

Motor Trade

Headlight

Policy

Allianz Insurance plc | Commercial

Allianz 



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Introduction

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

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

We work in partnership with Your insurance adviser to ensure You receive the highest levels of product and service excellence. Our technical experts understand how best to protect You against the risks Your business faces. You don't have to take Our word for it. Allianz Insurance has won many industry accolades including General Insurer of the Year in 2004 and 2005.

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

Should You need further details or have any questions Your insurance adviser will be delighted to help.

The basis of this contract is the information which You have sent to Us and/or the declaration which You have signed and which has been sent to Us.

Your Headlight Policy is made up of several parts which must be read together as they form Your contract. Please take time to read all parts of the Policy to make sure they meet Your needs and that You understand the terms, exclusions and conditions. If You wish to change anything or if there is anything You do not understand, please let Your insurance adviser know – adjustments are easily made and We will be pleased to help.

Important

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

The parts of the Policy are:

- this Introduction and the Insuring Clause
- the Statement of Fact or Proposal Form
- this Introduction; the General Definitions; the General Exclusions and General Conditions, all of which apply to all Sections of the Policy
- the Sections of cover selected by You, including the Exclusions and Conditions which apply to the Section
- the Schedule, which includes all clauses applied to the Policy while the Policy is in force
- the Certificate(s) of Motor Insurance issued with Your Policy.

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

We will indemnify You in accordance with and subject to the terms of this Policy, in consideration of the payment to Us of the premium for the Period of Insurance.

We will supply a new Policy document should You require it at renewal.

We contribute to the Financial Services Compensation Scheme (FSCS).

You may be entitled to compensation from the FSCS if We are unable to meet Our liabilities. For compulsory insurance You may be entitled to compensation up to 100% of the claim. For all other types of insurance You may be entitled to compensation of up to £2,000 for the first part of the claim and 90% of the remainder of the claim. Further information about compensation scheme arrangements is available from the FSCS.

Signed on behalf of Allianz



Andrew Torrance
Chief Executive

General Definitions

1 Business Hours

The period during which authorised persons are on The Premises for the purpose of The Business.

2 Certificate of Motor Insurance

Evidence of the existence of motor insurance as required by law. It contains details of who may drive the Insured Vehicle or Rental Vehicle subject to any clauses specified in the Schedule and describes the purposes for which the Insured Vehicle or Rental Vehicle may be used.

3 Employee/Employees

- a Any person under a contract of service or apprenticeship with You
- b any of the following persons whilst working for You in connection with The Business
 - i any labour master or labour only subcontractor or person supplied by him
 - ii any self-employed person providing labour only
 - iii any trainee or person undergoing work experience
 - iv any voluntary helper
 - v any person who is borrowed by or hired to You

4 Excess/Excesses

The first part of each and every claim for which You are responsible.

5 Geographical Limits

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

6 Goods Carrying Vehicles

A Vehicle or Insured Vehicle which is manufactured and used for the carriage of goods.

7 Period of Insurance

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

8 Private Car

A Vehicle or Insured Vehicle which is a passenger carrying motor vehicle with not more than 8 seats (excluding the driver).

9 Property/Property Insured

Buildings, Tenants Improvements, All Other Property, Stock, Vehicles and other items shown and/or described in the Schedule.

10 Schedule

The document that sets out details of The Insured and the Sections of the Policy which are operative including The Premises, Property Insured, Sum Insured, Limit of Indemnity and clauses applying to the Policy.

11 Section/Sections

The parts of this Policy that detail the insurance cover provided by this Policy.

12 Sum Insured

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

13 Terrorism

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

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

In the event that any part of the limitation and/or exclusion of Terrorism being found to be invalid or unenforceable, the remainder shall remain in full force and effect.

14 The Business

The trade or business activities shown in the Schedule conducted solely from The Premises and includes:

- a the repair, alteration, servicing, maintenance and recovery of motor vehicles, the sale or supply of motor vehicles, spare parts, components, accessories or fuel
- b the pre-delivery check of new vehicles and the fitting of additional accessories to such vehicles
- c the examination of motor vehicles in accordance with the Motor Vehicles (Tests) Regulations
- d the provision of assistance to emergency services or Public Authorities
- e the provision and management of canteen, social, sports and welfare organisations for the benefit of Employees and Your fire, medical, security, first aid, safety and ambulance services, and private work undertaken with Your consent by Employees for any director, partner or senior official of You
- f property owners in respect of premises to which this Policy applies and premises previously owned and occupied in connection with The Business
- g exhibitions and corporate events.

15 The Premises

The buildings or land at the locations shown in the Schedule.

16 Total Sum Insured

The maximum total amount payable by Us under any Section.

17 We/Us/Our/Ourselves

Allianz Insurance plc. Subsequently referred to as 'The Insurer' or 'Allianz Insurance'.

18 You/Your/The Insured

The Insured under the terms of this Policy (also the Policyholder stated on the Certificate of Motor Insurance) and includes, in the event of Your death, any of Your personal representatives in respect of liability incurred by You.

Section 1 – Material Damage

Definitions

The General Definitions of this Policy apply to this Section and in addition:

1 All Other Property

Machinery plant and tools, all other contents whilst at The Premises including but not limited to:

- a office furniture and equipment
- b documents, manuscripts and business books but only for the cost of the materials and clerical labour expended in reproducing such records
- c computer systems records but only for the cost of the materials and of clerical labour and computer time expended in reproducing such records for an amount not exceeding £10,000 in total
- d patterns, models, moulds, plans or designs
- e fuel pumps, underground tanks and associated pipes and cables.

2 Buildings

Buildings built of brick, stone, concrete, concrete block or uninsulated metal cladding and roofed with slate, tile, metal, concrete, asbestos, cement sheeting or felt on timber at the location shown in the Schedule including landlords fixtures and fittings, fixed glass, outbuildings, kiosks, canopies, fixed signs, walls, gates, fences, artificially created ground surfaces and any mains services.

3 Damage

Accidental loss, destruction or damage.

4 Intruder Alarm Installation

All the component parts detailed in the alarm specification and includes the devices used to transmit or receive signals.

5 Keyholder/Keyholders

You or any person or keyholding company authorised by You who

- a is available at all times to
 - i accept notification of faults or alarm signals relating to the Intruder Alarm Installation
 - ii attend and allow access to The Premises.

- b has been fully trained in the operation of the Intruder Alarm Installation, including but not limited to the setting/unsetting of the installation.

6 Money

Negotiable and non-negotiable money belonging to You or for which You are responsible.

7 Property In Transit

Stock and All Other Property whilst away from The Premises, in transit by road, rail, sea, inland waterways or air transport anywhere within the Geographical Limits excluding money.

8 Responsible Person

You or any adult person authorised by You to be responsible for the security of The Premises.

9 Stock

Stock and materials in trade and work in progress other than Vehicles, including spare parts, fuel and oil stocks.

10 Tenants Improvements

Tenants structural improvements, interior decorations, fixtures, fittings, glass and sign writing.

11 Unoccupied

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

12 Vehicle/Vehicles

Vehicles, including accessories, plant and equipment fixed thereto, trailers and the contents of these Vehicles.

Cover

Indemnity

We will pay You the value of the Property Insured shown in the Schedule in respect of Damage by any cause not excluded occurring during the Period of Insurance, or at Our option reinstate or replace such property or any part of such property.

We will also pay for the reasonable costs of effecting emergency repairs to the property, following Damage which is the subject of indemnity under this Section.

Provided that Our liability in respect of any one loss or in the aggregate in any one Period of Insurance shall not exceed:

- i the Sum Insured shown in the Schedule for each item or in the whole the Total Sum Insured by this Section
- ii any limit of liability shown in the Schedule or this Section.

Property Insured

- 1 Property as shown in the Schedule
 - a belonging to You
 - b in Your custody or control
 - c for which You are responsible under any lease, hire, rental or similar contractual agreement,

in connection with The Business but excluding commercial loads of customer's vehicles.
- 2 Personal property included under the Vehicles and contents items (excluding vehicles and property fixed thereto) belonging to partners, directors and Employees whilst such property is on The Premises, or in the custody or control of such persons whilst they are working or travelling in connection with The Business, if not more specifically insured.

Architects', Surveyors' and Consulting Engineers' Fees

The insurance by each item on Buildings, Tenants Improvements and All Other Property includes an amount in respect of Architects', Surveyors' and Consulting Engineers' Fees necessarily and reasonably incurred in the reinstatement or the repair of the Property Insured consequent upon its Damage but not for preparing any claim, it being understood that the amount payable for such Damage and fees shall not exceed in the aggregate the Sum Insured by each item.

Average (Underinsurance)

- a Each Sum Insured, shown in the Schedule, other than under Rent, Vehicles and Stock, is separately subject to the following Condition of Average:

whenever a Sum Insured is declared to be subject to Average, if such sum shall at the commencement of any Damage be less than the value of the property covered within such Sum Insured, the amount payable by Us in respect of such Damage shall be proportionately reduced.

- b Each Sum Insured under Vehicles and Stock in the Schedule is separately subject to the following Condition of Average:

whenever a Sum Insured is declared to be subject to Average, then, if such sum shall at the commencement of any Damage be less than 85% of the value of the property covered within such Sum Insured, the amount payable by Us shall not exceed that proportion of the amount of the Damage which the said Sum Insured shall bear to the full value of the Property Insured.

Reinstatement (Day One Basis)

In the event of the Property Insured under Buildings, Tenants Improvements and All Other Property being destroyed or damaged, the basis upon which the amount payable under each of the said items to be calculated, shall be the reinstatement of the property destroyed or damaged, subject to the following Reinstatement Provisions and subject also to the terms of this Policy except in so far as the same may be varied hereby. For the purposes of the insurance under this clause:

- 1 'reinstatement' shall mean: The carrying out of the aftermentioned work, namely
 - a where property is destroyed, the rebuilding of the property if a building, or, in the case of other property, its replacement by similar property, in either case in a condition equal to but not better or more extensive than its condition when new
 - b where property is damaged, the repair of the Damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.
- 2 the 'Cost of Reinstatement' shown in the Schedule shall mean Your assessment of the actual cost of reinstatement of the Property Insured (shown in the Schedule in brackets below the Sum Insured) arrived at in accordance with paragraph 1a above at the level of costs applying at the commencement of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with, in so far as the insurance by the items provides, due allowance for:
 - a the additional Cost of Reinstatement to comply with Public Authority requirements,
 - b professional fees,
 - c debris removal costs.

Reinstatement Provisions

- i The work of reinstatement (which may be carried out upon another site and in any manner suitable to Your requirements subject to Your liability not being thereby increased) must be commenced and carried out with reasonable despatch otherwise no payment beyond the amount which would have been payable under the Section if this clause had not been incorporated therein shall be made.
- ii When any Property Insured under this clause is damaged or destroyed in part only Our liability shall not exceed the sum representing the cost which We could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- iii No payment beyond the amount which would have been payable under the Section if this clause had not been incorporated therein shall be made until the Cost of Reinstatement shall have been actually incurred.
- iv Each item insured under this clause is declared to be separately subject to the following Condition of Average namely:

If at the time of loss the Cost of Reinstatement of the property covered by such item be less than the actual cost (as defined in paragraph 2 of this clause) at the commencement of the Period of Insurance then Our liability for any loss hereby insured shall be limited to that proportion thereof which the Cost of Reinstatement bears to the actual cost.
- v No payment beyond the amount which would have been payable under the Section if this clause had not been incorporated therein shall be made if at the time of any Damage to any Property Insured hereunder such property shall be covered by any other insurance effected by or on behalf of You which is not upon the identical basis of reinstatement set forth herein.
- vi Where by reason of any of the above Reinstatement Provisions no payment is to be made beyond the amount which would have been payable under the Section if this clause had not been incorporated therein the rights and liabilities of Us and You in respect of the Damage shall be subject to the terms and conditions of the Section except that payment is limited to the Cost of Reinstatement and any items insured under this clause are subject to Average as described in the above Provision [iv](#).
- vii The Sums Insured shall be limited to 115% of the Cost of Reinstatement.

Machinery Re-erection Costs

The insurance on machinery and plant under All Other Property includes the cost of re-erection and fixing machinery and plant and testing and commissioning in consequence of Damage hereby insured. Our liability under this clause shall not exceed the Sum Insured shown in the Schedule.

Rent

We will indemnify You if the Buildings or any part of the Buildings are unfit for occupation following Damage, for the proportion of the Rent Sum Insured shown in the Schedule for the period necessary for reinstatement.

Workmen

Workmen are allowed on The Premises for the purpose of making minor extensions or alterations, maintenance or the like from time to time without prejudice to this insurance.

Contract Price

In respect of any Vehicle (including accessories, plant and equipment fixed thereto) or spare part component or accessory of a vehicle sold but not delivered for which You are responsible and with regard to which under the Conditions of Sale the Sale Contract is by reason of the Damage cancelled either wholly or to the extent of such Damage, Our liability shall be based on the Contract Price, and for the purpose of Average the value of all such property to which this clause would in the event of Damage be applicable shall be ascertained on the same basis.

Contracting Purchasers' Interest

If at the time of Damage to the Buildings shown in the Schedule You shall have contracted to sell Your interest in these Buildings and the purchase has not been but shall afterwards be completed, the purchasers on the completion of the purchase (if and so far as the property is not otherwise insured against such Damage by them or on their behalf) shall be entitled to the benefit of this Section without prejudice to the rights and liabilities of You or Us until completion.

Money

Definitions

Non-Negotiable Money

Crossed cheques, crossed postal orders, crossed bankers drafts, National Insurance stamps fixed to cards, National Savings certificates, Premium Bonds, credit sales vouchers or receipts and V.A.T. purchase invoices.

Negotiable Money

Cash, bank and currency notes, uncrossed cheques, uncrossed postal orders, luncheon vouchers, current postage stamps, National Insurance stamps not fixed to cards, National Savings certificates, bankers drafts, National Lottery scratch cards, holiday with pay stamps, unexpired units in franking machines and gift tokens, consumer redemption vouchers and unused tax discs and phone cards.

Money In Transit

Money in Transit in Your personal custody or that of any partner, director or authorised Employee of You or of a security organisation approved by Us.

This Section shall cover Money up to the Limits specified for each of The Premises shown in the Schedule.

In respect of this Cover:

- a** it is a condition precedent to liability that Negotiable Money In Transit (excluding unused tax discs), other than by an approved security organisation, will be accompanied by:
 - i** one able-bodied adult up to £3,000
 - ii** two able-bodied adults when in excess of £3,000
 - iii** three able-bodied adults when in excess of £6,000
- b** it is a condition precedent to liability that unused tax discs will be accompanied by:
 - i** one able-bodied adult up to £50,000
 - ii** two able-bodied adults when in excess of £50,000
- c** Exclusion 5 Dishonesty shall not apply to any loss arising from the lack of integrity of any Employee discovered within thirty working days of the occurrence.
- d** We shall not be liable for any loss of Money and unused tax discs in a specified locked safe out of Business Hours unless all of the safe keys are removed from The Premises.

Deterioration of Goods

We will indemnify You against Damage to goods in any refrigeration cabinet or cold room at The Premises shown in the Schedule by deterioration or putrefaction solely and directly caused by:

- a** a rise or fall in temperature as a result of
 - i** Damage to or a fault in the refrigerating machinery
 - ii** failure of the public supply of electricity to the terminal ends of the supply undertaking's service feeders at The Premises
 - iii** accidental failure of the electrical installation connecting the refrigerating machinery to the supply undertaking's service feeders
- b** the action of the refrigerant or refrigerant fumes which have escaped from the refrigerating machinery.

For the purposes of this clause:

- 1** the words "gradual deterioration" and "change in temperature" are deleted from Exclusions **1a** and **1c** of this Section.
- 2** the Limit is as shown in the Schedule.
- 3** Indemnity shall not apply to
 - A** Damage
 - i** under **a ii** of this clause caused by:
 - a** drought
 - b** a deliberate act of the supply undertaking not performed for the sole purpose of the safeguarding of life or protecting any part of the supply undertaking's system
 - c** a scheme of rationing not necessitated solely by accidental damage to the supply undertaking's generating or supply equipment
 - ii** caused by any wilful act or neglect by You
 - iii** caused by faulty packing or stowage, inherent defect or any form of normal trade loss.
 - B** the first £25 of any claim for Damage, unless the claim exceeds £125.

Extensions

1 Public Authorities

The insurance by each item on Buildings, Tenants Improvements and All Other Property extends to include such additional Cost of Reinstatement of which is incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of any Act of Parliament or with bye-laws of any Public Authority or to comply with the stipulations of European Union legislation in consequence of Damage provided that:

- 1 The amount recoverable shall not include:
 - a the cost incurred in complying with any of the above regulations or bye-laws:
 - i in respect of Damage occurring prior to the granting of this extension
 - ii in respect of Damage not insured by this Section
 - iii under which notice has been served upon You prior to the happening of the Damage
 - iv in respect of undamaged property or undamaged portions of property
 - b the additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the above regulations or bye-laws not arisen
 - c the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner of it by reason of compliance with any of the above regulations or bye-laws.
- 2 The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve months after the Damage or within such further time as We may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the above regulations or bye-laws so necessitate) subject to there being no resulting increase in Our liability.
- 3 If Our liability under any item of this Section shall be reduced by the application of any of the terms and conditions of this Policy/Section (other than as a result of this Extension) then Our liability in respect of any such item shall be reduced in proportion.

- 4 The total amount recoverable under any item of this Section shall not exceed its Sum Insured.

2 Capital Additions

This insurance extends to cover alterations, additions or improvements to the Buildings, machinery or plant insured up to a maximum of 10% of the Sum Insured it being understood that You undertake to advise Us each quarter of such alterations, additions or improvements and to pay the appropriate additional premium.

3 Removal of Debris

The insurance by all items of this Section other than Rent extends to include costs and expenses necessarily incurred by You with Our consent in:

- a removing and disposing of debris, de-watering and distilling
- b dismantling and/or demolishing
- c shoring-up or propping

of the portion or portions of the Property Insured by the said items destroyed or damaged.

We will not pay for any costs or expenses:

- i incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
- ii arising from pollution or contamination of property not insured by this Section.
- d the removal of any unintentionally immobilised plant.

Our liability in respect of any item shall not exceed the Sum Insured shown in the Schedule.

4 Automatic Reinstatement of Loss

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

5 Loss of Metered Water

This section extends to cover additional metered water charges incurred by You as a result of Damage insured by this Policy, but excluding loss resulting from

- a Damage in respect of any building that is Unoccupied

- b Accidental escape of water from any automatic sprinkler installation in The Premises.

The basis upon which the amount payable is to be calculated shall be the amount of water suppliers charges for the period during which Damage occurred, less the charge payable by You for the corresponding period in the preceding year, adjusted for alterations in the water suppliers charges for variations affecting Your water consumption during the intervening period, subject to Our liability not exceeding £10,000.

This Extension is not subject to any condition of Average (Underinsurance).

6 Personal Accident Assault and Victim Care

Definitions

Insured Person

You and any partner, director or Employee aged between 16 and 70 years.

Accident

Bodily injury caused by violent external and visible means.

Loss of Limb(s)

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

Loss of Sight

Total and permanent Loss of Sight will be considered as having occurred:

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

which has lasted 3 consecutive months of the Insured Person's lifetime and is at the end of that period beyond hope of improvement.

Permanent Total Disablement

Any permanent disablement other than Loss of Sight or Loss of Limb which having lasted without interruption for at least 12 months is without any reasonable prospect of improving and in the opinion of an independent qualified medical referee acceptable to Us will in all probability permanently, completely and continuously prevent the Insured Person from engaging in or giving attention to his or her usual occupation for

the remainder of his or her life.

Temporary Total Disablement

A disablement which wholly prevents the Insured Person from performing each and every function of his or her usual occupation but is not Permanent Total Disablement.

Temporary Partial Disablement

A disablement which wholly prevents the Insured Person from performing more than 50% of the functions of his or her usual occupation but is not Permanent Total Disablement.

We undertake that if during the continuance of this Section any Insured Person whilst engaged in connection with The Business shall as a direct result of an Accident:

- A involving assault or violence or threat thereof sustain an Accident We will pay to You compensation according to the following Scale of Compensation:

Item	Compensation Payable
1 In respect of an Accident resulting directly and independently of any other cause within 12 months in	
a Death	£20,000
b Loss of Limb(s) (one or more) and/or Loss of Sight of one or both eyes	£20,000
c Permanent Total Disablement	£20,000
d Temporary Total Disablement	£200*
e Temporary Partial Disablement	£100*
*per week during such disablement	
2 In respect of the cost of cleaning repairing or replacing lost or damaged clothing or personal effects of the Insured Person	up to £400

- B of Money involving assault or violence or threat thereof suffer social and/or emotional impairment. We will pay the fees for professional counselling.

The amount payable shall not exceed

- 1 an hourly cost of more than £80
- 2 £2,000 for any one Insured Person in respect of any one incident
- 3 £10,000 in total for all Insured Persons as a result of any incident.

Limitations

In respect of each Insured Person compensation shall not be payable:

- 1 in respect of **A** above
 - a under more than one of the Items of the Scale of Compensation for the consequences of the same Accident other than under
 - i Item **1e** preceding or following Item **1d**
 - ii Item **1c** following 104 weeks of Item **1d**
 - b under Item **1d** and **1e** for more than 104 weeks in all in respect of one Accident
 - c for death injury or disablement caused or contributed to or by any pre-existing physical defect infirmity or disease
 - d unless the Insured Person is under the care of a duly qualified medical practitioner and if required submits to medical examination at Our expense. In the event of death of the Insured Person We shall be entitled to make arrangements for a post mortem examination
- 2 in respect of **B** above unless
 - a such counselling is recommended by a qualified medical practitioner and agreed to by Us before costs are incurred and
 - b the counsellor selected is recognised by the Institute of Complementary Medicine.

7 Legal Liability – Commercial Loads of Customers Vehicles

We will indemnify You against legal liability to pay for Damage to commercial loads belonging to or held in trust by Your customer whilst stored on The Premises or in transit in or on any Vehicle in Your custody or control and carried in connection with The Business for the Limit shown in the Schedule provided that We shall not be liable:

- a for consequential loss of any kind
- b in respect of liability assumed by You under any agreement unless such liability would have attached in the absence of such agreement
- c for any property belonging to or hired to You or any member of Your family or household or any partner, director or Employee or any member of their family or household
- d for Damage caused by theft unless force and violence is used to enter or leave any Vehicle or any building in which such property is stored or hold-up by violence or threats of violence.

8 New for Old (Vehicles)

In respect of

- i any Vehicle owned and registered by You, or
- ii any Private Car, Goods Carrying Vehicle under 7.5 Tonnes Gross Vehicle Weight or motor cycle owned and registered in the name of a customer of You

since new and during the period of twelve months from the date of its first registration, if it is either:

- a lost by theft and not recovered within 28 days of the date on which the theft is first reported to Us in writing
- b damaged to an extent greater than 50% of its list price (inclusive of tax) at the time of such Damage

We will, at Your request and subject to the consent of other interested parties known to Us, replace such Vehicle with a new one of the same manufacture and model, subject to availability, and thereafter the lost or damaged Vehicle shall be Our property.

9 Financial Loss (New and Unused Vehicles)

If We have agreed that a new and unused Vehicle (which is the subject of indemnity under this Section) has become unsaleable as an unused Vehicle, We will pay any additional discount made necessary as a direct result of such claim to effect a sale.

10 Damage to Buildings (Following Theft)

When Buildings are not covered in the Schedule this insurance is extended to include the cost for which You are responsible for making good Damage to Buildings due to theft or attempted theft.

11 Locks and Keys

This Section extends to include the cost of replacing locks or lock mechanisms, keys, key cards and remote control transmitters necessary to maintain the security of The Premises, Vehicles and any safe or strongroom against access following theft of keys, key cards or remote control transmitters by force and violence (or threat thereof against any partner director or Employee of You) for an amount not exceeding £10,000 any one occurrence of theft.

The maximum We will pay for all losses of theft occurring during one Period of Insurance is £50,000.

12 Sonic Bangs

General Exclusion 4 shall not apply in respect of subsequent Damage to the Property Insured resulting from an ensuing cause which is not otherwise excluded.

13 Temporary Removal

This section extends to include Buildings, Tenants Improvements, Stock and All Other Property whilst temporarily removed to anywhere within the Geographical Limits excluding

- a any amount in excess of 10% of the Sum Insured for each of the items, Buildings, Tenants Improvements, Stock and All Other Property shown in the Schedule
- b any amount in excess of £15,000
- c property whilst at any exhibition
- d Employees' Tools
- e Stock and All Other Property In Transit.

14 Seasonal Increase

The Vehicles Sum Insured is increased by 30% during the months of February, March, August and September.

15 Exhibitions

This insurance covers the Property Insured, other than Vehicles, whilst at any exhibition anywhere in the United Kingdom up to the Limit shown in the Schedule, including accidental damage whilst in the course of any demonstration, erection, dismantling or construction by You

but excluding:

- a loss due to theft other than involving entry to or exit from the buildings by forcible and violent means or hold-up by violence or threats of violence

- b the first £250 of each and every loss subject to the terms and conditions of this Section
- c loss of or damage due to theft from any vehicle which is left unattended unless the vehicle is securely locked and the keys or key card removed.

16 Subrogation Waiver

In the event of a claim arising under this Section We agree to waive any rights remedies or relief to which You might become entitled by subrogation against

- a any Company standing in the relation of Parent to Subsidiary or Subsidiary to Parent to You as defined in the Companies Act or Companies (N.I.) Order, as appropriate, current at the time of the Damage
- b any Company which is a Subsidiary of a Parent Company of which You are a Subsidiary in each case within the meaning of the Companies Act or Companies (N.I.) Order, as appropriate, current at the time of the Damage.

17 Employees' Tools

This Section extends to include tools the property of the Employees', for which You accept responsibility, whilst away from The Premises anywhere within the Geographical Limits. The maximum We will pay in respect of any one Employee is £2,500 (provided the Sums Insured in the Schedule are adequate).

18 Clearing of Drains

The insurance in respect of Buildings extends to cover expenses necessarily and reasonably incurred in cleaning clearing and/or repairing drains, gutters and sewers in consequence of Damage insured by this Policy on The Premises.

19 Fire Extinguishers and Sprinklers

We will pay the reasonable costs incurred by You in re-filling fire extinguishers and replacing sprinkler heads, solely in consequence of Damage.

20 Trace and Access

In the event of Damage in consequence of escape of water or fuel oil from any tank, apparatus or pipe, We will pay costs necessarily and reasonably incurred by You in locating the source of such Damage, and in the subsequent making good of Damage caused as a consequence of locating such source, up to an amount of £10,000 any one claim.

21 Landscaped Grounds

Cover includes costs incurred by You in consequence of Damage to Property Insured at The Premises, up to an amount of £10,000 any one claim, in restoring landscape grounds to their original appearance when first laid out and planted, but We will not pay for costs arising due to the failure of trees, shrubs, plants, turf and the like to germinate or become established.

22 Property in Transit

This Section extends to include Property In Transit up to the Limit shown in the Schedule but excluding

- a Employees' tools
- b Contents of customers' Vehicles and personal property in any other vehicle.

Exclusions to Section 1

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

1 Miscellaneous Exclusions

Damage caused by:

- a inherent vice, latent defect, gradual deterioration, depreciation, wear and tear, or its own faulty or defective design except for subsequent Damage resulting from an ensuing cause which is not otherwise excluded
- b collapse or cracking of Buildings except for Damage resulting from a cause which is not otherwise excluded
- c its own mechanical or electrical breakdown or failure, corrosion, rust, change in temperature, wet or dry rot, shrinkage, evaporation, loss of weight, change in colour or texture or finish, vermin or insects except for
 - i Damage resulting from a cause which is not otherwise excluded
 - ii subsequent Damage resulting from an ensuing cause which is not otherwise excluded

- d faulty or defective materials or workmanship except for subsequent Damage resulting from an ensuing cause which is not otherwise excluded. This Exclusion shall not apply to any Vehicle or spare part component or accessory of a vehicle caused by its repair, alteration, service, maintenance, treatment, test or examination provided that We shall not be liable in respect of all costs of or arising from the need for:
 - i the rectification of the original repair or alteration
 - ii carrying out again the service, maintenance, treatment, test or examination that gave rise to the Damage
- e derangement of computer equipment unaccompanied by Damage to such equipment
- f the effects of rain, sleet, snow or dust to property not designed to be kept in the open whilst it is in the open

2 Frost

Damage caused by frost to:

- a the Property Insured under Buildings and Tenants Improvements except for:
 - i Damage to water tanks apparatus and pipes and water damage resulting therefrom unless occurring in an unoccupied premises
 - ii subsequent Damage resulting from an ensuing cause not excluded in 2ai above or elsewhere
- b other property not designed to be kept in the open whilst in the open except for subsequent Damage resulting from an ensuing cause which is not otherwise excluded.

3 Vehicles

Damage to any

- a motor vehicle, including accessories, plant and equipment fixed thereto
- b trailer whilst attached to a motor vehicle for the purpose of being towed or whilst being conveyed on another motor vehicle or its trailer including Damage sustained during the operations of loading or unloading,

occurring elsewhere than on The Premises.

4 Inner Property Limits

Any amounts in excess of the Inner Property Limits at each of The Premises shown in the Schedule in respect of Damage to:

- a portable hand tools of every description
- b in vehicle entertainment equipment whether or not contained in vehicles, mobile phones and MP3 players
- c Property In Transit for any one claim
- d all cigarettes, tobacco, CDs, DVDs, wines and spirits and clothing stocks
- e contents of customers' vehicles and personal property in any other vehicle
- f commercial loads of customers' vehicles.

5 Dishonesty

Loss caused by any act of fraud or dishonesty by You or any partner, director or Employee of You.

6 Theft by Deception

Loss resulting from You or any partner, director or Employee of You voluntarily parting with title or any rights of ownership of any property if induced to do so by any fraudulent scheme, trick or false pretence.

7 Inventory

Any unexplained loss, mysterious disappearance, or loss or shortage discovered on taking inventory.

8 Subsidence

Damage caused by

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

9 Pollution or Contamination

Damage caused by pollution or contamination except for Damage which is not otherwise excluded by:

- i pollution or contamination which itself is caused by or results from the perils of fire, lightning, explosion, aircraft, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, tempest, flood, escape of water from any tank, apparatus or pipes, impact by any road vehicle or animal or accidental damage (except such accidental damage caused by errors or omissions)
- ii any of the perils listed in i above which itself is caused by or results from pollution or contamination
- iii atmospheric conditions.

10 Changes in Water Table Level

Damage attributable solely to changes in the water table level.

11 Electrical Apparatus

If any electrical plant or fittings shall be damaged by fire occasioned by self-ignition, over-running, excessive pressure, short-circuiting, self-heating or leakage of electricity, We shall not be liable for Damage in respect of the particular piece of plant or fitting which shall have caused the fire, but We shall be liable for loss in respect of any other plant or fittings damaged in consequence of the fire.

12 Confiscation, Requisition etc.

Damage occasioned by confiscation, requisition, seizure or destruction by order of the Government or any Public authority.

13 Unoccupied Buildings

Damage in respect of any Buildings which are Unoccupied caused by

- a freezing
- b escape of water from any tank, apparatus or pipe
- c malicious persons not acting on behalf of or in connection with any political organisation, but We will pay for such Damage caused by fire or explosion.

Conditions

The General Conditions of this Policy apply to this Section and in addition:

1 Intruder Alarm Installation

Where The Premises or part of The Premises are protected by an Intruder Alarm Installation

- a such Intruder Alarm Installation
 - i must not be altered or amended in any way unless such amendment or alteration has been approved in writing by Us
 - ii must be maintained under contract with the installers or as otherwise approved in writing by Us
- b all keys to the Intruder Alarm Installation must be removed from The Premises when The Premises are unattended
- c You must
 - i maintain the secrecy of codes for the operation of the Intruder Alarm Installation and no details of such codes shall be left on The Premises when The Premises are unattended
 - ii immediately notify Us upon receipt of any communication giving notice that the level of response to the Intruder Alarm Installation has been or will be reduced or delayed
 - iii appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company and alarm receiving centre
- d in the event of notification of
 - i any fault in the Intruder Alarm Installation
 - ii activation of the Intruder Alarm Installation
 - iii interruption of the means to transmit or receive signals to or from the Intruder Alarm Installation

during any period that the Intruder Alarm Installation is set a Keyholder must attend The Premises as soon as possible

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

2 Additional Protections/Keys

- a any additional protection required by Us shall be fitted in accordance with Our requirements and together with all other devices for the protection of the Property Insured shall be kept in good order and put into full and effective operation
- b all keys including duplicate keys necessary to maintain the security of The Premises against access and egress shall be removed from the secured premises or kept within a specified locked safe We agree in writing.

3 Designation of Property

For the purpose of determining where necessary the Item under which any property is insured it is agreed by Us to accept the designation under which such property has been entered in Your books.

4 Unoccupied Premises

Unless We agree in writing, if The Premises or parts of The Premises are Unoccupied, You must

- a turn off electricity, gas and water supplies at the mains and drain down the water system
- b organise an inspection of The Premises to be carried out by a Responsible Person at least once in every seven days
- c board-up all ground floor and any other easily accessible external doors and windows.

Section 2 – Motor Vehicle Road Risks

Definitions

The General Definitions of this Policy apply to this Section and in addition:

1 Insured Value

The actual market value of the Insured Vehicle at the time of the loss or damage.

2 Insured Vehicle

- a any motor vehicle, including accessories, plant and equipment fixed thereto described in paragraph 1 of the current Certificate of Motor Insurance
- b any disabled motor vehicle and/or any trailer attached to a vehicle described in a above for the purpose of being towed
- c any vehicle and/or trailer whilst being conveyed on a vehicle or trailer described in a or b above used, in connection with The Business in, or otherwise in, accordance with the 'Limitations as to Use' as described in paragraph 6 of the current Certificate of Motor Insurance.

3 Theft

The term 'Theft' used in this Section shall include the offence of 'taking a motor vehicle or other conveyance without authority' as defined in Section 12 of the Theft Act 1968.

The following Definitions shall apply to Indemnity 8 only.

4 Costs

We will pay the following on Your behalf:

- a The professional fees and expenses reasonably and properly charged by the Legal Representative on a Standard Basis, up to the standard rates set by the courts, which You cannot recover from Your opponent.
- b Your opponent's costs in civil cases which You are ordered to pay by a court or tribunal or which You pay to Your opponent with Our written agreement.

We will only pay You costs which We consider are necessary and in proportion to the value of Your claim.

We will only start to cover costs from the time We have accepted Your claim in writing and appointed the Legal Representative.

5 Legal Representative

A solicitor, barrister or any other appropriately qualified person appointed in the name of and on behalf of You with the agreement of Us to act for You in accordance with the terms of this Indemnity.

6 Standard Basis

The assessment of Costs which are proportionate to Your claim.

7 We/Us/Our

Allianz Insurance plc trading as Allianz Legal Protection.

Interpretation

Custody or Control

Any Insured Vehicle in the custody or control of any 'Person or Persons Entitled to Drive' as described in paragraph 5 of the current Certificate of Motor Insurance shall, for the purpose of indemnifying You, be deemed to be in Your custody or control.

Comprehensive

Cover under all Indemnities.

Third Party Fire & Theft

Cover under all Indemnities (but cover under Indemnity 2 – Damage is restricted to loss or damage caused by fire, explosion or theft).

Third Party Only

Cover under all Indemnities (except Indemnity 2 – Damage).

Cover

(Type of cover is shown in the Schedule)

Indemnity 1 – Public Liability

1 We will indemnify You against all sums (including costs recovered by any claimant and/or costs incurred in the defence of any claim where a claim is contested by Us, or with Our written consent) which You shall be legally liable to pay arising out of

- i the use of
- ii goods falling from
- iii and during the operation of loading or unloading

the Insured Vehicle for any purpose permitted by Your Certificate of Motor Insurance and with Your consent and resulting from

- a accidental death of or bodily injury to any person
 - b accidental damage to any property up to a maximum of £10,000,000 any one occurrence or series of occurrences arising from any one originating cause except that if accidental damage is caused by or in connection with Terrorism the indemnity is limited to £5,000,000 for any one occurrence or series of occurrences arising from one originating cause.
- 2 We will also similarly indemnify
- a any person driving or using the Insured Vehicle with Your permission subject particularly to Exclusion 1
 - b any passenger whilst in, mounting into, or dismounting from the Insured Vehicle.
- 3 in respect of any event which may be the subject of Indemnity under this Section, We will arrange and pay for
- a representation by a solicitor at any Coroner's Inquest or in any Court of Summary Jurisdiction
 - b providing defence on any charge of manslaughter or of causing death by reckless or dangerous driving.

Special Extension

Motor Contingency

For the purpose of this Indemnity, We will deem any vehicle owned or provided and driven by any Employee of You for the purpose of The Business to be in the custody or control of You as though such vehicle was the Insured Vehicle provided that We shall not be liable if at the time of any accident there is any other existing insurance covering the same liability.

Exclusions to Indemnity 1

We shall not be liable:

- 1 for death of or bodily injury to any person arising out of and in the course of that person's employment by the person claiming to be indemnified where indemnity is provided under the Employers Liability Section of this Policy or any other policy issued to comply with employers liability law
- 2 for damage to property belonging to or held in trust by, or in the custody or control of, the person claiming to be indemnified, or property being conveyed by the Insured Vehicle
- 3 for loss of or damage to any vehicle or trailer in connection with which Indemnity is being claimed under this Section
- 4 under 2 and 3 of this Indemnity to indemnify any person
 - a unless such person shall be subject to the terms of this Policy in so far as they can apply
 - b if such person is entitled to indemnity under any other policy
- 5 for any contractual liability
- 6 for death or bodily injury to any person or damage arising out of the presence of the Insured Vehicle in or on part of an aerodrome, airport, airfield or military base provided for
 - a the take off or landing of aircraft or the movement of aircraft on the surface
 - b aircraft parking aprons including the associated service roads, refuelling areas, ground equipment parking areas, maintenance areas and hangars.

Indemnity 2 – Damage

We will indemnify You against

- 1 loss of or damage to the Insured Vehicle up to the Insured Value. If We agree to pay for damage to be repaired We may decide to use suitable parts which are not supplied by the original manufacturer.
- 2 the cost of protection and removal of the Insured Vehicle to the nearest repairer after such damage and the reasonable cost of delivery to You after repair.

- 3 legal liability to pay for consequential loss or loss of use following loss of or damage, referred to in 1 above, to any customers' vehicles provided that You shall effect repairs as quickly as possible.
- 4 loss of or damage to the contents of customers' vehicles, whilst in Your custody or control, provided that Our liability is limited to £5,000 in respect of any one occurrence.

Contract Price

In respect of any Insured Vehicle sold but not delivered for which You are responsible and with regard to which under the Conditions of Sale the Sale Contract is by reason of the loss or damage cancelled either wholly or to the extent of such loss or damage, Our liability shall be based on the Contract Price and not the Insured Value.

Special Extensions

1 New for Old (Vehicles)

In respect of

- i any Insured Vehicle owned and registered by You, or
- ii any Private Car, Goods Carrying Vehicle under 7.5 Tonnes Gross Vehicle Weight or motor cycle owned and registered in the name of a customer of You

since new and during the period of twelve months from the date of its first registration, if it is either:

- a lost by Theft and not recovered within 28 days of the date on which the Theft is first reported to Us in writing
- b damaged to an extent greater than 50% of its list price (inclusive of tax) at the time of such damage

We will, at Your request and subject to the consent of other interested parties known to Us, replace such vehicle with a new one of the same manufacture and model, subject to availability, and thereafter the lost or damaged vehicle shall be Our property.

2 Financial Loss (New and Unused Vehicles)

If We have agreed that a new and unused vehicle (which is the subject of indemnity under this Section) has become unsaleable as an unused vehicle, We will pay any additional discount made necessary as a direct result of such claim to effect a sale.

3 Locks and Keys

This Section extends to include the cost of replacing locks or lock mechanisms, keys, key cards and remote control transmitters, necessary to maintain the security of any Insured Vehicle against access following theft of keys, key cards or remote control transmitters by force and violence (or threat thereof against any partner, director or Employee of You) for an amount not exceeding £10,000 any one occurrence of theft.

The maximum We will pay for all losses of theft occurring during any one Period of Insurance is £50,000.

Exclusions to Indemnity 2

- i We shall not be liable to pay for:
 - a wear and tear
 - b depreciation
 - c reduction in market value following repair
 - d mechanical, electrical, electronic, computer, failures or breakdowns or breakages
 - e damage to tyres by braking, punctures, cuts or bursts.
- ii This Indemnity does not cover any costs arising from the need for:
 - a the rectification of the original repair or alteration giving rise to any loss of or damage to the Insured Vehicle
 - b carrying out again the service, maintenance, treatment, test or examination that gave rise to any loss of or damage to the Insured Vehicle.
- iii We shall not be liable to pay the Amount specified below of any claim whilst any Insured Vehicle is being driven by or is in the charge of for the purpose of being driven by a person in the under mentioned Categories. Further the Amount specified below shall apply in addition to any other Excess applicable under this Section.

Categories	Amount
a All drivers under 21 years of age	£250
b Inexperienced drivers 25 years of age and over or drivers from 21 to 24 years of age inclusive	£150

An inexperienced driver is one who has not held a full (non-provisional) licence issued in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands to drive the type of vehicle being driven for a period of twelve consecutive months.

Indemnity 3 – Emergency Treatment

We will pay for emergency treatment as required by the Road Traffic Acts arising out of the use of the Insured Vehicle.

Indemnity 4 – Trailers

Indemnity 1 applies to any trailer which is detached from any vehicle but only in so far as it is necessary to meet the requirements of any law relating to compulsory insurance in the territory concerned and provided that the insurance of the trailer is Your responsibility.

Indemnity 5 – Foreign Travel

The Geographical Limits are extended to provide the minimum indemnity required to comply with the laws relating to compulsory insurance of motor vehicles in any country which is a member of the European Union and any country in respect of which the Commission of the European Union is satisfied that arrangements have been made to meet the requirements of Article 7 (2) of the E.U. Directive on insurance of civil liabilities arising from the use of motor vehicles (No. 72/166/CEE). Where the minimum indemnity provided is less than that provided under United Kingdom minimum legal requirements, the higher level shall apply.

In addition this Section shall apply to any Insured Vehicle used in or which is in transit between such countries for Social, Domestic and Pleasure purposes when the Certificate of Motor Insurance specifically provides for such foreign use.

This Section shall also apply to other foreign use or in any other country within the Continent of Europe provided notice of an intended foreign visit has been given but subject to payment of any additional premium that may be required and to such terms and conditions as may be required by Us.

Indemnity 6 – Movement of Other Vehicles

We will indemnify You against legal liability to pay for death, bodily injury or damage (including damage to the vehicle being moved) arising out of the movement of vehicles not belonging to You or in Your custody or control with or without the owner's permission by You or any partner, director or Employee of You for the purpose of

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

any Insured Vehicle.

Indemnity 7 – Driving Other Vehicles

We will in terms of Indemnities 1 and 3 indemnify You or any partner or director of You while driving any motor vehicle not belonging to or hired to You or any partner or director of You under a Hire Purchase Agreement provided such motor vehicle is being used within the 'Limitations as to Use' specified in the current Certificate of Motor Insurance issued with this Policy. No indemnity is granted hereunder if indemnity is afforded to You or any partner or director of You by any other insurance.

Indemnity 8 – Motor Legal Expenses

Cover

We agree to pay Costs up to the Limit of Indemnity which are incurred by You in the pursuit or defence of any claim which falls within the Cover described below.

Uninsured Loss Recovery and Injury

We will pay the Costs of You taking legal action as a result of any road accident which causes the following:

- 1 Your death or bodily injury whilst You are in, on or getting into or out of the Insured Vehicle
- 2 Damage to the Insured Vehicle
- 3 Damage to property which You own or are legally responsible for and which is in or on the Insured Vehicle.

Motor Prosecution Defence

We will pay the Costs of defending Your legal rights (including making an appeal against Your conviction or sentence) after any event which results in the following:

- 1 Criminal proceedings being brought against You for a breach of road traffic laws or regulations relating to You owning or using an Insured Vehicle;
- 2 A hearing about withdrawing, restricting or suspending Your goods vehicle, public service vehicle, hackney carriage or private hire licence or any licence granted by the Department of Transport (other than a hearing arising due to a commercial decision made by You).

We will provide Cover for Uninsured Loss Recovery and Injury and Motor Prosecution Defence provided that:

- 1 the claim is not covered under any other insurance policy;
- 2 the claim is not covered under Indemnity 1 of this Section of Your Policy;
- 3 the road accident or event which gives rise to the claim happened within the Geographical Limits and within the Period of Insurance;
- 4 the claim will be decided by a court within the Geographical Limits; and
- 5 there is a reasonable chance of recovering damages or a successful defence at all times.

Limit of Indemnity

The most We will pay for all claims arising out of any one event is £100,000.

Exclusions to Indemnity 8

We will not provide cover for the following:

- 1 any fines, penalties or compensation awards imposed by a court, tribunal or regulator
- 2 any costs or expenses awarded against You by a criminal court
- 3 any claim arising out of a contract You have with another person or organisation
- 4 a claim for an event which is not covered under this Policy
- 5 disputes between You and Us
- 6 Costs We have not agreed to in writing
- 7 any Costs covered by another insurance policy
- 8 any claim which is covered under any other Section or Indemnity of this Policy
- 9 Costs You have paid directly to the Legal Representative or any other person without Our permission
- 10 any Value Added Tax which You can recover from elsewhere
- 11 an application for judicial review
- 12 parking offences for which You do not obtain points on Your licence
- 13 any criminal proceedings to do with driving whilst under the influence of drink or drugs
- 14 any criminal proceedings where You do not have a valid:
 - a motor insurance policy;
 - b road fund licence or MOT certificate for the Insured Vehicle; or
 - c driving licence
- 15 any claim where You;
 - a become insolvent (or commit an act of insolvency or bankruptcy), or
 - b enter into liquidation, or
 - c make an arrangement with creditors, or
 - d enter into a deed of arrangement, or
 - e have part or all of Your affairs assets or property placed in the care or control of a receiver or a

liquidator, or

- f have an administration order over Your affairs assets or property

16 any dispute or claim that happens because You have deliberately, consciously, intentionally or carelessly failed to take all reasonable steps to avoid, prevent and limit that dispute or claim.

Extensions to Indemnity 8

If You so request We will indemnify the following persons as though each such person was individually named as You:

- 1 any proprietor, partner, director or Employee of You
- 2 any member of Your family if a named person, or any person referred to under Extension 1 above provided that:
 - a each such person shall be subject to the terms of this Policy in so far as they can apply
 - b Our liability to You and all persons indemnified hereunder shall not exceed in the aggregate the Limit of Indemnity in respect of any one claim.

Special Conditions applying to Indemnity 8

If You do not keep to the conditions, We will have the right to cancel the cover provided by this Indemnity and refuse any claim and withdraw from any current claim.

- 1 **You must:**
 - a provide Us with written details of Your claim along with any other supporting information We ask for
 - b make Your claim within 6 months of the date of the event which gave rise to the dispute
 - c follow the Legal Representative's advice and provide any information he or she asks for
 - d take every reasonable step to recover Costs and pay them to Us
 - e obtain Our written permission before making an appeal
 - f make sure that the Legal Representative keeps to all parts of Condition 2 below
 - g report any claim to Us and not to any other person or organisation
 - h not appoint a Legal Representative.

2 The Legal Representative must do the following:

- a obtain Our written permission before instructing a barrister or expert witness
- b tell Us if, at any stage, there is no longer a reasonable chance of a successful defence, getting damages back or getting any other solution
- c tell Us immediately if You or Your opponent make a payment into a court or any offer to settle the matter
- d report the result of the claim to Us when it is finished.

3 We will have the right to do the following:

- a take over and conduct, in Your name, any claim or proceedings
- b settle a claim by paying the amount in dispute
- c appoint the Legal Representative in Your name and on Your behalf
- d have any legal bill audited or assessed
- e contact the Legal Representative at any time, and have access to all statements, opinions and reports relating to the claim
- f end Your cover provided by this Indemnity if, during the course of the claim, We think that there is no longer a reasonable chance of success. If You continue the claim and get a better settlement than We expected, We will pay Your reasonable Costs
- g settle the Costs covered by this Indemnity at the end of the claim
- h end Your cover and recover any Costs from You which We have already paid or agreed to pay if:
 - i the Legal Representative reasonably refuses to continue acting for You because of any unreasonable act or failure to act by You; or
 - ii You unreasonably withdraw Your claim from the Legal Representative without Our agreement; and
 - iii We do not agree to appoint another Legal Representative to continue Your claim.

4 Your Agreements with Others

We will not be bound by any agreement between You and the Legal Representative or You and any other person or organisation.

5 Choosing the Legal Representative

At any time before We agree that legal proceedings need to be issued or defended in respect of any claim which We have accepted, We will choose the Legal Representative to act in Your name and on Your behalf. You can only choose a Legal Representative if We agree that legal proceedings need to be issued or defended or if a conflict of interest arises which means that the Legal Representative originally chosen by Us cannot act for You.

In agreeing to the selection of a Legal Representative You must remember Your duty to keep the Costs of any legal proceedings as low as possible.

In all cases the Legal Representative will be appointed in Your name and on Your behalf.

If We do not agree with Your choice of Legal Representative, the matter will be settled using the procedure in Special Condition 6 below.

6 Disputes

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

Whoever loses the arbitration must pay all the costs involved. If the decision is not clearly made against either You or Us, the arbitrator will decide how You and We will share the costs.

7 Notices

Every notice which needs to be given under this Indemnity must be given in writing. If You give Us notice, You must send it to Our head office. If We give You notice, We must send it to Your last known address.

General Information Applying to Indemnity 8

Our address is:

Allianz Legal Protection
Redwood House
Brotherswood Court
Great Park Road
Bradley Stoke
Bristol
BS32 4QW
United Kingdom

Indemnity 9 – Unauthorised Use

We will indemnify You against damage to an Insured Vehicle and legal liability to pay death, bodily injury or damage arising out of the use of an Insured Vehicle when used without the knowledge or consent of an authorised official of You provided that there shall be no liability to indemnify the person driving or using the vehicle.

Indemnity 10 – Sub Contractors

Where a customer's vehicle is removed from The Premises for service or repair by a party appointed by You, the said vehicle shall be deemed to be in Your custody or control.

Exclusions applying to all Indemnities

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

- 1 any claim or damage arising whilst the Insured Vehicle is being driven by or is in the charge of for the purpose of being driven by any person who is not within the 'Persons or Classes of Persons Entitled to Drive' shown in the current Certificate of Motor Insurance or is being used otherwise than within the 'Limitations as to Use' shown in such Certificate which is incorporated herein

This Exclusion shall not apply to:

- i claims under Indemnity 2
- ii the indemnity given to You (and to no other person) under Indemnity 1

whilst the vehicle is being used without Your authority or by a subcontractor for the repair, alteration, service, maintenance, treatment, test or examination

- 2 any claim or damage arising whilst the Insured Vehicle is
 - a on The Premises excepting liability under Indemnities 1, 3, 4, 6 and 8 only whilst such vehicle is on any road within the meaning of the Road Traffic Acts or other road traffic legislation
 - b in storage at any other premises
- 3 consequential loss to You arising directly or indirectly from any accident, damage, injury or loss
- 4 any accident arising outside the Geographical Limits other than as provided by Indemnity 5

- 5 any loss, damage or liability other than under Indemnities 1 and 3 occasioned by or happening through or in consequence of riot or civil commotion occurring elsewhere than in Great Britain, the Channel Islands or the Isle of Man.

Conditions

The General Conditions of this Policy apply to this Section and in addition:

- 1 We may at Our option repair, reinstate, replace or make good by payment of money any loss or damage and if to Your knowledge the Insured Vehicle is the subject of a hire purchase agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to Us in respect of such loss or damage. You shall not incur any expense in making good such damage without having previously notified Us of the accident in the terms of this Section and having supplied a detailed estimate of the cost of repairs. Our liability for any part or accessory shall be for the value of the part or accessory at the time of the accident not exceeding the manufacturer's last list price.
- 2 You shall repay to Us all sums which We would not have been liable to pay but for the provisions of any law relating to the insurance of liability to third parties in any of the territories to which this Section applies.
- 3 The Insured Vehicle shall be available at all reasonable times for inspection by Our duly authorised representatives. You shall take all reasonable precautions to safeguard the Insured Vehicle from loss or damage and to maintain it in an efficient and roadworthy condition.
- 4 **Supply of Vehicle Data**
 - a You shall supply to Us, unless otherwise agreed by Us in writing, details of any licensed Insured Vehicle or trade plate whose use is covered by this Section for entry on the Motor Insurance Database.
 - b In respect of any licensed Insured Vehicle and trade plate, any change of an Insured Vehicle or trade plate, deletion or acquisition of an additional Insured Vehicle or trade plate must be notified to Us immediately.

Section 3 – Self Drive Vehicle Hire

The General Definitions of this Policy apply to this Section and The Business shown in the Schedule is extended to include Your Self Drive Vehicle Hire business subject to the following:

Definitions

1 Driver

Any person disclosed in the Rental Agreement by the Renter accepted by You.

2 Rental Agreement

Your rental agreement, incorporating an insurance proposal, accepted by Us.

3 Rental Vehicle

Any motor vehicle, including accessories, plant and equipment fixed thereto and any trailer the property of or in Your custody or control in connection with The Business hired out under a Rental Agreement.

4 Rental Purpose

Any business or social, domestic or pleasure use not excluded by this Policy.

5 Renter

A person who has signed or a company which has caused to be signed a Rental Agreement for the hire of a Rental Vehicle.

6 With Insurance

The hire of a Rental Vehicle with an Indemnity to the Renter, Driver and any passenger of said vehicle against the type of cover shown in the Schedule.

7 Without Insurance

The hire of a Rental Vehicle where the Renter is responsible, under the terms of the Rental Agreement, for the arrangement of insurance for such vehicle.

Cover

Indemnity 1 – Public Liability

- 1 We will indemnify You against all sums (including costs recovered by any claimant and/or costs incurred in the defence of any claim where a claim is contested by Us, or with Our written consent) which You shall be legally liable to pay arising out of
 - i the use of
 - ii goods falling from
 - iii and during the operation of loading or unloading the Rental Vehicle for any purpose permitted by Your Certificate of Motor Insurance and with Your consent and resulting from
 - a accidental death of or bodily injury to any person
 - b accidental damage to any property up to a maximum of £10,000,000 any one occurrence or series of occurrences arising from any one originating cause except that if accidental damage is caused by or in connection with Terrorism the indemnity is limited to £5,000,000 for any one occurrence or series of occurrences arising from one originating cause.
- 2 We will also similarly indemnify
 - a the Renter or Driver using the Rental Vehicle with Your permission subject particularly to Exclusion 1a of Exclusions Applying To All Indemnities.
 - b any passenger whilst in, mounting into, or dismounting from the Rental Vehicle
- 3 In the event of the death of any person entitled to indemnity under this Section, We will indemnify Your legal personal representatives in respect of any liability incurred by them within the limitations of this Section.
- 4 In respect of any event which may be the subject of indemnity under this Section, We will arrange and pay for:
 - a representation by a solicitor at any Coroner's Inquest or in any Court of Summary Jurisdiction
 - b providing defence on any charge of manslaughter or of causing death by reckless or dangerous driving.

Exclusions to Indemnity 1

We shall not be liable:

- 1 for death of or bodily injury to any person arising out of and in the course of that person's employment by the person claiming to be indemnified where indemnity is provided under the Employers Liability section of this Policy or any other policy issued to comply with employers liability law
- 2 for damage to property belonging to or held in trust by, or in the custody or control of the person claiming to be indemnified, or property being conveyed by the Rental Vehicle
- 3 for loss of or damage to any vehicle or trailer in connection with which indemnity is being claimed under this Section
- 4 under 2, 3 and 4 of this Indemnity to indemnify any person
 - a unless such person shall be subject to the terms of this Policy in so far as they can apply
 - b if such person is entitled to indemnity under any other policy
- 5 for death of or bodily injury to any person or damage arising out of the presence of the Rental Vehicle in or on part of an aerodrome, airport, airfield or military base provided for
 - a the take off or landing of aircraft or the movement of aircraft on the surface
 - b aircraft parking aprons including the associated service roads, refuelling areas, ground equipment parking areas, maintenance areas and hangars
- 6 for contractual liability
- 7 under paragraph 2a to indemnify the Renter or Driver of the Rental Vehicle unless the Renter shall have entered into and complied with the terms and conditions of a Rental Agreement with You or with an authorised agent of You.

Indemnity 2 – Damage

We will indemnify You against

- 1 loss of or damage to the Rental Vehicle up to the market value. If We agree to pay for damage to be repaired We may decide to use suitable parts which are not supplied by the original manufacturer.
- 2 the cost of protection and removal of the Rental Vehicle to the nearest repairer after such damage and the reasonable cost of delivery to You after repair.

Exclusions to Indemnity 2

We shall not be liable to pay for

- a wear and tear
- b depreciation
- c reduction in market value following repair
- d mechanical, electrical, electronic, computer, failures or breakdowns or breakage's
- e damage to tyres by braking, punctures, cuts or bursts
- f loss of or damage to the Rental Vehicle whilst being used in a national or international rally.

Indemnity 3 – Emergency Treatment

We will pay for emergency treatment as required by the Road Traffic Acts arising out of the use of the Rental Vehicle.

Indemnity 4 – Trailers

Indemnity 1 applies to any trailer which is detached from any vehicle but only in so far as it is necessary to meet the requirements of any law relating to compulsory insurance in the territory concerned and provided that the trailer is Your responsibility.

Indemnity 5 – Foreign Travel

The Geographical Limits are extended to provide the minimum indemnity required to comply with the laws relating to compulsory insurance of motor vehicles in any country which is a member of the European Union and any country in respect of which the Commission of the European Union is satisfied that arrangements have been made to meet the requirements of Article 7(2) of the E.U. Directive on insurance of civil liabilities arising from the use of motor vehicles (No. 72/166/CEE). Where the minimum indemnity provided is less than that provided under United Kingdom minimum legal requirements, the higher level shall apply.

Exclusions Applying to All Indemnities

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

- 1 a any claim or damage arising whilst the Rental Vehicle is being driven by or is in charge of for the purpose of being driven by any person who is not within the “Persons or Classes of persons entitled to drive” shown in the current Certificate of Motor Insurance or is being used otherwise than within the “Limitations as to Use” shown in such Certificate which is incorporated herein.

This exclusion shall not apply to

- i claims under Indemnity 2
- ii the indemnity given to You (and to no other person) under Indemnity 1

whilst the vehicle is being used without Your authority or by a subcontractor for the repair, alteration, service, maintenance, treatment, test or examination

- b consequential loss to You arising directly or indirectly from any accident, damage, bodily injury or loss
 - c legal liability arising out of any judgement in any court outside the territories to which this Policy applies.
- 2 Any vehicle belonging to, possessed by or provided for use by any Employee as a Rental Vehicle is deemed not to be in Your custody or control in connection with The Business. Nothing contained elsewhere in this Policy shall override this exclusion.
 - 3 We shall not be liable in respect of the hire of a Rental Vehicle by You if such vehicle is hired by agreement other than the Rental Agreement.
 - 4 In respect of loss resulting from theft or attempted theft of the Rental Vehicle by or with the connivance of the Renter (or the representative of the Renter):-
 - a You shall bear at Your own risk an uninsured 25% of each and every loss, Our liability being limited to 75% of such loss,
 - b the Excesses shall not apply,
 - c Exclusion 6 Theft by Deception under Section 1 Material Damage shall not apply.

- 5 Indemnity does not apply to any claim resulting from any Rental Vehicle being hired out for re-hire by the Renter (including for the carriage of passengers for hire or reward).
- 6 Any accident arising outside the Geographical Limits other than as provided by Indemnity 5.

Conditions

The General Conditions of this Policy apply to this Section and in addition:

- 1 Precedent to the hire of a Rental Vehicle You shall inspect the driving licence of the Renter if a named person and every Driver and by reference to such licence and additional enquiry, establish that:-
 - a all relevant information is included and correctly stated in the Rental Agreement,
 - b the Rental Agreement is completed and signed by the Renter,
 - c the Renter, if a named person and any Driver:-
 - i is not solely described as being a company director or manager, self employed or unemployed (i.e. not disclosing the current, or previous if unemployed, specific trade or occupation),
 - ii is not, and was not previously if unemployed, engaged in the business of hawking or general dealing (e.g. dealing in scrap metal, second-hand clothes and the like), vehicle dismantling or breaking or street or market trading or professional gambling (other than as a clerical worker), sport or entertainment (other than as a classical musician),
 - iii is 21 years of age or over but under 70 years of age,
 - iv has held a full British driving licence for at least one year if 25 years of age or over or two years if between 21 to 24 years of age,
 - v has not been involved in more than one motoring accident or claim during the preceding three years,
 - vi has not been convicted of any:-
 - A Road Traffic Act offence or series of such offences where the penalty points accumulation is 6 or more,
 - B criminal offence other than a Road Traffic Act offence, of which You have knowledge

- vii does not have a prosecution pending for any criminal offence (except for the Road Traffic Act offences of parking, or speeding on one occasion if there are no convictions), of which You have knowledge
 - viii does not suffer from defective eyesight or hearing (not corrected by spectacles, contact lenses or hearing aid) or any heart complaint, epilepsy or diabetes or any other physical or mental defect or disease, where terms or restrictions have been imposed on their licence by DVLA
 - ix has not been required by another insurer to pay an increased premium or bear special terms or conditions or had a proposal declined or policy cancelled or renewal refused by an insurer.
- 2 You shall establish the Renter's bona fides by, in the case of:
- a an individual, checking the identity of such person by inspecting their original driving licence and at least one other document being the original of their passport, bank cheque book, credit card or utility bill.
 - b a company, checking the identity of the company's representative in the same way as specified for an individual under paragraph 2a above but in addition by:-
 - i checking that the company exists,
 - ii establishing the link between the representative and their company by reference to a company identity card or pay slip or a letter of authority issued by said company,
 - iii checking by telephone the authenticity of the hire.
- 3 You shall make and keep a record of all information specified for three months after the period of the hire or in the event of a claim, for the period that We shall decide.
- 4 Where You have not complied with the terms herein all cover in respect of the Rental Vehicle is excluded unless previously agreed by Us.
- 5 We may at Our option repair, reinstate, replace or make good by payment of money any loss or damage and if to Our knowledge the Rental Vehicle is the subject of a hire purchase agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to Us in respect of such loss or damage. You shall not incur any expense in making good such damage without having previously notified Us of the accident in the terms of this Section and having supplied a detailed estimate of the cost of repairs. Our liability for any part or accessory shall be for the value of the part or accessory at the time of the accident not exceeding the manufacturer's last list price.
- 6 You shall repay to Us all sums which We would not have been liable to pay but for the provisions of any law relating to the insurance of liability to Third Parties in any of the territories to which this Section applies.
- 7 The Rental Vehicle shall be available at all reasonable times for inspection by Our duly authorised representatives. You shall take all reasonable precautions to safeguard the Rental Vehicle from loss or damage and to maintain it in an efficient and roadworthy condition.
- 8 **Terms – With Insurance**
- a You shall specify in the Rental Agreement (in whatever terms) that the hire of the Rental Vehicle is With Insurance.
 - b We will indemnify the Renter, Driver and any passenger in terms of Extension 5 Driver and Passenger Indemnity under Section 6 Public and Products Liability (as amended by paragraph c below) and Indemnity 1 – Public Liability under Section 2 Motor Vehicle Road Risks whilst the Rental Vehicle is used for Rental Purposes provided that the Renter has entered into and complied with the terms of the Rental Agreement.
 - c In respect of Extension 5 Driver and Passenger Indemnity under Section 6 Public and Products Liability:
 - i the first paragraph shall read:
In respect of Injury loss or damage caused by or arising out of the Rental Vehicle We will indemnify:
 - ii paragraph a shall read:
 - a the Renter or Driver using such vehicle with Your permission
 - iii the final paragraph is deleted.

9 Terms – Without Insurance

- a You shall specify in the Rental Agreement (in whatever terms) that the hire of the Rental Vehicle is Without Insurance.
- b You shall require the Renter to arrange insurance in respect of the Rental Vehicle (which shall comprise insurance against the third party motor and loss or damage risks) covering the Renter and all those permitted to drive or use such vehicle and establish that such insurance has been arranged by:-
 - i inspecting the cover note issued
or
 - ii obtaining a letter of confirmation from the insurer or broker of the Renter specifically in respect of such vehicle.

You shall make and keep a copy of such cover note or letter for three months after the period of the hire or in the event of a claim, for the period that We shall determine.

- c Indemnity does not apply in respect of any Rental Vehicle during the period of hire except:
 - i any loss arising from its own faulty or defective condition.
 - ii that We shall indemnify You (in the Terms of this Section) and no other party, if such insurance the Renter was required to arrange fails to indemnify the Renter or if such insurance has been cancelled provided You have complied with the terms of this Policy.

10 Supply of Vehicle Data

- a You shall supply to Us, unless otherwise agreed by Us in writing, details of any licensed Rental Vehicle whose use is covered by this Section for entry on the Motor Insurance Database.
- b In respect of any licensed Rental Vehicle, any change of a Rental Vehicle deletion or acquisition of an additional Rental Vehicle must be notified to Us immediately.

Section 4 – MOT – Loss of Licence

Definitions

The General Definitions of this Policy except 4 apply to this Section and in addition:

1 Annual Turnover*

The Turnover during the twelve months immediately before the date of the suspension or withdrawal of The Licence.

2 Gross Profit

The amount of the Turnover less those working expenses of The Business which will directly vary in relationship to a fall in Turnover.

3 Indemnity Period

The period beginning with the suspension or withdrawal of The Licence and ending not later than the Maximum Indemnity Period (shown in the Schedule) thereafter during which the results of The Business shall be effected in consequence of that suspension or withdrawal.

4 Rate of Gross Profit*

The rate of Gross Profit earned on The Turnover during the financial year immediately before the date of the suspension or withdrawal of The Licence.

5 Standard Turnover*

The Turnover during that period in the time immediately before the date of the suspension or withdrawal of The Licence which corresponds with The Indemnity Period.

6 The Business

Department of Transport testing and retesting and vehicle repair work carried out and/or goods supplied in connection therewith directly arising from such testing conducted solely at or from The Premises.

7 The Licence

The Licence granted by The Department of Transport to carry out MOT tests on motor vehicles and issued to You as an Authorised Examiner or to a Nominated Tester employed by You in connection with The Business.

8 Turnover

The money (less discounts allowed) paid or payable to You in respect of The Business.

*Important

Any necessary adjustments shall be made to the Rate of Gross Profit, Annual Turnover and Standard Turnover to provide for the trend of The Business and for variations in or special circumstances affecting The Business whether before or after the suspension or withdrawal of The Licence, or which would have affected The Business had the suspension or withdrawal not occurred so that the adjusted figures shall represent as closely as is reasonably practicable the results which, but for the suspension or withdrawal, would have been obtained during the relative period thereafter.

Note

To the extent that You are accountable to the tax authorities for Value Added Tax, all terms in this Section shall be exclusive of such tax.

Cover

Indemnity – Suspension or Withdrawal of MOT Licence

If, during the Period of Insurance, The Licence shall be suspended or withdrawn by the Department of Transport and The Business carried on by You at or from The Premises is as a consequence thereof interrupted or interfered with We will pay You the amount of loss resulting from such interruption or interference in accordance with the specified items provided that Our liability shall in no case exceed the Limit shown in the Schedule.

Amount Payable

- 1 on Gross Profit and wages, salaries, fees, redundancy payments and payments under the Contract of Employment Acts or similar legislation

Cover is limited to loss of Gross Profit due to a reduction in Turnover and/or an increase in cost of working and the amount payable shall be

- a in respect of reduction in Turnover, the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the suspension of The Licence, fall short of the Standard Turnover.
- b in respect of increase in cost of working: the additional expenditure necessarily and reasonably incurred for the sole purposes of avoiding or diminishing the reduction in Turnover which, but for that expenditure, would have taken place during

the Indemnity Period but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided,

less any sum saved during the Indemnity Period in respect of such charges and expenses of The Business payable out of Gross Profit as may cease or be reduced in consequence of the suspension of The Licence.

Provided that if the Turnover in respect of MOT test fees declared by You for the Period of Insurance is less than 80% of the Annual Turnover for MOT test fees the amount payable shall be proportionately reduced.

- 2 on fees incurred for representation in respect of the threat of disciplinary action by the Vehicle Inspectorate or to appeal against the suspension or withdrawal of The Licence.

Cover is limited to the reasonable charges payable to E.B.L. Partnership,
2 Boyd Road, Saltford,
Bristol BS31 3AP

for services provided for representation in respect of the threat of disciplinary action by the Vehicle Inspectorate and to enable You to appeal against a suspension or withdrawal in respect of The Licence by the Department of Transport.

Exclusions

The General Exclusions of this Policy apply to this Section and in addition it does not cover any loss arising from:

- 1 a suspension or warning received during the four weeks immediately following inception of cover
- 2 actual or proposed compulsory purchase of The Premises
- 3 any scheme of town or country planning improvement or development
- 4 any policy by the Department of Transport to reduce the number of Authorised Examiners and Nominated Testers
- 5 any alteration after the commencement of cover of any relevant law unless confirmed in writing by Us that cover will continue after such alteration
- 6 failure to maintain The Premises equipment or machinery in good general repair
- 7 failure to keep accurate and up to date documentation as required by the Department of Transport and/or Vehicle Inspectorate
- 8 a criminal conviction.

Conditions

The General Conditions of this Policy apply to this Section and in addition:

You shall notify the E.B.L. Partnership, 2 Boyd Road, Saltford, Bristol BS31 3AP (Telephone Number 01225 340858) immediately they receive any disciplinary correspondence from the Vehicle and Operators Services Agency.

Section 5 – Engineering

Definitions

The General Definitions of this Policy apply to this Section and in addition:

1 Breakdown:

Sudden and unforeseen failure of the Plant arising from inherent electrical or mechanical defect or fault.

2 Competent Person:

An engineer surveyor employed and authorised by The Inspection Company to perform the Inspection Service.

3 Inspection/Inspection Service:

An examination of Plant by a Competent Person and (where applicable) in accordance with the requirements of such statutory regulations as apply to the Plant and the provision of a report of the examination in The Inspection Company's standard format.

4 Normal Working Hours:

8.00 am to 6.00 pm Monday to Friday excluding public bank and local holidays.

5 Plant:

All integral parts of any item described in the Plant Schedule or of any additional items of the same class or type other than:

foundations masonry brickwork liftwells chimneys enclosures supporting structures or fixing bolts ancillary equipment such as firing apparatus pumps fans motors or piping.

6 Plant Schedule:

The Plant Schedule forming part of this Section.

7 The Inspection Company

Allianz Engineering Inspection Services Ltd* referred to as 'The Inspection Company' which is an associated company of Us and will provide an Inspection Service for You in accordance with and subject to the terms of the Inspection Service.

* Registered in England. 5441840. Registered office: 57 Ladymead, Guildford, Surrey GU1 1DB, UK.

Inspection Service

The Inspection Company shall during the Period of Insurance provide You with an Inspection Service for Plant during Normal Working Hours at The Premises specified in the Schedule within the Geographical Limits.

For the avoidance of doubt You acknowledge that:

- 1 The Inspection Company have and accept no responsibility for the care, custody and control of the Plant
- 2 unless agreed in writing between The Inspection Company and You The Inspection Company will not undertake the approval or the verification of the fitness for purpose of any design or design features of the Plant or any part of the Plant and shall not carry out any witnessing of ultrasonic radiographic or other tests of a non-routine nature or any proof load stability anchorage or similar tests
- 3 The Inspection Company has and accepts no responsibility for damage sustained by the Plant as a result of the failure of the Plant to withstand a test applied as part of the Inspection Service
- 4 the Inspection Service does not extend to an assessment of whether the Plant or part of it is Year 2000 compliant within the meaning of BSI definition DISC PD 2000-1.

Cover

Limits of Indemnity

Our liability under this Section in respect of any one accident or series of accidents arising out of any one occurrence shall not exceed the amounts shown in the Schedule.

Indemnities –

1 Fragmentation

Damage by impact to property belonging to or held by You in trust or on commission or for which You are responsible directly consequent on and solely due to fragmentation of any part of the Plant

2 Breakdown (applicable only if shown in the Schedule)

- a Damage to the Plant by Breakdown
- b Reasonable additional expenses up to the amount shown in the Schedule incurred by You with Our consent in effecting a temporary repair and/or expediting a permanent repair following damage covered by 2a

3 Cost of Hiring/Increased Costs (applicable only if shown in the Schedule)

The cost of hiring replacement Plant or completing the work normally undertaken by the insured Plant in another manner necessarily and reasonably incurred by You for a period of up to one month following Breakdown insured under this Section

arising at The Premises or at any other location where the Plant is temporarily situated or while the Plant is actually in transit other than by sea or air.

Exclusions

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

- 1 loss or damage by:
 - a fire howsoever caused
 - b fire extinguishing fluid
 - c earthquake lightning explosion riot strike lockout or civil commotion storm tempest flood inundation water leaking or discharging from any sprinkler installation aircraft or other aerial devices or articles dropped therefrom
 - d theft or any attempted theft
 - e the direct application of tools
 - f the action of liquid or gaseous fluids which have been emitted or leaked from the Plant.
- 2
 - a maintenance
 - b wear and tear erosion corrosion or other deterioration caused by or naturally resulting from ordinary work use or exposure
 - c gradually developing flaws or fractures which do not necessitate immediate stoppage although at some future time repair or renewal of the parts affected may be necessary

- d scratching of painted or polished surfaces
- e faulty workmanship occurring during the execution of repairs but not damage resulting therefrom unless otherwise excluded.

3 loss of or damage to:

- a safety or protective devices by their functioning
- b the contents of the Plant
- c cutting edges tools glass porcelain and similar materials bulbs electric heating elements trailing cables flexible pipes non-metallic packing materials driving belts and chains conveyor bands and appliances used for attaching loads to lifting machines
- d property being processed by the Plant
- e rubber tyres by the application of brakes or by punctures cuts or bursts
- f gantries tracks magnets or grabs unless shown in the Plant Schedule.

4 loss of or damage to Plant arising during:

- a its installation erection dismantling resiting or removal other than whilst under its own power
- b overload testing.

5 loss or damage arising out of any lifting or lowering operation in which a single load is shared between two or more lifting machines.

6 waterborne vessels or craft or machinery mounted on such vessels or craft or while being loaded thereon or unloaded therefrom.

7 loss of use or any other consequential loss but this Exclusion shall not apply to Indemnity 3.

8 loss or damage to the Plant due to any accidental external cause, other than overheating of boilers.

9 loss or damage to:

- a any computer or other equipment or component or system or item which processes stores transmits or retrieves data or
- b any part of a computer or other equipment or component or system or item which processes stores transmits or retrieves data

whether tangible or intangible (including but without limitation any data information or programs or software) and whether part of the Plant or not caused directly or indirectly by:

- i Virus or Similar Mechanism which means any: 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. This includes but it is not limited to viruses trojan horses worms and logic bombs
- ii Hacking which means any: unauthorised access to any computer or other equipment or component or system or item whether part of the Plant or not which processes stores transmits or retrieves data.

10 the first £250 of each and every loss.

Conditions

The General Conditions of this Policy apply to this Section and in addition:

- 1 We may at Our option repair reinstate or replace what is lost or damaged or pay for the loss or damage in money.
- 2 We shall have the right at any time by a written notice to You to suspend the insurance of any Plant until Our requirements are met.
- 3 You shall preserve evidence of loss or damage and its cause.
- 4 We shall have the right to inspect the Plant at all reasonable times during the Period of Insurance.
- 5 You shall take all reasonable steps to ensure that all Government and other regulations relating to the operation and use of the Plant are observed.
- 6 The Plant shall not be worked in excess of its rated capacity.

Inspection Service Conditions

1 Inspection Service

Where an Inspection Service is provided:

- a The Inspection Company shall:
 - 1 carry out the Inspection Service with all due care in a safe manner
 - 2 comply with Your safe systems of work as notified to the Competent Person
 - 3 provide the Inspection Service within Normal Working Hours
 - 4 give You reasonable prior notice of their intention to attend The Premises where You are required to prepare the Plant for inspection
 - 5 produce a report as soon as is reasonably practicable and in any event not later than fourteen days following completion of an Inspection.
- b The Inspection Company may:
 - 1 appoint sub-contractors to carry out the whole or any part of the Inspection Service when absolutely necessary to maintain the service
 - 2 decline to carry out an examination if in its opinion to do so would pose a risk to the health, safety or welfare of the Competent Person or You.
 - 3 make a charge in addition to the sum shown in the Schedule as the amount payable for the Inspection Service (the Fee) if:
 - i You request and The Inspection Company agrees to carry out an Inspection outside Normal Working Hours
 - ii You require additional copies of reports
 - iii You require the Competent Person to undertake training specific to Your own health safety and welfare procedures
 - iv You fail to prepare or make the Plant available to the Competent Person on a pre-appointed date and time
 - v For safety reasons more than one Competent Person is necessary to carry out the examination.

- c You shall:
 - 1 provide the Competent Person with:
 - i safe access to The Premises
 - ii a safe working environment at The Premises
 - iii a safe physical means by which to gain access to examine the Plant
 - 2 properly prepare clean cool decommission and dismantle the Plant as necessary to enable the Competent Person to carry out the Inspection.
 - 3 reassemble the Plant following completion of the Inspection
 - 4 co-operate with and on request provide the Competent Person with such information and data relating to the Plant as they require to carry out the Inspection.
- d The Inspection Company and You agree that:
 - 1 You will pay the sum shown in the Schedule as the amount payable for the Inspection Service (the Fee)
 - 2 the Fee is calculated on Plant for which Inspection is required as notified to The Inspection Company by You at the start of the Period of Insurance
 - 3 You may add or delete individual items of Plant from the categories of Plant shown in the Plant Schedule for which the Inspection Service is required during the Period of Insurance
 - 4 the Fee will be adjusted at the end of the Period of Insurance to take account of any Plant added or deleted during the Period of Insurance
 - 5 You will pay or The Inspection Company will refund the difference between the Fee and the Adjusted Fee as the case may be
 - 6 the Fee shall be subject to value added tax at the appropriate rate.

2 Termination of Inspection Service

- 1 The Inspection Company may terminate the Inspection Service on 30 (thirty) days notice. If You have paid the Fee in full You shall be entitled to a refund of the Fee in respect of Inspections outstanding.
- 2 Either You or The Inspection Company may terminate the Inspection Service by giving written notice to the other if the other:
 - i commits any breach of the Inspection Service and fails to remedy the breach within 30 days after being required to do so
 - ii goes into liquidation

- iii (in the case of an individual or partnership) the individual or individuals become(s) bankrupt make(s) a voluntary arrangement with their creditors or has/have a receiver or administrator appointed.

3 Confidentiality

Unless otherwise agreed each Party shall keep confidential the terms of the Inspection Service and all information acquired in relation to The Business or affairs of the other Party. Neither Party shall use the other Party's information for any purpose other than to perform their obligations under the Inspection Service.

4 Indemnity

You shall indemnify and keep The Inspection Company indemnified in respect of any claims made against and all damages costs and expenses suffered or incurred by The Inspection Company as a result of any third party claim arising out of Your failure to comply with their obligations under the Inspection Service.

5 Liability for Defective Services

- a In substitution for all rights which You would or might have but for the Inspection Service The Inspection Company undertakes that if an Inspection is performed in a defective or erroneous manner then The Inspection Company will at their discretion either credit to You the Fee paid by You and attributable to the Inspection or re-perform the inspection (other than the time of performance)
- b Except in the case of death or personal injury caused by The Inspection Company's negligence or in other circumstances where liability may not be so limited under applicable law The Inspection Company's liability under or in connection with the Inspection Service whether arising in contract tort negligence breach of statutory duty or otherwise shall not exceed the sum of £25,000,000 (twenty five million pounds)
- c Neither The Inspection Company nor You shall be liable to the other Party in contract tort negligence breach of statutory duty or otherwise for any loss damage costs or expenses of any nature whatsoever incurred or suffered by that other Party of an indirect or consequential nature including without limitation any economic loss or other loss of turnover profits business or goodwill.

6 General

- a If any provision in the Inspection Service is held by any competent court to be unenforceable in whole or in part the validity of the other provisions and the remainder of the provision in question shall not be affected
- b English law will apply to the Inspection Service unless You and The Inspection Company agree otherwise.

Declaration

You shall declare to The Inspection Company details of all alterations to the Plant Schedule occurring during each Period of Insurance.

Section 6 – Public and Products Liability

Definitions

The General Definitions of this Policy apply to this Section and in addition:

1 A Place of Safety

- a shielded by a building or structure built from non combustible materials
- b 15 metres away from the point of heat application or angle grinding.

2 Geographical Limits

Anywhere in the World.

3 Injury

- a Bodily injury, death, disease, illness, mental injury, mental anguish or nervous shock.
- b invasion of the right of privacy, false arrest, false imprisonment, false eviction or malicious prosecution of any person.

4 Offshore Installations

- a any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- b any installation in the sea or tidal waters which is intended for the storage of or recovery of gas
- c any pipe or system of pipes in the sea or tidal waters
- d any installation which is intended to provide accommodation for persons who work on or from the locations specified in Definitions 4a, 4b or 4c.

5 Pollution or Contamination

- a All pollution or contamination of buildings or other structures or of water or land or the atmosphere; and
- b All Injury loss or damage directly or indirectly caused by such pollution or contamination.

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

6 Products

Any goods or other property (including their containers, packaging, labelling and instructions for use) sold, supplied, delivered, installed, erected, repaired, altered, treated or tested by You in connection with The Business and not in the charge or control of You.

Cover

We will indemnify You against legal liability to pay compensation and claimants costs and expenses in respect of accidental

- A Injury to any person
- B loss of or damage to material property
- C nuisance trespass obstruction or interference with any right of way light air or water resulting in financial loss

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

Additional Costs and Expenses

In addition We will pay costs and expenses incurred by You with Our written consent

- a in connection with the defence of any claim
- b for representation of You
 - i at any Coroner's Inquest or Fatal Accident Inquiry in respect of death
 - ii at proceedings in any Court of Summary Jurisdiction or on indictment in any higher Court in respect of an alleged breach of statutory duty resulting in Injury loss or damage

which may be the subject of Indemnity under this Section.

Limits of Indemnity

- A Your liability for all compensation and claimants costs and expenses payable in respect of:
 - i any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
 - ii all Injury loss and damage occurring during any one Period of Insurance and caused by or arising from Products

- iii all Pollution or Contamination which is deemed to have occurred during any one Period of Insurance

shall not exceed the Limit of Indemnity shown in the Schedule.

- B In respect of all claims against You made within the legal jurisdiction of the United States of America or Canada the Limit of Indemnity shall be inclusive of the amount of all costs and expenses incurred by Us or with Our written consent in connection with the defence of such claims.
- C In respect of an act of Terrorism the Limit of Indemnity shall not exceed the Limit of Indemnity shown in the Schedule or £5,000,000 (whichever is the lesser).

Extensions

1 Property

Exclusion 3b shall not apply to:

- a personal property (including motor vehicles) of any partner, director or Employee of You
- b visitor's property (including motor vehicles) whilst temporarily on The Premises other than for repair, alteration, servicing, maintenance, treatment, testing or examination
- c property elsewhere than on The Premises temporarily in the custody or control of You solely for the purpose of carrying out work.

2 Consequential Loss or Loss of Use

Exclusion 3b shall not apply to consequential loss or loss of use following any loss of or damage to any vehicle (including accessories plant and equipment fixed thereto) or spare part component or accessory of a vehicle in Your custody or control arising out of its repair, alteration, service, maintenance, treatment, test or examination provided that You shall effect repairs as quickly as possible.

3 Vehicles Sold

Exclusion 4i shall not apply to Your liability in respect of loss of or damage to any motor vehicle if such liability arises out of the sale of the said vehicle, but We shall not be liable for costs of or arising from the need for replacement of faulty or defective materials and parts except for subsequent loss of or damage resulting from an ensuing cause which is not otherwise excluded that gave rise to Your liability. Our liability for all compensation payable in respect of loss of or damage to each such vehicle is limited to £100,000.

4 Products Financial Loss

We will indemnify You against legal liability to pay compensation and claimants costs and expenses in respect of accidental financial loss (otherwise than in respect of Injury or loss of or damage to material property) sustained during the Period of Insurance in connection with The Business by the purchaser or user of any Products as a direct result of the defective or harmful condition of such Products or their failure to perform their intended function.

Provided that Our liability for all compensation payable in respect of all such financial loss sustained during any one Period of Insurance shall not exceed the Limit of Indemnity shown in the Schedule.

5 Driver and Passenger Indemnity

In respect of liability arising out of any mechanically propelled vehicle or trailer attached thereto belonging to or hired by or in Your custody or control, whilst on The Premises, We will indemnify:

- a any person driving or using such vehicle with Your permission
- b any passenger whilst in, mounting into or dismounting from such vehicle

as though each such party was individually named as You provided that:

- i We shall not be liable if any such party is entitled to indemnity under any other policy
- ii You would have been entitled to Indemnity under this Section if the claim had been made against You
- iii each party shall be subject to the terms of this Policy in so far as they can apply

- iv Our liability (otherwise than in respect of Additional Costs and Expenses) to You or each of You and all other parties indemnified shall not exceed in the aggregate the Limit of Indemnity.

For the purpose of this Extension the Definition of The Business is extended to include:

- a the business of the driver or user of such vehicle
- b the driving or use of such vehicle for social domestic and pleasure purposes.

6 Indemnity to Other Parties

If You so request We will indemnify the following parties

- a any officer or committee member or other member of Your canteen, social, sports or welfare organisation or ambulance, first aid, fire, medical or security services against liability incurred in such capacity
- b to the extent that Extension 5 does not apply, any partner, director or Employee of You against liability incurred in such capacity and in respect of which You would have been entitled to Indemnity under this Section if the claim had been made against You

as though each such party was individually named as You

- c any Principal for whom You have agreed to execute work under contract or agreement against liability arising out of the performance of such work
- d the owner of plant hired by You under any contract or agreement against liability arising in connection with such plant

and in respect of which You are legally liable and would have been entitled to Indemnity under this Section if the claim had been made against You provided that

- i each party shall be subject to the terms of this Policy in so far as they can apply.
- ii Our liability (otherwise than in respect of Additional Costs and Expenses) to You or each of You and all other parties indemnified shall not exceed in the aggregate the Limit of Indemnity.

7 Leased or Rented Premises

Exclusion 3 shall not apply to loss of or damage to any of The Premises (including fixtures and fittings thereof) whilst on lease to or rented by You and occupied by You in connection with The Business

Provided that We shall not be liable in respect of:

- a liability assumed by You under any tenancy or other agreement, unless such liability would have attached in the absence of such agreement
- b any such loss or damage by fire, lightning or explosion in respect of any of The Premises (including fixtures and fittings thereof) leased to or rented by You
 - i where it is the responsibility of You under the tenancy or other agreement to arrange fire insurance
 - ii where You are named as joint insured in the Landlords fire policy.

8 Motor Contingency

Exclusions 2 and 5ai and ii shall not apply to liability arising out of the use in connection with The Business of any vehicle not owned provided or driven by You or their partners, directors or Employees

but this Section does not cover any such liability

- a in respect of loss of or damage to the said vehicle
- b arising out of any such use in any country outside the European Union
- c incurred by any party other than You and Extensions 5 and 6 shall not apply thereto.

9 Health and Safety at Work, Legal Defence Costs

We will indemnify You and if You so request any partner, director or Employee of You in connection with criminal proceedings or an appeal against conviction arising from such proceedings brought in respect of any offence under

- a the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978

- b Part II of the Consumer Protection Act 1987 alleged to have been committed during the Period of Insurance in connection with The Business for costs and expenses incurred with Our written consent and in respect of Extension 9a costs and expenses of the prosecution awarded against such party Provided that
 - i the proceedings referred to under Extension 9a relate to the health, safety or welfare of any person other than an Employee
 - ii We shall have the absolute control of all said proceedings and appeals
 - iii this Extension shall not apply to
 - a proceedings or appeals in respect of any deliberate act or omission
 - b costs and expenses insured by any other policy.

10 Joint Insured – Cross Liabilities

If more than one party is named as You in the Schedule this Section shall apply as though each was insured separately, provided that Our liabilities to all parties indemnified shall not exceed in the aggregate the Limit of Indemnity specified in this Section.

11 Court Attendance Compensation

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

any director or partner	£250
any Employee	£150

12 Consumer Protection and Food Safety Acts – Legal Defence Costs

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

- a Part 2 of the Consumer Protection Act 1987 or

- b Section(s) 7, 8, 14 and / or 15 of the Food Safety Act 1990 or any re-enactment or replacement of such Acts and any other legislation of similar intent (including subsequent legislation) if applicable

committed or alleged to have been committed during the Period of Insurance in connection with The Business.

Provided that

- 1 We shall have the absolute and control of all said proceedings and appeals
- 2 This Section does not cover
 - a fines or penalties of any kind
 - b proceedings or appeals in respect of any deliberate act or omission
 - c costs and expenses insured by any other policy.
- 3 Our liability under this extension for all costs and expenses payable in respect of all offences alleged to have been committed during any one Period of Insurance shall not exceed £25,000.

13 Data Protection Act

We will indemnify You and at Your request any partner, director or Employee of You against sums which You or any director, partner or Employee of You become(s) legally liable to pay as compensation for damage or distress resulting from failure of You to comply with Data Protection legislation and caused in connection with The Business during the Period of Insurance provided that You are

- a a registered user in accordance with the terms of such legislation
- b not in business as a data processing bureau

The total amount payable including all costs and expenses under this Extension, in respect of all claims occurring during any one Period of Insurance, is limited to £250,000.

We shall not be liable for:

- a any damage or distress caused by any deliberate act or omission by You the result of which could reasonably have been expected by You having regard to the nature and circumstances of such act or omission
- b any damage or distress caused by any act of fraud or dishonesty

- c the costs and expenses of rectifying, rewriting or erasing data
- d liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person
- e the payment of fines or penalties

14 Defective Premises Act 1972

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

Provided that this Extension does not cover:

- a the cost of rectifying any damage or defect in the premises or land disposed of
- b liability for which You are entitled to indemnity under any other insurance.

15 Overseas Personal Liability

The Business is extended to include personal activities (not connected with any gainful occupation or profession nor with the ownership or tenure of any land or building) of any partner, director or Employee of You or family member of such partner, director or Employee normally resident within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands in the course of any journey or temporary visit to any other country made in connection with The Business.

Exclusions

General Exclusion 2, 3 and 5 of this Policy apply to this Section and in addition:

1 Penalties and Liquidated damages

This Section does not apply to any liability in respect of:

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

2 Injury to Employees

This Section does not apply to liability in respect of Injury to any Employee arising out of and in the course of the employment or engagement of such person by You.

3 Property

This Section does not apply to liability in respect of loss of or damage to any property

- a belonging to or hired by You
- b in Your custody or control.

4 Damage to Goods Supplied etc.

This Section does not apply to liability in respect of all costs of or arising from the need for

- i removal, replacement, reinstatement or repair of any goods sold or supplied
- ii a the rectification of the original repair or alteration
 - b carrying out again the service, maintenance, treatment, test or examination

that gave rise to Your liability.

5 Vehicles and Craft

This Section does not apply to liability arising out of the ownership possession or use by or on behalf of You of

- a any mechanically propelled vehicle or trailer attached thereto
 - i elsewhere than on The Premises
 - ii whilst on any road within the meaning of the Road Traffic Acts or other road traffic legislation excepting liability arising out of the operation as a tool of any plant or equipment
 - iii if such liability is insured by any other policy or is required by any road traffic legislation to be the subject of compulsory insurance or other security
- b any craft designed to travel in on or through water, air or space (other than hand-propelled watercraft).

6 Court Action

This Section does not apply to any action brought against You in a court in any country (other than Great Britain, Northern Ireland, the Channel Islands or the Isle of Man) in which You occupy premises or are represented by any resident Employee or holder of Your Power of Attorney.

7 Pollution or Contamination

This Section does not apply to any liability in respect of Pollution or Contamination occurring:

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

8 Products – United States of America or Canada

This Section does not apply in respect of Injury loss or damage caused by or arising from any Products exported by You or with Your knowledge to the United States of America or Canada.

9 Products – Additional Exclusions

In respect of Injury or damage caused by or arising from Products this Section does not cover any Product installed or incorporated in any craft designed to travel in or through air or space and which to Your knowledge was intended to be installed or incorporated in any such craft.

10 Offshore Installations

This Section does not apply to liability in respect of:

- a travel to or from
 - b work on
- any Offshore Installation.

Conditions

The General Conditions of this Policy except 8 and 13 apply to this Section and in addition:

1 Discharge of Liability

We may absolve Ourselves from any further liability in connection with any one claim or series of claims arising out of one occurrence by the payment of the stated Limit of Indemnity in respect thereof (after deducting therefrom any sums already paid), or by the payment of any balance of the maximum Limit of Indemnity for any one Period of Insurance whichever is the less, together with the amount of Additional Costs and Expenses (not included in the Limit of Indemnity) to date of such claim or claims.

2 Other Insurances

We will not indemnify You in respect of liability which is insured by or would but for the existence of this Section be insured by any other policy, except in respect of any excess beyond the amount payable under such other policy or which would have been payable under such other policy had this insurance not been effected.

3 Heat Application

It is a condition precedent to Our liability that the following precautions shall be complied with by You, Your Employees or by sub contractors acting on Your behalf whenever any work involving the use of any process for heat application or angle grinders is carried out elsewhere than on The Premises:

- a a thorough examination of the immediate vicinity of the area of work (including the area of the work itself and on the other side of any wall or partition) shall be made to see whether any material (other than the material to be worked upon) could be in danger of igniting or be damaged by either direct or conducted heat or by use of angle grinders.
- b all moveable and combustible materials (other than unharvested crops) that could ignite or be damaged by heat or use of angle grinders shall be removed from the vicinity of the work to A Place of Safety.
- c all material (other than unharvested crops) that could be ignited or be damaged by heat or use of angle grinders which cannot be moved shall be covered and fully protected by overlapping sheets or screens of non-heat conducting and non-combustible material.

- d if work is necessarily carried out in an area of unharvested crops
 - 1 so far as it is practicable
 - i crops in the immediate vicinity of the work shall be removed to a distance of not less than 2 metres radiating from the point of heat application or use of angle grinders
 - ii a wind break of not less than 1.5 metres high enclosing the area of heat application or use of angle grinders shall be erected
 - 2 the total area radiating 2 metres from the point of heat application or use of angle grinders shall be saturated with water to prevent the ignition of any residual combustible material.
- e the battery of any vehicle, machine or equipment being worked upon shall be disconnected and removed to A Place of Safety.
- f if welding or heat application work is carried out on any vehicle within 1 metre of any fuel tank, pipe or line the fuel shall be drained from the vehicle using a proprietary fuel retriever pump into a suitable metal canister which is then sealed and removed to A Place of Safety.
- g There shall be available for immediate use at the site of work

Either

two portable multi-purpose dry powder fire extinguishers to European standard BS EN 3 or British Standard BS 5423 with a minimum capacity of 4.0 kilograms each and serviced in accordance with BS 5306-3

or

a hydraulic hose reel provided the situation is one where water would not aggravate a fire or explosion.
- h the use of all equipment for heat application, cutting or angle grinding shall be strictly in accordance with the manufacturer's instructions and no such equipment shall be left alight, under power or otherwise operational and unattended.
- i when gas cylinders are used, those not in immediate use shall be kept in A Place of Safety.

- j for one hour after completion of the heat application or angle grinding a thorough inspection of the surrounding work shall be made at frequent intervals up to the end of the period of one hour to ensure that nothing has been damaged, nothing is smouldering and there is no risk of fire.

Important

This Condition shall not apply when providing assistance to emergency services and such work is undertaken under their direction and control.

Section 7 – Employers Liability

Definitions

The General Definitions of this Policy apply to this Section and in addition:

1 Injury

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

2 Geographical Limits

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

3 Offshore Installations

- a any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- b any installation in the sea or tidal waters which is intended for the storage of or recovery of gas
- c any pipe or system of pipes in the sea or tidal waters
- d any installation which is intended to provide accommodation for persons who work on or from the locations specified in Definitions 3a, 3b or 3c.

Cover

Indemnity

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

Additional Costs and Expenses

We will also pay costs and expenses incurred by You with Our written consent:

- a in connection with the defence of any claim
- b for representation of You
 - i at any Coroner's Inquest or Fatal Accident Inquiry in respect of death
 - ii at proceedings in any Court of Summary Jurisdiction or on indictment in any higher Court in respect of any alleged breach of statutory duty resulting in Injury

which may be the subject of Indemnity under this Section.

Limit of Indemnity

Our liability for all compensation costs and expenses payable in respect of any one claim or series of claims arising out of one occurrence shall not exceed the amount shown in the Schedule except that it shall not exceed £5,000,000 in respect of an act of Terrorism.

Extensions

1 Indemnity to Other Parties

If You so request We will indemnify the following parties

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

as though each such party was individually named as You in this Section

- c any Principal for whom You have agreed to execute work under contract or agreement against liability arising out of the performance of such work by You, and in respect of which You are legally liable and would have been entitled to Indemnity under this Section if the claim had been made against You

Provided that:

- 1 any person claiming indemnity shall observe fulfil and be subject to the terms and conditions of this Section and the General Conditions of the Policy in so far as they can apply.
- 2 Our liabilities to You and all parties indemnified shall not exceed in the aggregate the Limit of Indemnity shown in the Schedule.

2 Health and Safety at Work – Legal Defence Costs

We will indemnify You and if You so request any partner, director or Employee of You in respect of:

- a costs and expenses incurred with Your written consent
- b costs and expenses of the prosecution awarded against any such party

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

Provided that:

- 1 the proceedings relate to the health safety or welfare of an Employee
- 2 We shall have the absolute conduct and control of all such proceedings and appeals
- 3 this Extension shall not apply to
 - i fines or penalties of any kind
 - ii proceedings or appeals in respect of any deliberate act or omission
 - iii costs or expenses insured by any other policy.

3 Unsatisfied Court Judgements

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

- a is obtained by such Employee in any Court situate in the territories specified in Definition 2a against any person or corporate body not being You domiciled or operating from premises within such territories and

- b remains wholly or partly unsatisfied six months after the date of such judgement

At Your request We will pay to the said Employee the amount of any such compensation and costs to the extent that they remain unsatisfied provided that:

- i there is no appeal outstanding
- ii the Employee shall have assigned the judgement to Us.

4 Injury to Working Partners or Proprietors

In respect of Injury sustained by any working partner or proprietor named as You We will for the purpose of this cover deem such person to be an Employee provided that We will only be liable when:

- a the Injury is sustained whilst such partner or proprietor is working in connection with The Business
- b the Injury is caused by the negligence of another partner or proprietor or Employee whilst working in connection with The Business
- c the injured partner or proprietor has a valid right of action in negligence against the person responsible for such Injury.

5 Court Attendance Compensation

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

any director or partner	£250
any Employee	£150

Exclusions

General Exclusion **2**, **3** and **5** of this Policy applies to this Section and in addition:

1 Vehicles

This Section does not apply to liability arising out of the ownership possession or use by or on behalf of You of any mechanically propelled vehicle or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security.

2 Offshore Installation

This Section does not apply to liability in respect of:

- a travel to or from
- b work on

any Offshore Installation.

Conditions

The General Conditions of this Policy except **8** and **13** apply to this Section and in addition:

1 Discharge of Liability

We may absolve Ourselves from any further liability in connection with any one claim or series of claims arising out of one occurrence by the payment of the stated Limit of Indemnity in respect thereof (after deducting therefrom any sums already paid).

2 Compulsory Insurance Legislation

The Indemnity granted by this Section in respect of Injury to any Employee is deemed to be in accordance with the provisions of any law relating to compulsory insurance or liability to Employees in the territories specified in Definition **2a** but You shall repay to Us all sums paid by Us which You would not have been liable to pay but for the provisions of such law.

3 Other Insurances

We will not indemnify You in respect of liability which is insured by or would but for the existence of this Section be insured by any other policy, except in respect of any excess beyond the amount payable under such other policy had this insurance not been effected.

4 Certificate of Employers' Liability

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

Section 8 – Business Interruption

Definitions

The General Definitions of this Policy apply to this Section and in addition:

1 Annual Turnover*

The Turnover during the twelve months immediately before the date of the Damage.

2 Damage

'Damage' as referred to in Section 1 Material Damage or 'loss of or damage' or 'damage' as referred to under Indemnity 2 Damage in Section 2 Motor Vehicle Road Risks and Section 3 Self Drive Vehicle Hire.

3 Gross Profit

The amount by which the sum of the amounts of the Turnover and of the closing stocks exceeds the sum of the amounts of the opening stocks and those working expenses of The Business which will directly vary in relationship to a fall in Turnover.

4 Indemnity Period

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period (shown in the Schedule) thereafter during which the results of The Business shall be affected in consequence of the Damage.

5 Insured Vehicle

'Insured Vehicle' as defined in Section 2 Motor Vehicle Road Risks and 'Rental Vehicle' as defined in Section 3 Self Drive Vehicle Hire.

6 Rate of Gross Profit*

The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage.

7 Standard Turnover*

The Turnover during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.

8 Turnover

The money (less discounts allowed) paid or payable to You for goods sold and delivered and for services rendered, whether by You or by others on their behalf, in the course of The Business conducted at or from The Premises.

*Important

Any necessary adjustments shall be made to the Rate of Gross Profit, Annual Turnover and Standard Turnover to provide for the trend of The Business and for variations in or special circumstances affecting The Business whether before or after the Damage, or which would have affected The Business had the Damage not occurred so that the adjusted figures shall represent as closely as is reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

Note

To the extent that You are accountable to the tax authorities for Value Added Tax, all terms in this Section shall be exclusive of such tax.

Cover

Indemnity 1 – Damage

If, during the Period of Insurance, any building or other property or any part thereof used by You at or from The Premises, or whilst in transit, for the purpose of The Business is damaged by the risks insured against under Section 1 Material Damage and/or Section 2 Motor Vehicle Road Risks and/or Section 3 Self Drive Vehicle Hire and The Business carried on by You at or from The Premises is as a consequence thereof interrupted or interfered with We will pay You the amount of loss resulting from such interruption or interference

Provided that at the time of the Damage occurring there is in force an insurance covering Your interest in the property against such Damage, and that payment shall have been made or liability admitted under such insurance (but this shall not apply if no such payment shall have been made nor liability admitted solely owing to the operation of an Excess).

The Amount Payable

- a on Gross Profit and wages, salaries, fees, redundancy payments and payments under the Contract of Employment Acts or similar legislation:

Cover is limited to loss of Gross Profit due to a reduction in Turnover and/or an increase in cost of working, and the amount payable shall be

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

less any sum saved during the Indemnity Period in respect of such charges and expenses of The Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage.

Provided that if the amount of Gross Profit declared by You at the inception of each Period of Insurance is less than 75% of the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

- b on auditors fees:

Cover is limited to the reasonable charges payable by You to professional accountants for producing any particulars or details contained in Your books of account or other business books or documents or other such proofs, information or evidence as may be required by Us and certifying that such particulars or details are in accordance with Your books of account or other business books or documents.

Indemnity 2 – Book Debts

If during the Period of Insurance Your records of accounts receivable or other books or records of The Business sustain Damage by the risks insured under the Material Damage Section, and as a result You are unable to trace or establish the outstanding debit balances in whole or in part due to You, We will pay You the amount of loss resulting from such Damage but not exceeding

- 1 the difference between
 - a the outstanding debit balances and
 - b the total of the amounts received or traced
- 2 the additional expenditure incurred with Our consent in tracing and establishing customer's debit balances after the Damage
- 3 an amount up to £1,500 for interest charged on any loan raised to offset impaired collections pending repayment of such sums collectable by You
- 4 a total of £500,000 in all (unless an increased amount is shown in the Schedule).

'Outstanding debit balances' are the total set out in Your accounts at the end of the month preceding the loss adjusted for

- a bad debts
- b amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to customer's accounts in the period between the date to which the said last statement relates and the date of the Damage
- c any abnormal condition of trade which had or could have had a material effect on The Business

so that the figures thus adjusted shall represent as nearly as may be reasonably practicable those which would have been obtained had the Damage not occurred.

Departmental Clause

If The Business be conducted in departments the independent trading results of which are ascertainable, the provisions of clauses **ai** and **ii** of Indemnity **1** shall apply separately to each department affected by the Damage subject to the terms of The Amount Payable.

Payments on Account

Payments on account may be made during the Indemnity Period, if desired, subject to any necessary adjustment at the termination of such period.

Automatic Reinstatement of Loss

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

Premium Rebate

The premium paid hereon may be adjusted on receipt by Us of a declaration of Gross Profit earned during the financial year most nearly concurrent with the Period of Insurance, as reported by Your auditors. If any Damage shall have occurred giving rise to a claim for loss of Gross Profit the above mentioned declaration shall be increased by Us for the purpose of premium adjustment by the amount by which the Gross Profit was reduced during the financial year solely in consequence of the Damage. If the declaration (adjusted as provided for above and proportionately increased where the Maximum Indemnity Period exceeds 12 months) is less than the Gross Profit declared at inception/renewal for the relative Period of Insurance We will allow a pro-rata return of premium not exceeding 50% of the premium paid.

Extensions

1 Denial of Access

Loss resulting from interruption or interference with The Business in consequence of Damage to property in the vicinity of The Premises which shall prevent or hinder the use thereof or access thereto, whether The Premises or property of You therein are damaged or not, shall be deemed to be loss resulting from Damage to property used by You at The Premises.

2 Suppliers

Loss as insured under Indemnity **1a** of this Section resulting from interruption of or interference with The Business in consequence of Damage to property at the undernoted situations or to property as undernoted shall be deemed to be loss resulting from Damage to property used by You at or from The Premises.

Provided that Our liability under this Extension shall not exceed the following percentages of the Gross Profit Sum Insured

- a** the premises of any motor vehicle manufacturer or any manufacturer supplying them with components or materials anywhere in the world **25%**
- b** the premises of any company from which You obtain regular supplies of goods or materials, all situate within the Geographical Limits **15%**
- c** vehicles whilst in transit or stored at premises not in Your occupation situate within the Geographical Limits **15%**

3 Public Utilities

We will indemnify You against loss in consequence of the accidental failure of the public supply of:

- A** electricity to the terminal ends of the supply undertakings service feeders at The Premises
- B** gas to the supply undertakings meters at The Premises
- C** water to the supply undertakings main stopcock serving The Premises
- D** telecommunications services to the incoming line terminals or receivers at The Premises

which shall be deemed to be loss resulting from Damage to property used by You at The Premises.

Provided that:

- 1 We shall not be liable for loss resulting from any failure:
 - a which does not involve a cessation of supply for at least 6 hours
 - b caused by:
 - i strikes or any labour or trade dispute
 - ii drought
 - iii atmospheric or weather conditions other than drought but this exclusion shall not apply to failure due to Damage to equipment caused by such conditions.
- 2 We shall not be liable for loss resulting from:
 - a failure of any satellite prior to its attaining its full operating function or whilst such satellite is in or beyond the final year of its design life
 - b temporary interference with transmissions to and from satellites due to atmospheric, weather, solar or lunar conditions
 - c failure due to the transfer of Your satellite facility to another party.

4 Foreign Travel

General Exclusion 1 shall not apply to loss resulting from Damage, insurable under the Motor Vehicle Road Risks Section, sustained by any Insured Vehicle whilst such vehicle is being used on the continent of Europe or is in transit between its countries.

5 Customers

Loss as insured under Indemnity 1a of this Section resulting from interruption of or interference with The Business in consequence of Damage to property at the premises of any of Your customers within the Geographical Limits with whom at the time of the Damage You have agreed under contract to supply goods or services up to a limit of 5% of the Gross Profit Sum Insured.

Exclusions

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

- 1 loss caused by the deliberate act of any supply undertaking or by the exercise by any such undertaking of its power to withhold or restrict supply or services except for loss resulting from:
 - a Damage resulting from a cause which is not otherwise excluded
 - b subsequent Damage resulting from an ensuing cause which is not otherwise excluded.
- 2 in respect of Indemnity 2 only, losses arising from accidental erasure, misfiling or mislaying of records.

Conditions

The General Conditions of this Policy apply to this Section.

Section 9 – Conversion

Definition

The General Definitions of this Policy apply to this Section and in addition:

Vehicle

Any motor vehicle or trailer.

Cover

Indemnity

We will indemnify You against any loss sustained by You in connection with any Vehicle purchased by You in the course of The Business in respect of which:

- 1 the rightful and lawful owner has substantiated a valid claim for the return of the Vehicle or its value.
- 2 the person to whom You have contracted to sell the Vehicle has substantiated a valid claim for damages for breach of implied warranty of title.

In addition We will pay costs

- a recovered by any claimant against You where the claim is contested by Us or is contested with Our written consent
- b incurred with Our written consent for the defence of such claim.

Limit of Indemnity

Our liability for all compensation payable under this Section in respect of all Vehicles purchased by You in any one Period of Insurance is limited to the amount shown in the Schedule.

Exclusions

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

The first £250 of each claim.

Conditions

The General Conditions of this Policy apply to this Section and in addition:

You shall be a subscriber to HPI Ltd or Experian Ltd and all payments for Vehicles purchased or allowances for part exchange made by You shall be by cheque, credit card payment or credit against a new purchase and no such payment shall be made until HPI Ltd or Experian Ltd confirm that there is no adverse information held against the Vehicle.

Such confirmation from HPI Ltd or Experian Ltd need not be in writing at the time of sale but written confirmation must be provided to Us in connection with any claim before an indemnity shall apply under this Section.

Section 10 – Fidelity Guarantee

Definitions

The General Definitions of this Policy, except 2, apply to this Section and in addition:

1 Acting in Collusion

Acting in Collusion shall mean all circumstances where two or more Employees are concerned or implicated together or materially assist each other in committing the acts of Theft.

2 Date of Acceptance

Date of acceptance shall mean

- a the commencement date of the first Period of Insurance or
- b the date on which the Employee enters into a contract of service or apprenticeship with You

whichever is the latest.

3 Employee

Employee shall mean any person

- a under a contract of service or apprenticeship with You or
- b undergoing training under any Government approved training scheme under Your control in connection with The Business whilst in Your service

normally resident in the Geographical Limits.

The term Employee shall include any of the following persons whilst working for You in connection with The Business

- i any director of You if such person
 - 1 is also employed by You under a contract of service and
 - 2 controls no more than 5 per cent of the issued share capital of Your company or of any subsidiary of Your company.
- ii any person retired from full-time employment with You who is working for You as a consultant under the control or direction of You
- iii any person supplied to You under a contract or agreement stipulating that such person shall be deemed to be in the employment of You for the duration of such contract or agreement

- iv any self-employed person performing work of a kind normally performed under a contract of service or apprenticeship with You, provided that such work is under the immediate supervision and control of You.

4 One Claim

One Claim shall mean all acts of Theft throughout the continuation of this insurance (or any insurance issued in substitution therefor or for which this insurance is substituted) committed by one individual Employee or by two or more Employees Acting in Collusion.

5 System of Check

System of Check shall mean the minimum standards

- a of supervision of accounting procedures
- b for checking the security of money, goods or property
- c of computer security
- d for the vetting of employees

disclosed on the Fidelity Guarantee Insurance – Motor Trade Supplementary Proposal Form together with any subsequent amendments required in writing by Us or otherwise agreed in writing by Us.

6 Theft

For the purposes of this Section Theft shall mean any act of fraud or dishonesty by any Employee committed with the clear intent of obtaining an improper financial gain for themselves or for any other person or organisation intended by the Employee to receive such gain other than salaries, fees, commission or other employee benefit earned in the normal course of employment.

Cover

We will pay You for direct loss of money or goods belonging to You or for which You are legally responsible caused by any act of Theft

- a during the continuance of this insurance and
- b during the uninterrupted employment of such Employee by You

and is discovered within eighteen calendar months from the act of Theft.

Exclusions

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

- 1 loss of interest or consequential loss of any kind.
- 2 loss caused by any act of any Employee committed prior to the Date of Acceptance applicable to that Employee.
- 3 loss where You continue to entrust the defaulting Employee with money or goods after becoming aware of any material fact bearing on the honesty of the said Employee.
- 4 if there is any change
 - a in the nature of The Business
 - b to the System of Checkunless such change is agreed by Us in writing.
- 5 for any unexplained shortages.
- 6 for the amount of any Excess as ascertained after all other terms and conditions of the Section.

Basis of Settlement

The amount payable by Us as indemnity to You shall be the value in money of the goods at the time of the loss or at Our option the replacement or reinstatement of such goods.

Limit of Indemnity

Our liability under this Section

- 1 in respect of any One Claim irrespective of the number of Periods of Insurance during which the insurance by this Section (and any insurance issued in substitution therefor) shall remain in force shall not exceed the Limit of Indemnity
- 2 in respect of any one Period of Insurance shall not exceed the Limit of Indemnity.

Extensions

1 Auditors Fees and Rewriting of System Records

As a direct result of loss of money or goods resulting in a valid claim under this Section We will also pay for

- a auditors fees incurred with Our written consent solely to substantiate the amount of the claim
- b the reasonable cost of rewriting or amending the software, programs or systems where such rewriting or amending is necessary to correct the programs or amend the security codes following the fraudulent use of computer hardware or software programs or computer systems the subject of a claim for which liability is admitted under this Section

Provided that Our total liability including any amount payable under the provisions of this Section Extension shall not exceed the Limit of Indemnity.

2 Previous Insurance

If this insurance immediately supersedes a fidelity insurance effected by You (the "superseded Insurance") We will indemnify You in respect of any loss discovered during the continuation of this insurance but committed during the continuation of the superseded Insurance if the loss is not recoverable thereunder solely because the period allowed for discovery has expired

Provided that

- a such insurance has been continuously in force from the time of the loss until inception of this Section
- b the loss would have been insured by this insurance had it been in force at the time of the loss
- c Our liability shall not exceed whichever is the lesser of
 - i the amount recoverable under the insurance in force at the time of the loss or
 - ii the Limit of Indemnity under this insurance.

In any event Our total liability in respect of any One Claim continuing through both the term of the superseded Insurance and the continuation of this insurance shall not exceed the Limit of Indemnity applicable under this Section.

3 Pension Fund Trustees

At Your request We will indemnify the trustees of any pension fund or other Employee benefit scheme set up to provide benefit to Your Employees in respect of any loss of money or goods which the trust may incur as a result of any act of Theft as otherwise insured by this Section committed by an Employee of You.

For the purpose of this Section extension all persons nominated as trustees shall be deemed Employees.

4 Temporary Agency Staff

The term Employee shall include any person furnished by a staff or employment agency who by arrangement with such agency is working for You on a temporary or part-time basis in connection with The Business to perform the function and duties of an Employee under the control or direction of You but excluding persons employed:

- a as drivers
- b in connection with warehouse duties
- c with computer operations or computer programming

unless specifically stated as insured herein

Provided that

- 1 We shall not be liable for any loss caused by any such person if such loss is also covered for the benefit of You by any insurance or guarantee held by staff or employment agency furnishing the person concerned
- 2 the amount of wages and salaries declared shall include the total amount of fees paid to staff and employment agencies in respect of temporary agency staff described above
- 3 the reference condition shall not apply to the temporary agency staff described above.

Conditions

The General Conditions of this Policy apply to this Section and in addition:

1 Cessation of Cover

Immediately following the discovery by You of any act of Theft by an Employee all liability for further acts of Theft by that Employee shall cease.

2 Claims (Action by You)

On the discovery of any act which may give rise to a claim You shall

- a notify Us immediately
- b notify the police authority immediately and take all practical steps to discover any guilty person and to trace and recover the money and goods
- c deliver to Us at Your own expense within 30 days after such act, or such further time as We may allow:
 - i full information in writing of the money or goods lost and the amount of the loss
 - ii details of any other insurance's on any money or goods hereby insured
 - iii all such proofs and information relating to the claim as may be reasonably required
 - iv if demanded a statutory declaration of the truth of the claim and of any matters connected with it.

No claim under this Section shall be payable unless the terms of this Section condition have been complied with.

3 Conditions Precedent to Liability

Every condition applied to this Section or to any item of this Section (whether General, Section or Special Condition) shall apply from the time the condition attaches and continue to be in force during the whole currency of this Section.

Failure to comply with any such condition, to the extent that it increases the risk of loss or damage, shall be a bar to any claim in respect of such loss or damage.

4 Employee's Money

Any money of the Employee in Your hands upon discovering of any loss and any money which but for the Employee's theft would have been due to the Employee from You shall be deducted from the amount of the loss before a claim is made under this insurance.

5 Recoveries of further Monies

Any recoveries effected by You less any costs incurred in recovery shall accrue

- a in the event that Your claim has exceeded the Limit of Indemnity firstly to the benefit of You to reduce or extinguish the amount of Your loss (but not in respect of the amount of the Excess, where applicable)
- b thereafter to the benefit of Us to the extent of the claim paid or payable
- c finally to the benefit of You where an Excess had been deducted from the claim.

6 Termination of Service

Upon the termination of service of any Employee You shall take all reasonable precautions to prevent a loss as insured by this Section, including but not limited to:

- a the changing of all alarm and other security codes or passwords the Employee had or may have had knowledge of
- b the deletion or invalidation of any access codes or passwords the Employee has to access computer or other systems.

7 System of Check

You must

- i operate and enforce the System of Check
- ii not make any changes to such System Check unless and until We are advised and Our written approval obtained
- iii instruct all Employees as to their duties or responsibilities in respect of such System of Check and enforce compliance.

8 Auditors

Your accounts, including all subsidiary companies, must be examined by external auditors every twelve months. All recommendations or alternatives acceptable to the auditors must be implemented without delay.

9 References

You must obtain satisfactory references to confirm the honesty of each Employee who will be responsible for money, goods, accounts, computer operations or computer programming.

Such references must be obtained directly from former employers for the three years immediately preceding engagement and before the Employee is entrusted without supervision. Any gaps in service must be accounted for.

References need not be obtained in respect of Employees who have satisfactorily and continuously served You for at least three years in another capacity before being entrusted with the duties referred to above.

In respect of Employees joining directly from school or Government sponsored youth training schemes one character reference shall be obtained.

A written report of any verbal reference shall be made at the time it is obtained. The original copy of each written reference and the record of any verbal reference shall be retained by You and shall be made available for inspection by Us upon request.

Section 11 – Terrorism Material Damage

Section 12 – Terrorism Business Interruption

Definitions

The General Definitions of this Policy apply to these Sections and in addition:

1 Act of Terrorism

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

2 Consequential Loss

Loss resulting from interruption of or interference with The Business carried on by You at The Premises in consequence of Damage to property used by You at The Premises for the purpose of The Business.

3 Damage

Loss or destruction or damage to the Property Insured.

4 Denial of Service Attack

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 Attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, and the generation of excess or non-genuine traffic between and amongst networks.

5 Event

All individual losses arising in respect of a continuous period of 72 hours of which the proximate cause is the same Act of Terrorism. The date and time that any such period of 72 hours shall commence shall be set by Us.

6 Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data, whether Your property or not.

7 Nuclear Installation

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 for or adapted for

- a the production or use of atomic energy
- b the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations
- c the 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.

8 Nuclear Reactor

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.

9 Property Insured

Property as detailed in the Schedule to this Policy but excluding:

- 1 Property Insured under
 - a Any form of Marine, Aviation or Transit Policy
 - b Section 2 Motor Vehicle Road Risks or Section 3 Self Drive Vehicle Hire
 - c A reinsurance policy or agreement.

Whether such policy or agreement includes cover for an Act of Terrorism or not.

- 2 any land or building which is insured in the name of an individual and is occupied by that individual for residential purposes, unless
 - a insured under the same policy as the remainder of the building which is not a private residence
 - b The building is a block of flats
- 3 any Nuclear Installation or Nuclear Reactor.

10 Territorial Limits

England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987.

Note 1. This shall include the Channel Tunnel up to the frontier with the Republic of France, as set out by the Treaty of Canterbury.

Note 2. For the avoidance of doubt, this excludes Northern Ireland, the Isle of Man and the Channel Islands.

11 Virus or Similar

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. The definition of Virus or Similar Mechanism includes but is not limited to trojan horses, worms and logic bombs.

Cover

We will pay You for

- a Damage, or
- b Consequential Loss

occasioned by or happening through or in consequence of an Act of Terrorism within the Territorial Limits

Provided always that the insurance by this Section

- a is not subject to the General Exclusions of this Policy
- b is subject otherwise to all the terms and conditions of this Policy except where expressly varied by this Section
- c is subject to a maximum Period of Insurance of 12 months from the Effective Date or any subsequent Renewal Date of this Policy.

Any subsequent period of cover of 12 months, or part thereof, provided by this Section is deemed to constitute a separate Period of Insurance, provided that

- i no subsequent Period of Insurance by this Section shall extend beyond the next Renewal Date of this Policy
 - ii the renewal premium due in respect of this Section has been received by Us
- d is not subject to any Long Term Undertaking applying to this Policy.

Basis of Settlement

As described in and subject to the terms, definitions, provisions, exclusions and conditions of this Policy in respect of Damage or Consequential Loss.

The most We will pay for any one Event is

- a the Total Sum Insured, or

- b for each item its individual Sum Insured, or
- c any other limit of liability

in this Policy, whichever is the less.

Section Exclusions

We will not pay for

1 Digital and Cyber Exclusion

Any losses whatsoever directly or indirectly caused by or contributed to by arising from or resulting from

- a Damage to any computer or other equipment or component or system or item which processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs software) and whether Your property or not, where such Damage is caused by Virus or similar mechanisms or Hacking or Denial of Service Attack.

or

- b Consequential Loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking or Denial of Service Attack.

2 Riot, Civil Commotion and War

Any losses whatsoever occasioned by riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power.

3 Territorial Limits

Any losses whatsoever arising directly or indirectly from any cover or extension of The Premises provided by this Policy to locations outside the Territorial limits.

Section Conditions

Burden of Proof

In any action suit or other proceedings where We allege that any damage or loss resulting from damage is not covered by this Policy, the burden of proving that such damage or loss is covered shall be upon You.

Section 13 – Personal Accident

Definitions

The General Definitions of this Policy apply to this Section and in addition:

1 Accidental Bodily Injury

Bodily injury caused by

- a accidental violent external and visible means
- b exposure following a mishap to any vehicle, vessel or aircraft in which the Insured Person is travelling.

2 Accumulation Limit

Our maximum liability for all accepted claims in aggregate in respect of all Insured Persons involved in the same originating event. The Accumulation Limits applicable to this Section are the Aircraft Accumulation Limit and the Event Accumulation Limit. The operation of the Accumulation Limits is explained in Conditions of this Section.

3 Aircraft Accumulation Limit

Our maximum liability in the aggregate under this Section and any other group personal accident or business travel policies issued or to be issued by Us to You in respect of anyone originating event involving any aircraft.

4 Associated Illness

Sickness or disease (except any psychological condition or disorder) which results directly from the Insured Person sustaining Accidental Bodily Injury and would not otherwise have arisen and had not previously arisen.

5 Benefit

Such sum or sums of money as We have agreed to pay You and/or the Insured Person as set out in the Schedule.

6 Contamination

Contamination or poisoning of people by nuclear and/or chemical and/or biological substances which cause illness and/or disablement and/or death.

7 Death

Death through Accidental Bodily Injury.

8 Event Accumulation Limit

Our maximum liability in the aggregate under this Section and any other group personal accident or business travel policies issued or to be issued by Us to You in respect of any claims or series of claims arising out of or consequent upon anyone originating event not involving an aircraft or conveyance.

9 Excess Period

The first period of Temporary Total Disablement or Temporary Partial Disablement for which no Benefit is payable as shown in the Schedule.

10 Insured Person/Insured Persons

Those persons specified in the Schedule as being an Insured Person.

11 Loss of Hearing

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

12 Loss of Limb

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

13 Loss of Sight

Total and permanent Loss of Sight will be considered as having occurred:

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

which has lasted 3 consecutive months of the Insured Person's lifetime and is at the end of that period beyond hope of improvement.

14 Maximum Benefit

The maximum amount of Benefit payable as shown in the Schedule.

15 Maximum Benefit Period

The maximum length of time for which a Benefit is payable after the Excess Period has expired as shown in the Schedule.

16 Permanent Partial Disablement

Loss of Sight, Loss of Hearing and Loss of Limb.

17 Permanent Total Disablement

Any permanent disablement other than Loss of Sight or Loss of Hearing or Loss of Limb which having lasted without interruption for at least 12 months is without any reasonable prospect of improving and in the opinion of an independent qualified medical referee acceptable to Us will in all probability permanently, completely and continuously prevent the Insured Person from engaging in or giving attention to his or her Usual Occupation for the remainder of his or her life.

18 Scale(s) of Compensation

The scale of Benefits as shown in the Schedule.

19 Temporary Total Disablement

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

20 Temporary Partial Disablement

A disablement which wholly prevents the Insured Person from performing more than 50% of the functions of his/her Usual Occupation but is not Permanent Total Disablement.

21 Usual Occupation

The tasks, duties and other functions which You normally pay the Insured Person to perform in connection with The Business of You.

22 Weekly Benefit

Temporary Total Disablement or Temporary Partial Disablement.

23 Weekly Wage

The gross basic weekly amount (excluding overtime and bonus payments) payable by You to the Insured Person as at the date of occurrence of the accident for his or her Usual Occupation.

24 Operative Time of Cover

The time and circumstances when cover under this Policy is effective within the Period of Insurance as shown in the Schedule by reference to the following terms which have the following meanings:

A Occupational and Commuting

Means while an Insured Person is carrying out his or her occupational duties for You or travelling between an Insured Person's place of residence and place of work or travelling between places of work where the travel is at Your expense.

B 24 Hours

Means at any time.

Cover Accident

We will pay You compensation in accordance with the Scale(s) of Compensation specified in the Schedule if any Insured Person suffers Accidental Bodily Injury during the Period of Insurance and Operative Time of Cover which within 12 months thereof solely, directly and independently of any other cause results in the Death, Permanent Total Disablement, Permanent Partial Disablement, Temporary Total Disablement or Temporary Partial Disablement of an Insured Person.

First Aid Expenses

We will pay all first aid expenses incurred by You or the Insured Person in direct connection with any compensation which is payable for Weekly Benefit up to but not exceeding 15% of the total compensation payable subject to an overall maximum payment of £10,000.

Exclusions

The General Exclusions of this Policy apply to this Section and in addition it does not cover any claims:

- 1 sustained whilst or consequent upon or contributed to directly or indirectly by an Insured Person engaging in:
 - a motor cycling (other than in respect of mopeds or scooters up to 50cc)
 - b hunting
 - c winter sports other than curling or skating
 - d mountaineering or rock climbing (necessitating the use of ropes or guides)
 - e armed or unarmed combat sports, pot holing, skin-diving or other hazardous activity
 - f riding or driving in any kind of race or endurance test (or practice thereof)
 - g air travel other than as a fare paying passenger in a fully licensed passenger carrying aircraft. No cover is in place for members of an aircraft's crew or for an Insured Person carrying out any trade or technical operation whilst an aircraft is in flight
 - h any gainful occupation outside The Business of You specified in the Policy
 - i active service in the armed forces of any Nation, International Authority of other such organisation
- 2 arising out of consequent upon or contributed directly or indirectly by:
 - a any claim arising out of or consequent upon or contributed directly or indirectly to by the Insured Person being affected by alcohol where the alcohol level is greater than 80 milligrams per 100 millilitres of blood or from the Insured Person taking illegal drugs or taking non-prescribed drugs for recreational purposes or taking drugs prescribed for the treatment of the Insured Person's own drug addiction or alcoholism
 - b the Insured Person committing a criminal act or whilst engaged in civil commotion or riot of any kind

- 3 caused or contributed to directly or indirectly by:
 - a pregnancy or childbirth
 - b sexually transmitted diseases including HIV (Human Immunodeficiency Virus) and/or any HIV related illness including AIDS (Acquired Immune Deficiency Syndrome) and/or any mutant derivative or variations thereof however caused
 - c the suicide, intentional self-injury or insanity of or by the Insured Person
 - d sickness or disease (with the exception of Associated Illness) or any naturally occurring condition or gradually operating cause
- 4 claims are not payable as a result of any event directly or indirectly arising out of any nuclear, chemical or biological contamination due to any act of Terrorism regardless of any other cause or any other event contributing at the same time or in any other sequence to such event

If We allege that by reason of this exclusion any loss damage cost or expense is not covered the burden of proving the contrary shall be upon You
- 5 any claim or series of claims arising out of or consequent upon (or contributed to directly or indirectly by) any one originating event not involving or relating to any aircraft and/or motorised or powered transfer in excess of £20,000,000 or the amount shown under the Event Accumulation Limit stated in the Schedule
- 6 any claim or series of claims arising out of or consequent upon (or contributed to directly or indirectly by) any one originating event involving or relating to any aircraft in excess of Aircraft Accumulation Limit stated in the Schedule
- 7 any claim or series of claims arising out of or consequent upon (or contributed to directly or indirectly by) any one originating event in excess of £20,000,000.

Conditions

The General Conditions of this Policy except **8** apply to this Section and in addition:

In respect of each Insured Person:

- 1** this Section shall cease to be in force immediately after the occurrence of any event qualifying for payment under Item 1 to 5 of the Scale(s) of Compensation.
- 2** compensation will not be paid under more than one of the Items 1 to 5 of the Scale(s) of Compensation for the consequences of the same originating event.
- 3** We will not pay weekly compensation for:
 - a** one or more originating events occurring in any one Period of Insurance for more than the Maximum Benefit Period specified in the Scale(s) of Compensation
 - b** such first part of each period of disablement as is specified as the Excess Period in the Scale(s) of Compensation
 - c** the first two weeks of any Temporary Total Disablement or Temporary Partial Disablement of any Insured Person sustained whilst or as consequence of playing association football, rugby or hockey
 - d** compensation will not be paid concurrently under more than one of Items 4 or 5 under the Scale(s) of Compensation for the consequences of one or more originating events.
- 4** payment of Weekly Benefit does not prejudice Your entitlement to any other Benefit but payment of Weekly Benefits will cease if We pay any Benefit under Items 1 to 5.
- 5** Our maximum liability for all accepted claims in aggregate in respect of all Insured Person's involved in the same originating event shall not exceed the lowest appropriate Accumulation Limit. Where the aggregate total of all individual claims exceeds the Accumulation Limit the individual claims shall be reduced proportionately until the aggregate total of all individual claims does not exceed the lowest appropriate Accumulation Limit:
 - a** **Aircraft Accumulation Limit**
If a claim or series of claims arising out of or consequent upon (or contributed to directly or indirectly by) anyone originating event involving or

relating to any aircraft exceeds the Aircraft Accumulation Limit the amount of Benefit paid will be proportionately reduced to an amount that does not exceed the limit stated in the Schedule.

- b** **Event Accumulation Limit**

If a claim or series of claims arising out of or consequent upon (or contributed to directly or indirectly by) anyone originating event not involving or relating to any aircraft and/or motorised or powered transport exceeds the Event Accumulation Limit the Benefit paid will be proportionately reduced to an amount that does not exceed the limit stated in the Schedule.

- 6** **Your Obligations to Notify Changes**

You must give immediate notice to Us of any change to the occupation of any Insured Person from that which You originally advised to Us.

- 7** **Claims Conditions**

The following conditions explain the actions and co-operation which We require from You and/or the Insured Person when making a claim under this Section. No claim will be paid unless You and/or the Insured Person comply strictly with these conditions.

- a** You must give notice to Us as soon as possible and in any event within 30 days after the happening of any loss damage, or occurrence which may result in a claim under this Section.
- b** The Insured Person must at Our request submit to a medical examination in respect of any Accidental Bodily Injury where You require Us to consider a claim under this Policy for which We will pay the cost of the medical examination fee.
- c** As soon as possible after the occurrence of any Accidental Bodily Injury the Insured Person must obtain and follow the advice of a registered medical practitioner. We will not be liable for any bodily injury which is worsened or prolonged or any other consequences which arise as a result of the Insured Person's failure to obtain and follow such advice and to use such treatment remedies or appliances as may be prescribed.
- d** In the event of the death of an Insured Person We will be entitled to have a post-mortem examination carried out at Our expense.

- e To claim for Benefits under Items 4 or 5 (Weekly Benefit) the Insured Person must have no other Weekly Benefits insurance in force except as declared to and accepted by Us during the Period of Insurance.
- f The Maximum Benefit insured for Temporary Total Disablement should in no instance exceed 100% of the Insured Person's normal Weekly wage. The Sum Insured for Temporary Partial Disablement should in no instance exceed 40% of the Insured Person's normal Weekly wage. It is the duty of You and the Insured Person to inform Us if any claim payment does indeed exceed these limits and payment will be reduced proportionately until these limits are not exceeded.

8 Age Limitation

The insurance in respect of any Insured Person will terminate at the end of the Period of Insurance during which such Insured Person attains the age of 65 years.

9 Disappearance

The Death of any Insured Person shall not be presumed by reason of his/her disappearance. If after a reasonable period of time has elapsed and Us having examined all the evidence available have no reason to suppose other than that the Insured Person has sustained an accident whilst this Section is in force resulting in his/her Death, the disappearance of such Insured Person shall be deemed to constitute Death by accident for the purposes of this Section.

In the event of the Insured Persons re-appearance after payment of compensation under Item 1 of the Scale(s) of Compensation the beneficiary thereof shall refund such compensation to Us unless probate has been granted or legal evidence of the presumption of Death has been supplied to Us.

Section 14 – Commercial Legal Expenses

Definitions

General Definitions 1, 2, 3, 4 and 8 of this Policy apply to this Section and in addition:

1 Acts of Parliament

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

2 Adjudication

Adjudication whether arising under the Housing Grant Construction and Regeneration Act 1996 or the Scheme or an adjudication arising out of any term in a contract.

3 Any One Claim

All Claims including any appeal against a judgment or decision arising out of the same original cause event or circumstance without the intervention of any other cause starting from a new and independent source will be regarded as one claim.

4 Awards of Compensation

Basic Awards and Compensatory Awards made against You by an Employment Tribunal, Employment Appeal Tribunal or Superior Court, or settlements agreed as a result of negotiation, conciliation or arbitration proceedings and to which Our previous consent has been given, other than:

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

5 Basic Awards

Basic Awards are as determined in accordance with section 119 of the Employment Rights Act 1996. For the avoidance of doubt Basic Awards do not include Additional Awards, Protective Awards, Aggravated Damages or Interim Relief.

6 Claim

a Event 1 Contract

A civil proceeding (including an application for injunctive or non-pecuniary relief; third party proceeding, or counterclaim) brought by or against You for monetary damages or other relief. The circumstances that give rise to a Claim will begin immediately You:

- i first send written notice to another party to a Contract that it is Your intention to hold that other party responsible for any actual or alleged breach of that Contract, or
- ii first receive written notice that it is the intention of another party to a Contract to hold You responsible for any actual or alleged breach of that Contract.

b Event 2 Employment

An application to an Employment Tribunal brought by or on behalf of any Employee against You for monetary damages or other relief, including a request for reinstatement or re-engagement. The circumstances that give rise to a Claim will begin immediately You first receive an Employee's Claim Form (ETI) from an Employment Tribunal.

c Event 3 Taxation Proceedings

The circumstances that give rise to a Claim will begin immediately You or Your accountant first receive written notification from:

- i HM Revenue & Customs expressing dissatisfaction with Your tax affairs, or
- ii HM Revenue & Customs with an assessment or written decision or notice of civil penalty in respect of VAT.

d Event 4 Criminal Prosecution Defence

A criminal prosecution brought against The Insured Person. The circumstances that give rise to a Claim will begin immediately proceedings are issued against The Insured Person.

e Event 5 Property

A civil action (including an application for injunctive or non-pecuniary relief, third party action, or counterclaim) brought by You for the pursuit of monetary damages or other relief. The circumstances that give rise to a Claim will begin immediately You first send written notice to another party that it is Your intention to hold that other party responsible for:

- a actual physical damage to The Premises or other Business property resulting in provable financial loss to You, or
- b breach of Your tenancy agreement.

f Event 6 Personal Injury

A civil action brought by The Insured Person for monetary damages. The circumstances that give rise to a Claim will begin immediately The Insured Person suffers death or bodily injury.

g Event 7 Jury Service Allowance

The circumstances that give rise to a Claim for Jury Service Allowance will begin immediately You first know, or should have known, that You have suffered proven financial loss as a result of a proprietor, partner, director or Employee of Yours having been absent from work as a result of attendance for jury service.

7 Compensatory Awards

Compensatory Awards are the amounts awarded at the discretion of an Employment Tribunal, Employment Appeal Tribunal or Superior Court intended to compensate for loss of earnings and benefits. For the avoidance of doubt Compensatory Awards do not include Additional Awards, Protective Awards, Aggravated Damages or Interim Relief.

8 Contract

An actual or alleged contract, to which You are a party, for the sale, purchase, hire, service, supply or repair of goods or for the supply or purchase of a service. For the avoidance of doubt a Contract does not include any actual or alleged contract with any of Your proprietors, partners, directors or Employees.

9 Excess

The amount specified in the Exclusions that You must first pay in respect of Any One Claim under this Section before We then become liable to make payment under that Claim.

10 Geographical Limits – (Events 1, 2, 3, 4, 5 & 7)

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

11 Geographical Limits – (Event 6 only)

Any member country of the European Union and Croatia, Iceland, Norway and Switzerland.

12 Jury Service Allowance

The payment of up to £100 per day to You in respect of an Insured Person who is absent from work as a result of his or her attendance for jury service within the Geographical Limits, but only in so far as this is not otherwise recoverable from the relevant court and payment of such sum has been made by You to The Insured Person under any contract of employment. The amount that We will pay is based on:

- a** the time The Insured Person is off work including the time it takes to travel to and from the court. This will be calculated to the nearest half day assuming that a whole day is eight hours.
- b** if The Insured Person works full time, the salary or wages for each day equals 1/250th of The Insured Person's annual salary or wages.
- c** if The Insured Person works part time, the salary or wages will be a proportion of The Insured Person's weekly salary or wages.

13 Lawphone Legal Helpline

A telephone advisory service provided by Us:

- a** to advise You on business related legal matters, and
- b** for You to report all claims under this Section to Us.

14 Legal Expenses

Fees and Expenses

- a** any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the Legal Representative, at such rates or in such amounts as may be agreed or confirmed by Our written Consent in respect of any Claim, including costs and expenses of expert witnesses and those incurred by Us in connection with such Claim.
- b** any costs incurred by other parties, insofar as You are held liable in a civil court or tribunal to pay such costs or under a settlement made with another party with Our consent.

- c any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the Legal Representative in an appeal, at such rates or in such amounts as may be agreed or confirmed by Our written Consent, or in resisting an appeal against the judgment of a relevant court or tribunal, up to such amounts agreed, confirmed or consented to by Us.
- d any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the Legal Representative, at such rates or in such amounts as may be agreed or confirmed by Our written Consent in connection with any Claim relating to Taxation Proceedings, but excluding any tax or VAT or additional tax or VAT or interest and penalties demanded assessed or requested by the relevant authorities.

15 Legal Representative

A solicitor, barrister or any other appropriately qualified person appointed in Your name and on Your behalf with Our agreement to act for You in accordance with the terms of this Section.

16 Reasonable Prospects of a Satisfactory Outcome

Reasonable Prospects of a Satisfactory Outcome only exist if:

- a You are more likely than not to succeed assuming the case was determined at trial or other final hearing at first instance and where the likely damages claimed and recovered by or against You will exceed Your own likely Legal Expenses or
- b any lawyer appointed by Us or any other lawyer appointed on Your behalf would advise a reasonable private paying client to proceed having regard to the prospects of success and taking into account all of the circumstances of the Claim.

17 Taxation Proceedings

HM Revenue & Customs (Full Enquiry)

- a preparation of documents and representation of You in respect of a Full Enquiry investigation by HM Revenue & Customs into Your tax affairs.
- b preparation of documents and representation of You at an HM Revenue & Customs Commissioners' Hearing resulting from a Full Enquiry.
- c the conduct of an appeal against a decision of the HM Revenue & Customs Commissioners' resulting from a Full Enquiry.

provided that:

- i investigation by HM Revenue & Customs into Your tax affairs is notified to Us at the time HM Revenue & Customs send a written notification to You or to Your accountant expressing dissatisfaction with Your tax affairs.
- ii submission to the relevant authorities of Your accounts and related taxation computations have not been or are not unduly delayed.

18 PAYE Investigation

- a examination at Your place of business of PAYE records with which HM Revenue & Customs have expressed dissatisfaction.
- b investigation and preparation prior to negotiation and representation on Your behalf.
- c attendance at meetings and negotiations with HM Revenue & Customs on Your behalf.
- d representation of You at an HM Revenue & Customs Commissioners' Hearing.
- e representation of You at an appeal against a decision of the HM Revenue & Customs Commissioners' following a Hearing.

provided that:

a dispute relating to PAYE regulations is notified to Us when, following a PAYE examination, HM Revenue & Customs send a written notification to You or to Your accountant expressing dissatisfaction.

19 VAT Decisions and Penalties

- a investigation and preparation of documents prior to representation of You at a VAT Tribunal or in reaching agreement upon a settlement with HM Revenue & Customs under the local review procedure.
- b preparation of documents and representation of You at a VAT Tribunal for the purpose of appealing against an assessment or written decision or civil penalty issued by HM Revenue & Customs.
- c representation of You at an appeal against a VAT Tribunal decision.

provided that:

a VAT assessment or written decision or civil penalty is notified to Us at the date at which HM Revenue & Customs send an assessment or written decision or notice of civil penalty to You or to Your accountant in respect of VAT.

20 Self-Assessment Return Investigation (Full Enquiry)

Preparation of documents and representation of You following the issue of a Formal Notice under Section 9A of the Taxes Management Act 1970 or Section 12AC of the Taxes Management Act 1970 or S24 (1) Schedule 18 Finance Act 1998 which requires the examination of all the business books or records.

21 Witness Attendance Allowance

The payment of up to £100 per day to You in respect of The Insured Person who is absent from work as a result of his or her attending as a witness for You at a hearing, court, tribunal or arbitration within the Geographical Limits at the request of the Legal Representative with Our written consent, but only in so far as this is not otherwise recoverable from the relevant hearing, court, tribunal or arbitration. The amount that We will pay is based on:

- a the time The Insured Person is off work including the time it takes to travel to and from the hearing, court, tribunal or arbitration. This will be calculated to the nearest half day assuming that a whole day is eight hours.
- b if The Insured Person works full time, the salary or wages for each day equals 1/250th of The Insured Person's annual salary or wages.

- c if The Insured Person works part time, the salary or wages will be a proportion of The Insured Person's weekly salary or wages.

22 The Insured Person

You and, at Your request with Our agreement, Your proprietors partners and directors and also all Employees acting in the normal course of their employment.

23 We/Us/Our

Allianz Insurance plc trading as Allianz Legal Protection.

Limit of Indemnity

The maximum amount We are liable to pay under this Section is:

- 1 £100,000 Any One Claim other than a Claim relating to Event 1: Contract and Event 7: Jury Service Allowance and Witness Attendance Allowance.
- 2 £50,000 Any One Claim relating to Event 1: Contract.
- 3 £5,000 Any One Claim relating to Event 7: Jury Service Allowance.
- 4 £5,000 Any One Claim relating to Witness Attendance Allowance.
- 5 £500,000 for all Claims which first occurred during the Period of Insurance.

(collectively "the Limit of Indemnity")

The above amounts are all inclusive of Legal Expenses.

Cover

We agree to pay up to the Limit of Indemnity and on behalf of The Insured Person, Legal Expenses, Awards of Compensation, Jury Service Allowance and Witness Attendance Allowance incurred by The Insured Person in the pursuit or defence of any Claim brought within the Geographical Limits and which first occurred during the Period of Insurance and falls within the Cover provided by the following Events.

Events

1 Contract

You have cover for the pursuit or defence of a dispute with a manufacturer or supplier or customer in respect of a Contract.

Provided that:

- a the goods or services in question are supplied in connection with The Business; and
- b the amount in dispute is more than £5,000, other than a dispute where You are pursuing a Claim in respect of the construction alteration or repair of any building, or part of that building, or structure when the amount in dispute must be more than £25,000.

2 Employment

You have cover for:

- a the defence of Your legal rights in a dispute in an Employment Tribunal with a previous, present or prospective Employee and which arises out of or relates to a contract of employment or a breach of employment or discrimination legislation.
- b Awards of Compensation.

Provided that:

- a You have issued all necessary documentation to an Employee as required by legislation.
- b You have consulted with and then followed with due diligence the advice and procedures provided by the Lawphone Legal Helpline before making any significant variation to an Employee's contract or taking any action which might lead to the giving of a formal warning to, or the dismissal of, an Employee.
- c You have consulted with the Lawphone Legal Helpline immediately You knew, or ought reasonably to have known, of any cause event or circumstance which has given or may give rise to a Claim involving You.
- d the incident giving rise to the Claim occurs at least 3 months after the start of the first Period of Insurance. This will not apply if You had cover which is equivalent to that provided under this Section under another legal expenses policy up to the start of the first Period of Insurance.

3 Taxation Proceedings

You have cover for Taxation Proceedings.

Provided that the Taxation Proceedings arise out of The Business.

4 Criminal Prosecution Defence

The Insured Person has cover for the defence of a criminal prosecution.

Provided that the criminal prosecution arises out of The Business.

5 Property

You have cover for the pursuit of Your legal rights in a dispute relating to:

- a any actual physical damage to The Premises caused by another person or organisation resulting in proven financial loss to You
- b any actual physical damage to Your Stock and All Other Property caused by another person or organisation resulting in proven financial loss to You.
- c Your tenancy agreement

Provided that:

- a The Premises is the principal place from which You carry out The Business.
- b the incident giving rise to the Claim occurs at least 3 months after the start of the first Period of Insurance. This will not apply if You had cover which is equivalent to that provided under this Section under another legal expenses policy up to the start of the first Period of Insurance.

6 Personal Injury

The Insured Person has cover for the pursuit of his or her legal rights following an event which causes The Insured Person's death or bodily injury.

Provided that the death or bodily injury arises out of The Business.

7 Jury Service Allowance

You have cover for Jury Service Allowance.

Exclusions

The General Exclusions apply to this Section and in addition it does not cover the following.

- 1 In respect of Event 1 – Contract You do not have cover for:
 - a an Excess of £1,750 in respect of each Claim.
 - b any dispute which occurs within the first three months of the start of the first Period of Insurance. This will not apply if You had cover which is equivalent to that provided under this section under another legal expenses policy up to the start of the first Period of Insurance.
 - c the recovery of money and interest due from another party other than a dispute where the other party has indicated an intention to defend the Claim and such party has a realistic chance of defending the Claim.
 - d the pursuit or defence of any claim brought by or against You caused by or arising from or in relation to professional services, advice or specification given by You or on Your behalf.
 - e any dispute arising from or as a consequence of any breach or alleged breach of professional duty or any error or omission in any advice given by You or on Your behalf.
 - f any dispute where a claim is brought against You caused by or arising from the provision of goods or services relating to the construction, alteration or repair of any building, or part of that building, or structure.
 - g any dispute relating to computer hardware, software, systems or services.
 - h any arbitration unless wholly in accordance with the Arbitration Act 1996.
 - i Adjudication.
 - j any dispute in respect of tenancy, assignment, bailment, bills of exchange, credit and securities or guarantee.
 - k any dispute relating to a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or tenancy agreement.
 - l any dispute relating to Your legal right to own, occupy or use any land or building or any benefit or alleged benefit attaching to the land.
 - m any dispute relating to the ownership, possession, hiring or use of motor vehicles.
 - n any dispute arising out of the amount payable under an insurance policy.
- 2 In respect of Event 2 – Employment You do not have cover for any dispute:
 - a an Excess of £1,750 in respect of each Claim.
 - b a Claim arising as a result of Your failure to consult with and then follow with due diligence the advice and procedures provided by the Lawphone Legal Helpline before making any significant variation to an Employee's contract or taking any action which leads to the giving of a formal warning to, or the dismissal of, an Employee.
 - c a dispute with an Employee who was subject to either a written or verbal warning (formal or informal) in the 6 months immediately preceding the first Period of Insurance.
 - d a breach or alleged breach of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Acquired Rights Directive.
 - e a dispute based upon, arising from or in consequence of any industrial dispute, industrial or labour arbitration or collective bargaining agreements.
 - 3 In respect of Event 3 – Taxation Proceedings You do not have cover for:
 - a an Excess of £250 in respect of each Claim.
 - b the technical or routine treatment of matters not connected with or arising out of an expression of dissatisfaction with Your tax affairs.
 - c the preparation of accounts or self assessment returns.
 - d Taxation Proceedings which arise out of deliberate or reckless or careless misstatements by You in returns or submissions made to the relevant authorities.
 - e Taxation Proceedings which arise out of a failure to make accurate, truthful and up to date submissions of returns.

- f** Taxation Proceedings which arise out of a failure to observe statutory time limits or requirements.
 - g** Taxation Proceedings which arise solely from an investigation of earlier accounts or records.
 - h** the defence of any criminal prosecution.
 - i** any matter handled by the National Investigation Service of HM Revenue & Customs or an enquiry by HM Revenue & Customs under S60 VAT Act 1994.
 - j** any matter handled by the Special Compliance Office of HM Revenue & Customs or the Special Investigations Section of HM Revenue & Customs.
 - k** any Aspect enquiry by HM Revenue & Customs.
 - l** any IR 35 enquiry by HM Revenue & Customs.
- 4** In respect of Event 4 – Criminal Prosecution Defence The Insured Person does not have cover for:
- a** an Excess of £250 in respect of each Claim.
 - b** the defence of a prosecution in respect of, or related to, any actual or alleged fraud or theft or any forceful or violent act.
 - c** the defence of a prosecution which relates to the ownership, possession, hiring or use of aircraft, watercraft, motor vehicles, trailers or caravans.
 - d** the defence of a prosecution which relates to Taxation Proceedings.
 - e** The defence of a prosecution which relates to pollution.
- 5** In respect of Event 5 – Property You do not have cover for:
- a** an Excess of £250 in respect of each Claim.
 - b** a dispute arising from the actual or alleged performance of, or failure to perform, in whole or in part, an actual or alleged Contract between You and a third party.
 - c** a dispute relating to mining or other subsidence or heave.
 - d** a dispute relating to rent or service charges, tax, planning or building regulations or decisions.
 - e** a dispute relating to the renewal of a lease or tenancy agreement.

- f** a dispute over the freehold or leasehold or commonhold or title of the property.
 - g** Adjudication.
 - h** a dispute with Government or local authority departments concerning the imposition of rates or other local taxes.
 - i** a dispute relating to the ownership, possession, hiring or use of aircraft, watercraft, motor vehicles, trailers or caravans.
- 6** In respect of Event 6 – Personal Injury The Insured Person does not have cover for disputes between You and The Insured Person.
- 7** Legal Expenses incurred without Our written consent and Awards of Compensation, Jury Service Allowance or Witness Attendance Allowance incurred before Our written Consent and acceptance of a Claim.
- 8** A Claim which does not arise from or relate to The Business, other than a Claim in respect of Jury Service Allowance.
- 9** A Claim in respect of which The Insured Person is, or but for the existence of this Section would be, entitled to an indemnity or contribution under any other policy or certificate of insurance except for any excess beyond the amount which would have been covered under such other policy or certificate of insurance.
- 10** A Claim in respect of which The Insured Person is entitled to Legal Aid.
- 11** A cause, event or circumstance occurring prior to or existing at the inception or on or after the renewal of this Section and which The Insured Person knew, or ought reasonably to have known, may give rise to a Claim by or against The Insured Person.
- 12** A Claim that You fail to notify to Us within 6 months of the first occurrence of any cause, event or circumstance that gives rise to the Claim.
- 13** A Claim arising out of a deliberate, conscious, intentional or reckless act by The Insured Person or where The Insured Person has shown wilful disregard for the need to take all reasonable steps to avoid, prevent and limit any such Claim.
- 14** A Claim made, brought or commenced outside of the Geographical Limits.

- 15 A Claim where in Our opinion there are no Reasonable Prospects of a Satisfactory Outcome.
- 16 Fines or other penalties imposed by a court, tribunal or regulator.
- 17 A dispute between The Insured Person and Us.
- 18 A dispute between The Insured Person and the Legal Representative in respect of a Claim under this Section.
- 19 A Claim relating to damage to goods in transit or goods lent or hired to third parties or goods at premises other than The Premises.
- 20 A Claim arising from or relating to the operation of a franchise or distribution agreement.
- 21 A Claim arising from or relating to a shareholding agreement or a partnership agreement or a trust.
- 22 A Claim arising as a result of an allegation of libel or slander.
- 23 A Claim relating to patents, copyrights, trademarks, merchandise marks, registered designs or other intellectual property, breach of secrecy or confidentiality, restrictive covenants or a passing off action.
- 24 A Claim arising from or relating to an application for judicial review or other challenge to any legislation or proposed legislation.
- 25 A Claim relating to any non-contracting party's right to enforce all or any part of this Section. The Contracts (Rights of Third Parties) Act 1999 does not apply to this Section.
- 26 Defending The Insured Person in any legal proceedings arising from:
 - a bodily injury, illness, disease or death, or
 - b loss, destruction or damage to property, or
 - c alleged or actual breach of any duty owed as a director or officer of You.
- 27 A Claim arising directly or indirectly from any equipment (whoever owns it) failing to recognise, interpret or deal with any date change.
- 28 Any VAT attaching to Legal Expenses incurred with Our consent which is recoverable by The Insured Person from elsewhere.

Conditions

If The Insured Person does not keep to these conditions We will have the right to withdraw cover for this Section, refuse any claim and withdraw from any current claims.

General Conditions **1** to **18** apply to this Section and in addition the following:

A General Conditions

1 Change of Risk

It is a condition precedent to Our liability to provide Cover under this Section that You must notify Us in writing of any alteration during the period of this Section which would materially affect Our assessment of the risk and that part of this insurance affected shall cease to be in force unless such alteration is agreed in writing by Us. We shall have the right to amend the premium and You will pay an additional premium to, or receive a refund of premium from, Us as the case may be.

2 Arbitration

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

All the costs of the arbitration shall be met in full by the party against whom the decision is made. If the decision is not clearly made against one party the arbitrator will have the power to apportion costs. If the decision is made in Our favour, The Insured Person's costs will not be recoverable under this Section.

The decision will be final and binding upon both The Insured Person and Us and cannot be the subject of an appeal.

3 Due Observance

The due and careful observance and fulfilment of the terms of this Section insofar as they relate to anything to be done or complied with by The Insured Person or the Legal Representative will be a condition precedent to Our liability to provide or to continue to provide Cover under this Section.

4 Maintenance of Records

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

5 Disclosure of the Existence of this Section

The Insured Person or the Legal Representative must not reveal the existence of this Section unless We have given written Consent or are ordered to do so by a court.

6 Assignment

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

B Conditions for the Claims Process

1 Notification of Claim

It is a condition precedent to Our liability to provide Cover under this Section that We are notified in writing by You by the completion of a claim form immediately You are, or should have been, aware of any cause, event or circumstance which has given or may give rise to a Claim involving The Insured Person.

If You fail to notify Us within 6 months of the first occurrence of such cause, event or circumstance any Claim arising from that cause, event or circumstance will not be accepted.

When such a notification has been given, We agree to treat any subsequent Claim in respect of the cause, event or circumstance notified as though the Claim had been made, brought or commenced during the Period of Insurance.

Important procedure for Employment Disputes

If a **Claim Form (ET1)** is received from an Employment Tribunal You must **immediately** complete a claim form and forward it to Us, to arrive no later than 7 days after receipt of the **Claim Form (ET1)**. **Response Form (ET3)**, which should be left blank, must also be sent.

2 Consent

It is a condition precedent to Our liability to provide Cover under this Section that consent to incur Legal Expenses and accept a Claim in respect of Awards of Compensation, Jury Service Allowance or Witness Attendance Allowance must first be obtained in writing from Us ("Consent"). Consent will be given if The Insured Person can satisfy Us that:

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

In reaching a decision on whether or not to give Consent, We will seek the opinion of any advisers they feel it is necessary to consult.

We may require The Insured Person to obtain an opinion from counsel, at The Insured Person's expense, as to the merits of the Claim. If such an opinion indicates that there are Reasonable Prospects of a Satisfactory Outcome the cost of the opinion will be paid by Us within the Limit of Indemnity for that Claim.

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

3 Dealing with the Claim

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

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

If The Insured Person decides to proceed with the pursuit or defence of a Claim to which We have refused to give Consent and is subsequently successful We will pay Legal Expenses as if We had given Consent at the outset.

4 Your Duty to Minimise Claims

In respect of any Claim for which Consent has been granted under the Section The Insured Person must use best endeavours and take all reasonable measures to minimise the cost and effect of any Claim under this Section.

If The Insured Person fails to comply with this requirement then We will have the right to adjust Our liability under this Section to the extent that a Claim would have cost Us had The Insured Person complied.

5 Our Right to Settle Claims

We shall have the right to take over and conduct in the name of The Insured Person any Claim at any time and can settle any Claim on behalf of The Insured Person on such terms as We deem appropriate.

6 Insolvency of The Insured Person

If during the course of any Claim to which We have given support, We have the right to withdraw that support immediately if The Insured Person;

- a becomes insolvent (or commits an act of insolvency or bankruptcy), or
- b enters into liquidation, or
- c makes an arrangement with creditors, or
- d enters into a deed of arrangement, or
- e has part or all of his affairs assets or property placed in the care or control of a receiver or a liquidator, or
- f has an administration order over his affairs assets or property.

7 Appeal Procedure

If following legal proceedings to which We have given Consent, The Insured Person wishes to appeal against the judgment or decision of a court or tribunal, the grounds of such appeal must be submitted to Us in good time and by secure means so that We may consider whether there are Reasonable Prospects of a Satisfactory Outcome in respect of the appeal and if so whether to Consent to such further action. We will inform The Insured Person and the Legal Representative of Our decision.

If We require it, The Insured Person will co-operate fully in an appeal against the judgment or decision of a court or tribunal.

8 Legal Proceedings

a Freedom to choose a Legal Representative

At any time before We agree that legal proceedings need to be issued or defended in respect of any Claim for which We have granted Consent, We will choose the Legal Representative to act in the name of and on behalf of The Insured Person. The Insured Person can only choose a Legal Representative if We agree that legal proceedings need to be issued or defended or if a conflict of interest arises which means that the Legal Representative originally chosen by Us cannot act for The Insured Person.

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

In all cases the Legal Representative will be appointed in the name of and on behalf of The Insured Person.

Our liability to provide Cover under this Section will cease immediately with no liability to indemnify The Insured Person in any respect unless in Our absolute discretion We agree to another Legal Representative being appointed to continue acting for The Insured Person under the terms of this Section, if:

- i due to the conduct of The Insured Person, the Legal Representative reasonably refuses to continue acting for The Insured Person, or
- ii The Insured Person dismisses the Legal Representative without Our agreement.

b Disclosures to the Legal Representative

The Insured Person must give the Legal Representative all possible 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 Person's possession. The Insured Person must provide, obtain or execute all documents as necessary and attend meetings or conferences as requested.

c Access to Information

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

d Warranties of The Insured Person and Legal Representative in relation to any Claim.

- i** The Insured Person and on their behalf the Legal Representative warrant that they will immediately notify Us in writing of any information as soon as it is received which may affect Our opinion on the Reasonable Prospects of a Satisfactory Outcome of the Claim.
- ii** The Insured Person and on their behalf the Legal Representative warrant that We will be informed in writing as soon as any offer to settle a claim is received or made or an offer of payment into Court is received. The Insured Person or the Legal Representative warrant that under no circumstances will they enter into any agreement to settle without Our prior written Consent. If, in Our opinion, The Insured Person unreasonably withholds agreement to settle, Cover under this Section will cease immediately. We agree to indemnify The Insured Person in respect of Legal Expenses incurred up to the date when Cover ceased.
- iii** The Insured Person and on their behalf the Legal Representative warrant they will report in writing the result of the Claim to Us when it is finished.

e Payment of Legal Representative's Bills

All bills relating to any Claim The Insured Person receives from the Legal Representative should be forwarded to Us without delay. If We require The Insured Person must ask the Legal Representative to submit the bill of costs for assessment by the appropriate Law Society or court.

The Insured Person is responsible for the payment of all Legal Expenses. We may settle these direct if requested by The Insured Person to do so.

The payment of some Legal Expenses does not imply that all Legal Expenses will be paid.

The Insured Person must not, without Our written Consent, enter into any agreement with the Legal Representative as to the basis of calculation of Legal Expenses.

f Instruction of Counsel

If, during the course of any Claim (other than where Conditions for the Claims Process 2 applies), The Insured Person or the Legal Representative considers it necessary and wishes to instruct counsel, counsel's name must first be submitted to Us for Consent to the proposed instruction.

g Conduct of the Claim

It is a condition precedent to Our continuing liability to provide Cover under this Section that The Insured Person:

- i** does not withdraw from a Claim without Our agreement;
- ii** co-operates fully with the Legal Representative or Us in the conduct of the Claim;
- iii** follows the advice of the Legal Representative.

If The Insured Person fails to comply with either **i**, **ii** or **iii** then Our liability to provide Cover under this Section will cease immediately and We will not be responsible for the payment of Legal Expenses and will be entitled to reimbursement of all Legal Expenses already paid or incurred,

h Award of Costs

Where The Insured Person is awarded costs, The Insured Person and the Legal Representative must take every reasonable steps to recover Legal Expenses which would be or have been subject to payment under this Section. All such recoveries will be taken into account when calculating Our liability under this Section.

i Alternative Dispute Resolution

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

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

Communications

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

All notices and communication from The Insured Person to Us should be sent to:

Allianz Legal Protection
Redwood House
Brotherswood Court
Great Park Road
Bradley Stoke
Bristol
BS32 4QW
United Kingdom

Phone: 0870 243 4340

General Exclusions

This Policy does not cover:

1 Geographical Limits

Destruction damage loss injury or liability arising out of any occurrence outside the Geographical Limits.

2 Motor Sports

Destruction or damage loss injury or liability arising out of participation in, or participation in practice for, motor sports determined by time or speed, or arising at any part of any premises where such motor sports or practice for them is taking place and which only competitors, members of their support team, organisers, marshals and other authorised persons are allowed access.

3 Radioactive Contamination

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

- i ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- ii the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

4 Sonic Bangs

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

5 War or Kindred Risks

Destruction damage loss injury or liability 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 except so far as is necessary to meet the requirements of any law.

6 E.Risks

Section 1 Material Damage, Section 8 Business Interruption and Section 10 Fidelity Guarantee does not cover

- 1 loss or destruction of or damage to any Computer Equipment (as defined below) consisting of or caused directly or indirectly by:
 - a programming or operator error whether by You or any other person
 - b Virus or Similar Mechanism (as defined below)
 - c Hacking (as defined below)
 - d malicious persons
 - e failure of external networks

unless, in respect of **a**, **b** and **c** above, such loss or destruction or damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion.

- 2 any financial loss or expense of whatsoever nature, including but not limited to business interruption, resulting directly or indirectly from the type of loss or destruction or damage described in paragraph 1 of this exclusion

unless, in respect of **1a**, **b** or **c** above, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exclusion.

- 3 loss or destruction of or damage to any property other than Computer Equipment where it arises directly or indirectly out of loss or destruction of or damage to any Computer Equipment of the type described in paragraph 1 of this exclusion

unless, in respect of loss or damage to other property arising from **1a**, **b** and **c** above, resulting from a concurrent or subsequent cause not excluded by this or any other policy exclusion.

- 4 loss or destruction of or damage either to Computer Equipment or any other property where it consists of or arises directly or indirectly out of:
 - a the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotions, or malicious persons

- b** the erasure, loss, distortion, corruption or unauthorised access to or modification of information on computer systems or other records, programs or software due to any cause not included in **4a** above
- c** any misinterpretation, use or misuse of information on computer systems or other records, programs or software

unless, in respect of **4b** and **c** above, such loss destruction or damage results from a concurrent or subsequent cause not excluded by this or any other policy exclusion.

- 5** any financial loss or expense of whatsoever nature including but not limited to business interruption, where it arises directly or indirectly from the type of loss or destruction or damage described in paragraphs **3** and **4** of this exclusion

unless, in respect of **3**, **4b** and **c**, the financial loss or expense results from a concurrent or subsequent cause not excluded by this or any other policy exclusion.

For the purpose of this Exclusion:

Computer Equipment means computer equipment, component, system or item which processes, stores, transmits or retrieves data, or any part thereof, whether Your property or not, whether tangible or intangible and including without limitation any information, programs or software.

Virus or Similar Mechanism means any program code, programming instruction or other 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), including but not limited to 'Trojan Horses', 'Worms' or 'Logic Bombs'.

Hacking means unauthorised access to any computer or computer equipment, component, system or item, whether Your property or not, which processes, stores, transmits or retrieves data.

7 Terrorism

(Not applicable to Employers Liability, Public Liability, Products Liability, Personal Accident, Sickness and Travel, Motor Vehicle Road Risks, Self-Drive Vehicle Hire or Terrorism (when insured as a separate Section) insurances)

This Policy does not cover:

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

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

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

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

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

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

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

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

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

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

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

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

8 Northern Ireland

This Policy does not cover loss or destruction or damage or any consequential loss in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of loss or destruction or damage or any consequential loss by fire or explosion) strikers, locked-out workers, persons taking part in labour disturbances or malicious persons.

General Conditions

1 Premium

You shall pay the premium on request.

2 Identification

This Policy and the Schedule shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of the Schedule shall bear such specific meanings wherever they may appear.

3 Precautions

You shall take all reasonable

- a steps to keep the Property Insured secure and in a good state of repair
- b precautions to prevent accidents, injury, loss, destruction and damage
- c steps to observe and comply with all the statutory or Public Authority laws, obligations and requirements.

4 Claims (i)

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

- a inform Us, as soon as reasonably possible, of any occurrence or notice received which may produce a claim, and provide any further details which We may require
- b notify the police, as soon as reasonably possible, of any loss, destruction or damage by theft or attempted theft and within seven days supply them with a full list and description of missing articles
- c notify Us immediately on being advised of any prosecution, inquest or enquiry connected with any injury loss destruction damage or consequential loss which may form the subject of a claim under this Policy
- d pass immediately, and unacknowledged, any letter of claim to Us
- e carry out and permit to be taken any action that may be reasonably practicable to prevent further loss, destruction damage and consequential loss

f furnish with all reasonable despatch at Your expense such further particulars and information as We may reasonably require

g make available at Your expense any documents required by Us with regard to any letter of claim

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

5 Claims (ii)

On the happening of loss, destruction or damage We and any person authorised by Us may without thereby incurring any liability or diminishing any of Our rights under this Policy, enter, take or keep possession of The Premises where such loss, destruction or damage has occurred and take possession of or require to be delivered to Us any property for all reasonable purposes and in any reasonable manner. No claim under this Policy shall be payable unless the terms of this General Condition have been complied with. No property may be abandoned to Us whether taken possession of by Us or not.

6 Claims (iii)

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

7 Claims (iv)

We are entitled at Our own expense to take proceedings in Your name to recover any payment made under this Policy, when We consider that there are rights of recovery against other parties, and You must assist Us when reasonably required to do so. **You must not make any payment or admission of liability** without Our consent and We are entitled to take over and conduct in the name of You any negotiations or legal action in connection with a claim under this Policy.

8 Other Insurances

If at the time of any loss, destruction or damage there is any other insurance covering such incidents, We shall not be liable to contribute to such claim.

9 Cancellation

a **If You are an individual or a sole trader (including a partnership in England and Wales)**

You have a right to cancel cover within fourteen (14) days of the receipt of the policy documents or within fourteen (14) days of the receipt of renewal documentation and receive a return of any premium paid. You can do this by returning the current Certificate(s) of Motor Insurance to the Allianz office which issued the policy documents or renewal documentation or by returning the Certificate(s) of Motor Insurance to the intermediary through whom You arranged this insurance. If You choose to do this, the return premium will be calculated using the date on which the Certificate(s) of Motor Insurance is/are received by Us. We will only charge a pro rata premium plus £50 to cover Our operational costs subject to a minimum of £100 unless a claim has been made or an incident has arisen which may give rise to a claim which leads to the contract of insurance being fully completed, in which case the full annual premium will be payable to Us. In the event of cancellation You must also return to Us the current Certificate(s) of Employers Liability insurance.

b **If You are not an individual or sole trader (including a partnership in England and Wales)**

You have no cancellation rights under this Policy.

c **Our Cancellation Rights**

We may cancel this Policy by giving You fourteen (14) days notice in writing sent to Your last known address and in the case of Northern Ireland, to the Department of Environment for Northern Ireland. If the premium has been paid in full, You are entitled to a proportionate return of the premium in respect of the unexpired Period of Insurance. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

If the premium for this Policy is paid by instalments and in the event that You fail to pay one or more instalments, whether in full or in part, We may cancel the Policy by giving You seven (7) working days' notice in writing sent to Your last known address.

In the event of cancellation You must return all Certificates of Motor Insurance and Certificate(s) of Employers Liability Insurance to Us immediately on the effective date of cancellation.

10 Change of Risk

If there is any alteration in The Business or The Premises, after the commencement of this insurance, which increases the risk of injury, loss, destruction or damage, that part of this insurance affected shall cease to be in force, unless such alteration is agreed in writing by Us.

11 Warranties

Every warranty shall from the time that the warranty attaches apply and continue to be in force during the whole currency of this Policy and non-compliance with any such warranty whether it increases the risk or not shall be a bar to any claim provided that whenever this Policy is renewed a claim occurring during the renewal period shall not be barred by reason of a warranty not having been complied with at any time before the commencement of such period.

12 Fraud

If You or anyone acting on Your behalf makes any false or fraudulent claim or supports a claim by false or fraudulent document, device or statement, this policy shall be void and You will forfeit all rights under the policy. In such circumstances, We retain the right to keep the premium and to recover any sums paid by way of benefit under the policy.

13 Arbitration

If We accept that there is a claim under this Policy but there is disagreement in respect of the amount to be paid, the disagreement will be referred to an Arbitrator appointed in accordance with current statutory provisions. In these circumstances an Arbitrator's award must be made before there is any right of action against Us.

14 Third Parties

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

15 The Proposal

The proposal for this insurance, the information provided to Us and any Statement of Fact forms the basis of the contract.

16 Policy Terms

Each Section of this Policy may contain Definitions, Exclusions and/or Conditions particular to that Section and these shall be read in conjunction with (and override where applicable) the General Definitions, General Conditions and General Exclusions.

17 Law Applicable to Contract

Unless We agree otherwise:

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

Complaints Procedure

Our aim is to get it right, first time, every time. If We make a mistake We will try to put it right promptly.

We will always confirm to You receipt of Your complaint within five working days and do Our best to resolve the problem within four weeks. If We cannot We will let You know when an answer may be expected.

If We have not resolved the situation within eight weeks We will provide You with information about the Financial Ombudsman Service.

Should You wish to make a complaint, then it should be directed to the Customer Satisfaction Manager at the Allianz location shown in Your Policy documentation or alternatively contact Customer Satisfaction Manager at:

Allianz Insurance plc,
57 Ladymead,
Guildford, Surrey
GU1 1DB.

Telephone number: 01483 552438

If Your complaint is about Indemnity 8 of Section 2 – Motor Legal Expenses or Section 14 – Commercial Legal Expenses please contact the Customer Satisfaction Manager at:

Allianz Legal Protection
Redwood House
Brotherswood Court
Great Park Road
Bradley Stoke
Bristol BS32 4QW

Telephone number: 01454 455626

Using Our complaints procedure or referral to the Financial Ombudsman Service does not affect Your legal rights.

For Your Protection

We must be informed of any important changes in The Business occurring after the issue of Your Policy to ensure You remain fully insured.

The following examples illustrate the kind of change that may affect some or all Sections of the Policy.

We must be notified if:

- new premises are acquired or the premises of others are rented (including space therein)
- the Buildings are altered or extended
- The Business activities change from those indicated on the Proposal form or Statement of Fact and declared in the Schedule

- any driver, or person working for The Business, is convicted of or has a prosecution pending for the Road Traffic Act offences with a Conviction Code commencing AC, BA, DD, UT, IN, DR or XX or Conviction Codes CD40, CD50, CD60, CD70, CD71, MS50, TT99 or NE99.
- any person working for The Business is convicted of or has a prosecution pending for any other criminal offence.

If You are in any doubt as to whether a change must be notified, please consult Your insurance adviser.

Claims Handling

- You should notify Your insurance adviser (or alternatively You can contact Us at one of Our claims handling offices specified below)
 - promptly, if an incident occurs that may lead to You making a claim
 - immediately, in the event of a serious accident, loss or damage.

Please provide as much information as possible about the claim, and Your policy reference if available.

- You should comply with the requirements for claim notification contained in the General Policy Conditions, which detail Your obligations and Our rights in the event of a claim. If You are in any doubt please consult Your insurance adviser.

Allianz Claims Handling Offices

Birmingham Branch

Tel: 0845 071 5151

Bristol Branch

Tel: 0845 071 2121

Glasgow Branch

Tel: 0845 071 2727

Leeds Branch

Tel: 0845 071 0347

Manchester Branch

Tel: 0845 071 0340

Milton Keynes Branch

Tel: 0845 071 0335

Woking Branch

Tel: 0845 071 9191

For accidents outside the United Kingdom:

You will need to call Our International Claims Team on +44 (0) 1483 553 099.

The lines are open Monday to Friday 9am to 5pm.

If Your claim is for Personal Accident:

You should contact the Accident and Health Claims Unit on telephone number **0845 071 2335**

If Your claim is for Uninsured Loss Recovery and Injury or Motor Prosecution Defence under Indemnity 8 (Motor Legal Expenses) of Section 2 or for any cover provided under Section 14 (Commercial Legal Expenses), please note the following:

Section 2 Indemnity 8 – Uninsured Loss Recovery and Injury

If You need to claim for Uninsured Loss Recovery and Injury under Indemnity 8 (Motor Legal Expenses) You should call the local Allianz Claims Handling Office as listed on page 80 You should quote Master Policy number **34048** and provide details of the claim. The claim details will be passed on to a Legal Representative who will contact You once the details have been received.

If there is a need to contact Us direct to discuss any Uninsured Loss Recovery or Injury claim already in progress, please write to Us at the address below or telephone Us on **0870 243 4340** and quote Master Policy number **34048**.

Section 2 Indemnity 8 – Motor Prosecution Defence

If You need to claim for Motor Prosecution Defence under Indemnity 8 (Motor Legal Expenses) You should call Lawphone Legal Helpline on **0870 241 4140** and quote Master Policy number **34048**.

You will be asked for a brief summary of the problem and these details will be passed on to an adviser who will call You back. We will send You a claim form. You should fill in the claim form and return it to Us without delay at the address shown below.

We will contact You once the claim form has been received.

Section 14 Commercial Legal Expenses

If You need to make a Claim under Section 14 Commercial Legal Expenses, You should call Lawphone Legal Helpline on **0870 241 4140** and quote Master Policy number **36445**.

You will be asked for a brief summary of the problem and these details will be passed on to an adviser who will call You back. We will send You a claim form. You should fill in the claim form and return it to Us without delay at the address shown below, together with payment in the form of a cheque made out to Allianz Legal Protection for the Excess due in respect of the Claim.

We will contact You once the claim form and Excess payment have been received.

Please note that for all claims made under Section 2 Indemnity 8 and Section 14, You must not appoint a solicitor. If You have already seen a solicitor before We have accepted Your claim, We will not pay any fees or other expenses that You have incurred.

If Your claim is covered, We will appoint the Legal Representative that We have agreed to in Your name and on Your behalf, subject to the terms and conditions of Your Policy cover. We will only start to cover Your Costs or Legal Expenses from the time We have accepted the claim and appointed the Legal Representative.

Our address is:
The Claims Department
Allianz Legal Protection
Redwood House
Brotherswood Court
Great Park Road
Bradley Stoke
Bristol
BS32 4QW
United Kingdom.

Additional Benefits

24 Hour Lawphone Legal Advice Helpline

With this Policy You gain the automatic benefit of access to a team of qualified legal advisers for advice on any commercial legal matter 24 hours a day, 365 days a year. The advice You receive from the Lawphone Legal Advice Helpline will always be according to the laws of Great Britain and Northern Ireland.

To use this service ring **0870 241 4140**.

You should quote Master Policy number **34048** and provide a brief summary of the problem. The details will be passed to an adviser who will return Your call.

All areas of Business law are covered. This advice is available to You during the currency of the Policy, although no liability can be accepted for inability to provide advice due to breakdown or failure of the telephone network. This telephone helpline is provided by Allianz Legal Protection, part of Allianz Insurance plc, who may record calls to protect You.

www.allianz.co.uk

Allianz Insurance plc. Registered in England number 84638
Registered office. 57 Ladymead, Guildford, Surrey, GU1 1DB, United Kingdom.

Allianz Insurance plc is a member of the Association of British Insurers and the Financial Ombudsman Service.
Allianz Insurance is authorised and regulated by the Financial Services Authority. Our registration number is 121849.
This can be checked by visiting the FSA website at www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234