through lack of reasonable prospects as required in b) i. and ii. above and if the **Insured** is successful in such pursuit or defence, the **Insurer** will pay **Legal Expenses** or **Professional Expenses** incurred after such consent had been refused subject to the terms and conditions of this Policy.

#### **Instruction and choice of Appointed Representative and Counsel**

The **Coverholder** will choose an **Appointed Representative** to act on behalf of the **Insured** in any **Claim** under certain Parts of Cover as specified in the Schedule.

In all other Parts of Cover where recourse is necessary to a lawyer and there are inquiries or legal proceedings, the **Insured** is free to choose an Appointed Representative to act in the name of and on behalf of the **Insured** in any enquiry or legal proceedings to which the **Coverholder** has consented subject to the **Increased Excess**.

The name and address of the Appointed Representative the **Insured** proposes to instruct must be notified to the

**Coverholder** in writing. The **Coverholder** will accept such nomination provided the **Coverholder** is satisfied the proposed Appointed Representative will co-operate and enable the **Insured** to comply with the terms and conditions of this policy and provided the proposed Appointed

Representative's charging rates are fair and reasonable in regard to the particular legal proceedings.

In all other **Claim** situations the **Coverholder** will choose the Appointed Representative subject to the **Excess**, unless there is a conflict of interest between the **Insured** and the

**Coverholder** when the **Insured** is free to choose an **Appointed Representative** to act in the name and on behalf of the **Insured** in any **Claim** to which the **Coverholder** has consented.

A dispute arising from the **Insured's** choice may be referred to Arbitration in accordance with General Condition 1.

The **Insured** must not, without the written consent of the **Coverholder**, enter into any agreement with the **Appointed Representative** as to the basis of calculation of **Legal Expenses** or **Professional Expenses**.

In selecting the **Appointed Representative** the **Insured** shall have regard to its duty to minimise the cost of any **Claim**.

In all cases the **Appointed Representative** shall be appointed in the name of and on behalf of the **Insured**. If in the course of any **Claim** the **Appointed Representative** wishes to instruct Counsel or an expert, Counsel's or the expert's name and an explanation of the necessity for such instruction must be submitted to the **Coverholder** for consent to the proposed instruction which will not be unreasonably withheld.

#### **Disclosure**

It is a condition to the **Insurer's** liability that:

- a) the **Insured** must give the **Appointed Representative** and the **Coverholder** all necessary help and information including a complete and truthful account of the facts of the case and all relevant documentary or other evidence in the **Insured's** possession. The **Insured** must provide, obtain or execute all documents as necessary and attend meetings or conferences as requested.
- b) the **Insured** must instruct the **Appointed Representative** to provide the **Coverholder** any information, documents or advice in connection with any **Claim** and the

subject matter of any **Claim** even if privileged. In addition the **Insured** must instruct the **Appointed Representative** to provide the **Coverholder** with regular updates on the progress of the

subject matter of any **Claim** and inform the **Coverholder** immediately if and when any circumstance adversely impacts the factors taken into account in granting the **Coverholder's** consent.

Indemnity may be withdrawn if the **Insured** fails to cooperate at all or within a reasonable time with the

**Coverholder's** or the **Appointed Representative's** requests or if the **Insured** or **Appointed Representative** fails to provide the **Coverholder** with any information in connection with any **Claim** or the subject matter of any **Claim**.

**Payment of Legal Expenses, Professional Expenses and Awards of Compensation**

All bills for **Legal Expenses** or **Professional Expenses** which the **Insured** receives from the **Appointed Representative** should be forwarded to the **Coverholder** without delay. If the **Coverholder** so requires the **Insured** must ask the **Appointed Representative** to submit the bill of costs for assessment or certification by the appropriate Law Society, Court or tribunal. The **Insured** is responsible for payment of all **Legal Expenses** or **Professional Expenses** or **Awards of Compensation** or Compensation under Part of Cover: Data Protection. The **Insurer** may settle these direct if requested by the **Insured** to do so.

The payment of some **Legal Expenses** or **Professional Expenses** does not imply that all **Legal Expenses** or **Professional Expenses** or **Awards of Compensation** or Compensation under Part of Cover: Data Protection will be paid.

**Offer of Settlement**

It is a condition to the liability of the **Insurer** that the **Insured** must inform the **Coverholder** in writing as soon as an offer to settle the subject matter of the **Claim** is received and/or the **Insured** proposes to make an offer of settlement. In any settlement, the **Insured** must have regard to **Legal Expenses, Professional Expenses, Awards of Compensation** or Compensation under Part of Cover: Data Protection incurred or likely to be incurred and the recovery thereof.

No indemnity will be provided if the **Insured** enters into any agreement to settle without the prior written consent of the **Coverholder** (such consent not to be unreasonably withheld) and the **Insurer** shall be entitled to recover any **Legal Expenses** or **Professional Expenses** or **Awards of Compensation** or Compensation under Part of Cover: Data Protection previously paid. If the **Insured** unreasonably rejects an offer of settlement which the **Coverholder** recommends acceptance of or makes an offer which the **Coverholder** does not agree with no further indemnity shall be provided.

The **Insurer** may at its absolute discretion decide to pay the **Insured** the amount of damages that the **Insured** is claiming or is being claimed against the **Insured** instead of indemnifying the **Insured** for **Legal Expenses, Professional Expenses, Awards of Compensation** or Compensation under Part of Cover: Data Protection. Where the **Insurer** exercises this discretion the **Insurer** will cease to be liable for any further **Legal Expenses,**

**Professional Expenses, Awards of Compensation** or Compensation under Part of Cover: Data Protection. The **Insurer** may also require the **Insured** to make an offer to pay an **Award of Compensation** to an **Employee** or **Ex-Employee** or prospective **Employee** provided the **Insurer** agrees to pay that **Award of Compensation**. If the **Insured** fails to make that offer the **Insurer** will cease to be liable for any further **Legal Expenses** or **Awards of Compensation**.

**Recovery of Costs**

Whenever the **Insured** is awarded costs or under the terms of any settlement where costs are included, those costs are to be repaid to the **Insurer**.

The **Insured** and their **Appointed Representative** must make every effort to make a full recovery of costs. Where a settlement purports to be a global or a without costs settlement or where costs are awarded but not recovered, the **Insured** agrees that a fair and reasonable proportion of that settlement will be deemed costs and due to the **Insurer**. Where such a settlement is paid in instalments all costs to the **Insurer** shall be paid first.

**Appeal Procedure**

If, following legal proceedings to which the **Coverholder** has consented, the **Insured** wishes to appeal against the judgment or decision of a Court or tribunal, the grounds for such appeal must be submitted to the **Coverholder** through the **Appointed Representative** immediately or as soon as practicable so that the **Coverholder** may consider whether to consent to such further action. If an appeal is lodged against a judgment or decision of a Court or tribunal made in favour of the **Insured** following legal proceedings to which the **Coverholder** has consented, the **Insured** must notify the **Coverholder** immediately in order that cover may continue. The **Coverholder** will inform the **Appointed Representative** of its decision. If the **Coverholder** so requires it the **Insured** must co-operate in an appeal against the judgment or decision of a Court or tribunal.

**Duty to Minimise**

The **Insured** must take all reasonable precautions to avoid and prevent **Claims, HMRC Investigations,** legal proceedings and disputes.

The **Insured** must use every endeavour and take all reasonable measures to minimise the cost and effect of any **Claim**.

**Fraudulent Claims**

If the **Insured** makes any request for payment under this Policy knowing it to be fraudulent or false in any respect or ought

reasonably in the circumstances to know it to be fraudulent or false or where there is collusion between any parties to the dispute, this Policy shall be cancelled immediately and any premiums paid shall be forfeited and the **Insurer** shall be entitled to recover any **Legal Expenses, Professional Expenses, Awards of Compensation, Jury**

**Service Allowance** and Compensation under Part of Cover: Data Protection previously paid after the fraudulent request was made.

**Insolvency or Liquidation of the Insured**

If the **Insured** becomes insolvent or is placed in liquidation, receivership, administration or bankruptcy or enters into a voluntary arrangement or deed of arrangement or if any application is made to the Court or meeting convened for any such purpose the **Insurer** has the right to immediately

cease to provide indemnity for **Legal Expenses, Awards of Compensation** and **Professional Expenses** and **Jury Service Allowance** and Compensation under Part of Cover: Data Protection notwithstanding any previous consent the **Coverholder** may have granted.

#### **Value Added Tax**

If the **Insured** is registered for VAT, the **Insurer** will not indemnify the VAT element of any **Legal Expenses** or **Professional Expenses**.

# Section 6 – Personal Accident

## Injury

### Main Benefits

The cover provided by this section will apply only if a benefit amount is shown in the relevant section in the **Policy Schedule**.

If during a **Period of Insurance** an **Accident** occurs during the **Effective Time** and causes **Bodily Injury** to an **Insured Person**, the **Insurer** will pay the **Policyholder** the benefit amount shown in the **Policy Schedule** for;

### Death

Permanent Total Disablement from Usual Occupation

### Permanent Disabling Injuries

The disablement which has lasted for at least 12 months which in the **Insurer's** opinion is beyond the hope of recovery. The **Insurer** will pay a percentage of the amount shown in the **Policy Schedule**. The percentage payable will be relative to the degree of disablement based on a Scale of Injuries which prescribes the maximum percentage payable. The Scales are shown below and the Scale that applies is shown in the **Policy Schedule**.

### Injury Scales

#### Full Scale of Injuries

|    |  |      |
|----|--|------|
| A. | Loss of one or more limbs  | 100% |
| B. | Loss of sight in one or both eyes  | 100% |
| C. | Loss of speech   | 100% |
| D. | Loss of hearing in both ears   | 100% |
| E. | Loss of intellectual capacity  | 100% |
| F. | Loss of hearing in one ear   | 25%  |
| G. | Post Traumatic Stress Disorder but subject to a maximum payment of £15,000 | 20%  |
| H. | Total loss of use of:  |      |
|    | i) the back or spine below the neck with no damage to the spinal cord      | 40%  |
|    | ii) the neck or cervical spine with no damage to the spinal cord           | 30%  |
|    | iii) a shoulder, elbow or wrist  | 25%  |
|    | iv) a hip, knee or ankle   | 20%  |
| I. | Loss of or total loss of use of:   |      |
|    | i) a thumb   | 30%  |
|    | ii) a forefinger   | 20%  |
|    | iii) any other finger  | 10%  |
|    | iv) a big toe  | 15%  |
|    | v) any other toe   | 5%   |

- J. Payment for any Permanent Disabling Injury not noted above will be calculated on a medical assessment by the **Insurer** of the degree of disablement relative to this scale. No account shall be taken of the **Insured Person's Occupation**.

#### Specified Scale of Injuries

|    |                                   |      |
|----|-----------------------------------|------|
| A. | Loss of one or more limbs         | 100% |
| B. | Loss of sight in one or both eyes | 100% |
| C. | Loss of speech                    | 100% |
| D. | Loss of hearing in both ears      | 100% |
| E. | Loss of intellectual capacity     | 100% |
| F. | Loss of hearing in one ear        | 25%  |

#### Provisions applicable to Permanent Disabling Injuries

- The total amount payable shall not exceed 100% of the amount shown in the **Policy Schedule** in respect of any one **Accident**.
- If benefit is payable for loss of or loss of use of a limb then benefit for loss of or loss of use of parts of that limb cannot also be claimed.
- Cover for an **Insured Person** who has attained the age of seventy-five years shall be limited to loss of one or more limbs or loss of sight in one or both eyes and the maximum benefit amount payable shall not exceed the amount stated in the **Policy Schedule**.

#### Temporary Total Disablement

Temporary disablement which entirely prevents the **Insured Person** from engaging in their usual **Occupation**.

The **Benefit Period** and the **Deferment Period** are as stated in the **Policy Schedule**.

#### Definitions Applicable To Section 6 Only

The following definitions apply to Section 6 and shall keep the same meaning wherever they appear in this Section.

#### Aggregate Limit

the maximum amount shown in the **Policy Schedule** that The **Insurer** will pay per **Event**.

**Benefit Period** the maximum (but not necessarily consecutive) period for which temporary total disablement or temporary partial disablement benefits are payable in respect of any **Insured Person** for any one **Accident**. The **Benefit Period** commences at the end of the **Deferment Period**, if any.

#### Bodily Injury

An identifiable physical injury;

1. caused solely by Accidental means; and
2. which independently of illness or any other cause;
3. results in the Insured Person's
  - death; or
  - disablement;
4. within twenty-four calendar months from the date of the Accident.

**Deferment Period**

a period at the beginning of a period of temporary total disablement or temporary partial disablement during which benefits are not payable.

**Employee(s)**

shall mean any person(s) under a contract of service or apprenticeship with the **Policyholder**.

**Event**

all instances of **Bodily Injury** arising out of and directly occasioned by one sudden, unexpected, unusual and specific **Event** occurring at an identifiable time and place. The duration and extent of an **Event** shall be limited to 72 consecutive hours and within a 10-mile radius. No instance of **Bodily Injury** occurring outside such period and/or radius shall be included in that **Event**.

**Loss of hearing**

total and permanent loss of hearing.

**Loss of intellectual capacity**

Permanent loss of ability to remember, reason, perceive, understand, express and give effect to ideas.

**Loss of limb**

1. in respect of an arm;
  - a) permanent physical severance of the four fingers at or above the metacarpal phalangeal joints (where the fingers join the palm of the hand); or
  - b) the permanent total loss of use of an entire hand or arm; and
2. in respect of a leg;
  - a) physical severance or total loss of use above the level of the ankle (talo-tibial joint); or
  - b) the permanent total loss of use of an entire foot or leg.

**Loss of sight**

shall be deemed to have occurred;

1. in both eyes when the **Insured Person's** name has been added to the register of Blind Persons on the authority of a qualified ophthalmic specialist; or
2. in one eye when the degree of sight remaining after correction is 3/60 or less on the Snellen Scale (which means the Insured Person is only able to see at 3 feet

that which they should normally be able to see at 60 feet) and The Insurer is satisfied that the condition is permanent and without expectation of recovery.

**Loss of speech**

total and permanent loss of speech.

**Maximum Limit per Insured Person**

the maximum amount shown in the payable for any **Insured Person** for all **Bodily Injury** arising from any one **Accident**.

**Permanent Total Disablement from Usual Occupation**

disablement which has lasted for at least 12 months, which in The **Insurer's** opinion is beyond hope of recovery, will in all probability continue for the remainder of the **Insured Person's** life and which results in their inability to perform or give attention to their usual **Occupation**.

**Policyholder**

the person, firm, company or organisation named as the **Insured** in the **Policy Schedule**.

**Rehabilitation Case Management**

the managed medical case management services provided by Chubb to offer a proactive approach to injury management.

**Remunerated Employment**

any gainful remunerated work for which the **Insured Person** is contracted to work at least 16 hours per week.

**Terrorism**

any 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 in the pursuit of **War** or for political, religious or ideological purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

**War**

armed conflict between nations, invasion, act of foreign enemy, civil war, military or usurped power.

**Weekly Wage**

the average of the gross weekly amount payable by the **Policyholder** to the **Insured Person** as a wage or **Salary** for services provided as set out in the **Insured Person's** contract of employment, reasonably adjusted to take into account any seasonal fluctuations, overtime or other payments earned by the **Insured Person** in the thirteen weeks immediately preceding the date of commencement of the period of Temporary Total Disablement or Temporary Partial Disablement, excluding loans whether repayable or otherwise benefits in kind profit share payments overtime, expenses payments and/or dividends unless these emoluments have been specifically included in the estimated/actual salaries/wages on which the **Premium** has been based.

**Working Day**

each complete day of Temporary Total Disablement or Temporary Partial Disablement during which, had it not been for the disablement, the **Insured Person** would normally have been working or engaging fully in their usual **Occupation**.

## Provisions Applicable To Section 6 Only

### Application of Benefit Periods of less than a week

Where a period of Temporary Total Disablement or Temporary Partial Disablement is less than a complete week the amount payable for each **Working Day** shall be an appropriate percentage of the **Insured Person's** normal days/hours of work per week as set out in their contract of employment, reasonably adjusted to take into account any overtime or other payments earned by the **Insured** Person prior to the period of Temporary Total Disablement or Temporary Partial Disablement.

### Application of the Aggregate Limit

If the aggregate amount of all benefits payable under this Section exceeds the applicable **Aggregate Limit** the benefit amount payable for each **Insured** Person, and each other item of **Claim**, shall be proportionately reduced until the total of all benefits does not exceed such **Aggregate Limit**. Where more than one **Schedule, Policy Schedule** or **Policy** showing benefits has been issued by The **Insurer** in the name of the **Policyholder**, one **Aggregate Limit**, the greatest, shall apply overall.

### Disappearance

If an **Insured** Person disappears and after a suitable period of time it is reasonable for the Police or registration authorities to believe that such **Insured** Person has died as a result of **Bodily Injury**, the Death benefit shall become payable subject to a signed undertaking being given by the **Policyholder** that if the belief is subsequently found to be wrong such Death benefit shall be refunded to The **Insurer**.

### Exposure

If an **Insured** Person suffers **Bodily Injury** as a result of unavoidable exposure to severe weather conditions The **Insurer** will consider it as having been caused by an **Accident**.

### Known conditions

Any contributory degenerative condition or disablement (as determined by a Qualified Medical Practitioner) known by the **Insured** Person to be in existence at the time of sustaining **Bodily Injury** will be taken into account by The **Insurer** in assessing the level of benefit payable under the Permanent Total Disablement or Permanent Disabling Injuries benefits.

### Limitation of the Permanent Total Disablement Benefit

The Permanent Total Disablement benefit shall not apply to **Insured** Persons not usually engaged in **Remunerated Employment**. Any **Claim** where this limitation applies will be dealt with under the Full Scale of the Permanent Disabling Injury benefit.

### Limited Benefits over age 75

If a person is aged 75 or over at the date of sustaining **Bodily Injury**, cover applies only in respect of Death or Permanent Disabling Injuries (but only items A or B in the Scale of Injuries) and is limited to the Maximum Limits per **Insured** Person shown in the **Policy Schedule**.

## Payment of Benefit under multiple Items

Benefit shall not be payable under more than one of the Death, Permanent Total Disablement or Permanent Disabling Injuries benefits in respect of any one **Accident**. Temporary Total Disablement benefit will be payable in addition to any amount claimed under Permanent Total Disablement or Permanent Disabling Injuries. The total benefit payable in respect of any one **Accident** shall not exceed the Maximum Limits per **Insured** Person shown in the **Policy Schedule**.

### Payment of the Death Benefit

In the **Event** of death of an **Insured** Person who is also the **Policyholder**, the benefit payable for Death will be paid to the estate of such **Policyholder**.

## Exclusions Applicable To Section 6 Only

This **Policy** does not apply to liability:

To any Employee **arising while** Offshore.

The **Insurer** will also not pay any **Claim** for **Bodily Injury**, or expense which results from or is contributed to by;

1. sickness or disease which is not itself the direct result of **Bodily Injury**.
2. repetitive stress (strain) injury or syndrome or any gradually operating cause.
3. any psychological or psychiatric condition, other than Post Traumatic Stress Disorder.
4. the **Insured** Person committing or attempting to commit suicide or intentionally inflicting self injury.
5. the **Insured** Person engaging in aviation as a pilot or crew member of an aircraft or other aerial device.
6. the **Insured** Person being a full time member of the armed forces of any nation or international authority or a member of any reserve forces called out for permanent service.
7. **War**, whether declared or not in the **Insured Person's Country of Domicile**

## General Conditions Applicable To Section 6 Only

### Adjustable Premiums

If it has been agreed that any part of the **Premium**, being based on estimated numbers, is adjustable then the **Policyholder** shall within 30 days of the end of the **Period of Insurance** provide the actual numbers to the **Insurer** and the **Premium** will be adjusted accordingly.

### Arbitration

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

### Assignment

Subject to the **Policy** Conditions headed 'Payment of Benefits' and 'Trust', the benefits under this **Policy** may not be assigned by the **Policyholder** and the **Insurer** shall not be bound to accept or be affected by any notice or any trust, charge, lien, purported assignment or other dealing with or relating to this **Policy**.

### Bank Charges

the **Insurer** shall not be liable for any charges applied by the receiving bank for any transactions made in relation to a **Claim**.

### Change in Business Description

The **Policyholder** shall give written notice within a reasonable time of any alteration in the **Policyholder's** Business.

### Choice of Law

This **Policy** shall be governed by and construed in accordance with the Law of England and Wales and the English Courts alone shall have jurisdiction in any dispute. Communication of and in connection with this **Policy** shall be in the English language.

### Compliance with the Policy

The **Policyholder** and where relevant the **Policyholder's** representatives, shall comply with all applicable terms and conditions specified in this **Policy**. The **Insurer** reserves the right not to pay a **Claim**.

### Contracts (Rights of Third Parties) Act

The Contracts (Rights of Third Parties) Act 1999 or any amendment thereto shall not apply to this **Policy**. Only the **Insurer** and the **Policyholder** can enforce the terms of this **Policy**. No other party may benefit from this contract as of right. The **Policy** may be varied or cancelled without the consent of any **Third Party**.

### Interest

No sum payable by the **Insurer** under this **Policy** shall carry interest unless payment has been unreasonably delayed by the **Insurer** following receipt of all the required certificates, information and evidence necessary to support the **Claim**. Where interest becomes payable by the **Insurer**, it will be calculated;

1. from the date of final receipt of such certificates, information or evidence; and
2. at the base rate established by the Bank of England on such date.

### Misdescription

In the **Event** of fraudulent misrepresentation, misdescription or non-disclosure of any material particular by or on behalf

of the **Policyholder**, this **Policy** will be voidable. In the **Event** of all other misrepresentation, is description or non-disclosure of any material particular by or on behalf of the **Policyholder**, this **Policy** may have additional terms or additional **Premium** applied. Any additional terms imposed will not apply to any **Claims** which have been finally agreed by the **Insurer**, whether paid or not, prior to the date of the **Insurer** notification to the **Policyholder** or its agent of the additional terms.

### Payment of Benefits

Notwithstanding the **Policy** Condition headed 'Assignment', where in relation to any **Claim** the **Policyholder**, at its discretion, directs the **Insurer** to do so, the **Insurer** shall pay benefits to, or indemnify, a named **Insured** Person and the receipt of such **Insured** Person shall be a sufficient discharge of the **Insurer's** liability to indemnify or pay the benefits concerned.

### Reasonable Precautions

The **Policyholder** shall take all reasonable steps to avoid or minimise any loss or damage and to recover any **Property** which has been lost or stolen.

### Trust

The **Policyholder** holds its rights under this **Policy** on trust for the benefit of the **Insured** Persons and, where applicable, for itself. The **Policyholder** shall be under no fiduciary obligation or other obligation as trustee to maintain the **Policy** or the cover it provides and shall be free to exercise any rights to terminate the **Policy** or to agree with the **Insurer** any amendments or restrictions at any time in its sole discretion.

## Claims Provisions Applicable To Section 6 Only

### Application of any Excess

Any **Excess**, where applicable, will apply separately under each section or sub-section, in respect of each and every **Claim** and for each **Insured** Person.

### Co-operation

The **Insured** Person shall as soon as possible after the **Occurrence** of any Accidental **Bodily Injury** or illness;

- a) obtain and follow the advice of a Qualified Medical Practitioner;
- b) co-operate with and follow the advice of an independent rehabilitation case manager where

appointed by the **Insurer** and the **Insurer** shall not be liable for any consequences of the **Insured Person's** failure to cooperate and obtain and follow such advice and use such appliance or remedies as may be prescribed.

### Currency

**Claims** involving foreign currency will be converted into the currency in which the **Premium** and benefits/indemnity limits are shown, at the selling rate of exchange published in the Financial Times on the day nearest to the date of the loss.

### **Fraud**

If any **Claim** under this **Policy** shall be in any respect fraudulent or if any fraudulent means or devices shall be used by the **Policyholder** or anyone acting on the **Policyholder's** behalf or by an **Insured** Person or any **Insured Person's** legal representatives to obtain benefit under this **Policy** the **Insurer** shall be under no liability in respect of such **Claim**.

### **Information**

The **Policyholder** shall at their own expense furnish to the **Insurer** such certificates, information and evidence as the **Insurer** may from time to time reasonably require in the form prescribed by the **Insurer**. The **Insurer** shall be allowed at its own expense, upon reasonable notice to the **Policyholder**, to request a medical examination of an **Insured** Person as appropriate.

### **Notification**

On the happening of any **Occurrence** likely to give rise to a **Claim** under this **Policy** notice shall be given to the **Insurer's Claims** Service Team as soon as reasonably possible after the date of the **Occurrence**.

Postal Address:  
Chubb European Group SE,  
(Claims Dept), PO Box 4511  
Dunstable, LU6 9QA.

Telephone: +44 (0)845 841 0059  
Facsimile: +44 (0)141 285 2901  
E- mail: [ah.ukclaims@acegroup.com](mailto:ah.ukclaims@acegroup.com)

## Section 7 – Directors & Officers

Please read carefully all documents that **we** have provided and keep them in a safe place. If **you** have any questions, need anything explaining or believe this contract does not meet **your** needs, please contact **us** or **your** insurance adviser.

### Your policy

**Your policy** is a contract of insurance between **you** and **us** and **you** have a duty to make a fair presentation of the risk to **us** in accordance with the law.

The **policy** describes the insurance cover for which **we** have accepted **your** premium.

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

**Your policy** booklet is divided into a number of sections and must be read together with **your** schedule and any endorsements. Where a section does not apply, **your** schedule will state that it is 'not covered'.

Throughout this **policy**, **we** use definitions and headings. Definitions are used to explain what a word means and are highlighted in bold blue print. Details of the Policy definitions can be found on page XX.

Headings have been used for **your** guidance and do not form part of the contract.

To help **you** understand the cover provided **we** have added 'What is covered' and 'What is not covered'.

Under the heading 'What is covered' **we** give information on the insurance provided. This must be read with 'What is not covered', the Policy exclusions, the Policy conditions and the Section conditions at all times.

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

Legal and regulatory advice and services included in your policy from rradar

### Important information

Legal Advice Line service:  
Mon to Fri, 8am – 6pm (excluding public holidays)  
Telephone: 0800 955 6111  
Email: [contactus@rradar.com](mailto:contactus@rradar.com)

24/7 Out of hours crisis line: 0800 955 6222  
rradar account dashboard: [my.rradar.com](http://my.rradar.com)  
rradar website: [www.rradar.com](http://www.rradar.com)

(policyholders can log in to their **rradar** account from the website)

Please have your policy number and policy schedule available when you get in touch.

rradar is a specialist litigation and commercial law firm that uses legal expertise and digital tools to proactively manage, advise and deliver business solutions to reduce business risk. Your policy gives you access to a wide range of business support and legal services from rradar.

By combining professional legal representation and specialist advisory services, **rradar's** team can answer **your** questions, educate **your** business, and assist with many legal and regulatory issues which **you** could face, including concerns regarding:

- Human resources and employment
- Health and safety and environmental regulations
- Business related crime and regulation
- Tax
- Corporate governance
- Directors duties
- Commercial contracts
- Data protection and information law -
- Road traffic law

### How to access rradar’s advisory services

Your insurance broker will send **your policy** details to **rradar** to be registered, this will include **your** email address.

When registered, **you** will receive an email from **rradar** requesting that **you** activate **your rradar** account by setting a password.

Once activated, **you** can access the **my.rradar** dashboard and launch all the digital tools and resources included under **your policy**.

If **you** have not received an activation email from **rradar** or **you** are unsure **your policy** has been registered by **your** insurance broker, please check by emailing [contactus@rradar.com](mailto:contactus@rradar.com) including **your policy** schedule or by calling **0800 955 6111**.

### Legal advisory services under your policy

To access the digital tools under your policy please log in to [my.rradar.com](http://my.rradar.com) rradarstation

Policyholders have unlimited 24/7 access to **rradarstation**, an online self-service website that provides policyholders with expert advice articles, answers to common legal questions, downloadable document and letter templates, checklists, videos and webinars.

Advice topics include employment and HR processes and procedures, business related crime and regulation, GDPR and data protection, health and safety information, tax and commercial and corporate guidance.

All written in straightforward everyday language, verified by **rradar’s** legal teams, and designed to help manage and minimise legal risks. Policyholders can give unlimited numbers of users across their organisation permission to access and use this digital platform.

Within **rradarstation** sits **rradargrace**, the virtual legal assistant that provides answers to common legal questions, and can bring forward relevant templates and guidance from the resources within the **rradarstation** website. **rradargrace** can also connect users to an expert advisor if further detailed advice or support is required.

### rradargrace

Available to download from the App store or Google Play Store.

**rradargrace** is also accessible as a mobile app, or **you** can talk directly to it from **your** web browser. Use **your rradar** account details to log on and get legal support on the go. Policyholders can give unlimited numbers of users across their organisation permission to access and use this digital tool.

**rradargrace** gives **you** quick and convenient access, provides answers to common legal questions and FAQ information and links to **rradarstation** website resources, all delivered to **your** smartphone or other device, wherever **you** are, whenever **you** need them.

### rradarreport

Available to download from the App Store or Google Play Store.

**rradarreport** is the digital platform for recording major, minor and near miss incidents in **your** workplace and designed to help businesses document, manage and respond to health and safety risks across their organisation.

Policyholders and unlimited numbers of users across their organisation, with the appropriate level of permission, can access the 24/7 online system to view and accurately and quickly input the full circumstances of an incident, whether it is a near miss, a minor incident, or major incident that is reportable under RIDDOR.

Following the creation of a RIDDOR reportable/major incident record, the primary user, a person with RIDDOR responsibilities for **your** organisation, will be contacted by **rradar’s** health and safety legal team who will advise on the major/reportable incident.

Incident information inputted into the system will provide graphical and statistical reports for incident trend analysis and help **you** spot health and safety spikes, allowing managers to take appropriate actions and limit future incidents occurring.

### rradarrisk

Access to **rradarrisk** is via the Risk Analysis Tool tab on the **my.rradar** dashboard.

**rradarrisk** is an integrated analytics tool that creates a unique profile of **your** business, helps to highlight potential risks **you** could be exposed to, and includes easy to read risk level indicator charts and offers next step guidance to help **you** mitigate **your** risks before they become a problem.

### Legal Advice Line service

Tel: 0800 955 6111

Email: [contactus@rradar.com](mailto:contactus@rradar.com)

8am – 6pm Mon – Fri (excluding public holidays)

Policyholders can contact **rradar’s** team of highly experienced specialist lawyers and advisors for proactive advice and next step guidance across a wide range of legal, business and operational sectors. These include guidance on issues relating to HR and employment, GDPR and data protection, Tax, Health and safety, business crime and regulation, corporate governance and more.

There is no limit to the number of times **you** can contact the Legal Advice Line service, neither is there a limit to the time it takes for the team to support **you**, so provided the advice is within the scope of the Legal Advice Line service, there are no billable charges.

Discussions and advice provided by the Legal Advice Line service are legally privileged meaning they are protected and confidential.

For services that fall outside the scope of the Legal Advice Line service, **rradar** will agree a clear fixed fee in advance. These services could include a detailed review of legal

documents or the preparation of letters or emails to a third party or the drafting or production of documents.

### Out of hours Legal Crisis Line:

Tel: 0800 955 6222 – available evenings, weekends and public holidays

If a business related crime or emergency occurs, policyholders can call the 24/7 Legal Crisis Line and speak directly to a specialist lawyer who will advise on how to best work with the police, Health and Safety Executive and all other investigation and regulatory bodies.

### Crisis PR line:

Tel: 0800 955 6111 between 8am – 6pm, Mon - Fri and via the out of hours Legal Crisis Line telephone: 0800 955 6222 for critical PR support in difficult and challenging situations.

### Legal representation for claims and investigations

Included in **your policy** is access to **rradar's** specialist legal teams and, cover permitting, this includes full legal representation for claims and investigations as the policy defines them.

### Keeping you up to date

**rradar** can provide policyholders with regular updates on new digital tools, legal and regulatory blogs, regular email newsletters, webinar invites and more.

### Making a claim

Please check **your** schedule of insurance and full **policy** wording on the cover, sums insured, limits, excesses, warranties, conditions, exclusions and extensions of cover purchased by **your** business. If **you** are unsure of any aspect of cover please contact **your** insurance broker in the first instance.

If notifying a claim, **you** or **your** insurance broker should email full details of the claim to: [claims@rradar.com](mailto:claims@rradar.com)

### Making a complaint

If **you** are not happy with the way in which a **claim** or any other matter has been dealt with, please follow the instructions within the "Making a complaint" page within the **policy**.

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**rradar** (Scotland) Limited is a multi-national practice recognised and regulated by the Law Society of Scotland ("LSS") under registration number 50480.

The regulations of the LSS, which is the representative and regulatory body for regulated firms, for Scottish qualified solicitors, and for other regulated individuals, can be found at [www.lawscot.org.uk](http://www.lawscot.org.uk)

## Policy conditions

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

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

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

### Arbitration condition

If **we** agree to pay **your claim** and **you** disagree with the amount to be paid it may be referred to an arbitrator who is jointly appointed. Alternatively, depending on the size of **your** business, **you** may be able to refer **your** case to the Financial Ombudsman Service (FOS). In either case this will not affect **your** right to take legal action against **us** over this disagreement.

### Cancellation condition

- 1 **You** may cancel **your policy** within 14 days of receiving **your policy** for the first **period of insurance** if for any reason **you** are dissatisfied or the **policy** does not meet **your** requirements.
- 2 **We** can cancel the Employment practices liability section and/or the Company legal liability section immediately, if the premium has not been paid.

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

**We** do not have to offer renewal of **your policy**; in this case cover will cease on the expiry date.

### Claims conditions

**You** and/or any **insured person** must reimburse **us** for any **defence costs** paid where it is later determined that there is no cover under this **policy**.

If a **claim** is made which is not completely covered by any section of this **policy**, **we** will do **our** best to agree with **you** or any **insured person** a fair allocation between **loss** (as defined in each section of the **policy**) that is covered and **loss** (as defined within each section of the **policy**) not covered by this **policy**.

### Claims notification condition

**You** must:

- 1 as soon as possible within the **period of insurance** or where this is not possible at the latest within 30 days after it expires:

- a give **us** and/or **rradar** where appropriate, notice of any **claim** and/or **investigation** under this **policy**, in accordance with the terms of each section
  - b give **us** and/or **rradar** where appropriate, all the information **we** request
- 2 immediately
- a on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
  - b tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
  - c unless otherwise agreed by **us** in writing, notify the police of any fraudulent or criminal activity upon discovery.

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

**Claims procedures condition**

- 1 **You** must take, or allow others to take, practical steps to minimise any **claim** and/or **investigation**.
- 2 At **your** expense **you** must provide **us** with
  - a full details in writing and any further information **we** may reasonably require
  - b any assistance to enable **us** to settle or defend a **claim** and/or **investigation**
  - c details of any other relevant insurances.
- 3 Full details of **your claim** and/or **investigation** must be provided to **rradar**. Unless otherwise agreed in writing by **us** or **rradar**, **rradar** will handle **your claim**. **You** must not appoint other legal representation without **our** prior approval. Any costs incurred without **our** approval will not be met. Where **we** agree to legal representation other than **rradar**, the maximum following hourly rates shall apply:
 

Partner (at least 10 years post qualification experience) – £185 per hour,

Associate (at least 5 years post qualification experience) – £150 per hour,

Solicitor (Under 5 years post qualification experience) – £115 per hour,

Paralegal/trainee – £90 per hour.

Where a **claim** is made or an **investigation** commences against **you** and/or more than one **insured person**, unless there is a conflict of interest, the same legal representative should be used. If it is not possible to obtain **our** consent before incurring

- defence costs, **we** will agree to this providing **our** agreement is obtained within 14 days.
- 4 **You** must not accept, negotiate, pay, settle, admit or reject any **claim** and/or **investigation** without **our** prior written consent.
- 5 **We** have the right to fully participate in the defence of any **claim** and/or **investigation**. **We** will also have the right to defend any **claim** made against **you**.
- 6 Under the Employment practices liability section of **your policy**, where it is assessed by **us** and **your** legal representation that the **claim** has greater than 60% prospect of a successful defence, **you** shall have the right to decide whether to defend the **claim** or agree a settlement.

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

**Fair presentation of risk condition**

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

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

- b **we** will apply the formula calculated by reference to the premium that would have been charged to **claims** from the start of the **policy**, or the date of variation or from the date of renewal
- c **we** will treat the **policy** as having different terms imposed from the start of the **policy**, or the date of variation or from the date of renewal depending on when the failure to make a fair presentation occurs.

### Fraud condition

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

- 1 knowingly makes a fraudulent or exaggerated claim under **your policy**;
- 2 knowingly makes a false statement in support of a claim (whether or not the claim itself is genuine); or
- 3 knowingly submit a false or forged document in support of a claim (whether or not the claim itself is genuine),

**we** will:

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

**We** may also inform the police of the circumstances.

### Instalments condition

If **you** fail to pay a premium instalment to **us** on the due date, this will result in the Employment practices liability and Company legal liability sections being cancelled from the date the missed instalment was due. **You** will not be entitled to any return of premium where this happens.

If a **claim** has been made or there has been any **circumstance** during the current **period of insurance** the annual premium remains due in full.

### Law applicable to this policy

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

### Notification of potential claims

**You** must as soon as possible and in the **period of insurance** give **us** notice of any **circumstance** giving reasons why it is a **circumstance** and including full details of the people and dates involved.

Where **we** accept the **circumstance** any future **claim** and/or **investigation** arising from this **circumstance** shall be deemed to have been made in the **period of insurance** in which the **circumstance** was first notified.

### Sanctions condition

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

### Subrogation (our rights) condition

**We** will be entitled to undertake in **your** name or on **your** behalf steps to enforce rights against any other party before or after payment is made by **us**.

### Third party rights condition

The rights of this contract will not be enforceable by any party other than **you** or **us** because of the Contract (Rights of Third Parties) Act 1999.

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

The Policy exclusions are set out below and apply to **your policy** as a whole. There are also specific exclusions under each section of cover under the heading 'What is not covered'.

### Bodily injury or property damage exclusion

**We** will not cover any **claim** or **loss** (as defined in each section of the **policy**):

- 1 for psychological or emotional distress other than an **employment practice claim**
- 2 for sickness, disease, bodily injury or death other than a **safety legislation claim** or **manslaughter claim**
- 3 for the loss, damage or destruction of any tangible property, electronic systems or data including loss of use of that property.

### Breach of professional duty exclusion

**We** will not cover any **claim**, **loss** (as defined in each section of the **policy**) or **investigation** caused by a breach of or failure to provide professional duties or services.

This exclusion will not apply to a **claim** for any actual or alleged failure to supervise the performance of any professional services.

### Defined benefit pension schemes exclusion

**We** will not cover any **claim**, **loss**

(as defined in each section of the **policy**) or **investigation** caused by:

- 1 **Your** or an **insured person's** operation or administration of or participation in any defined benefit pension scheme
- 2 **Your** or an **insured person's** breach of any legislation or regulation relating to any defined benefit pension scheme.

#### Excess exclusion

**We** will not pay the **excess** detailed in **your policy** schedule (under each section of cover). The **excess** shall only be payable at the conclusion of any **claim** and/or **investigation**.

#### Prior claims, investigations and circumstances exclusion

**We** will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim, investigation** or **circumstance** which **you** were aware of before the start of the **period of insurance**.

#### Prior litigation exclusion

**We** will not cover any **claim, loss** (as defined in each section of the **policy**) or **investigation** caused by any previous or known litigation or proceedings (including allegations from the same or essentially the same facts) involving an **insured person, you** or an **outside company** started before the date of **your** first purchase of Directors and Officers Liability insurance.

#### Share offerings exclusion

**We** will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim** for a **wrongful act** relating to any actual public offering or Private Offering over £5m of **your** share capital unless:

- 1 **we** have given **our** prior written agreement; and
- 2 **you** have paid any additional premium and accepted any amendments **we** may need to make to the terms and conditions of this **policy**.

#### Takeovers and mergers exclusion

**We** will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim** for a **wrongful act** after **you**:

- 1 merge or consolidate with another company; or
- 2 any party acquires more than 50% of **your** issued share capital.

#### Extended claims notification period cover

**Your** schedule will show if **you** have this cover.

If **we** or **you** refuse to renew the **policy**

for any reason other than nonpayment of premium or insolvency, **you** may purchase an extended claims notification period of 12 months upon payment of 50% of the full **policy** annual premium.

This extended notification period is only available if:

- 1 **we** receive **your** written notice of purchase within 30 days following the end of the **period of insurance**; and
- 2 the **policy** is not replaced by any other policy; and
- 3 at the end of the **period of insurance**, **you** have not merged with another company, nor has any party acquired 50% or more of **your** issued share capital.

If **we** offer renewal terms, conditions, **limits of liability** or premiums that are different from those of the expiring **policy**, this does not mean a refusal to renew.

#### Condition of the cover

Where **you** have taken this cover, the policy Claims notification condition on page 9 is deleted and replaced with the following:

**You** must:

- 1 as soon as possible within the extended notification period
  - a give **us** notice of any **claim** under this **policy**, in accordance with the terms of each section
  - b give **us** all the information **we** request
- 2 immediately
  - a on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
  - b tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
  - c notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

**We** will not refund any premium to **you** if **you** cancel the extended notification period before it ends.

#### Directors' and officers' liability section

**Your** schedule will show if this section is covered.

#### Meanings of defined terms

**You** can find the meanings for words in bold blue on page XX. There are some words that may only appear in this section or are defined differently. **You** can find the meanings to the defined terms for this section on page XX.

**Limit of cover**

The most **we** will pay for any one **claim** or **investigation** is the **limit of liability**. This limit will apply regardless of the number of **Insured persons**.

**What is covered**

Additional limit for non-indemnifiable loss cover

Where the **limit of liability** has been exhausted, the **limit of liability** shall be increased by £100,000 per **claim** and/or **investigation** for each **insured person** provided that such limit shall be excess of:

- 1 any other available insurance
- 2 any other available indemnification.

**Bail costs cover**

**We** will pay on behalf of any **insured person bail costs** caused by a **claim** for a **wrongful act**.

**Brexit cover**

**We** will pay for any **insured person's loss** caused by a **claim** for a **wrongful act** or **investigation costs cover** in connection with the withdrawal of the United Kingdom from the European Union.

**Circumstance investigation costs cover**

**We** will pay the costs of **rradar** legal in the investigation of any **circumstance** reported to us during the **period of insurance** including the steps that might be appropriate to avert or reduce the potential of a claim. Such costs shall solely be payable where deemed required by **us/ rradar**.

The most **we** will pay under this cover is £50,000 any one claim.

This is also the most **we** will pay for all **circumstance investigation** claims in any one **period of insurance**.

**Claims against an insured person cover** **We** will pay the **loss** incurred by any **insured person** caused by a **claim** for a wrongful act.

**Company reimbursement cover**

**We** will pay for the **loss** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **claim** for a **wrongful act**.

**Compensation for court attendance cover**

**We** will pay **you** at the rate of £250 per day for each **insured person** and any accompanying husband, wife, civil or unmarried partner provided such **insured person's** attendance is needed in court in connection with any **claim** or **investigation**.

**Crisis public relations costs cover**

**We** will pay **crisis public relations costs** for any **Insured person** caused by a **claim** for a **wrongful act** or an **investigation**.

**Deprivation of assets cover**

**We** shall pay the **loss** of any **insured person** for **deprivation of asset expenses**.

The most **we** will pay under this cover is £250,000 for any one claim. This is also the most **we** will pay for all **deprivation of asset expenses** claims in any one **period of insurance**.

**Directors' personal tax cover**

**We** will pay the **defence** costs of any director or partner in a personal **tax investigation claim** where **rradar** assesses such **defence costs** will mitigate or avoid a **claim** against an **insured person**.

The most **we** will pay under this cover is £25,000 any one **claim**. This is also the most **we** will pay for all personal **tax investigation claims** in any one **period of insurance**. **Defence costs** are solely restricted to the costs of **rradar** legal.

**Employment practice claims cover**

**We** will pay for the **loss** caused by an **employment practice claim** during the **period of insurance** brought by a current, former or potential **employed person**.

This cover does not apply if the **insured person** is covered under the Employment practices liability section of this **policy**.

**Extradition proceedings cover**

**We** will pay, for any **insured person**, the **loss** caused by any **extradition proceedings** against any **insured person** during the **period of insurance** caused by a **claim** for any **wrongful act**.

**Insolvency hearing costs cover**

**We** will pay the **insolvency hearing costs** of any **insured person**.

The most **we** will pay under this cover is £25,000 any one claim. This is also the most **we** will pay for all **insolvency hearing costs** claims in any one **period of insurance**.

**Investigation costs cover**

**We** will pay the **investigation costs** caused by an **investigation**. Such costs shall only be incurred from the date an **Insured person** is notified as being subject to an **investigation**.

**Management buy-out cover**

If during the **period of insurance** members of **your** existing management team conduct a management buy-out, **we** agree to provide cover to the same level and terms as this **policy** for the new company for a period of 30 days from the buy-out date for any **wrongful act** carried out by any **insured person** within this 30 day period.

**Manslaughter claims cover**

**We** will pay for the **defence costs** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **manslaughter claim** against an **insured person** for a **wrongful act**.

**Outside company cover**

**We** will pay for the **loss** incurred by any **insured person** for any **wrongful act** within the **policy territories** carried out in their role as a director, trustee or officer of an **outside company**.

Provided that the **insured person** acts in that role at **your** written request and the **claim** does not arise from a **wrongful act** carried out after the **insured person** stopped acting in this role.

**We** will only pay after any cover provided by the **outside company** to its directors or officers and any other insurance available to its directors and officers has been used.

#### **Pension/employee benefit schemes cover**

**We** will pay for the **loss** caused by a **claim** for a **wrongful act** in connection with an **insured person's** operation or administration of any of **your** pension schemes (other than a defined benefit scheme), employee benefit schemes or trust funds.

#### **Personal charity/Not for profit association cover**

**We** will pay for the **loss** incurred by any **insured person** for any **wrongful act** within the **policy territories** carried out in their role in a personal capacity as a director or officer of a charity or any not for profit organisation.

#### **Pollution claims cover**

**We** will pay for the **loss** arising from **pollution** caused by a **claim** for any **wrongful act**.

#### **Retired insured person cover**

In the event that this **policy** is not renewed or replaced with a similar policy, cover will continue for any **insured person** who voluntarily stops being an **insured person** before the date of non-renewal for reasons other than:

- 1 disqualification from holding such a position; or
- 2 a takeover or merger,

Cover will continue for an unlimited period from the date of non renewal (the 'run-off period'), provided that:

- a cover will only apply to **claims** caused by any **wrongful act** carried out or alleged before the date of retirement of the **insured person**
- b the run-off period will run at the same time as any extended notification period
- c no similar insurance is in place elsewhere.

#### **Safety legislation claims cover**

**We** will pay for the **loss** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **safety legislation claim** (or similar legislation in any other jurisdiction) against an **insured person** for a **wrongful act**.

#### **Tax cover**

If **you** become insolvent, this section will extend to pay for any **claim** against an **insured person** alleging a **wrongful act** relating to **your** unpaid tax liability within the **policy territories**.

#### **Optional section-extension of cover**

##### **Takeovers and mergers extension of cover**

**Your policy** schedule will show if **you** have this cover.

If during the **period of insurance you**:

- 1 merge with another company, or

- 2 any party acquires more than 50% of **your** issued share capital,

**you** may on payment of an additional premium, of 200% of the annual **policy** premium, request that this section continue in force for a period of 72 months from the expiry date of the current **period of insurance**.

This extension only applies to **claims** caused by any **wrongful act** carried out or alleged before the date of the takeover or merger.

#### **What is not covered**

##### **Deliberate or dishonest acts exclusion**

**We** will not cover any **claim, loss or investigation** caused by:

- 1 a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation carried out by any **insured person**
- 2 an act by any **insured person** intended to obtain or which does obtain a personal profit or advantage which was not legally theirs
- 3 an act intended to obtain or which does obtain a profit for any company other than **you** where an **insured person** is a director, officer or employee of that company.

This exclusion will only apply after a court ruling or an admission by an **insured person** that such an act did take place.

##### **Related party claims in the United States of America exclusion**

**We** will not cover any **claim, loss or investigation** caused by any **claim** brought by **you**, an **outside company** or an **insured person** within or subject to the laws of the United States of America.

This exclusion will not apply to:

- 1 defence costs
- 2 any shareholder derivative proceedings in **your** name without **your** or any **insured person's** solicitation, assistance or participation
- 3 any **claim** brought by **your** liquidator, receiver or administrative receiver or similar body
- 4 any employment practices claim
- 5 any **claim** made by a previously insured person of yours
- 6 any **claim** seeking a contribution or indemnity if that **claim** would be covered by this section if made against an **insured person**.

##### **Specific United States of America legislation exclusion**

**We** will not cover any **claim, loss or investigation** caused by the following legislation in the United States of America:

- 1 any breach of the Racketeer Influenced and Corrupt Organizations Act 18 USC Sections 1961 et seq., any

amendments to this Act or any rules or regulations made under it

- 2 any breach of the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, the rules or regulations of the Securities Exchange Commission under either or both Acts, similar securities laws or regulations of any state, or any laws of any state relating to any transaction caused by, involving or relating to the sale of securities
- 3 any breach of the Employment Retirement Income Security Act of 1974 as amended, or any rules or regulations made under it, or similar provisions of any federal, state or local law.

### Section conditions

The Policy conditions all apply equally to each **insured person** and to **you** other than:

#### Material misrepresentation condition

The policy condition, Fair presentation of risk condition on page 10 will only apply under this section to an **insured person** who had knowledge of a misstatement or omission before the **period of insurance** that could affect the terms and/or conditions of this **policy**.

#### Severability condition

All information which any **insured person** provided before **we** agreed to insure **you** will be considered as a separate application for each **insured person**.

The knowledge of or any statement made by any **insured person** will not be applied to any other **insured person** for the purposes of deciding whether cover is available for any **claim** or **investigation**.

### Employment practices liability section

**Your** schedule will show if this section is covered.

### Meanings of defined terms

**You** can find the meanings for words in bold blue on page XX. There are some words that may only appear in this section or are defined differently. **You** can find the meanings to the defined terms for this section on page XX.

#### Limit of cover

The most **we** will pay for any one **claim** or **investigation** is the **limit of liability**.

This limit will apply regardless of the number of Insured persons.

#### What is covered

##### Claims by employees cover

**We** will pay for **your** or any **insured person's loss** caused by a **claim** by an **employed person** alleging an **employment practice wrongful act**.

The **excess** will not apply to any **claim** brought only against an **insured person**.

##### Claims by others cover

**We** will pay for **your** or any **insured person's loss** caused by a **claim** by anyone other than an **employed person** alleging an **employment practice wrongful act**.

##### Compensation for court attendance cover

**We** will pay **you** at the rate of £250 per day for each **insured person** and any accompanying husband, wife, civil or unmarried partner provided such **insured person's** attendance is needed in court in connection with any **claim** or **investigation**.

##### Investigation costs cover

**We** will pay for **your** or any **insured person's investigation costs** caused by an **investigation** first notified as being required during the **period of insurance**.

The **excess** will not apply to any **investigation** that only involves an **insured person**.

##### Management buy-out cover

If during the **period of insurance** members of **your** existing management team conduct a management buy-out, **we** agree to provide cover for the new company at the same level and terms of this **policy** for a period of 30 days from the buy-out date for any **employment practice wrongful act** carried out by any **insured person** within this 30 day period.

##### Outside company cover

**We** will pay for the **loss** incurred by any **insured person** for any **employment practice wrongful act** carried out by an **insured person** in their role as an employed person of an outside company.

Provided that the **insured person** acts in that role at **your** written request and the **claim** does not arise from a **wrongful act** carried out after the **insured person** stopped acting in this role.

**We** will only pay after any cover provided by the **outside company** to its directors or officers and any other insurance available to its directors and officers has been used.

#### What is not covered

##### Claims outside of the United Kingdom exclusion

**We** will not cover any **claim, loss** or **investigation** caused by any **employment practice claim** outside of the United Kingdom.

##### Collective bargaining agreements exclusion

**We** will not cover any **claim** caused by **your** failure to act in accordance with any collective bargaining agreement other than:

- 1 allegations of **retaliatory treatment**
- 2 **defence costs** and/or **investigation costs**.

##### Contractual payments exclusion

**We** will not cover any **claim** or any aspect of a settlement caused by **your** failure to pay any amount **you** must pay under contract to an **employed person**.

This includes but is not limited to:

- 1 payments for notice periods (contractual or statutory); or
- 2 any breach of any minimum wage requirements.

This exclusion does not apply to **defence costs** and/or **investigation costs**.

**Deliberate and dishonest acts exclusion**

We will not cover any deliberate breach of employment regulation, deliberately not following the advice provided by the employment helpline or other solicitor/ human resources advisor, or any other dishonest or fraudulent act carried out by **you** or any of **your** senior management or human resources department.

**Legal requirements exclusion**

We will not cover any **claim, loss** or **investigation** caused by **your** legal duties in relation to **your**:

- 1 health and safety requirements
- 2 payment of unemployment benefits
- 3 payment of social security benefits
- 4 payment of retirement benefits
- 5 payment of disability benefits. This exclusion does not apply to **defence costs** for any **claim** caused by **retaliatory treatment**.

**Non-compensatory payments exclusion** We will not cover any **claim, loss** or **investigation** caused by:

- 1 the failure to pay for anyone else’s liability which **you** must legally take on under any contract or agreement. This does not apply to any **claim** that would have happened without such contract or agreement
- 2 any non-financial order
- 3 any amount for the costs of agreeing or refusing to agree with a court or other order for the reinstatement of an **employed person** other than basic salary from the original date of dismissal to the date of court or other order.

This exclusion does not apply to **defence costs** and/or **investigation costs**.

**Pension rights exclusion**

We will not cover any **claim** caused by:

- 1 any **employed person’s** loss of any right or benefit under any pension scheme, private health insurance or other employee benefit scheme
- 2 the operation or administration of any pension or employee benefit scheme or trust fund
- 3 **your** breach of any legislation or regulation related to these activities.

This exclusion does not apply to **defence costs** and/or **investigation costs**.

**Protective award exclusion**

We will not cover any **loss** caused by any **claim** related to **your** failure to comply with the duty to consult requirements related to a redundancy situation under sections 188 to 192 Trade Union and Labour Relations (Consolidation) Act 1992. This exclusion does not apply to **defence costs**.

**Tax exclusion**

We will not cover any **claim** caused by **your** failure to pay taxes. This exclusion does not apply to **defence costs** and/or **investigation costs**.

**Trade Union membership exclusion**

We will not cover any **claim** caused by membership or non-membership of any trade union or similar organisation other than:

- 1 allegations of **retaliatory treatment**
- 2 defence costs and/or investigation costs.

**Transfer of Undertakings exclusion**

We will not cover any **loss** caused by any claim:

- 1 Brought against **you** under the Transfer of Undertakings (Protection of Employment) Regulations 2006;
- 2 Brought against a third party but which **you** could be liable for under the Transfer of Undertakings (Protection of Employment) Regulations 2006;
- 3 For an **employment practice wrongful act** which occurred prior to a TUPE transfer of an **employed person to you**.

This exclusion does not apply to **defence costs**.

**Section conditions**

The Policy conditions all apply equally to each **insured person** and to **you** other than:

**Fair presentation of risk condition**

The policy condition, Fair presentation of risk condition shown on page XX will only apply under this section to an **insured person** who had knowledge of a misstatement or omission before the **period of insurance** that could affect the terms and/or conditions of this **policy**.

**Severability condition**

All information which any **insured person** provided before **we** agreed to insure **you** will be considered as a separate application for each **insured person**.

The knowledge of or any statement made by any **insured person** will not be applied to any other **insured person** for the purposes of deciding whether cover is available for any **claim**.

With respect to any **claim** made against **you**. Only statements made (whether in the proposal or otherwise) and information possessed by any Finance Director, Chief Executive, Human Resources Director, Managing Director or Chairman of the Company or any other person authorised by the Company to make statements or complete the proposal shall be attributed to **you** in determining whether cover applies under **your policy**.

## Company legal liability section

**Your** schedule will show if this section is covered.

### Meanings of defined terms

**You** can find the meanings for words in bold blue on page XX. There are some words that may only appear in this section or are defined differently. **You** can find the meanings to the defined terms for this section on page XX.

### Limit of cover

The most **we** will pay for any one **claim** or **investigation** including **defence costs** and/or **investigation costs** is the **limit of liability**.

### What is covered

#### Breach of Data Protection cover

**We** will pay for **your loss** for a breach of Data Protection law.

#### Brexit cover

**We** will pay for **your loss** caused by a **claim** for a **wrongful act** or **investigation costs cover** in connection with the withdrawal of the United Kingdom from the European Union.

#### Circumstance investigation costs cover

**We** will pay the costs of **rradar** legal in the **investigation** of any **circumstance** reported to **us** during the **period of insurance** including the steps that might be appropriate to avert or reduce the potential of a claim. Such costs shall solely be payable where deemed required by **us/rradar**.

The most **we** will pay for all **circumstance investigation** claims in any one **period of insurance** is £50,000.

#### Compensation for court attendance cover

**We** will pay **you** at the rate of £250 per day for each **insured person** and any accompanying husband, wife, civil or unmarried partner provided such **insured person's** attendance is needed in court in connection with any **claim** or **investigation**.

#### Contractual liability cover

**We** will pay **your defence costs** caused by any contractual liability **claim**. The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all contractual liability claims in any one **period of insurance**.

#### Crisis public relations costs

**We** will pay **crisis public relations costs** caused by any **claim** or **investigation** made against **you** for a **wrongful act**.

#### Data protection breach cover

**We** will pay the costs of **rradar** legal in contacting **your** customers and suppliers as legally required following a data protection breach.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all data protection breach **claims** in any one **period of insurance**.

#### Employee dishonesty cover

**We** will pay for **your** direct financial loss caused by the dishonesty of an **employed person** discovered and notified during the **period of insurance**.

Provided that there was a clear intention to cause **you** financial loss or damage and for that person to obtain a financial gain other than salary, bonus or commission.

The most **we** will pay under this cover is £100,000 for any one claim. This is also the most **we** will pay for all Employee dishonesty claims in any one **period of insurance**.

#### Identity fraud cover

**We** will pay for **your loss** resulting from identity fraud.

#### Infringement of copyright cover

**We** will pay **your defence costs** caused by any **Infringement of copyright claim**. The most **we** will pay under this cover is £50,000 for any one **claim**. This is also the most **we** will pay for all **Infringement of copyright claims** in any one **period of insurance**.

#### Investigation costs cover

**We** will pay for **your investigation costs** caused by an **investigation**. Such costs shall only be incurred from the date an **Insured person** is notified as being subject to an **investigation**.

#### Loss of documents cover

**We** will pay the costs of replacing or restoring any document, data or information lost, damaged or destroyed whilst in **your** possession (save for where any document data or information loss, destruction or damage is caused by a **cyber attack**) during the **period of insurance**.

The most **we** will pay under this cover is £100,000 for any one loss of documents event. This is also the most **we** will pay for all loss of documents events in any one **period of insurance**.

#### Management buy-out cover

If during the **period of insurance** members of **your** existing management team conduct a management buy-out, **we** agree to provide cover for the new company at the same level and terms as this **policy** for a period of 30 days from the buy-out date for any **wrongful act** carried out by any **insured person** within this 30 day period.

#### Manslaughter claims cover

**We** will pay for **your defence costs** caused by a **manslaughter claim** made against **you** for a **wrongful act**.

#### Negative social media crisis public relations costs cover

**We** will pay **crisis public relations costs** necessary to mitigate the adverse effect or potentially adverse effect to **your** reputation following any sustained negative publicity in relation to **your** business activities or practices that is posted on any internet-based social media platform or website.

The most **we** will pay for all negative social media public relations costs claims in any one **period of insurance** is £25,000.

### Other wrongful acts cover

Save for where other specific cover applies to this claim, we will pay for **your loss** caused by any **claim** made against **you** for a **wrongful act**.

### Pension/employee benefit schemes cover

We will pay for **your loss** caused by any **claim** made against **you** for a **wrongful act** in connection with **your** operation or administration of any pension or employee benefit scheme or trust fund.

### Pollution claims cover

We will pay for **your defence costs** caused by any **claim** made against **you** for a **wrongful act** in connection with **pollution**.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all **claims**, made against **you** for a **wrongful act** in connection with **pollution**, in any one **period of insurance**.

### Pollution claims clean up costs cover

We will pay **your loss** for **pollution clean up costs** for any **claim** and/or **investigation** made against **you**. The most **we** will pay under this cover is £25,000 for any one **claim**. This is also the most **we** will pay for all **pollution claims clean up costs claims** in any one **period of insurance**.

### Regulatory mitigation cover

We will pay **your Regulatory mitigation costs** for any regulatory self reporting.

### Safety legislation claims cover

We will pay for **your defence costs** caused by a **safety legislation claim** caused by any **claim** made against **you** for a wrongful act.

### Tax investigation cover

We will pay **your defence costs** for any tax investigation claim.

### Telephone fraud cover

We will pay **your** direct financial loss discovered during the **period of insurance** caused by **telephone fraud**.

The most **we** will pay under this cover is £10,000. This is also the most **we** will pay for all **telephone fraud** claims in any one **period of insurance**.

### Third party electronic funds transfer cover

We will pay for **your** direct financial loss caused by the dishonesty of any third party accessing **your** computer systems and transferring funds with the intention of obtaining an improper financial gain.

The most **we** will pay under this cover is £10,000 for any one **claim**. This is also the most **we** will pay for all third party electronic fund transfer claims in any one period of insurance.

**Third party fraud or forgery cover** We will pay **your** direct financial loss discovered during the **period of insurance** caused by **third party fraud or forgery**.

The most **we** will pay under this cover is £10,000. This is also the most **we** will pay for all **third party fraud or forgery claims** in any one **period of insurance**.

## Section extensions

### Legal pursuit extension

This extension attaches to and forms part of **your policy** and is subject to the Policy conditions, exclusions and defined terms:

### The cover

Aggregate **limit of liability**: £25,000 unless otherwise stated  
**excess**: £2,500 each and every **claim**.

We will provide cover up to the aggregate **limit of liability** any one **period of insurance** and subject to the **excess** stated provided that:

- 1 the date of occurrence happens and the dispute occurs during the **period of insurance** and occurs within the **policy territories** in connection to **your** business;
- 2 any legal proceedings will be dealt with by a court, or other body which **we agree** to, in the **policy territories**; and
- 3 under the following covers, all claims made under this Legal pursuit extension relate solely to costs incurred by **rradar**.

### Contract disputes and debt recovery cover

**rradar** will negotiate for **your** legal rights in a contractual dispute in relation to a contract entered into by **you** or on **your** behalf for the purchase, hire, sale or provision of goods services or the lease, licence or tenancy of land or buildings.

Provided that:

- 1 the amount in dispute exceeds £500
- 2 if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the **claim** exceed £500
- 3 if the dispute relates to money owed to **you**, a **claim** is notified to **rradar** within 90 days of the money becoming due and payable.

### Restrictive covenant cover

**rradar** will negotiate for **your** legal rights in pursuing:

- 1 an undertaking or injunction against a former employee alleging breach of their **restrictive covenant** or **confidentiality clause**
- 2 damages for breach of **restrictive covenant** or **confidentiality clause**

### Trespass, nuisance, person removal and property damage cover

**rradar** will negotiate for **your** legal rights in any dispute relating to **your** property arising from nuisance, trespass, the need to remove any trespassing persons or damage to **your** property.

**Additional exclusion applicable to Legal pursuit extension.**

We will not pay for:

- 1 any **excess** shown
- 2 any **claim** relating to:
  - a any insurance policy or loan, mortgage, pension, investment or borrowing;
  - b any dispute arising from or relating to the renewal of a lease or tenancy agreement or rent review
- 3 the recovery of money and the interest due from another party other than disputes where the other party intimates that a defence exists
- 4 any claim relating to any actual or alleged professional negligence or defective workmanship
- 5 any **claim**, that in the opinion of **rradar**, has a less than 51% prospect of success
- 6 costs incurred before **rradar** have consented to such costs being incurred.

**Additional definitions applicable to Legal pursuit extension only**

**Confidentiality clause**

A term in **your** employment contract restricting the use of **your** information or trade secrets gained in the ordinary course of **your** business.

**Date of occurrence**

For civil cases (other than under Contract disputes), the date of occurrence is when the cause of civil action first took place for Contract disputes, the date of occurrence is when **you** could reasonably be expected to become aware of the breach of contract.

**Policy territories**

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

**Aggregate limit of liability**

The most **we** will pay in total in any one **period of insurance** in respect of **claims** made during the **period of insurance**.

**Claim(s)**

The cost of **rradar** advice and support in pursuing **your** legal rights under the terms and conditions of this Legal pursuit extension.

rradar Limited, The Beacon  
6 Beacon Way Hull  
HU3 4AE

Company registration number is 07738271

**Restrictive covenant**

An express term in **your** employment contract preventing an ex-employee acting in a manner that prejudices **your** business interests by:

- 1 competing with **you**
- 2 soliciting business from **your** customers
- 3 dealing with **your customers**
- 4 attempting to employ **your** employees for a reasonable time after leaving **your** employment.

**What is not covered**

**Claims outside of the policy territories exclusion**

We will not cover any **loss** or **investigation** caused by any **claim** outside the **policy territories**.

**Cyber act and loss of computer system exclusion**

We will not cover any **claim**, **loss**, or **investigation** caused by:

- 1 a Cyber act
- 2 use of, inability to use or partial or total unavailability or failure of any **computer system** provided the **computer system** is owned or controlled by **you** or any party acting on **your** behalf
- 3 any failure or interruption of service provided
  - a to **you** or any party acting on **your** behalf by an internet service provider, telecommunications provider or cloud provider or cloud provider but not including the hosting of hardware or software owned by **you**
  - b by any utility provider, but only where such failure or interruption of service impacts a **computer system** owned or controlled by **you** or any party acting on **your** behalf.

**Defective Workmanship**

Any contractual liability or other wrongful acts **claim** caused by **your** actual or alleged defective workmanship.

**Deliberate or dishonest acts exclusion**

We will not cover any **claim**, **loss** or **investigation** caused by:

- 1 a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation carried out by any **insured person** acting for **you**.  
  
This exclusion does not apply to any regulatory self reporting.
- 2 An act by any **insured person** intended to obtain or which does not obtain a personal profit or advantage which was not legally theirs other than a **claim** under the Employee dishonesty cover or Third party electronic funds transfer cover.
- 3 An act intended to obtain or which does obtain a profit for any company other than **you** where an **insured person** is a director, officer or employee of that company.

**Employment exclusion**

We will not cover any **claim**, **loss** or **investigation** caused by any **employment practice claim**.

**Employee dishonesty, telephone fraud, third party and forgery fraud and third party funds transfer exclusions**

We will not cover any **claim, loss** or **investigation** caused by employee dishonesty or third party funds transfer in relation to:

- 1 any accounting or arithmetical error, omission or unexplained shortage
- 2 any default on a credit or other loan agreement
- 3 any loss of interest, loss of profit or any other indirect financial loss.

We will also not cover **your** costs of establishing the amount of **your** direct financial **loss**.

Failure to fund pension, share ownership or employee benefit schemes exclusion

We will not cover any **claim, loss** or **investigation** for **your** failure to fund any pension, share ownership employee benefit or any other similar scheme.

**Products liability exclusion**

We will not cover any **claim, loss** or **investigation** caused by the sale, manufacture, installation or supply of any of **your products**. This exclusion does not apply to any **investigation costs** cover and/or criminal or regulatory proceeding.

**Virus exclusion**

We will not cover any **claim, loss** or **investigation** caused by the transmission or receipt of a **virus or similar mechanism**.

**Section condition**

**Other insurance contribution condition**

Cover under this section shall apply solely in excess of any more specific insurance.

**Severability condition**

Only statements made (whether in the Proposal or otherwise) and information possessed by any Finance Director, Chief Executive, Human Resources Director, Managing Director or Chairman of the Company or any other person authorised by the Company to make statements or complete the proposal shall be imputed to **you** in determining whether cover applies under **your policy**.

**Contents of this section**

**Meanings which apply to the whole policy**

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

**Bail costs**

Costs agreed with **us**, to pay for a bond to guarantee an **insured person's** bail or equivalent in another country as required by a court of law.

**Circumstance**

- 1 Any verbal or written complaint made against **you** or an **insured person** that could give rise to a **claim**. This does not include any routine employment disciplinary action, grievance, or employee dismissal.
- 2 Any non-routine regulatory intervention, serious accident or near miss likely to give rise to a **claim** and/or **investigation**.

**Claim**

Any written demand or civil, criminal, arbitration or regulatory proceeding first made against **you** or an **insured person** during the **period of insurance**:

- 1 seeking monetary damages
- 2 seeking a penalty or other legal action and alleging a **wrongful act**
- 3 alleging an **employment practice wrongful act**.

Any claims involving allegations from the same or essentially the same facts shall be treated as one claim.

**Crisis public relations consultants**

Specialist crisis public relations consultants as appointed or agreed in writing by **rradar** legal or **us**.

**Crisis public relations costs**

Costs incurred by the **crisis public relations consultants** following a **claim** and/or **investigation** to prevent, limit or reduce the actual or potential damage to **your** or any **insured person's** reputation from negative publicity or media attention.

**Defence costs**

Costs agreed with **us**, in writing, to:

- 1 investigate or defend any **claim**
- 2 fund an appeal against a ruling or judgement (including payment of an appeal bond).

**Employed person**

Anyone:

- 1 under a contract of service or apprenticeship with **you** or a worker as defined in Section 230 of the Employment Rights Act 1996
- 2 who is
  - a employed by **you** or for **you** on a labour only basis
  - b hired to **you** or borrowed by **you** from another employer
  - c a voluntary helper or someone taking part in a work experience or training scheme
 and under **your** control or supervision.

**Employment practice claim**

- 1 Any **claim** by any **employed person** for any actual or alleged:

- a wrongful, unfair or constructive dismissal, discharge or termination of employment
  - b breach of written or implied contract
  - c employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
  - d harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
  - e retaliatory treatment
  - f defamation or invasion of privacy.
- 2 Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

#### Employment practice wrongful act

- 1 Any actual or alleged act, conduct, error or omission carried out or attempted by **you**, an **insured person** or a third party where **you** are held to be legally responsible for any actual or alleged:
- a wrongful, unfair or constructive dismissal, termination of employment
  - b breach of written or implied contract
  - c employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
  - d harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
  - e retaliatory treatment
  - f defamation or invasion of privacy.

Employment practice wrongful act does not include any internal disciplinary matter, grievance or appeal.

- 2 Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

#### Employment related benefits

Any payment to an **insured person** as well as normal salary including:

- 1 payments made or due (including options to purchase, acquire or sell) under a share option
- 2 pension scheme or other employee benefit program incentive or deferred salary.

#### Excess

The first amount of any claim or claims as detailed in **your policy** schedule for which **you** are responsible. The excess applies to **loss** (as defined in each section of the

**policy**), **crisis public relation costs**, **defence costs** and **investigation costs**.

The excess will only be charged at the end of each **claim** and/or **investigation**.

#### Extradition proceeding

Any **claim** or proceeding brought against an **insured person** under United Kingdom extradition law or similar law in any other country.

#### Insolvency hearing costs

Costs incurred by **rradar** in any **insured person's defence costs** in any official investigation into **your** or an **insured person's** affairs following **your** insolvency or administration.

#### Insured person

- 1 Any person who was, is, or during the **period of insurance** becomes a director, trustee, partner, member or officer of **yours** (excluding any shareholder of **yours** apart from otherwise covered in any other **Insured person** capacity).
- 2 Any natural person acting in the capacity as a director of **yours** (not including any administrator, liquidator, receiver or auditor).
- 3 Any shadow director as defined under United Kingdom law or similar legislation in any other country.
- 4 Any **employed person of yours**.
- 5 Any trustee of any pension or employee benefit scheme or trust fund operated or administered by **you**.
- 6 The lawful husband, wife, civil or unmarried partner of an insured person described in **1** to **5** above, only because of their relationship, following a **claim** against the insured person.
- 7 The estates, heirs or legal representatives of any insured person above who has died or become incapacitated, insolvent or bankrupt but only in relation to a **claim** against the insured person.

#### Investigation

Other than investigations by HMRC, any official hearing, investigation, examination, official enquiry or enquiry into **your** or an **insured person's** business carried out by any government department, regulator or third party with legal rights to do so.

For HMRC investigations, investigation is restricted to those enquiries undertaken by the Special Civil Investigations Office under Code of Practice 8 or Code of Practice 9, an enquiry held under section 60 or 61 of the VAT Act 1994 or any matters handled by the National Investigations Service of HMRC.

Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of **your** industry which is not related only to **your** or any **insured person's** conduct.

Any **investigations** involving allegations from the same or essentially the same facts shall be treated as one **investigation**.

**Investigation costs**

Legal and other professional costs and expenses agreed with **us** in writing, incurred directly by **you** or an **insured person** in preparing for and attending any **investigation**.

This does not include salary or any other additional costs of **yours**.

**Limit of liability**

The amount shown in **your policy** schedule as the limit of liability.

**Manslaughter claim**

Any court action brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

**Outside company**

Any company other than **you**:

- 1 that is a charity or association, or;
- 2 in which **you** hold any issued share capital but this does not include
  - a any company registered outside of Great Britain, Northern Ireland, Channel Islands and the Isle of Man
  - b any listed company
  - c any financial services company.

**Period of insurance**

The period from the start date to the expiry date of **your** cover, shown in **your policy** schedule.

**Policy**

The policy and schedule and any endorsements attached or issued.

**Pollutant**

Any contaminant, irritant or other substance including, but not limited to: asbestos, lead, smoke, vapour, water, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals, waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed).

**Pollution**

Actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any **pollutant** or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any **pollutant**.

**Pollution clean up costs**

Costs incurred by **you** or imposed by the Environment Agency or equivalent body in any other territory to investigate and clean up any **pollution** incident.

**Regulatory mitigation costs**

Costs incurred by **you** in reporting and representing **you** following a report to any official regulator to reduce or avoid any potential fine or penalty.

**Retaliatory treatment**

Any actual or alleged action by **you** against an **employed person** as a result of the **employed person** using or trying to use their legal rights.

This includes but is not limited to their rights under employment discrimination statutes.

**Safety legislation claim**

Any prosecution alleging a breach of statutory duty under health and safety, consumer protection or food safety legislation.

**Subsidiary**

Any company where **you**:

- 1 own more than 50% of the share capital
- 2 have a majority of the voting rights
- 3 have the right to appoint or remove a majority of the company's board of directors
- 4 control a majority of its voting rights under a written agreement with other shareholders or members.

If a company ceases to be a subsidiary cover will continue but only for a **claim** caused by a **wrongful act** carried out before it stopped being a subsidiary.

**Tax investigation claim**

- 1 Aspect investigation by HM Revenue and Customs
- 2 Full enquiry by HM Revenue and Customs
- 3 A challenge following a compliance review by HM Revenue and Customs regarding Income Tax, PAYE regulations, National Minimum Wage and National Insurance contributions
- 4 An appeal to VAT or Duties Tribunal up to and including First Tier Tribunal or Upper Tribunal.

**Tax investigation will not include:**

- a any costs incurred in the normal completion of tax or VAT returns
- b any tax investigation where returns have been submitted more than 30 days after the statutory filing deadline
- c any tax investigation where you or any insured person have failed to maintain proper accounting records
- d any tax investigation where

**rradar** assess HMRC findings to be reasonable and there is no realistic prospect of a successful defence.

**Virus or similar mechanism**

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

**We/us/our**

AXA Insurance UK plc.

**You/your/yourself**

The firm, company or organisation shown in the **policy** schedule as the insured.

**Meanings which apply to the Directors’ and officers’ liability section**

These meanings apply within the Directors’ and officers’ liability section of **your policy**.

If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in the Directors’ and officers’ liability section.

**Deprivation of assets expenses**

Costs and expenses of any **insured person** paid directly to the provider of the services listed below as a direct result of any interim or interlocutory order confiscating or suspending the rights of ownership over personal assets or real property of any **insured person** during the **period of insurance**

- 1 schooling;
- 2 housing;
- 3 utilities; or
- 4 personal insurances.

Such costs and expenses shall only be paid where a personal allowance has been directed by a Court to meet such payments and that personal allowance has been exhausted.

**Loss**

Costs and expenses of any claimant and civil regulatory penalties which an **insured person** becomes legally liable to pay and incurred with **our** prior written agreement, to investigate defend or settle a **claim** against any **insured person** and this will include

- 1 defence costs and investigation costs
- 2 awards of damages (including punitive and exemplary damages where legally allowed)
- 3 pre and post judgement interest on a judgement or award covered by this section
- 4 settlements

but this will not include any criminal fines or penalties, taxes (other than those covered under the Tax cover), salary or **employment related benefits**. Civil regulatory penalties are covered only where they are insurable under United Kingdom law.

**Policy territories**

Worldwide.

**Wrongful act**

Any actual or alleged act, error or omission carried out, proposed or attempted by an **insured person** during the performance of their duties but only in their role as **your** director, officer or **employed person** including:

- 1 breach of any duty, including fiduciary or statutory duty
- 2 breach of trust
- 3 negligence, negligent misstatement, misleading statement or negligent misrepresentation
- 4 defamation
- 5 wrongful trading as defined under United Kingdom law
- 6 breach of warranty or authority
- 7 any other act, error or omission attempted or allegedly carried out or attempted by an **insured person** only because of their position as a director, officer or **employed person** of **yours**.

**You/your**

In addition to the policy definition this will include:

- 1 a **subsidiary**, and any **subsidiary** created or acquired during the **period of insurance** provided that the newly created or acquired **subsidiary**:
  - a any company registered outside of Great Britain, Northern Ireland, Channel Islands and the Isle of Man
  - b does not trade any of its securities on any exchange;

But only for a **claim** against an **insured person** caused by a **wrongful act** carried out after the date of creation or acquisition.
- 2 any pension or employee benefit scheme or trust fund of yours.

**Meanings which apply to the Employment practices liability section**

These meanings apply within the Employment practices liability section of **your policy**.

If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in the Employment practices liability section.

**Loss**

Costs and expenses of any claimant and civil regulatory penalties which **you** or an **insured person** becomes legally liable to pay and incurred with **our** prior written consent, to investigate, defend or settle a **claim** against **you** or any **insured person** and this will include:

- 1 defence costs and investigation costs
- 2 awards of damages (including punitive and exemplary damages where legally allowed)
- 3 pre and post judgement interest on a judgement or award covered by this section
- 4 settlements

but this will not include any criminal fines or penalties, salary or **employment related benefits**.

Civil regulatory penalties are covered only where they are insurable under United Kingdom law.

**Policy territories**

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

**You/your**

In addition to the policy definition this will include:

- 1 a **subsidiary**, and any **subsidiary** created or acquired during the **period of insurance** provided that the newly created or acquired **subsidiary** is not registered outside of the United Kingdom; but only for a **claim** against you or an **insured person** caused by a **wrongful act** carried out after the date of creation or acquisition;
- 2 any pension or employee benefit scheme or trust fund of yours.

**Meanings which apply to the Company legal liability section**

These meanings apply within the Company legal liability section of **your policy**.

If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in the Company legal liability section.

**Computer systems**

Any computer, hardware, software, communications system, electronic device (including but not limited to, smart phone, laptop, tablet or wearable device), server, cloud or microcontroller including any system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

**Cyber Attack**

Any malicious attempt or attempts to damage, disrupt or gain access to **computer systems**, networks or devices, via cyber means including an incident in which data, **computer systems** or networks or accessed or affected in a non-authorized way.

**Identity fraud**

Any agreement entered into by anyone other than **you**, pretending to be **you**, for the purpose of committing a criminal or malicious act.

**Infringement of copyright**

Infringement of copyright, patent, trademark or any other intellectual property rights.

**Loss**

Costs and expenses of any claimant and civil regulatory penalties (including prosecution costs) which **you** become legally liable to pay and incurred with **our** prior written agreement to investigate, defend or settle a **claim** against **you** and this will include:

- 1 defence costs and investigation costs

- 2 awards of damages (including punitive and exemplary damages where legally allowed)
- 3 pre and post judgement interest on a judgement or award covered by this section
- 4 settlements

but this will not include any criminal fines or penalties, taxes (other than those covered under the Tax cover), salary or **employment related benefits**.

Regulatory civil penalties are covered only where they are insurable under United Kingdom law and are restricted to the following:

- a Fees for intervention payments due under Health and Safety (Fees) Regulations 2012.
- b Penalties due under the Pensions Act 2008, 2004 and earlier legislation.
- c Environment Agency, Scottish Environmental Protection Agency or equivalent fees due following an **investigation**.

**Policy territories**

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

**Products**

Products that **you** supply, provide or deliver including containers, packaging, labelling, instructions, advice and services in connection with **your** product.

**Telephone fraud**

The dishonest access and use of **your** telephone systems by any third party.

**Third party fraud or forgery**

- 1 The signing, creation or alteration of any cheque, draft, promissory note or other written or electronic instrument with the intention to deceive.
- 2 Telephonic or written instructions acted on by **you** when the instructions are purported to have come from an **insured person**, client, customer, supplier or financial institution but have in fact come from a fraudster.

**Wrongful act**

Any actual or alleged act, error or omission carried out or attempted by **you** including but not limited to:

- 1 breach of any duty, including fiduciary or statutory duty
- 2 breach of trust
- 3 negligence, negligent misstatement, misleading statement or negligent misrepresentation
- 4 breach of warranty or authority.

**You/your**

In addition to the policy definition this will include:

- 1 a **subsidiary**, and any **subsidiary** created or acquired during the **period of insurance** as long

as the newly created or acquired **subsidiary** is not registered outside of the United Kingdom; but only for a **claim** against you caused by a **wrongful act or investigation** carried out after the date of creation or acquisition.

- 2 Any pension or employee benefit scheme or trust fund of yours.

## Making a complaint

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

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

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

### How to make your complaint

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

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

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

Tel: 01204 815359  
 Email: [commercial.complaints@axa-insurance.co.uk](mailto:commercial.complaints@axa-insurance.co.uk)

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

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

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

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

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

### Beyond AXA

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

The FOS is an independent body that arbitrates on complaints about general insurance products. The FOS can only consider **your** complaint if **we** have given **you our** final decision.

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

Telephone: 0800 023 4567\*  
 or 0300 123 9123\*\*  
 Fax: 020 7964 1001  
 Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
 Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

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

### Our promise to you

**We** will

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

Telephone calls may be monitored or recorded.

### Financial Services Compensation Scheme (FSCS)

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

# Definitions Applicable To All Sections of this Policy (Other Than Section 5 – Legal Expenses, And Section 7 – Directors & Officers)

## Accident

a sudden, external and identifiable **Event** that happens by chance and could not have been expected. The word 'accidental' shall be construed accordingly.

## Additional Expenses

means any necessary extra expenses sustained by the **Insured** following a **Postponement** over and above those expenses that would have been incurred had the **Event** not been postponed, or reasonable additional **Costs** incurred to reduce or prevent a **Cancellation, Interruption or Postponement** that has occurred or appears likely to occur.

**Additional Expenses** does not include lost earnings or profit.

## Advertisement

means a notice which is broadcast or published to the general public or specific market segments about the **Insured's products** or services for the purpose of attracting customers or supporters.

## Aggregate Policy Limit

means the maximum amount payable to the **Insured** under any Section of this **Policy** after the application of the terms, conditions and provisions of this **Policy** including any condition of average which applies under the condition entitled Average/Index Linking during the **Period of Insurance** regardless of the number of **Occurrences**.

## Annual Research Establishment Expenditure

means the aggregate amount of **Research Establishment Expenditure** incurred during the twelve months immediately before the date of the damage allowing for the **Trend in the Business**.

## Asbestos

means **Asbestos** in any form, including its presence or use in any alloy, by-product, compound or other material or **Waste**.

## Ascertained Net Expenses

means those actual expenses, **Costs** and/or guarantees or irrevocable monetary commitments including advertising, promotions and exploitation **Costs** (net of salvage or other recoveries, including any portion of revenues that at the time of loss the **Insured** is not obliged to return), which were spent by the **Insured** prior to the **Cancellation or Interruption** of the **Event**.

**Ascertained Net Expenses** does not include lost earnings or profit.

## Bodily Injury

means **Bodily Injury** to any person and includes

1. death illness and disease; or
2. mental injury anguish or nervous shock sustained by any person as a result of actual or threat of **Bodily Injury** death illness or disease.

In respect of the Extension entitled **Data** Breach and Cyber Attack only **Bodily Injury** means physical injury to the body, sickness, disease or death. It does not include psychiatric harm, mental anguish, mental tension, distress, shock or any pain or suffering arising therefrom.

Except, in Section 6 where **Bodily Injury** shall mean An identifiable physical injury;

1. caused solely by Accidental means; and
2. which independently of illness or any other cause;
3. results in the **Insured Person's**
  - death; or
  - disablement;
4. within twenty-four calendar months from the date of the **Accident**.

## Book Value

means bodily historical cost less accumulated depreciation, as reflected in the **Insured's** most recent financial records prior to the date of loss.

## Breakdown

means the actual failure, distortion, breaking or burning out of any part of a machine whilst in use arising from either mechanical or electrical defects in the machinery or failure or fluctuation of the electricity supply causing sudden stoppage of the functions thereof and necessitating repair or replacement before it can resume working.

**Breakdown** does not include damage from any extraneous cause.

## Building

means **Buildings**, including landlords' fixtures and fittings, alterations and decorations therein and thereon including fixed glass (including its framework lettering or any intruder alarm foil attached to it), foundations, walls, gates, fences, car parks, yards, pavements, drains, sewers, piping, cabling, wiring and associated control equipment and accessories only to the extent of the **Insured's** responsibility and liability.

## Business

means the usual commercial activity of the **Insured** and includes:

1. in connection with such **Business**:
  - a) the sale or supply of food and/or drink to **Employees** or others; or
  - b) the provision of first aid security and ambulance services by the **Insured** and maintenance of the **Insured's Premises**.

2. the provision by the **Insured** of sports and social and welfare organisations primarily for **Employees**;
3. private work undertaken by any **Employee** for any **Director**, partner or **Employee** of the **Insured**.

Except, in Section 6 where **Business** shall mean the **Business** of the **Insured** as described in the **Schedule**.

#### **Business Hours**

means any period during which the described **Premises** or contract sites are physically occupied by the **Insured** or an **Employee** entrusted with **Money** for the purposes of the **Insured's Business**.

#### **Business Interruption**

means the **Interruption** of or interference with the **Business** carried on by the **Insured** in consequence of damage that occurs during the **Period of Insurance**.

#### **Cancellation**

means the necessary **Cancellation**, withdrawal, curtailment or abandonment of the **Event**.

#### **Collections**

means any **Fine Art**, including frames, shadowboxes and glasses used in the actual display of the items.

#### **Collections of Others**

means **Collections** not owned by the **Insured**, but in its care, custody, or control or related to the **Scheduled Collections** of the **Insured**.

**Collections of Others** are covered on a wall to wall basis if the loan agreement so requires. This means that cover is provided from the time the items are removed in preparation for shipment from the place where they are normally kept until they are returned

#### **Commuting**

regular travel between normal residence and normal place of work.

#### **Computer Breakdown**

means the actual breaking, distortion or electrical burnout of any item of **Electronic Data Processing Equipment** or part thereof whilst in use at the described **Premises**, causing stoppage of its normal function and requiring its repair or replacement before normal operating conditions prevail.

#### **Computer System**

means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

#### **Consequential Loss**

means loss resulting from **Interruption** of or interference with the **Business** carried on by the **Insured** in consequence of damage.

#### **Contaminate**

means to introduce a foreign material or substance in such a way as to render **Property Insured** unfit for use or sale.

#### **Contents**

means all **Contents** of **Buildings** (other than **Stock**) including:

1. machinery, fixtures and fittings other than landlord's fixtures and fittings, and trade utensils;
2. **Valuable Papers**;
3. patterns, models, moulds, plans and designs;
4. 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 the amount shown in the **Schedule**; and
5. **Electronic Data Processing Equipment**, **Electronic Data Processing Media** and **Mobile Communication Property**

#### **Contract Works**

means the permanent and temporary works executed in performance of the **Contracts Insured** and materials for use in connection therewith.

#### **Contractor**

means any individual person (whether trading in his/her own name or as a limited liability company) placed on a temporary contract or assignment by the **Insured** but only in respect of such temporary contract or assignment

#### **Contracts Insured**

means any contract not exceeding the original estimated contract value stated in the **Schedule** undertaken by or on behalf of the **Insured** involving construction, installation, extension or repair at or within 250 metres of a described **Premises**.

#### **Costs and Expenses**

means

1. **Costs and Expenses** recoverable by any claimant from the **Insured**;
2. **Costs and Expenses** incurred with the written consent of the **Insurer**;
3. the solicitor's fees for representation at any coroner's inquest or fatal **Accident** inquiry or in any **Court** of summary jurisdiction; or
4. compensation to the **Insured** at the following rates per day for each day on which any of the following persons attend **Court** as a witness at the request of the **Insurer**:
  - i) any **Director** or partner of the **Insured** – £ 500
  - ii) any **Employee** – £ 250

#### **Country of Domicile**

the **United Kingdom** or, if not resident in the **United Kingdom**, the country in which the **Insured** Person is habitually resident during the **Period of Insurance**.

**Crime**

means the criminal taking of **Money, Securities or Property** to the **Deprivation** of an **Insured**.

**Crisis Response Expenses**

means that part of expenses which are necessary, reasonable and devoted exclusively to the specific purpose of regaining confidence of the general public or of a specific market segment, but only to the extent that such confidence is substantially impaired as a direct result of **Bodily Injury** or damage, sustained by any person or organisation other than the **Insured**, to which Section 1B of this **Policy** applies.

**Crisis Response Expenses:**

1. include but only in connection with the foregoing:
  - a) advice or service provided by a communications, public relations or other crisis response firm;
  - b) broadcast, electronic, printed, telecast and telephonic announcements, communications and notices;
  - c) overtime remuneration, transportation and accommodation of regular workers;
  - d) procurement, remuneration, transportation and accommodation of persons other than regular workers; or
  - e) first aid administered at the time of an **Accident**;
2. do not include:
  - a) any cost of the **Insured's Products** or any good, product or other **Property** that contains or incorporates the **Insured's Products** or any replacements thereof;
  - b) any **Costs** or expenses to correct any **Defect**;
  - c) any **Costs** or expenses of adjusting, inspecting or repairing any goods or **Products** or any other **Property**;
  - d) any **Costs** or expenses of removing the **Insured's Products** from any good, product or other **Property** that contains or incorporates the **Insured's Products**;
  - e) any **Costs** or expenses of installing any replacement goods or **Products** or any other **Property**;
  - f) any refund to any person or organisation, including any **Costs** or expenses in connection with any refund;
  - g) any **Costs** or expenses in connection with any actual, alleged or threatened malicious alteration or **Contamination** of any goods, **Products** or other **Property**;
  - h) any **Costs** or expenses in connection with regaining control over the **Insured's product** or any good, product or other **Property**

that contains or incorporates the **Insured's Products** or any replacements thereof;

- i) any **Costs** or expenses that would have been incurred or paid regardless of whether or not such **Bodily Injury** or damage occurred; or
- j) the amount of the **Excess** shown in the **Schedule**.

**Customer**

means any party with whom the **Insured** has a direct contractual relationship for the sale or supply of goods, **Property** or services.

**Damage**

direct physical loss of, or destruction of, or damage to the property insured from any sudden and accidental cause except as hereinafter excluded (Applicable to Sections 3&4 only).

**Data**

means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

**Data breach Event**

means the theft, loss or unlawful or unauthorised disclosure of **Personal Data**.

**Declared value**

means the **Insured's** assessment of the cost of reinstatement of the **Property Insured** arrived at in accordance with the Reinstatement Conditions at the level of **Costs** applying at the inception of the annual **Period of Insurance** (ignoring inflationary factors which may operate subsequently) together, insofar as the insurance by the item provides due allowance for such **Costs** under the Clauses entitled:

1. European Union and Public Authorities and sprinkler **System** upgrading **Costs** (including undamaged **Property**);
2. Removal of Debris and Cleaning / Clearing of Drains; or
3. Professional Fees

**Defined Peril**

means:

1. fire;
2. lightning;
3. explosion;
4. aircraft or other aerial devices or articles dropped therefrom;
5. riot;
6. civil commotion;
7. strikers;

8. locked-outworkers;
  9. persons taking part in labour disturbances;
  10. malicious persons;
  11. theft or attempted theft;
  12. earthquake;
  13. storm;
  14. Flood;
  15. escape of water from any tank apparatus or pipe; or
  16. impact by any road vehicle or animal.
3. separately identifiable and removable component computer devices that are attached to covered **Property Insured** and are designed to control such **Property Insured**, but not the **Property Insured** itself;
  4. telecommunications equipment used solely for **Data** protection **Operations**, interconnecting wiring and peripheral equipment used in connection therewith; or
  5. generating and regulating equipment used solely for **Data** protection **Operations**, detection and protection equipment, interconnecting wiring and pipework, and storage equipment used in connection therewith; owned by, or for which the **Insured** is legally liable.

#### **Denial of Service Attack**

means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information **systems**.

**Denial of Service Attack** includes, but is not limited to, the generation of **Excess** traffic into the network addresses, the exploitation of **System** or network weaknesses and the generation of **Excess** or non-genuine traffic between and amongst networks.

#### **Deprivation**

means the **Insured** being deprived of the use or possession of the whole or part of its **Property** outside the **United Kingdom** by reason of the **Insured** being prevented from exporting its **Property** because the **Insured** is unable to obtain the necessary export licence.

#### **Director**

any person holding the position of **Director** with the **Policyholder** but not non-executive directors unless otherwise agreed in writing with the **Insurer**.

#### **Effective Data**

means the time, during a **Period of Insurance**, when an **Insured** Person is covered – as detailed in the **Policy Schedule**.

#### **Effective Time**

the time, during a **Period of Insurance**, when an **Insured** Person is covered, as detailed in the **Policy Schedule**.

#### **Electronic Data**

means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical **Data** processing or electronically controlled equipment and includes programs, software and other coded instructions for the processing and manipulation of **Data** or the direction and manipulation of such equipment.

#### **Electronic Data Processing Equipment**

means:

1. computers, **Computer Equipment**, computer peripherals;
2. climate control, and protection equipment, used solely for **Data** processing **Operations**;

#### **Electronic Data Processing Media**

means computer records and/or media or storage devices (whether used or unused), programs (but excluding the value to the **Insured** or the information therein); storage racking and carrying cases, owned by or for which the **Insured** is legally liable.

#### **Electronic Data Recovery Costs**

mean the reasonable and necessary **Costs** incurred by the **Insured** to:

1. copy, re-create, replace or retrieve **Electronic Data** owned or used by the **Insured**, or which resides on a **System** owned or leased by the **Insured**; or
2. restore a **System** owned or leased by the **Insured** to the functionality that existed prior to the **Malicious Programming**.

**Electronic Data Recovery Costs** does not include the cost to repair or replace **Electronic Data Processing Equipment** or **Mobile Communication Property**.

#### **Employee(s)**

means any person under a contract of service or apprenticeship with the **Insured**. **Employee** also includes the following while working for the **Insured** in connection with the **Business**, in which case they will be considered to be employed by the **Insured**:

1. any person under a contract of service or apprenticeship with another employer and who is hired to or borrowed by the **Insured**;
2. any labour master and any person supplied by him;
3. any person engaged as a labour-only sub-**Contractor** and any person supplied by him;
4. any self-employed person performing work of a kind ordinarily performed under a contract of service or apprenticeship with the **Insured**;
5. any person supplied to or by the **Insured** under a contract or agreement the terms of which deem such person to be in the employment of the **Insured** for the duration of such contract or agreement;

6. Placed Personnel Any natural person placed by the Insured Organisation in the regular service of a **Customer** as a temporary, permanent or casual **Employee**, whether full or part time who is under a **Customer's supervision**
7. any work experience student or trainee; or

#### Employee Benefit Plan

means any:

1. **Accident**, dental, disability, healthcare, homeowners, life, motor vehicle, unemployment or **Employee** compensation;
2. deferred compensation, financial planning, investment subscription, pension, profit sharing, retirement, severance or share ownership; or
3. expense reimbursement, holiday, savings, training or travel; account, insurance, payment, plan or programme, or any similar benefit.

#### Estimated Gross Profit

means the amount declared by the **Insured** to the **Insurer** as representing not less than the **Gross Profit** which it is anticipated will be earned by the **Insured's Business** during the financial year most nearly concurrent with the **Period of Insurance** (or a proportionately increased multiple thereof where the Maximum **Indemnity Period** exceeds twelve (12) months).

#### Estimated Gross Revenue

means the amount declared by the **Insured** to the **Insurer** as representing not less than the **Gross Revenue** which it is anticipated will be earned by the **Insured's Business** during the financial year most nearly concurrent with the **Period of Insurance** (or a proportionately increased multiple thereof where the Maximum **Indemnity Period** exceeds 12 months).

#### Event

means any commercial **Event** organised by or on behalf of the **Insured** in connection with the **Insured's Business**.

#### Excess

the first amount of a **Claim**, expressed as a monetary amount or a percentage of the loss, which the **Insured** must bear.

#### Expropriatory Conduct

means any act of confiscation, expropriation, nationalisation, requisition, sequestration or wilful destruction, by law, order or administrative action of a government other than that of the **United Kingdom** which expressly and permanently deprives the **Insured** in whole or in part, of the use or possession of its **Property**.

#### Extortion Threat

means a threat or threats (including actual or alleged **Kidnapping**) made by a person or group demanding a ransom or extortion payment or a series of such payments as a condition for the mitigation or removal of such threats.

All such threats:

1. related by a common committed, attempted or threatened **wrongful act**; or
2. made contemporaneously against the **Insured** or an **Employee** of the **Insured** or **Property**;

shall be deemed to constitute a single **Extortion Threat** if made by the same person or group. Any **Extortion Threats** made by the same person, group or collaborating groups with the apparent purpose of creating a cumulative or continuing coercive effect upon the **Insured** shall be considered related threats, whether the ransom or extortion demands are for a single payment or for separate payments.

#### Fine Art

means:

1. paintings, rare books, sculptures, manuscripts, pictures, prints, etchings, drawings, tapestries, bronzes, statuary, potteries, porcelains, marbles and other bona fide works of art; or
2. items of rarity or historical value.

#### Flood

means the escape of water from its normal, natural or artificial confines (other than tanks, apparatus or pipes) or inundation from the sea including tidal wave or tsunami.

#### Greening

means to rebuild, replace, repair or restore in a manner that aims to minimise potential harm to the environment utilising the latest available technology including, but not limited to the upgrading of taps, showers, urinal toilets, grey water and rainwater systems, air conditioning and **Building** cooling systems, ventilation systems, lighting, the provision of hot water and heating systems and the provision of "green" roofs.

#### Gross Profit

means the amount by which the sum of the amount of the **Turnover** and the amounts of the closing **Stock** and work in progress shall exceed the sum of the amounts of the opening **Stock** and work in progress and the amount of the **uninsured working expenses**.

The amounts of the opening and closing **Stock** and work in progress shall be arrived at in accordance with the **Insured's** normal accountancy methods, due provision being made for depreciation. The words and expressions used in this definition shall have the meaning usually attached to them in the books and accounts of the **Insured**.

#### Gross Revenue

means the **Money** paid or payable to the **Insured** for services rendered in the course of the **Insured's Business** at the described **Premises**, excluding any **Rent Receivable**.

#### Hacking

means unauthorised access to any computer or other equipment or component or **System** or item which processes, stores, transmits, retrieves or receives **Data** whether the **Property** of the **Insured** or not.

#### Increased Cost of Working

means the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the:

1. reduction in **Turnover**, if **Gross Profit** is the applicable Basis of Settlement in the **Schedule**; or
2. reduction in **Gross Revenue**, if **Gross Revenue** is the applicable Basis of Settlement in the **Schedule**;

3. reduction in **Rent Receivable**, if **Rent Receivable** is the applicable Basis of Settlement in the **Schedule**;  
or
4. increase in **Research Establishment Expenditure**;

and which, but for that expenditure, would have taken place during the **Indemnity Period**.

#### **Indemnity Period**

means the period beginning with the **Occurrence** and ending not later than the Maximum **Indemnity Period** or that **Indemnity Period** more specifically set out in the **Schedule** thereafter during which the results of the **Insured's Business** shall be affected in consequence of the damage.

#### **Informant**

means any person providing information solely in return for monetary payment paid or promised by the **Insured**.

#### **Insider**

means a person, organisation or computer expressly authorised by the **Insured** to access a **System**.

#### **Insured**

means the party or parties described as such in the **Schedule**

#### **Insured Amount per Week**

means one-fiftieth part of the **Research Establishment Expenditure** incurred during the financial year immediately before the date of the damage allowing for the **Trend in the Business**.

#### **Insured Person**

Means any person or category of persons shown in the **Policy Schedule**.

#### **Insurer(s)**

means the **Insurer(s)** whose identity is stated in the **Schedule**.

#### **Interruption**

means the necessary **Interruption** of an **Event** which is in progress.

#### **Kidnapping**

means the wrongful abduction and holding under duress or by fraudulent means of any **Employee** of the **Insured** by any person or group making a ransom demand or series of ransom demands for the release of such **Employee**.

#### **Limit of Indemnity or Limit of Liability**

means the limit or limits of liability stated in the **Schedule** to apply to any Section or sub-Section.

#### **Loss of attraction**

means as a reduction in the number of people using the **Premises** or where the **Premises** forms part of a larger complex development or shopping centre, causes a reduction in the number of people using the same.

#### **Malicious Programming**

means an illegal or malicious entry into **Electronic Data** or a **System** or **Phishing** which results in functions that: distort, corrupt, manipulate, copy, delete, destroy, or slow down such **Electronic Data** or **System**.

**Malicious Programming** does not mean theft of telephone services or damage to **Electronic Data Processing Equipment, Electronic Data** or **Mobile Communication Property**.

#### **Malware**

means programs, files or instructions of a malicious nature which may disrupt, harm, impede access to or in any way corrupt the operation of or **Data** within any software or **Computer System**, including malicious code, ransomware, cryptoware, viruses, trojans, worms or logic or time bombs.

#### **Material Damage Excess**

The amount (or amounts) shown in the **Schedule** which the **Insurer** will deduct from each and every **Claim** at each separate **Premises** after the application of Average. See the **Policy Condition - Average**.

#### **Medical Treatment**

means;

1. any form or type of medical clinical or surgical advice diagnosis treatment remedy or procedure and/or
2. any form of care or aid assistance advice or supervision either associated therewith or arising therefrom.

#### **Mobile Communication Property**

means cellular telephone, laptop computers, pagers, personal digital assistants, mobile hand held global positioning systems and other hand held communication devices.

#### **Money**

means:

1. Negotiable **Money**:  
  
cash, bank and currency notes, cheques and giro cheques (other than blank or partly completed cheques and giro cheques), travellers cheques, bankers drafts and giro drafts, postal orders, **Money** orders, national savings certificates, and unused current postage stamps, and unexpired units in franking machines, trading stamps national insurance stamps (whether affixed to cards or otherwise) national savings and holiday with pay stamps, bankers drafts, promissory notes, bonds, **Securities**, bills of exchange, dividend warrants and gift tokens, luncheon vouchers, consumer redemption vouchers all belonging to the **Insured** or for which it has accepted responsibility; and
2. non-negotiable **Money**.

#### **Non-negotiable Money**

means crossed cheques, crossed giro cheques, crossed bankers drafts, crossed giro drafts, crossed postal orders, crossed **Money** orders, **Premium** bonds, unused national insurance stamps, national savings certificates, credit card sales vouchers, debit card sales vouchers, VAT purchase invoices all belonging to the **Insured** or for which it has accepted responsibility.

### Notifiable Disease

means illness sustained by any person resulting from food or drink poisoning or any human infectious or human contagious disease, an outbreak of which the competent local authority has stipulated must be notified to them, but excluding:

1. Avian Influenza and/or Influenza A (H5N1) or any mutant variation thereof;
2. Swine Influenza and/or Influenza A (H1N1) or any mutant variation thereof; or
3. Severe Acute Respiratory Syndrome (SARS) and/or Atypical Pneumonia or any mutant variation thereof.

### Nuclear Installation

means any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument, being an installation designed or adapted for the:

1. production or use of nuclear or atomic energy;
2. carrying out of any process which is preparatory or ancillary to the production or use of nuclear or atomic energy and which involves or is capable of causing the emission of ionising radiations; or
3. storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter, being matter which has been produced or irradiated in the course of the production or use of nuclear fuel.

### Nuclear Reactor

means any plant (including any machinery, equipment or appliance whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

### Nuclear Source

means any:

1. ionising radiation or **Contamination** by radioactivity from any nuclear fuel or from any nuclear **Waste** from the combustion of nuclear fuel; or
2. radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component thereof.

### Occupation

carrying out the duties of employment in the Business.

### Occurrence (Section 1B)

means, in respect of Section 1B Extension entitled Crisis Response only, an accidental **Event**, including continuous or repeated exposure to substantially the same general harmful conditions.

### Occurrence (Section 3)

means the ascertainment that the use or consumption or storage of the **Products** has caused or would cause **Bodily Injury** to a person or damage which creates the need to recover possession or control of the **Products** from any purchaser distributor or user and/or to destroy or dispose

of such **Products** but only as a result of one or more of the following events:

1. the accidental omission by the **Insured** of a substance or component in the **Products**;
2. the accidental introduction or the accidental substitution by the **Insured** of a deleterious substance or of a defective component in the **Products**; or
3. an unintentional error or deficiency in the manufacture design blending mixing compounding packaging or labelling of the **Products** by the **Insured** but only if such error or deficiency is known or recognised as such in the industry at the time such error or deficiency occurred.

A recall by order of a government, federal, state, or other regulatory body or official shall also be an **Occurrence**

provided that any such recall is a result of an **Event** specified in sub-paragraphs 1. 2. or 3. above.

Occurrence also means:

1. for earthquake, including any resulting tsunami:
  - a) one earthquake; or
  - b) a series of earthquake shocks occurring within any period of 72 hours.
2. for volcanic eruption:
  - a) one volcanic eruption; or
  - b) a series of volcanic eruptions occurring within any period of 72 hours.
3. for windstorm involving, in whole or in part, any of the perils of weather:
  - a) one weather **Event**; or
  - b) a series of related weather events occurring within 72 hours.
4. for all other perils:
  - a) one **Event**; or
  - b) a series of causally related events that:
    - i) contribute concurrently to; or
    - ii) contribute in any sequence to the loss or damage.

For the purposes of this definition, any earthquake or volcanic eruption, or series of earthquake shocks or volcanic eruptions will be deemed to occur at the time of the first shock or eruption.

### Officer

means a partner, **Director**, **Officer** or **Employee** of the **Insured**.

### Offshore

means from the time of embarkation on to a vessel or aircraft for conveyance to any **Offshore Rig, Offshore Platform or Offshore Installation** including associated accommodation, until disembarkation from a conveyance on to land upon return therefrom.

### Offshore Rig

means any **Offshore** structure (including a mobile **Offshore** drilling unit) containing a derrick or mast, draw-works and attendant surface equipment for the purposes of performing, drilling or workover operations.

### Offshore Platform or Offshore Installation

means any immobile **Offshore** structure from which development wells are drilled and/or produced

### Operations

means the **Business Activities** of the **Insured** occurring at the described **Premises** including the activities of the **Insured** as a lessor of **Premises** prior to the **Malicious Programming**.

### Outsider

means a person, organisation or computer not authorised to access a **System**.

### Outsourced Services

means those **Business** functions which the **Insured** has contracted others to perform on its behalf at a reduced cost.

### Pen Underwriting Limited

This **Policy** has been produced by **Pen Underwriting Limited** a Managing General Agent of the **Insurers**. The **Insurers** have delegated authority to **Pen Underwriting Limited** to underwrite Insurance and handle **Claims** for **You** on their behalf.

### Period of Insurance

means the period of time stated in the **Schedule** or any subsequent period for which the **Insured** shall have paid and the **Insurer** shall have accepted a renewal **Premium**.

Except in Section 6, where **Period of Insurance** shall mean the period between and inclusive of the dates shown From: and To: in the **Policy Schedule** commencing at 00.00 hours on the earliest date shown and expiring at 24.00 hours on the latest date shown. Both dates and times refer to local standard time at the address of the **Insured** as shown in the **Policy Schedule**.

### Period of Recovery of Computer Services

means the period of time that for:

1. **Electronic Data Recovery Costs** begins immediately after the **Malicious Programming** occurs; and
2. **Business Interruption** begins 24 normal **Business Hours** after the **Malicious Programming** occurs.

**Period of Recovery of Computer Services** will continue until the earlier of the following:

1. the date **Operations** are restored, with due diligence and dispatch, to the condition that would have existed had there been no **Malicious Programming**; or

2. 60 days after the date the **Insured** restores, with due diligence and dispatch, a **System** to the functionality that existed prior to the **Malicious Programming**.

In determining the condition of **Operations** that would have existed had there been no **Malicious Programming**, no consideration will be given to unfavourable market conditions or competitive advantage gained by others as a result of such **Malicious Programming**.

### Personal and Advertising Injury

means injury other than **Bodily Injury** occurring as a direct result of any of the following offences:

1. false arrest, detention or imprisonment or malicious prosecution; or
2. wrongful entry or eviction which interferes with the right of private occupancy; or
3. oral or written publication of material in any **Insured's Advertisement** which constitutes slander or libel or disparages goods, **Products** or services; or misappropriation of advertising ideas in any **Insured's Advertisement**; or
4. infringement of copyright, **Trade Dress** or slogan in any **Insured's Advertisement**.

In the **Event** of a series of the same **Personal and Advertising Injury** offences being committed over a period of time:

1. all offences of such series shall be treated as though they were committed on the date of the first of such offences committed during the **Period of Insurance**;
2. no indemnity shall be provided hereunder in respect of any offences committed prior to the inception date of this **Policy**; and
3. no indemnity shall be provided hereunder in respect of any offences committed after the expiry of the **Period of Insurance**.

### Personal Data

Means:

1. an individual's name, national identity number or national insurance number, medical or healthcare **Data**, other protected health information, driver's licence number, state identification number, credit card number, address, telephone number, email address, account number or passwords; or
2. any other non-public personal information as defined in the **Privacy Regulations**;

in any format if such information creates the potential for an individual to be uniquely identified or contacted.

### Phishing

means any access or attempted access to **Data** or information made by means of misrepresentation or deception.

### Policy

means the formal wording of the **Insured's** insurance

**Policyholder**

the person, firm, company or organisation named as the **Insured** in the **Policy Schedule**.

**Policy limit**

means the maximum amount payable by the **Insurer** under Sections 1,2 and 3 of this **Policy** for any one **Occurrence**.

**Postponement**

means the necessary **Postponement**, delay or suspension of an **Event** for a period of time, not exceeding sixty (60) days from the planned date.

**Premises**

means **Premises** (as per details lodged with the **Insurer**), anywhere in the **Territorial Limits**, owned, leased or occupied by the **Insured** for the purpose of the **Business**.

**Premium**

the amount shown on the **Policy Schedule** in respect of the specified **Period of Insurance** or any amount which subsequently becomes due as a result of alteration, adjustment or renewal of the **Policy**.

**Privacy Regulations**

means laws and regulations applying anywhere within Great Britain Northern Ireland the Isle of Man or the Channel Islands to the care, custody, control or use of **Personal Data**

**Products**

means anything sold, supplied, altered, constructed, repaired, serviced, designed, tested, installed or processed by or on behalf of the **Insured** including containers, packaging or labelling and which is not in the possession of the **Insured** at the time of the **Occurrence**.

**Property Insured**

means **Buildings, Contents, Fine Art, Stock and Contract Works** belonging to the **Insured** or held by the **Insured** in trust or on commission for which the **Insured** is responsible.

**Prototypes**

means a first or original model of a new type of design.

**Rate of Gross Profit**

means the rate of **Gross Profit** earned on the **Turnover** during the financial year immediately before the date of the damage allowing for the **Trend in the Business**.

**Rent Payable**

means the amount of rent which continues to be payable by the **Insured** in respect of the **Building** or portions of the **Building** whilst unfit for **Occupation** in consequence of the damage but the **Insurer's** liability shall be limited to;

1. the loss suffered within the period of rent as shown in the **Schedule** which commences from the date of the Damage; and
2. the Sum **Insured** shown in the **Schedule**.

**Rent Receivable**

means the amount of the rent received or receivable from the letting of the described **Premises**.

**Research and Development Operations**

means the **Insured's Business Activities** at the **Premises** which are directly related to or directly support the development of new **Products** or enhancements of existing **Products**.

**Research and Development Property**

means written, printed or inscribed documents, plans, records or formulas; processes or cultures and resulting **Products**, samples or other materials produced by such processes or cultures; and **Prototypes**, if produced and directly associated with **Your Research and Development Operations**.

**Research and Development Property** does not mean

animals, **Money** or **Securities, Property** held for sale or held for delivery after sale, goods the **Insured** has manufactured which are in their completed state and ready for sale or **Mobile Communication Property**.

**Research Establishment Expenditure**

means the amount of expenditure on **research and development Operations** by the **Insured** at the **Premises** excluding the relative cost of raw materials consumed, **Income** derived from research undertaken under contract by the **Insured** on behalf of **customers** and financing transactions.

**Remediation Costs**

means reasonable expenses incurred with the written consent of the **Insurer** in the investigation quantification monitoring abatement removal disposal treatment neutralisation or immobilisation of **Pollution Conditions** to the extent required by **Environment Law**.

**Restoration Costs**

means reasonable and necessary **Costs** incurred by the **Insured** with the prior written consent of the **Insurer** to restore, repair or replace real or personal **Property** to substantially the same condition it was in prior to being damaged during work performed in the course of incurring **Remediation Costs**.

**Restoration Costs** shall not exceed the appraised market value of such **Property** immediately prior to incurring

**Remediation Costs** or include **Costs** associated with improvements or betterments.

**Retroactive Date**

means the date stated as such in the **Schedule**

**Salary**

means the direct compensation paid by the **Insured** to an **Employee** for personal services rendered, including normal bonus, commissions, standard incentive payments, health benefits, welfare benefits or pension benefits.

**Schedule**

is part of this contract of insurance and contains details of **the Insured**, the **Premises**, the **sums Insured**, the **Period of Insurance** and the sections of this contract of insurance which apply.

**Scheduled Collections**

means **Collections** which are individually listed with an assigned value as set out in the **Schedule** or on file with the **Insurer**.

### Securities

means negotiable and non-negotiable instruments or contracts representing either **Money** or other **Property** and shall include commodities, futures and options.

### Specified Territory

means England, Wales or Scotland but not the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987 and not Northern Ireland, the Channel Islands or the Isle of Man.

### Standard Gross Revenue

means the **Gross Revenue** during that period in the twelve (12) months immediately before the date of the damage which corresponds with the **Indemnity Period** allowing for the **Trend in the Business**.

### Standard Rent Receivable

means the amount of the **Rent Receivable** during the period corresponding with the **Indemnity Period** in the 12 months immediately before the date of the damage, allowing for the **Trend in the Business**.

### Standard Turnover

means the **Turnover** during that period in the twelve (12) months immediately before the date of the damage, which corresponds with the **Indemnity Period**.

### Stock

means:

1. **Stock** and materials in trade, and
2. supplies used in packing and shipping thereof.

### Subsidiary Organisation

means an organisation that the **Insured** either directly or indirectly controls through:

1. holding a majority of the voting rights;
2. the right to appoint or remove a majority of its board of directors; or
3. controlling alone, pursuant to a written agreement with other shareholders, a majority of the voting rights therein.

### System

means a computer and all input, output, processing, storage, off-line media, library, mechanical and communication facilities, and anything which relies on a microchip for any part of the operation, which are connected to such computer, provided such computer and facilities are:

1. owned and operated by the **Insured**;
2. leased and operated by the **Insured**; or
3. utilised by the **Insured** pursuant to a written contract.

### Territorial Limits

means anywhere within Great Britain Northern Ireland the Isle of Man or the Channel Islands. Elsewhere in the world the indemnity granted by

Section 1 of the **Policy** is extended to apply in respect of any **Employee** whilst temporarily outside the **Territorial Limits** stated above, provided that such **Employee** normally resides within the **Territorial Limits** stated above.

Section 1B of this **Policy** is extended to apply in respect of the activities (excluding manual work in the United States of America or Canada or in any territory within the jurisdiction of either such territory) in the course of the Business of the directors, partners and/or **Employees** of the **Insured** or of any Contractor temporarily engaged outside the **Territorial Limits** stated above.

Section 1B of this **Policy** shall apply to occurrences anywhere in the world caused by **Products** supplied from or worked upon in the **Territorial Limits** stated above.

### Terrorism

means any:

1. act involving 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 or overthrow any government and/or to put the public, or any section of the public, in fear.
2. act or failure to act in controlling, preventing or suppressing **Terrorism**.

### Trade dress

means any right enforceable at law to the extent that it relates to the overall visual appearance of a **Business** and its **Products** and/or services and the manner in which they are packaged and/or presented.

### Trend in the Business

means adjustments to provide for the trend of the **Insured's Business** and variations in other circumstances affecting that **Business** either before or after the damage or which would have affected that **Business** had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage.

### Trespass nuisance or obstruction

means **Trespass Nuisance or Obstruction** or interference with any easement right of air light water or way.

### Turnover

means the **Money** paid or payable to the **Insured** for goods sold and delivered and for services rendered in course of the **Insured's Business** at the described **Premises**.

### Underground storage tank

means any tank, including associated underground piping connected to such tank, in existence at the inception of this **Policy** or installed thereafter that has at least ten (10) percent of its volume below ground.

### Uninsured working expenses

means 100% of:

1. purchases less discounts received;
2. discounts allowed;
3. carriage packing and freight; or
4. bad debts.

### United Kingdom

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

### Unscheduled Collections

means **Collections** which are not individually set out in the **Schedule** or on file with the **Insurer**, but are similar in nature, or related to the **Scheduled Collection** of the **Insured**.

### Valuable Papers

means documents (including stamps thereon), manuscripts, plans and writings of every description, **Business** books and books (written and printed), but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up such documents, manuscripts and **Business** books, (excluding any expense in connection with the production of information to be recorded therein) and not for the value to the **Insured** of the information they contain.

### Virus or Similar Mechanism

means program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, **Data** files or **Operations**, whether involving self-replication or not.

**Virus or Similar Mechanism** includes but is not limited to "trojan horses", "worms" and "logic bombs".

### Waiting period

means the period immediately following damage before the **Indemnity Period** commences and during which time the **Insurer** shall not be liable for any loss sustained by the **Insured**.

### War

means any:

1. hostile or warlike action in time of peace or **War** (including any act or failure to act in controlling, preventing or suppressing any actual, impending or expected attack) by any:
  - a) government authority or sovereign power (de jure or de facto) or by any authority maintaining or using military, naval or air forces;
  - b) military, naval or air forces; or
  - c) agent of any government power, authority or force;
2. insurrection, rebellion, revolution, civil **War**, usurped power or any activity of any organisation the

objects of which are or include the overthrowing or influencing of any government or sovereign power (de jure or de facto) by any violent means, or any act or failure to act by government authority or sovereign power (de jure or de facto) in controlling, preventing or suppressing such activity; or

3. weapon of **War** employing atomic fission, atomic fusion, radioactive force or radioactive material, whether in time of peace or **War**.

### Except in Section 6 where War shall mean

armed conflict between nations, invasion, act of foreign enemy, civil **War**, military or usurped power.

### Waste

means any material to be recycled, reconditioned or reclaimed.

### We/Us/Our

means **Pen Underwriting Limited**, except in Section 5 - Legal Expenses where **We/Us/Our** shall mean **Abbey Legal Protection**.

### Wrongful Act

means breach of professional duty by reason of any negligent act, error, or omission

### You/Your/The Policyholder

means the person or persons named in the **Schedule** as the **Insured**

# Offshore Endorsement

Solely in respect of liability arising from work **Offshore** the following Endorsements are added to this **Policy**:

## Offshore Extension

- (1) The Employees Offshore Exclusion of Section 1A – Employers' Liability of this **Policy** is deleted
- (2) The **Limit of Liability** applicable under Section 1A of this **Policy** in respect of **Bodily Injury** sustained by **Employees** while **Offshore** is GBP5,000,000 and not as stated in the **Schedule**.

## Contractual Liability Extension

With regard to contracts entered into by the **Insured** relating to the supply of services to the oil and gas industry the Contractual Liability Exclusion of Section 1B – Public and Products Liability of this **Policy** does not apply to liability assumed by the **Insured** under any contract or agreement entered with any party including:

- (a) any hold harmless indemnity and/or waiver of rights of recourse against such party
- (b) any indemnity given to such party
- (c) any agreement that insurance effected by such party shall not be brought into contribution with this **Policy** in which circumstances the Non-Contribution General provision of this **Policy** shall not apply

and the **Insurer** will indemnify such party as an additional insured in the terms of this **Policy** when so required by such contract.

Provided always that

- i) the conduct and control of all claims for which the **Insurer** may be liable under this Extension shall be vested in the **Insurer**
- ii) such party shall observe fulfil and be subject to the terms of this **Policy** as far as they can apply
- iii) this Extension does not apply to liability assumed under such contract to the extent that such assumption of liability places upon the Insured responsibility for the sole negligence of any party who is not
  - (a) a party to or a potential beneficiary of such contract

or

  - (b) a signatory to the LOGIC Mutual Hold Harmless Deed
- iv) the **Limit of Liability** shall not be increased hereby.

## Territorial Limits

Solely with regard to contracts entered into by the **Insured** relating to the supply of services to the offshore oil and

gas industry and notwithstanding the **Territorial Limits** Definition the indemnity granted by this **Policy** is extended to apply anywhere in the world

Notwithstanding the **Territorial Limits** Definition the indemnity granted by this **Policy** is extended to apply anywhere in the world

- (a) for Section 1A in respect of any **Employee** outside the **Territorial Limits** and
- (b) for Section 1B in respect of the activities in the course of the **Business** of any **Employee** outside the **Territorial Limits**

Provided that

- (i) such **Employee** is engaged under a contract of employment with the **Insured** entered into in the United Kingdom
- (ii) this Extension does not apply to liability for which insurance or security is compulsory by law
- (iii) this Extension does not apply to claims or legal proceedings brought or originating in the United States of America or in any other territory within the jurisdiction of the United States of America
- (iv) the **Insured** shall repay to the **Insurer** all sums paid by the **Insurer** under this Extension which the **Insurer** would not have been liable to pay in Great Britain Northern Ireland the Isle of Man or the Channel Islands but for the provisions of any law relating to compulsory insurance of liability to employees in such territories.

## Hazardous Work Exclusion

It is understood and agreed that this **Policy** does not apply to any liability in respect of the following activities unless the **Insurer** has agreed otherwise in writing:

- a) diving or working underwater
- b) erection and/or dismantling of scaffolding
- c) use of explosives
- d) use **Offshore** of electric, oxy-acetylene or other welding or flame cutting plant or blow lamps or torches
- e) work undertaken by Drilling Crew.

It is further agreed between the **Insurer** and the **Insured** that the premium for this insurance has been calculated accordingly.

For the purpose of this Exclusion, Drilling Crew means any worker involved in **Offshore** drilling operations including but not limited to drillers, toolpushers, derrick hands, pit watchers, rotary helpers and roustabouts.

### Loss Of Underground Resources

Notwithstanding anything contained herein to the contrary, Section 1B of this **Policy** does not apply to liability in respect of:

1. Damage to any Underground Resources.  
  
Underground Resources means
  - a) oil, gas, water or other mineral substances which have not been converted to physical possession above the surface of the earth or sea
  - b) any well, hole, shaft, pipeline (including process transportation and storage facilities), formation, stratum, reservoir, or area in or through which exploration for or production of any substance is carried on
  - c) any casing, pipe, bit, tool, pump or other drilling or well servicing machinery or equipment located beneath the surface of the earth or sea in any such well, hole or shaft.
2. costs and expenses incurred in restoring a place of exploration and/or exploitation to a safe and workable condition.
3. costs and expenses incurred in the removal of material property from a place of exploration and/or exploitation.
4. seepage, pollution and/or contamination, including costs and expenses incurred in the prevention, clean-up, minimisation or limitation thereof, emanating from Underground Resources.

### Offshore Visits – Declaration Basis

In respect of Section 1A of this **Policy** the **Insured** shall supply to the **Insurer** a completed Offshore Declaration Form in the format prescribed by the **Insurer** for **Employee** visits **Offshore** in respect of the North Sea and Irish Sea for each of the following periods

01st January to 31st March 01st April to 30th June

01st July to 30th September 01st October to 31st December

excluding visits completed outside the **Period of Insurance**.

If the **Insured** fails to supply such completed Offshore Declaration Form within 30 days from the end of each period the **Insurer** may:

- (a) cancel this **Policy** in accordance with the Cancellation General provision of this **Policy**
- (b) require amendment to the terms, Exclusions and Conditions of this **Policy**
- (c) impose additional terms, Exclusions and Conditions.

If the **Insured** fails to accept any amended and/or additional terms, Exclusions or Conditions, the **Insurer** may cancel this **Policy** in accordance with the Cancellation General provision of this **Policy**.

# Optional Extentions

**These Extentions are applicable only if stated as such in the Schedule**

whom the Insured is undertaking work or services or providing goods where such party is responsible for setting out the terms of the contract or agreement

## 1. Domiciliary Care Workforce

The Company will indemnify in the terms of Section 1B of this Policy any individual who is a member of the Insured's Domiciliary Care Workforce.

This Extension will apply as though a separate Policy had been issued to each such individual.

The Company hereby waives all rights of subrogation which it may have against such individual in respect of any claim made under Section 1B of this Policy.

"Domiciliary Care Workforce" means Contractors supplied to support incapacitated or ill persons by way of domestic work errands or basic personal care but not including any Medical Treatment.

Provided that

- a) such persons are not entitled to indemnity under any other policy;
- b) such persons shall as though the Insured be subject to the terms of this Policy in so far as they can apply;
- c) the Limit of Liability shall not be increased hereby.

## 2. Medical Treatment

The Medical Treatment Exclusion does not apply to liability caused by the incorrect administering of, or failure to administer, any drug medicine or thing prescribed by a qualified medical practitioner

Provided always that the liability of the Company under this Extension shall not exceed GBP 500,000 in respect of any one claimant.

Subject otherwise to the terms, Exclusions Conditions endorsements and Limits of Liability applicable to Section 1B of this Policy.

## 3. Waiver of Subrogation

This Extension applies to Sections 1A and 1B only.

Where the Insured enters into any contract or agreement with a Principal in which the Principal imposes conditions waiving the rights of the Insured to recover losses from the Principal the Company also agrees to waive its right of subrogation acquired in accordance with the terms of this Policy which entitle it to pursue the Principal for the recovery of any payments or sums made by or incurred by the Company on behalf of the Insured.

For the purposes of this Extension, Principal means the other party to a contract or agreement for

