



COMPLETE MOTOR TRADE RMI

POLICY WORDING

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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.

Introduction

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

With Allianz Insurance plc, You can be confident that You 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 have 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.

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.

Your **Complete Motor Trade RMI** Policy has been specifically designed with the small to medium motor trader/You in mind. This Policy has been tailored to meet Your needs, this includes some standard covers such as Commercial Legal Expenses. We also have some additional tools to assist You in the successful running of Your business such as Allianz Engineering's – E-Services, Risk Director, a 24/7 free Legal advice telephone, legal online and many more, for all of Our additional benefits please contact Your Insurance advisor.

Your 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.

The parts of the Policy which form Your contract of insurance with Allianz Insurance plc are:

- this Introduction
- the Statement of Fact or Proposal Form
- this Introduction; the Policy Definitions; the General Exclusions and General Conditions, all of which apply to all Sections of the Policy
- the Sections of cover selected by You (as shown in the Schedule), including the Definitions, Exclusions and Conditions which apply to the Sections selected by You excluding any Section covering Directors & Officers liability

- 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.

Indemnity 13 of the Motor Vehicle Road Risks Section of cover forms a separate contract of insurance between You and Mondial Assistance (UK) Limited trading as Allianz Global Assistance.

If You have taken out Directors & Officers liability cover, that cover forms a separate contract of insurance between You and Allianz Insurance plc.

The parts of the Policy which form this separate contract of insurance with Allianz Insurance plc are:

- this Introduction
- the Statement of Fact or Proposal Form
- the Policy Definitions in so far as they are consistent with the definitions applied in the Directors & Officers liability Section, the General Exclusions and General Conditions to the extent that they do not conflict with the Exclusions and Conditions which apply to the Directors & Officers liability Section of cover
- the Directors & Officers liability Section of cover as selected by You (as shown in the Schedule)
- the Exclusions and Conditions which apply to the Directors & Officers liability Section of cover selected by You
- the Schedule, which includes all Clauses applied to the Policy while the Policy is in force

If You have selected to purchase Inspection Services under the Engineering Inspection Contract section, this forms a separate contract between You and Allianz Engineering Inspection Services Ltd.

For ease of reference You will be given only one Policy number for the cover provided under Indemnity 13 of Section 2 – Motor Vehicle Road Risks, or if You have taken out Directors & Officers liability cover or purchased Inspection Services under the Engineering Inspection Contract section.

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.

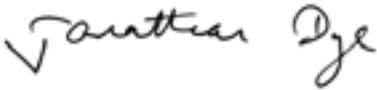
We will indemnify You in accordance with and subject to the terms of this Policy, in consideration of the payment to Us of the premium for the Period of Insurance.

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

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

You may be entitled to compensation from the FSCS if We are unable to meet Our liabilities. Further information about compensation scheme arrangements is available at www.fscs.org.uk, by emailing enquiries@fscs.org.uk or by phoning the FSCS on 0800 678 1100 or 0207 741 4100.

Signed on behalf of Allianz Insurance plc

A handwritten signature in black ink that reads "Jonathan Dye". The signature is written in a cursive style with a large initial 'J'.

Jonathan Dye
Chief Executive

Notifying a Claim

If an accident, loss or damage occurs or any circumstances arise which may cause a claim to be made, you should notify Your insurance advisor, (or alternatively You can contact Us at Our claims handling office):

- promptly, if an incident occurs that may lead to a claim
- immediately, in the event of a serious accident, loss or damage

Please provide Your Policy number and as much information as possible about the claim.

For all Motor Trade Claims, other than those under the Commercial Legal Expenses Section, Motor Prosecution Defence, Pay-on-use Motor Breakdown Assistance and accidents outside the United Kingdom, please contact Our dedicated claims handling centre based in Birmingham:

Tel: 0344 412 9996
Fax: 01483 790 896
Email: motortradeclaims@allianz.co.uk

The lines are open Monday to Friday 8am to 6pm.

If you need recovery assistance following an accident, you can call the above number 24 hours a day.

Once your vehicle is recovered we will contact you within 24 hours to register a claim. Please note that if a claim is not made or is unsuccessful you will be liable for the costs of the recovery.

Claims Division
Motor Trade
Allianz Insurance plc
500 Avebury Boulevard
Milton Keynes
MK9 2XX

(All correspondence is scanned and forwarded to the claims handling centre.)

For accidents outside the United Kingdom:

You will need to call Our International Claims Team on +44 (0) 1483 218 200.

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 0344 893 9500.

If Your claim is for Uninsured Loss Recovery and Injury

You should call 0344 412 9996 and quote Master Policy Number 34048 for any new claim notification.

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 on page 33 or telephone Us on 0370 243 4340 and quote Master Policy Number 34048.

For additional claims information please refer to page 33.

If Your claim is for Motor Prosecution Defence:

You should contact the Lawphone Legal Helpline on telephone number 0344 2090 518 and quote Master Policy Number 34048.

For additional claims information please refer to page 33.

If Your claim is for Commercial Legal Expenses:

You should contact the Lawphone Legal Helpline on telephone number 0344 2090 518 and quote Master Policy Number 36444.

For additional claims information please refer to page 100.

If You require Pay-on-use Motor Breakdown Assistance:

Please contact Allianz Global Assistance with the following details:

- Location of vehicle
- Registration number of Your vehicle
- A contact telephone number
- Description of problem

Call 020 8603 9680.

All calls to Allianz Global Assistance may be recorded. This will assist Us in confirming details of a call that may be incomplete or unclear.

For additional claims information please refer to page 34.

Complaints Procedure

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

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

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

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

Telephone number: 01483 552438
Fax Number: 01483 790538
Email: accsm@allianz.co.uk

If Your complaint is about Indemnity 8 of Section 2 – Motor Vehicle Road Risks or Section 14 Commercial Legal please contact Our Customer Satisfaction Manager at:

Allianz Legal Protection,
PO Box 10623,
Wigston,
LE18 9HJ

Telephone number: 0345 0700 886

If your complaint is about Indemnity 13 of Section 2 – Motor Vehicle Road Risks, please contact the Customer Satisfaction Manager of Allianz Global Assistance at:

Allianz Global Assistance,
Customer Support,
102 George Street,
Croydon,
CR9 6HD

Telephone: 020 8603 9853.
Email: customersupport@allianz-assistance.co.uk

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

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

The Financial Ombudsman Service
Exchange Tower, London E14 9SR

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

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

If Your complaint is about Section 5 – Engineering Part 1 – Inspection Contract Our Complaints Procedure is as set out below.

The Inspection Company aim to get it right, first time, every time. If we (the Inspection Company) make a mistake, we will try to put it right promptly.

We will always confirm to you (the Client) the 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.

Should you wish to make a complaint then it should be directed to your Engineer Surveyor or Customer Satisfaction Manager at the Allianz location shown below:

Customer Satisfaction Manager
Allianz Engineering, Construction & Power
57 Ladymead
Guildford
Surrey
GU1 1DB

Using our complaints procedure 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
- You require any person under 25 years of age to drive for SD&P use
- You acquire a Private Car with an ABI vehicle group 29 or above or a motorcycle with an engine size over 500cc and wish to use the Private Car or motorcycle for social, domestic or pleasure purposes.

- You add any recovery vehicle to the Policy
- You add any Private Car valued over £50,000 for social, domestic and pleasure use.

The above only applies where they were not declared at inception or renewal of the Policy.

- 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, DG, MR or XX or Conviction Codes CD40–CD99, MS50–MS59, 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.

Policy Definitions

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

Unless the contract admits otherwise or an alternative meaning is specified the defined words and phrases listed below have the same meaning wherever they appear within Your Policy.

1 Accessories

This includes spare parts, audio equipment, multi-media equipment, communication equipment and satellite navigation equipment providing they are permanently fitted to Your Vehicle and Insured Vehicle and have no independent power source.

2 Business Hours

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

3 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.

4 Clause(s)

Sets out any special terms applying to Your Policy and are specified on the Policy Schedule.

5 Employees/Employee

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

6 Excesses/Excess

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

7 Geographical Limits

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

8 Period of Insurance

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

9 Private Car

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

10 Property/Property Insured

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

11 Schedule

The part of the Policy that details information forming part of this contract of insurance and that shows the Sections of this Policy that are operative.

12 Section/Sections

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

13 Sum Insured

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

14 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.

15 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, nursery crèche or childcare facilities where incidental to The Business 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, trade shows and corporate events.

16 The Premises

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

17 Total Sum Insured

The maximum total amount payable by Us under any Section.

18 We/Us/Our/Ourselves

Allianz Insurance plc.

19 You/Your/The Insured/Policyholder

The Insured named on the Policy Schedule and includes, in the event of Your death, any of Your personal representatives in respect of liability incurred by You.

20 Policy

The contract of insurance formed of the documents described in the Introduction. Where cover is provided under the Directors & Officers liability Section, You have more than one contract of insurance and the definition of 'Policy' should be construed accordingly.

Section 1 – Material Damage

Definitions

The Policy Definitions of this Policy apply to Section 1 – Material Damage 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 deeds, documents, manuscripts and business books but only for the cost of the materials and clerical labour expended in reproducing such records
- c Data Processing Media as set out in this Section for an amount not exceeding £25,000
- d patterns, models, moulds, plans or designs
- e fuel pumps, underground tanks and associated pipes and cables
- f rare books or works of art for an amount not exceeding £1,000 for any one article or £10,000 in total.

2 Buildings

Buildings belonging to You or for which You are responsible at the location shown in the Schedule, unless more specifically described, including landlords fixtures and fittings, fixed glass, outbuildings, kiosks, canopies, fixed signs, wind turbines, solar panels (attached to buildings), walls, gates, fences, roads, car parks, yards, paved areas, pavements and footpaths and any mains services.

3 Damage/Damaged

Accidental loss, destruction or damage, to Property Insured.

4 Intruder Alarm Installation

All the component parts detailed in the alarm specification and includes the devices used to transmit and 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 and the buildings

- 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 and the buildings.

9 Specified Events

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any tank apparatus or pipe or impact by any road vehicle or animal.

10 Stock

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

11 Tenants Improvements

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

12 Unoccupied

Any building or part of any building that is unfurnished, untenanted, empty or no longer in active use for a period exceeding 30 consecutive days.

13 Vehicle/Vehicles

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

14 Negotiable Money

Cash, bank and currency notes, uncrossed cheques, giro cheques including pre-authenticated giro cheques, uncrossed warrants, uncrossed postal and money orders, current postage and revenue stamps, National Savings stamps and certificates, holiday with pay stamps and gift tokens, National Insurance stamps (whether affixed to cards or not), debit card sales vouchers, trading stamps, luncheon vouchers and bills of exchange, security for money travel warrants and authenticated travel tickets and phone cards for use by You or any partner, director or Employee of You in connection with The Business, consumer redemption vouchers and company sales vouchers, and unexpired units in franking machines, all belonging to You or for which You have accepted responsibility.

15 Non-Negotiable Money

Crossed warrants, crossed cheques, crossed giro cheques, crossed post and money orders, crossed bankers drafts, crossed National Giro bank cash cheques, premium bonds, savings bonds, stamped National Insurance cards, National Savings Certificates, VAT purchase invoices and credit card sales vouchers all belonging to You or for which You have accepted responsibility.

16 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.

17 Unattended

Any vehicle with no person in charge or where neither You nor any Employee are in a position to keep the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle.

18 Data Processing Media

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

Cover

Indemnity

We will pay You for Damage to Property Insured at The Premises shown in the Schedule 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 Section 1 – Material Damage.

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 Section 1 – Material Damage
- ii any limit of liability shown in the Schedule or Section 1 – Material Damage

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 All Other Property 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.

Professional 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)

- 1 Subject to the Special Conditions set out below, the basis on which the amount payable for Buildings, Tenant Improvements and All Other Property for which a Declared Value is specified in the Schedule is to be calculated will be the reinstatement of the Property lost, destroyed or damaged.

For the purpose of this clause "Reinstatement" means

- a the rebuilding or replacement of Property lost or destroyed which, provided Our liability is not increased, may be carried out
 - i in any manner suitable to requirements of You
 - ii on another site

- b the repair or restoration of Property damaged

in either case to a condition equivalent to, or substantially the same as, but no better or more extensive than its condition when new.

- 2 The Declared Value (shown in brackets below the Sum Insured), having been stated in writing by You, has been used to calculate the premium.

"Declared Value" means the assessment by You of the cost of Reinstatement of Property Insured arrived at in accordance with Reinstatement (Day One Basis) paragraph 1a at the level of costs applying at inception of the Period of Insurance ignoring inflationary factors which may subsequently operate), together with, to the extent that cover provides, due allowance for

- a any additional cost of Reinstatement to comply with Public Authorities regulations, bye-laws or stipulations
- b professional fees
- c removal of debris costs.

Special Conditions to Reinstatement (Day One Basis)

- 1 At inception of each Period of Insurance, You shall notify Us of the Declared Value of Property Insured. In the absence of such declaration the last amount declared by You will be taken as the Declared Value for the new Period of Insurance, appropriately adjusted if Index Linking applies
- 2 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 1a 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.

- 3 Our liability for the repair or restoration of Property damaged in part only, shall not exceed the amount which would have been payable if such Property had been wholly destroyed.
- 4 No payment beyond the amount We have paid in the absence of this clause will be made

- a unless Reinstatement commences and proceeds without reasonable delay

- b until the cost of Reinstatement has actually been incurred

- c where the Property Insured at the time of Damage is covered by any other insurance effected by You, or on behalf of You which is not on the same basis of Reinstatement.

- 5 All the terms and conditions of Section 1– Material Damage and the Policy shall apply
 - a to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause
 - b where claims are payable as if this clause had not been incorporated, except that sums insured will be limited to 115% of Declared Values.

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.

Non Invalidation

Section 1 – Material Damage shall not be invalidated by:

Any act or omission or by any alteration unknown to or beyond the control of You by which the risk of Damage is increased, provided that You shall give notice to Us (and pay an additional premium if required) immediately You become aware of such act, omission or alteration.

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 Section 1 – Material Damage without prejudice to the rights and liabilities of You or Us until completion.

Data Processing Media

In the event of Damage to All Other Property comprising Data Processing Media, We will pay:

- a the cost of purchasing blank Data Processing Media (without any data thereon) to replace that which has been physically lost or destroyed; or
- b the cost of repairing the Data Processing Media which has been physically damaged; and

- c the costs of copying data from back-up or from originals of a previous generation onto the replacement or repaired Data Processing Media, provided always that this Policy will not cover:
 - i any research and engineering costs;
 - ii any costs of recreating, gathering or assembling data;
 - iii any reduction in value of data or any amount pertaining to the value of such data, even if such data cannot be recreated, gathered or assembled or copied from back-up or originals of a previous generation.

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

Money

Cover

Section 1 – Material Damage shall cover Money for Damage 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, other than by an approved security organisation, will be accompanied by:
 - i two adults when in excess of £5,000
 - ii three adults when in excess of £10,000
- b Exclusion 5 Dishonesty shall not apply to any loss arising from the lack of integrity of any Employee discovered within thirty days of the occurrence.
- c We shall not be liable for any loss of Money in a specified locked safe out of Business Hours unless all of the safe keys are removed from The Premises.
- d We shall not be liable for any loss of Money:
 - i due to error or omission
 - ii resulting directly or indirectly from forgery, fraudulent alteration or substitution, or fraudulent use of a computer or electronic transfer
 - iii loss or shortage due to depreciation, currency fluctuations or consequential loss or damage of any kind or description
 - iv loss resulting from the use of any form of payment which proves to be counterfeit, false, invalid, uncollectible or irrecoverable for any reason.

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 1d of Section 1 – Material Damage
- 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 £100 of any claim for Damage.

Extensions

1 Alterations and Additions

To the extent that they are not otherwise insured, Buildings and All Other Property items include

- a alterations, additions and improvements (but not appreciation in value in excess of Sums Insured) to Buildings, machinery and plant

- b any newly acquired or newly erected Buildings, machinery or plant

within the Geographical Limits, for no more than 10% of the Sum Insured for each item covered, or £1,000,000 in total, whichever is the lesser, at The Premises or at any one newly acquired address elsewhere than at The Premises, provided that You shall give details of such alterations and additions to Us within 90 days of the commencement date of Your responsibility and before the expiry of the Period of Insurance, effect specific cover retrospective to such date and pay the appropriate additional premium.

2 Automatic Reinstatement of Loss

The Sum Insured or limits of liability shall not be reduced by the amount of any claim following Damage as insured under Section 1 – Material Damage provided that

- a We do not give written notice to the contrary within 30 days of the notification of any Damage
- b You pay the appropriate additional premium on the amount of the claim from the date of the Damage to the expiry of the Period of Insurance
- c You agree to comply with any security recommendations or other measures We may require to reduce the risk of Damage.

3 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.

4 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 excluding

- A loss, destruction or damage
 - i of or to any Unoccupied building, unless agreed otherwise by Us in writing
 - ii expedited or in any way brought about by You or any partner, director or employee of You or any other person who has a legal right to be on the Premises, unless such theft or attempted theft involves the threat of assault or violence to You or any partner, director or employee of You or any other person who has a legal right to be on the Premises

- iii of or to property
 - a in respect of which You are not liable for repair costs
 - b in respect of which You are able to recover repair costs from another source
 - c which is more specifically or otherwise insured
- B after the application of all other terms and conditions of Section 1 – Material Damage and the Policy including and adjustment for Average (Underinsurance), and in respect of each separate Premises the amount of the Excess specified in the Schedule or £500 whichever is the greater.

- iv in respect of undamaged portions of the Property any property which has not sustained Damage as insured by Section 1 – Material Damage or the Policy
- B the additional cost that would have been required to make good the Property Damaged to a condition equal to its condition when new, had the necessity to comply with such regulations bye-laws or stipulations not arisen
- C the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the Property by reason of compliance with any such regulations, bye-laws or stipulations.

5 Employees' Tools

Section 1 – Material Damage 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

- a any one Employee is £5,000
- b any one tool is £2,500

(provided the Sums Insured in the Schedule are adequate).

6 European Union and Public Authorities

Subject to the Special Conditions set out below, cover for Buildings, Tenants Improvements and All Other Property includes an amount in respect of any additional cost of reinstatement which is incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of an Act of Parliament, with bye-Laws of any public authority, or to comply with the stipulations of European legislation in consequence of Damage in respect of

- lost destroyed or damaged Property
- undamaged portions of such Property

excluding

- A the cost incurred in complying with such regulations, bye-laws or stipulations
 - i in respect of Damage occurring prior to the granting of this cover
 - ii in respect of Damage not insured by Section 1 – Material Damage
 - iii under which notice has been served upon You before the date of the Damage or where an existing requirement must be completed within a stipulated period

Special Conditions to Extension 6 European Union and Public Authorities

- 1 The work of reinstatement must be commenced and carried out without unreasonable delay, and may be carried out upon another site (if such regulations, bye-laws or stipulations so necessitate) subject to there being no resulting increase in Our liability
- 2 If Our liability is reduced by the application of any of the terms and conditions of this Policy or Section 1 – Material Damage (other than as a result of this clause) Our liability under this clause will be reduced in like proportion
- 3 Our liability shall not exceed in respect of any one claim
 - i in respect of undamaged portions of property (other than foundations) 15% of the total amount we would have been liable to pay to reinstate the property if the Property Insured by the Item at The Premises where Damage occurred had been wholly destroyed
 - ii in respect of the property suffering Damage the Sum Insured applicable to each separate premises
- 4 All the terms and conditions of Section 1 – Material Damage and the Policy shall apply to any claim payable under the provisions of this clause other than where they are expressly varied by the terms of this clause.

7 Exhibitions

This insurance covers the Property Insured, other than Vehicles, whilst at any exhibition anywhere in the Geographical Limits and within the European Union 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** 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
- c** Damage to Property Insured caused by anything other than Fire, Lightning, Explosion and Aircraft when the Property Insured is situated outside of the Geographical Limits
- d** Damage to Property Insured in excess of £25,000 when situated outside of the Geographical Limits.

For the purpose of Extension 7 – Exhibitions the following definitions shall also apply

Definitions

Fire

Fire shall mean:

Fire, excluding Damage caused by

- a** explosion resulting from fire
- b** earthquake or subterranean fire
- c** its own spontaneous fermentation or heating, or its undergoing any heating process or any process involving the application of heat

Lightning

Explosion

- a** of boilers
- b** of gas

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

Explosion

Explosion shall mean:

Explosion, excluding Damage

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

Aircraft

Aircraft shall mean:

Aircraft or other aerial devices or articles dropped from them, excluding

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

8 Fire Extinguishers, Sprinklers and Security Equipment

We will pay the reasonable costs incurred by You in

- a** refilling, recharging or replacing any fire extinguishers or sprinkler heads
- b** having any fire and/or intruder alarms and closed circuit television equipment reset

solely in consequence of Damage; Provided that

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

9 General Interests

We agree to automatically note the interest of any other party if requested by You in any of the Property Insured and which attached before the happening of any Damage, but only to the extent that such interest is not otherwise insured and subject to their identity being disclosed in writing to Us by You in the event of Damage.

10 Index linking

Unless You request to the contrary, the Sums Insured and/or Declared Values will be adjusted to take into account movements in the appropriate index and renewal premiums will be based on the adjusted Sums Insured and/or Declared Values.

For Buildings, the General Buildings Cost Index issued by the Building Cost Information Service of the Royal Institution of chartered Surveyors or for Residential Property the Household Rebuilding Cost Index issued by the Association of British (or some other suitable index We decide upon) will be used.

For All Other Property the Retail Price Index (or some other suitable index We decide upon) will be used.

The above percentage changes will continue to be applied between the date of any Damage and the date when replacement or repair has been completed provided that the work of rebuilding or repair is commenced and carried out without unreasonable delay.

11 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.

12 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.

13 Locks and Keys

Section 1 – Material Damage 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.

14 Metered Utilities

Section 1 – Material Damage extends to cover additional water, gas, electric, oil or other metered supply charges incurred by You up to an amount of £25,000 any one claim, 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 the 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 suppliers charges and for variations affecting Your supply consumption during the intervening period.

15 New for Old (Vehicles)

In respect of

- i any Vehicle owned and registered by You, (or is the subject of a hire purchase or any type of leasing or contract hire agreement) 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 (or is the subject of a hire purchase or any type of leasing or contract hire agreement)

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.

16 Notice of Interest – Freeholders, Lessees and Mortgagees

- a We agree that the interest of any Freeholder, Lessee, Under Lessee and/or Mortgagee in respect of Buildings insured by this Section 1 – Material Damage and which attached before the happening of any Damage shall be automatically noted in this insurance if requested by You, but only to the extent that such interest is not otherwise insured and subject to their identity being disclosed in writing to Us by You in the event of Damage.
- b This insurance shall not be invalidated by any increase in the risk of Damage resulting from an alteration, act or omission which occurs without the authority or knowledge of any Freeholder and/or Lessee and/or Mortgagee, but this shall only protect the interest of such Freeholder, Lessee or Mortgagee and shall only apply if We are notified immediately on the part becoming aware of the increased risk and the payment of any reasonable additional premium is made.

17 Personal Accident Assault and Victim Care

Definitions

Insured Person

You and any partner, director or Employee aged between 16 and 75 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 Section 1 – Material Damage any Insured Person whilst engaged in connection with The Business shall as a direct result of theft or attempted theft:

- 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	£30,000
b Loss of Limb(s) (one or more) and/or Loss of Sight of one or both eyes	£30,000
c Permanent Total Disablement	£30,000
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
- 3** in respect of **A** and **B** above for loss, damage, death Accident, disablement or emotional stress arising outside of the Geographical Limits.

18 Property in Transit

Section 1 – Material Damage 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.

19 Removal of Debris

The insurance by all items of Section 1 – Material Damage other than Rent extends to include costs and expenses necessarily incurred by You with Our consent in:

- a** removing and disposing of debris
- b** dismantling and/or demolishing
- c** shoring-up, propping or boarding up

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 Damage and the area immediately adjacent to such site
- ii** arising from pollution or contamination of property not insured by Section 1 – Material Damage of this Policy.

- 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.

20 Seasonal Increase

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

21 Seventy Two Hours Clause

Damage occurring within 72 consecutive hours and arising from a storm or flood is deemed to be one claim.

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

22 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.

23 Subrogation Waiver

In the event of a claim arising under Section 1 – Material Damage 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.

24 Temporary Removal

Section 1 – Material Damage 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 £25,000
- c property whilst at any exhibition
- d Employees’ tools
- e Stock and All Other Property In Transit
- f Computer Equipment, Data Carrying Materials and Portable Equipment (as defined in Extension 33 Temporary Removal – Computer Equipment).

25 Trace and Access

In the event of Damage in consequence of escape of water or fuel oil from any tank, apparatus or pipe, or leakage of fuel from any fixed oil heating installation, 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.

26 Data Processing and Ancillary Equipment

Cover includes Damage to data processing and ancillary equipment caused by dryness or dampness of atmosphere, extremes of temperature, corrosion or rust, if directly resulting from Damage to any air conditioning facilities.

27 Fire Brigade

We will pay the reasonable costs charged by any Public Authority relating to the extinguishing or fighting of fire.

28 Foundations

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

29 Obsolete Building Materials

The indemnity in respect of Buildings extends to include the reasonable additional costs incurred in replacement of Damaged materials which given consideration to the scientific and technical knowledge at the time of installation, construction or fitting were reasonably deemed to be fit for the purpose intended but require replacement with more suitable modern materials after the Damage.

The Buildings shall not be regarded as being better or more extensive than when new provided that Our liability in respect of any one claims is limited to

- a 10% of the Declared Value of such Buildings in respect of such additional costs
- or
- b the Sum Insured at each separate premises or the total Sum Insured or any other limit of liability in Section 1 – Material Damage

whichever is the less at the time of any Damage in any one Period of Insurance.

30 Reinstatement to Match – Computer Equipment

Where computer equipment has suffered Damage to the extent that repair is impractical and replacement by similar property in a condition equal to but not better or more extensive than when new is impossible, then You may replace, repair or restore the property with equivalent property which employs current technology and replacement, repair or restoration with such property for the purposes of Section 1 – Material Damage shall not be regarded as being better or more extensive than when new

Cover also extends to include

- A the cost of replacement or modification of undamaged computer equipment insofar as it is necessary to adapt it to operate in conjunction with lost, destroyed or damaged property which has been replaced, repaired or restored
- B the cost of replacement, repair or modification of undamaged parts of computer equipment that form part of a matching set of articles, or suite of common design or function where the Damage is restricted to a clearly identifiable area to a specific part

Provided that

- a Our total liability
 - i does not exceed £25,000 any one claim
 - ii is not increased beyond the amount that would otherwise have been payable for the replacement, repair or restoration of the property lost destroyed or damaged in its original form
 - iii is not increased beyond the amount that would have been payable for replacement, repair, or modification of the whole property forming a set of articles, or suite of common design or function if such property had
- b We shall be liable only for the amount sufficient to enable You to resume operations in substantially the same manner as before the Damage
- c where the property is Damaged in part only, We will not pay more than the amount representing the cost which We would have paid for repair, restoration or replacement if such property had been wholly destroyed
- d if Damage to computer equipment results in undamaged computer records being incompatible with replacement equipment We will pay the costs of
 - i modifying the computer equipment
 - or
 - ii replacing computer records with reinstatement of programmes and/or information (but not for the value of the information to You)whichever is the less.

31 Services

Section 1 – Material Damage extends to include telephone gas, water, and electric instruments, meters, piping, cabling and the like and their accessories, including similar property in adjoining yards or roadways or underground, all pertaining to Buildings or Contents insured by Section 1 – Material Damage being the property of You or for which You are responsible.

32 Temporary Removal – Computer Equipment

In respect of Temporary Removal – Computer Equipment, the following Definitions and Cover apply:

Definitions

A Computer Equipment

Computer equipment, including

- 1 fixed disks
- 2 interconnected wiring
- 3 air conditioning and cooling equipment
- 4 generating and voltage regulating equipment
- 5 satellite, telecommunication links and computerised telephone exchanges
- 6 electronic access equipment
- 7 temperature and humidity recording equipment
- 8 Data Carrying Materials used for processing, communicating and storing electronic data

Excluding

- a equipment held as stock
- b customers' equipment
- c facsimile and photocopying machines, digital cameras and similar machinery not used for the processing of electronic data
- d equipment which controls or monitors any manufacturing process

B Data Carrying Materials

Current and back-up

- 1 disks
- 2 tapes
- 3 other materials

incorporating stored programs or data.

Data Carrying Materials does not include fixed disks and paper records.

C Portable Equipment

Computer Equipment designed to be carried by hand used away from The Premises. This includes, but is not limited to, Laptops, Palmtops and Handheld Computers.

Cover

We will indemnify You in respect of Damage to

- 1 Computer Equipment insured under Section 1 – Material Damage while temporarily removed from The Premises for the purposes of maintenance or repair to anywhere in England, Wales, Scotland, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man, including while in transit
- 2 Data Carrying Materials insured under this Section 1 – Material Damage while anywhere in the world
- 3 Portable Equipment insured under Section 1 – Material Damage while anywhere in the world. We will not indemnify You in respect of Damage to Portable Equipment caused by theft or attempted theft
 - a from an Unattended vehicle unless
 - i the vehicle is securely locked, its keys, key card or remote control transmitter removed, all windows are securely closed, and all security devices to protect the vehicle are set to operate
 - ii the vehicle is kept in a locked building of substantial construction or guarded security park between the hours of 9.00pm and 6.00am, unless it is aboard a ship or ferry
 - iii the Portable Equipment is
 - concealed from view,
 - stored in the boot or under the parcel shelf where such facilities are available
 - b while in transit by ship or ferry unless it is kept in a securely locked cabin or vehicle aboard such vessel when not in use
 - c while in transit by air unless it is carried as hand luggage

The maximum We will pay in respect of any one claim is

- 1 10% of the Sum Insured in respect of All Other Property shown in The Schedule
or
- 2
 - a £2,500 in respect of theft or attempted theft of Portable Equipment from an Unattended vehicle
 - b £10,000 in respect of any other theft or attempted theft of Portable Equipment
 - c £25,000 in respect of any other Damagewhichever is the lesser.

33 Unauthorised Use of Utilities

Cover includes water, gas, electricity, oil or other metered supply charges incurred by You and for which You are legally responsible, due to unauthorised use by persons taking possession of, keeping possession of or occupying any Premises without the written consent of You, provided that:

- a You undertake all practical steps to terminate such unauthorised use as soon as it is discovered
- b You have advised Us of such unauthorised use immediately on becoming aware of it
- c Section 1 – Material Damage, Condition 4 Change of Occupancy and Unoccupied Premises has been complied with by You
- d Our maximum liability shall not exceed £10,000 in respect of any one claim and any one Period of Insurance.

34 Reduction of Environmental Impact

In respect of

- a landlords fixtures and fittings, and
- b machinery, plant and tenants improvements

in or on or pertaining to the buildings and belonging to You or for which You are responsible, in so far as these are used for a manufacturing process, heating the buildings or the disposal of waste materials and are known to produce emissions harmful to the environment due to such manufacturing process or the burning of coal, coke, wood, oil, gas, biomass or similar combustible materials, following Damage insured by Section 1 – Material Damage We will pay the cost reasonably incurred by You with Our consent

- i in respect of the additional cost of reinstatement or replacement of such property or any part of such property which has been Damaged beyond repair, with alternative approved or other appropriate products utilised for the purpose of performing the same primary function but with improved environmental impact resulting, including if required the relocation of such property within the same building
- ii of the replacement or modification of undamaged parts of such property insofar as it is necessary to adapt such undamaged property to operate in conjunction with the damaged property which has been reinstated or replaced
- iii of specialist consultants fees relating thereto

and such property shall not be regarded as being better or more extensive than when new

Provided that

- 1 improved environmental impact costs shall include but not be limited to such costs incurred in the reinstatement, replacement or repair of such property with property that uses less power or uses consumable materials more efficiently
- 2 We do not exercise the option to pay You the value of such property at the time of the Damage or to repair such property under the terms of the Indemnity applicable as if this clause had not been incorporated in Section 1 – Material Damage
- 3 You elect to reinstate or replace such property
- 4 the work of reinstatement or replacement is commenced and carried out without unreasonable delay
- 5 if Our liability is reduced by the application of any of the terms and conditions of Section 1 –Material Damage or of the Policy (other than as a result of this clause) Our liability under this clause shall be reduced in like proportion
- 6 Our liability shall not exceed in respect of any one claim 115% of the total amount We would have been liable to pay to reinstate or replace such property if this clause had not been incorporated in Section 1 – Material Damage, or £250,000, whichever is the less at the time of Damage

and provided that We shall not be liable for

- A Damage not insured by Section 1 – Material Damage
- B costs incurred in respect of Damage occurring prior to the granting of this cover
- C costs incurred or to be incurred where notice has been served upon You by any appropriate authority before the date of the Damage
- D cost arising for work You had already planned and which was due to be carried out during the Period of Insurance
- E increases in costs attributable to unreasonable delays in reinstatement or replacement unless such delays are wholly outside Your control
- F any rate, tax, duty, development or other charge or assessment arising out of capital appreciation as a result of the terms of this clause.

Definitions

Fire

Fire shall mean:

Fire, excluding Damage caused by

- a explosion resulting from fire
- b earthquake or subterranean fire
- c its own spontaneous fermentation or heating, or its undergoing any heating process or any process involving the application of heat

Lightning

Explosion

- a of boilers

- b of gas

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

Explosion

Explosion shall mean:

Explosion, excluding Damage

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

Aircraft

Aircraft shall mean:

Aircraft or other aerial devices or articles dropped from them, excluding

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

Exclusions to Section 1

The General Exclusions of this Policy apply to Section 1 – Material Damage 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, failure or derangement in respect of the particular machine, equipment, apparatus or computer equipment in which such breakdown, failure or derangement originates 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 corrosion, rust, change in temperature, wet or dry rot, shrinkage, evaporation, loss of weight, change in colour or texture or finish, dampness or dryness, 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
- e 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
- 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
 - 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 including hand held electronic vehicle diagnostic equipment
- 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, but We will pay for Damage to the Property Insured not otherwise excluded, caused by:

- a pollution or contamination which itself results from a Specified Event
- b any Specified Event which itself results from pollution or contamination.

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, nationalisation, 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 frost and/or 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.

14 Property

- a railway locomotives rolling stock, watercraft or aircraft
- b property or structures in course of construction or erection and materials or supplies in connection with such property or structures
- c land, piers, jetties, bridges, culverts or excavations
- d livestock, growing crops or trees

but We will pay for such property specifically described in the Schedule.

15 Damage to any Property

Damage:

- a caused by fire, resulting from its undergoing, any heating process,
- b resulting from its undergoing any process of production or packing, but We will pay for such Damage caused by fire or explosion.

16 Theft by force

We shall not be liable for Damage resulting from theft or attempted theft unless:

- a involving entry to or exit from a building at The Premises by forcible and violent means
- b following hold up by violence or threat of violence
- c it occurs in respect of Vehicles.

17 Portable Hand Tools

Damage resulting from theft or attempted theft unless all portable hand tools are stored in a locked tools chest(s), which are secured to the fabric of the building by chains approved to 'Sold Secure' Gold or a bar with a minimum thickness of 6mm and a closed shackle padlock conforming to at least CEN Grade 4, or protected by a method agreed by Us in writing, outside Business Hours or whilst The Premises are unattended.

Conditions

The General Conditions of this Policy apply to Section 1 – Material Damage and in addition:

1 Intruder Alarm Installation

It is a condition precedent to Our liability that You ensure 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, alarm receiving centre and with the Police and/or local authority if they require
- 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 in order to confirm the security of the buildings and The Premises and reset the Intruder Alarm in its entirety

If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to

transmit the signals are not in full operation, a Keyholder must remain at The Premises unless We agree otherwise in writing.

- 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

It is a condition precedent to Our liability that You

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

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 Change of Occupancy and Unoccupied Premises

It is a condition precedent to Our liability that

- a You must notify Us in writing as soon as You become aware that
 - i any occupied buildings or occupied parts of any buildings become Unoccupied
 - ii any Unoccupied buildings or Unoccupied parts of any buildings become occupied

We will notify You of the terms and conditions to apply to such buildings and You may be required to pay an additional premium.

- b** in respect of any buildings or parts of any buildings that are Unoccupied or become Unoccupied after the commencement of cover under Section 1 – Material Damage, that such buildings or parts of buildings again become occupied You or Your nominees must
 - i** turn off electricity, gas and water supplies at the mains and drain down the water system except for those connected to automatic
 - fire alarm or Intruder Alarm Installations
 - sprinkler installations or other fire suppression systems
 - ii** maintain automatic sprinkler installations and other fire suppression systems and automatic fire and Intruder Alarm Installations, and keep them fully operational
 - iii** maintain a level of heating sufficient to prevent freezing of automatic sprinkler installations
 - iv** secure the buildings and The Premises and all points of access against entry by intruders, and put all protective and locking devices and any Intruder Alarm Installations into full and effective operation
 - v** remove all waste, unfixed consumable materials and gas bottles, either within or outside the buildings, from The Premises
 - vi** carry out an internal and external inspection of the buildings and The Premises at least once in every seven days and
 - maintain a record of such inspections
 - ensure that any defects in the condition or state of repair of the buildings including any walls, gates and fences pertaining to them, or any defects in security, alarm or fire protection installations are rectified, remedied or repaired immediately
 - vii** notify Us immediately if the buildings and/or The Premises are to be occupied by contractors for renovating, alteration or conversion purposes
 - viii** complete any risk improvements put forward by Us within the timescales specified by Us.
- c** board-up all ground floor and any other easily accessible external doors and windows.

5 Claims Condition

The General Claims Conditions 4, 5, 6 and 7 apply and in addition:

In the event of Damage, You shall at Your own expense deliver to Us

- a** within 30 days after such Damage (28 days in the case of Damage by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft) or such further time as We may allow in writing
 - i** full information in writing of the Property Insured damaged, and the amount of damage
 - ii** details of any other insurances on the Property Insured covered by this Policy
- b** all such proof and information relating to the claim as may be reasonably be required
- c** if required, a statutory declaration of the truth of the claim and of any matters connected with it

We will not pay for any claims unless the terms of these conditions have been complied with.

6 Inspection Requirement

We shall not be liable for Damage caused by explosion originating within any vessel, machine or apparatus or its contents, belonging to You or under the control of You which requires to be examined to comply with statutory regulations, unless there is in force a policy of insurance or other contract providing the required inspection service.

Section 2 – Motor Vehicle Road Risks

Definitions

The Policy Definitions of this Policy apply to Section 2 – Motor Vehicle Road Risks and in addition:

1 Insured Value

The sum for which the Insured Vehicle or a vehicle of equivalent quality and specification could have been purchased by You at the time of the loss or damage.

2 Insured Vehicle

- a any motor vehicle subject to Vehicle Excise Duty (when required by law), including Accessories, plant and equipment fixed thereto described in paragraph 1 of Your 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 for purposes permitted by Your Certificate of Motor Insurance.

Except when You have requested and We have agreed to provide cover, Insured Vehicle does not include any motor vehicle registered elsewhere than the Geographical Limits.

3 Theft

The term 'Theft' used in Section 2 – Motor Vehicle Road Risks shall include the offence of 'taking a motor vehicle or other conveyance without authority' as defined in Section 12 of the Theft Act 1968.

4 Misfuelling

The accidental filling of the fuel tank of the Insured Vehicle, being a Private Car or Goods-carrying Vehicle not exceeding 7.5 tonnes gross vehicle weight, with inappropriate fuel for the type of engine.

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 Indemnities 1–14 of Section 2 – Motor Vehicle Road Risks.

Partial Comprehensive

Cover under Indemnities 1–14 of Section 2 – Motor Vehicle Road Risks (but cover under Indemnity 2 – Damage excludes the cost of labour or the hire of any equipment or plant in respect of any repair).

The provisions of this cover shall not apply in respect of vehicles owned by Your customers.

Third Party Fire & Theft

Cover under Indemnities 1–14 of Section 2 – Motor Vehicle Road Risks (but cover under Indemnity 2 – Damage is restricted to loss or damage caused by fire, explosion or theft).

Third Party Only

Cover under Indemnities 1 & 3–14 of Section 2 – Motor Vehicle Road Risks. Cover under Indemnity 2 is not included.

Cover

(Type of cover is shown in the Schedule)

Indemnity 1 – Third Party Liability

1 Indemnity to You

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 Indemnity to other persons

We will also indemnify

A Driver or User

any person driving or using the Insured Vehicle with Your permission provided this is permitted by Your Certificate of Motor Insurance but subject to the provisions specified on Your Policy Schedule

B Passengers

any passenger whilst travelling in, getting into or out of the Insured Vehicle.

C Joint Insured

each party if more than one party is named as You in the Schedule Section 2 – Motor Vehicle Road Risks 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 Section 2 – Motor Vehicle Road Risks.

In the event of an accident involving payment on behalf of more than one person insured by Indemnity 1 – Third Party Liability any limitation by the terms of Your Policy or by any Clause(s) relating to the maximum amount payable shall apply in the aggregate and in priority to You.

3 Legal Defence Costs

In respect of any event which may be the subject of indemnity under Section 2 – Motor Vehicle Road Risks, with Our prior written consent We will arrange and pay for:

- A representation by a solicitor at any coroner's inquest or fatal accident inquiry or in any Court of Summary Jurisdiction
- B legal costs and expenses incurred by You in relation to defence on any charge of manslaughter or of causing death by careless or dangerous driving
- C legal costs and expenses incurred in providing defence of any criminal proceedings, including costs of prosecution awarded against You and appeals against judgements, arising from a charge under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands.

Provided that

- i Our indemnity under this sub-section is subject to a Limit of £5,000,000 in any one Period of Insurance.
- ii The proceedings must relate to an alleged breach occurring during the Period of Insurance within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands in connection with the ownership, possession or use of an Insured Vehicle.

- iii We have agreed details of the specific solicitor or counsel, prior to their appointment to act on Your behalf.
- iv In the event of an appeal, solicitor or counsel has advised that there are strong prospects of succeeding in the appeal or recovering any costs award made against the defendant at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed.

We shall not be liable:

- a for any fines or penalties imposed on You or the cost of implementing any remedial order or publicity order
- b for proceedings resulting from any deliberate or intentional criminal act or omission by You
- c where indemnity is provided by another source or any other insurance or where but for the existence of this sub section indemnity would have been provided by such source or insurance

4 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 Section 2 – Motor Vehicle Road Risks

- 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.
- 7 death, injury, loss or damage directly or indirectly caused by pollution or contamination unless the pollution or contamination is directly caused by a sudden identifiable unintended and unexpected incident which occurs in its entirety at a specific time and place during the Period of Insurance. All pollution or contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place. This exclusion shall not apply in circumstances where it is necessary to meet the requirements of any compulsory motor insurance legislation operative within the Geographical Limits of Your Policy.
- 8 damage to any bridge, viaduct, weigh-bridge or road, or anything above, beneath or fixed to them, by vibration or by the weight of the vehicle and its load if the Insured Vehicle exceeds the maximum gross vehicle, plated or train weight permitted by the relevant law.
- 9 death, injury, loss or damage directly or indirectly caused by
- a the wrongful collection or delivery of the Insured Vehicle's load
 - b goods which do not conform to the required specification of or the order made by the customer
- except so far as is necessary to comply with the laws relating to the compulsory insurance of motor vehicles in any country to which Your Policy applies.

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.

In the event of a total loss payment in respect of an Insured Vehicle, then We shall become entitled to possession and ownership of the vehicle.
- 2 the cost of protection and removal of the Insured Vehicle to the nearest repairer, when necessary if the Insured Vehicle is disabled, 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.
- 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.
- 5 damage arising from Misfuelling occurring in the Geographical Limits provided that You immediately notify Us of the incident and follow all advice given.

Any Excess will not apply to a claim which is settled under this clause.

We will not pay for

- i any claim arising from contamination caused other than by Misfuelling
- ii the cost of any fuel, other than up to 20 litres of the correct fuel after draining and cleaning has been carried out
- iii any reduction in the market value of the Insured Vehicle or loss of warranty
- iv any loss or damage to the Insured Vehicle caused by Misfuelling.

Damage to the Insured Vehicle caused by Misfuelling is covered subject to the terms of Indemnity 2 – Damage of Section 2 – Motor Vehicle Road Risks and any Excess applicable.

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 is the subject of a hire purchase or any type of leasing or contract hire agreement), 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 (or is the subject of a hire purchase or any type of leasing or contract hire agreement)

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 Locks and Keys

Section 2 – Motor Vehicle Road Risks 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.

3 Personal Property

Section 2 – Motor Vehicle Road Risks extends to include personal property (excluding vehicles and property fixed thereto) belonging to partners, directors and Employees whilst such property is in or on the Insured Vehicle.

Our liability in respect of any one claim shall not exceed £500

We shall not be liable to pay for

- a the loss of or damage to money, securities, jewellery, furs, goods, equipment or samples carried in connection with any trade or business, or property insured under any other Policy
- b any loss where the Insured Vehicle is left unlocked
- c loss or damage to personal property whilst in the custody and control of such persons whilst they are working or travelling in connection with The Business
- d the first £50 of any loss or damage.

Exclusions to Indemnity 2

1 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.

2 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.

3 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 Section 2 – Motor Vehicle Road Risks

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	£175

An inexperienced driver is one who has not held a full (non-provisional) licence issued in the Geographical Limits or EU 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.

Social Domestic and Pleasure Use

In addition Indemnity 5 – Foreign Travel of Section 2 – Motor Vehicle Road Risks shall also apply to any Insured Vehicle used in or which is in transit between countries detailed on the Certificate of Motor Insurance for Social, Domestic and Pleasure purposes when the Certificate of Motor Insurance extends to include the Basis of Cover specified in Your Policy Schedule.

Business Use

In addition Indemnity 5 – Foreign Travel of Section 2 – Motor Vehicle Road Risks shall also apply to any Insured Vehicle used in or which is in transit in the Republic of Ireland for Business purposes when the Certificate of Motor Insurance extends to include the Basis of Cover specified in Your Policy Schedule.

Customs Duty

We will indemnify You against liability incurred by You for the enforced payment of Customs Duty on the Insured Vehicle after temporary importation into any country to which Section 2 – Motor Vehicle Road Risks applies, provided that such liability arises as the direct result of loss of or damage to the Insured Vehicle which is the subject of indemnity under Your Policy.

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

Definitions

The Policy Definitions and Section 2 – Motor Vehicle Road Risks Definitions apply to Indemnity 8 – Motor Legal Expenses and in addition:

1 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 Guideline Hourly Rates set by the Senior Court Costs Office, 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.

2 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.

3 Standard Basis

The assessment of Costs which are proportionate to Your claim.

4 We/Us/Our

Allianz Insurance plc trading as Allianz Legal Protection.

5 You/Your

The Insured named on the Policy Schedule or any person authorised to drive or be a passenger in the Insured Vehicle.

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 Section 2 – Motor Vehicle Road Risks 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 driving 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.
- 17 any criminal proceedings arising under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man.

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

No claim shall be payable unless the terms of these Special Conditions have been strictly complied with.

- 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 take every reasonable step to ensure 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 that We agree to
 - 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.

Notifying a Claim under this Indemnity

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 0344 412 9996 quote the 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 0370 243 4340 and quote Master Policy number 34048.

Motor Prosecution Defence

If You need to claim for Motor Prosecution Defence You should call Lawphone Legal Helpline on 0344 2090 518 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.

Please note that for all claims made under Indemnity 8, 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:

Allianz - ALP
PO Box 10623
Wigston
LE18 9HJ

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 an Insured Vehicle is removed from The Premises by a party appointed by You, for sales and supply, service, repair, cleaning or examination by a qualified M.O.T tester, the said vehicle shall be deemed to be in Your custody or control.

Indemnity 11 – Medical Expenses

We will pay medical, surgical and dental fees up to £250 per person reasonably incurred for attendance on any person travelling in the Insured Vehicle injured as a direct result of the Insured Vehicle being involved in an accident. The maximum We will pay will be limited to £1000 in total for claims arising out of any one cause.

Indemnity 12 – 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 Section 2 – Motor Vehicle Road Risks We will pay compensation to You on the following scale for each day that attendance is required

any director or partner	£750
any Employee	£250

Indemnity 13 – Vehicle Breakdown

This service is provided by Allianz Global Assistance, which is a trading name of Mondial Assistance (UK) Limited. The service has been designed to assist You if Your Vehicle has a Breakdown or is Immobilised within the UK. Any costs incurred will be at Your own expense.

Definitions

The Policy Definitions except Definition 18 and 19 and the Definitions in Section 2 – Motor Vehicle Road Risks except Definition 2 apply to Indemnity 13 – Vehicle Breakdown, and in addition:

1 Breakdown/Immobilisation

Electrical or mechanical breakdown; road traffic accident; loss of keys; loss, damage or destruction by fire, theft or vandalism; lack of fuel, incorrect fuelling or contaminated fuel and punctures, causing Your Vehicle to be immobilised.

2 Excluded Vehicle

Any vehicle which weighs more than 44,000 kg or which is one of the following: tractor, tanker, cement mixer, mobile crane, construction site plant vehicle, fork lift truck, digger, road sweeper, ride-on lawn mower or other agricultural ride-on vehicles (except cherry pickers).

3 Home / Business Address

Your usual place of residence or work in the UK.

4 UK

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

5 Vehicle

The vehicle which

- a You are travelling in;
- b You are insured to drive;
- c is in a legally road worthy condition;
- d is not an Excluded Vehicle; and
- e may have been modified from the manufacturer's original specification.

6 We, Our, Us

Allianz Global Assistance, which is a trading name of Mondial Assistance (UK) Limited.

7 You, Your, Yours

The driver of the vehicle at the moment the breakdown/immobilisation occurs.

Cover

Pay-on-use Motor Breakdown Assistance allows You access to the following services if Your Vehicle has a Breakdown/Immobilisation in the UK. Any costs incurred will be at Your own expense.

If You require Pay-on-use Motor Breakdown Assistance:

Please contact Us with the following details:

- Location of vehicle
- Registration number of Your vehicle
- A contact telephone number
- Description of problem

Call 020 8603 9680.

All calls to Us may be recorded. This will assist Us in confirming details of a call that may be incomplete or unclear.

Pay-on-use Motor Breakdown Assistance

Home / Business Start Assistance

In the event of Breakdown either at Your Home / Business Address or less than a mile from Your Home / Business Address. If We are unable to effect repairs or repairs will take longer than 60 minutes, You will have the option to pay for Us to arrange for local recovery.

Roadside Assistance

In the event of Breakdown more than 1 mile from Your Home Address, We will attend the Vehicle in order to effect repairs. If We are unable to effect repairs or repairs will take longer than 60 minutes, You will have the option to pay for Us to arrange for local recovery.

Local Recovery

In the event that the Vehicle cannot be repaired or remobilised following Our Roadside or Homestart Assistance, We will arrange to take the Vehicle and You to the nearest suitable garage within a 25 mile radius.

Adverse Weather Conditions

Please be aware that adverse weather conditions such as high winds, snow, ice or floods can make it impracticable for Us to provide Our normal assistance services. In this event, it may be necessary for Us to attend to the Vehicle later.

Exclusions to Indemnity 13

The General Exclusions of this Policy apply to Indemnity 13 – Vehicle Breakdown and in addition, We will not assist You in the event of a call for assistance caused by, arising from or in connection with the following:

- 1 Any loss, theft, damage, death, bodily injury, cost or expense that is not directly associated with the incident that caused You to contact Us, unless expressly stated in this document.
- 2 Any costs covered under any other warranty, guarantee, insurance or cover.
- 3 Accident or injury either through deliberate non-observance of the laws of the land in which You are travelling or the practice of activities not authorised by the local authorities.
- 4 The cost of replacement parts.
- 5 Damage or injury intentionally caused by You or resulting from participation in a criminal act or offence.
- 6 Any costs that would have been payable normally by You, such as fuel, congestion or toll charges.

- 7 Any Breakdown/Immobilisation which happens outside the UK.
- 8 Faulty repairs, incorrect servicing or failure to have Your Vehicle serviced in accordance with the manufacturer's specification.
- 9 Any sundry expenses resulting from an incident claimed for under this section, for example telephone or mobile phone calls, faxes, food and drink.
- 10 You not answering accurately any question(s) We have asked You at the time of buying this service, where Your answer(s) may have affected Our decision to assist You.

Special Conditions applying to Indemnity 13

The General Conditions of this Policy apply to Indemnity 13 – Vehicle Breakdown and in addition You must meet the following conditions before We assist You:

1 Information you need to tell us

There is certain information that We need to know as it may affect the terms of the service We can offer You.

You must, to the best of Your knowledge, give accurate answers to the questions We ask when You buy Your Pay-on-use Motor Breakdown Assistance. If You do not answer the questions truthfully it may mean You have to pay more for Our service.

If You think the information you have given Us is incorrect, please call us as soon as possible and We will be able to tell You if We can still offer You Our service.

2 Looking After Your Vehicle

You must take all reasonable steps to safeguard Your Vehicle against Breakdown/Immobilisation.

3 Fraud

If You give Us information that is false or dishonest in any way, this service will not be available.

Indemnity 14 – Personal Accident

We will pay £5,000 at Your request if the driver of the Insured Vehicle suffers accidental injury while travelling in or getting into or out of the Insured Vehicle if the injury within 3 months of the accident directly results in death, total and permanent loss of sight in one or both eyes or loss of one or more limbs.

Payment will be made direct to the injured person or to their legal personal representative.

Exclusions to Indemnity 14

We shall not be liable to pay for

- 1 more than £5,000 following one accident.
- 2 for injury arising from suicide or attempted suicide.
- 3 for any person who is less than 17 or more than 70 years of age.

Exclusions applying to all Indemnities

The General Exclusions of this Policy apply to Section 2 – Motor Vehicle Road Risks 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 or at any other location occupied by You for the purposes of The Business 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
- 6 death, injury, loss or damage directly or indirectly arising as a result of a deliberate act caused by You except so far as is necessary to comply with the laws relating to compulsory insurance of motor vehicles in any country to which Your Policy applies.

Conditions

The General Conditions of this Policy apply to Section 2 – Motor Vehicle Road Risks 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 Section 2 – Motor Vehicle Road Risks 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 Section 2 – Motor Vehicle Road Risks applies.
- 3 The Insured Vehicle and/or parts shall be available at all reasonable times for inspection by Our duly authorised representatives.
- 4 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.
- 5 **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 Section 2 – Motor Vehicle Road Risks 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.
- 6 **Avoidance of Certain Terms and Right of Recovery**

Nothing in this Policy shall affect the right of any person indemnified by this Policy or of any other person to recover an amount under or by virtue of the provisions of the law of any country in which the Policy operates relating the insurance of liabilities to Third Parties. However You shall repay to Us all sums paid by Us which We would not have been liable to pay but for the provision of such law.

Section 3 – Self Drive Vehicle Hire

The Policy Definitions of this Policy apply to Section 3 – Self Drive Vehicle Hire 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 Insured Value

The sum for which the Rental Vehicle or a vehicle of equivalent quality and specification could have been purchased by You at the time of the loss.

3 Rental Agreement

Your Rental Agreement, incorporating an insurance proposal, accepted by Us.

4 Rental Vehicle

Any motor vehicle, subject to Vehicle Excise Duty (when required by law), including Accessories, plant and equipment fixed thereto described in paragraph 1 of Your Certificate of Motor Insurance and any trailer the property of or in Your custody or control in connection with The Business hired out under a Rental Agreement.

5 Rental Purpose

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

6 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.

7 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.

8 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 – Third Party Liability

1 Indemnity to You

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 Indemnity to other persons

We will also indemnify

A Driver or User

the Renter or Driver using the Rental Vehicle with Your permission subject particularly to Exclusion 1a of Exclusions Applying To All Indemnities.

B Passengers

any passenger whilst in, mounting into, or dismounting from the Rental Vehicle

C Joint Insured

each party if more than one party is named as You in the Schedule Section 3 – Self Drive Vehicle Hire 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 Section 3 – Self Drive Vehicle Hire.

In the event of an accident involving payment on behalf of more than one person insured by Indemnity 1 – Third Party Liability any limitation by the terms of Your Policy or by any Clause(s) relating to the maximum amount payable shall apply in the aggregate and in priority to You.

3 Indemnity to Personal Representatives

In the event of the death of any person entitled to indemnity under Section 3 – Self Drive Vehicle Hire, We will indemnify Your legal personal representatives in respect of any liability incurred by them within the limitations of Section 3 – Self Drive Vehicle Hire.

4 Legal Defence Costs

In respect of any event which may be the subject of indemnity under Section 3 – Self Drive Vehicle Hire, with Our prior written consent We will arrange and pay for:

- a representation by a solicitor at any coroner's inquest or fatal accident inquiry or in any Court of Summary Jurisdiction
- b legal costs and expenses incurred by You in relation to defence on any charge of manslaughter or of causing death by careless or dangerous driving
- c legal costs and expenses incurred in providing defence of any criminal proceedings, including costs of prosecution awarded against You and appeals against judgements, arising from a charge under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands.

Provided that

- i Our indemnity under this sub-section is subject to a Limit of £5,000,000 in any one Period of Insurance.
- ii The proceedings must relate to an alleged breach occurring during the Period of Insurance within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands in connection with the ownership, possession or use of an Insured Vehicle.
- iii We have agreed details of the specific solicitor or counsel, prior to their appointment to act on Your behalf.
- iv In the event of an appeal, solicitor or counsel has advised that there are strong prospects of succeeding in the appeal or recovering any costs award made against the defendant at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed.
- v We shall not be liable:
 - a for any fines or penalties imposed on You or the cost of implementing any remedial order or publicity order
 - b for proceedings resulting from any deliberate or intentional criminal act or omission by You
 - c where indemnity is provided by another source or any other insurance or where but for the existence of this sub-section indemnity would have been provided by such source or insurance.

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 Section 7 – Employers Liability 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 Section 3 – Self Drive Vehicle Hire
- 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.
- 8 death, injury, loss or damage directly or indirectly caused by pollution or contamination unless the pollution or contamination is directly caused by a sudden identifiable unintended and unexpected incident which occurs in its entirety at a specific time and place during the Period of Insurance. All pollution or contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place. This exclusion shall not apply in circumstances where it is necessary to meet the requirements of any compulsory motor insurance legislation operative within the Geographical limits of this Policy.

- 9 damage to any bridge, viaduct, weigh-bridge or road, or anything above, beneath or fixed to them, by vibration or by the weight of the vehicle and its load if the Insured Vehicle exceeds the maximum gross vehicle, plated or train weight permitted by the relevant law.
- 10 death, injury, loss or damage directly or indirectly caused by
- a the wrongful collection or delivery of the Insured Vehicle's load
 - b goods which do not conform to the required specification of or the order made by the customer
- except so far as is necessary to comply with the laws relating to the compulsory insurance of motor vehicles in any country to which Your Policy applies.

Indemnity 2 – Damage

We will indemnify You against

- 1 loss of or damage to the Rental Vehicle up to the Insured Value or the value last declared to Us, whichever is the less. 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.

In the event of a total loss payment in respect of a Rental Vehicle, then We shall become entitled to possession and ownership of the vehicle.
- 2 the cost of protection and removal of the Rental Vehicle to the nearest repairer when necessary if the Rental Vehicle is disabled 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

- 1
 - 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.

- 2 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 Section 3 – Self Drive Hire.

Categories	Amount
Under 25 years of age	£175

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 Article7(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 Section 3 – Self Drive Vehicle Hire 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 Rental 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.
- 5 Indemnity 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.
- 7 Death, injury, loss or damage directly or indirectly arising as a result of a deliberate act caused by You except so far as is necessary to comply with the laws relating to compulsory insurance of motor vehicles in any country to which Your Policy applies.

Conditions

The General Conditions of this Policy apply to Section 3 – Self Drive Vehicle Hire and in addition:

- 1 It is a condition precedent to Our liability that prior to the hire of a Rental Vehicle You 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 EU 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 has referred any medical condition requiring Driver and Vehicle Licensing Agency (DVLA) notification and authorisation has been granted by the 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 It is a condition precedent to Our liability that prior to the hire of a Rental Vehicle You 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 It is a condition precedent to Our liability that You 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 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 Section 3 – Self Drive Vehicle Hire 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.
- 5 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 Section 3 – Self Drive Vehicle Hire applies.
- 6 The Rental Vehicle and/or parts shall be available at all reasonable times for inspection by Our duly authorised representatives.
- 7 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 – Third Party 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 bodily injury 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 Section 3 – Self Drive Vehicle Hire) 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 Your 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 Section 3 – Self Drive Vehicle Hire 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.

11 Avoidance of Certain Terms and Right of Recovery

Nothing in this Policy shall affect the right of any person indemnified by this Policy or of any other person to recover an amount under or by virtue of the provisions of the law of any country in which the Policy operates relating the insurance of liabilities to Third Parties.

However You shall repay to Us all sums paid by Us which We would not have been liable to pay but for the provision of such law.

Section 4 – MOT – Loss of Licence

Definitions

The Policy Definitions of this Policy except 4 apply to Section 4 – MOT Loss of Licence 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 Section 4 – MOT Loss of Licence 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 Driver and Vehicle Standards Agency or to appeal against the suspension or withdrawal of The Licence.

Cover is limited to the reasonable charges payable to E.B.L. Partnership,
43 Grange Road, Saltford,
Bristol BS31 3AQ

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

MOT Loss of Licence Helpline

You can call E.B.L Partnership for advice on disciplinary issues or other similar matters. In order to access this helpline call E.B.L Partnership, quoting your Policy Number, on the telephone number below:

Phone: **01225 340858**

Exclusions

The General Exclusions of this Policy apply to Section 4 – MOT Loss of Licence 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 Driver and Vehicle Standards Agency
- 8 a criminal conviction.

Conditions

The General Conditions of this Policy apply to Section 4 – MOT Loss of Licence and in addition:

You shall notify the E.B.L. Partnership, 43 Grange Road, Saltford, Bristol BS31 3AQ (Telephone Number 01225 340858) immediately when You receive any disciplinary correspondence from the Driver and Vehicle Standards Agency.

Section 5 – Engineering

Part 1 – Inspection Contract

Please read Section 5 – Engineering if you selected to purchase Inspection Services. If you did not purchase Inspection Services, Part 1 is not relevant – please refer to Section 5 – Engineering Part 2 which contains the Insurance policy.

Allianz Engineering Inspection Services Limited (referred to as ‘the Inspection Company’) will carry out Inspections for the Client named in the Schedule in accordance with and subject to the terms of this Contract.

Please read all the pages of this Contract and Schedule carefully to ensure that your Inspection requirements are met.

For Allianz Engineering Inspection Services Limited

A handwritten signature in black ink, appearing to be 'SMG', with a long horizontal stroke extending to the right.

Simon McGinn
Director

Inspection Service Definitions

The following words and expressions have been given the specific meaning set out below and shall have the same meaning wherever they appear in the Contract unless the context states otherwise:

Client

The person or persons named as the Insured in the Schedule.

Competent Person

The Inspection Company and/or any engineer surveyor, standards engineer, special service engineer, principal engineer or other such appropriately qualified person authorised and employed or sub-contracted by the Inspection Company to perform the Inspection Service (as the context may require).

Contract

The contract between the Client and the Inspection Company for the Inspection Service which includes these conditions together with the Schedule and (where agreed between the parties) any proposal made by the Client to the Inspection Company. In the event of any conflict between the Client's proposal and these conditions, these conditions shall prevail.

Contract Period

The period of the Contract shown in the Schedule.

Force Majeure Event

An event outside the reasonable control of a party including without limitation: riot; civil unrest; military action or terrorism; damage to or destruction of premises, equipment or data; earthquake, storm, flood, or other natural disaster; severe weather; industrial action, strikes or lock-outs by employees of third parties; inability to obtain supplies of power, fuel, or transport; and/or exercise of emergency powers by any governmental authority whether national, regional or local.

Group

In relation to the Inspection Company, the Inspection Company, any subsidiary or any holding company from time to time of the Inspection Company, and any subsidiary from time to time of a holding company of the Inspection Company (with "subsidiary" and "holding company" defined as per section 1159 of the Companies Act 2006).

Inspection

An examination or inspection of Plant or equipment on behalf of the Client of a type required by legislation or regulation (or as otherwise agreed between the Inspection Company and the Client). Certain regulations require thorough examinations to be undertaken whilst others require inspections. For the purpose of this Contract, the two expressions are synonymous and the generic expression used throughout is "Inspection".

Inspection Company

Allianz Engineering Inspection Services Limited trading as Allianz Engineering.

Inspection Service

An Inspection of Plant by a Competent Person and (where applicable) in accordance with the requirements of such statutory requirements as apply to the Plant and the provision of a report of the Inspection by electronic mail or paper copy (as agreed with the Client).

Normal Working Hours

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

Plant

The machinery and equipment shown or summarised in the Schedule.

Schedule

The Schedule attached to these conditions and forming part of the Contract.

Sites

The locations shown in the Schedule.

Territorial Limits

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

The Contract

The Inspection Company shall during the Contract Period subject to earlier termination provide the Client with an Inspection Service for Plant within Normal Working Hours at the Sites within the Territorial Limits.

For the avoidance of doubt the Client acknowledges that:

- i Statutory regulations made under the Health and Safety at Work Act 1974 require the Client to have the Plant inspected. The provision of the Inspection Service does not relieve the Client of this responsibility. The Client acknowledges that it is the Client's legal responsibility to have the Plant inspected in accordance with all applicable legislation and the Inspection Company shall have no liability to the Client for any fines or other penalties incurred by the Client in this regard (including without limitation any fees for intervention levied against the Client by the Health and Safety Executive);
- ii the Inspection Service will not include any services not specifically detailed within the Contract including without limitation the following services (although such services may be available subject to additional charges and the conclusion of a separate agreement between the parties):
 - 1 preparation of a Written Scheme of Examination (as defined within the Pressure Systems Safety Regulations 2000);
 - 2 tagging systems for Plant (Tagcheck);
 - 3 non destructive testing of Plant;
 - 4 consultancy services;
 - 5 specialist Inspections;
 - 6 additional and/or one off Inspections of Plant; and
 - 7 revisiting and reinspecting an item of Plant where the company has identified that the item of Plant is a danger to persons;
- iii it is responsible (at its own cost) for the care, custody maintenance, repair and control of the Plant at all times;
- iv the purpose of the Inspection Service is only to identify and assess defects in the workings of the Plant and where required by regulation the deterioration that affects the safety of the Plant, but not defects in existing designs or in any proposed design changes;
- v it is solely their obligation to ensure that the design of its Plant and any part of it is fit for purpose and reasonably safe, both by:
 - 1 arranging such analysis of its design as may be found necessary; and
 - 2 promptly rectifying any design defects of which they are or ought to be aware, including:
 - a any design defects to which any Competent Person may, without obligation, draw attention; and/or
 - b by taking the Plant out of service until these matters have been attended to;
- vi unless agreed in writing between the Inspection Company and the Client, 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 observations and recommendations made by the Competent Person on aspects of a design that affects safety, shall not imply that the Inspection Company accepts any responsibility for the fitness for purpose of the design;
- vii unless agreed in writing between the Inspection Company and the Client, the Inspection Company shall not:
 - 1 carry out any witnessing of ultrasonic, radiographic or other tests of a non-routine nature or any proof load, load, stability, anchorage or similar tests; and/or
 - 2 specify, re-inspect, verify or approve repairs unless agreed in writing between the Inspection Company and the Client or unless required to do so by a regulation;
- viii 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; and
- ix in providing the Inspection Service, the Inspection Company follows the SAFed Health and Safety Passport Scheme. Any requirement or request by the Client for the provision of the Inspection Service to meet the standards of any other passport or similar scheme shall be the subject of a separate, written agreement and may involve payment of an adjusted Fee.

Inspection Service Conditions

1 The Inspection Company shall:

- 1.1 carry out the Inspection Service with all due care in a safe manner;
- 1.2 comply with the Client's safe systems of work as notified to the Competent Person;
- 1.3 provide the Inspection Service within Normal Working Hours;
- 1.4 give the Client reasonable prior notice of its intention to attend Sites and where applicable, advise the Client of the need to prepare the Plant for Inspection; and
- 1.5 produce a report as soon as is reasonably practicable and in any event not later than fourteen calendar days following completion of an Inspection.

2 The Inspection Company:

- 2.1 may appoint sub-contractors to carry out the whole or any part of the Inspection Service, provided that it uses appropriately qualified and accredited sub-contractors and remains responsible at all times for their acts and omissions;
- 2.2 may decline to carry out an Inspection if:
 - i in its opinion, to do so would pose a risk to the health, safety or welfare of the Competent Person or to the Client or to any other person who may be affected; or
 - ii the Client or any employee, agent, contractor or other such person associated with the Client behaves in a threatening or abusive manner towards the Competent Person or any other employee, agent or contractor of the Inspection Company (and any such threatening or abusive behaviour shall constitute a material breach of the Contract on the part of the Client for the purpose of Clause 5.3 i);

2.3 will make a charge in addition to the Fee shown in the Schedule if:

- i the Client requests and the Inspection Company agrees to carry out an Inspection outside Normal Working Hours;
- ii for safety reasons more than one Competent Person is necessary to carry out the Inspection;
- iii the Client requires non-standard Inspection reports in paper form or requires a special reporting regime;
- iv the Client requires the Inspection Company to use and/or interface with the Client's electronic systems (including without limitation any asset management system) in connection with provision of the Inspection Service;
- v the Client requires the Competent Person to undertake induction sessions, training or to comply with permit to work or other risk assessment regimes or procedures specific to the Client's own health, safety and welfare procedures of which the Inspection Company was not made aware when the Contract was established or renewed;
- vi the Client fails to prepare or make the Plant available to the Competent Person in accordance with these conditions on an agreed pre-appointed date and time;
- vii the Competent Person is delayed from commencing an Inspection by more than fifteen minutes because the Client has failed to comply with their obligations under Section 3 of this Contract; and/or
- viii the Competent Person is delayed from leaving the Sites by more than fifteen minutes because of the Client's requirements for services including but not limited to on-site meetings, verbal or written reports that are additional to the Contract.

3 The Client shall:

- 3.1 ensure that all documentation (including lists and/or details of Plant) provided to the Inspection Company is true, complete and accurate in all respects;
- 3.2 provide the Competent Person with:
 - i safe access to and egress from the Sites;
 - ii a safe working environment on the Sites;
 - iii a safe physical means by which to gain access to carry out the Inspection of the Plant; and
 - iv suitable rescue arrangements (including but not limited to standby men) should the Competent Person be required to work at heights and/or in confined spaces;
- 3.3 properly prepare, clean, cool, decommission and dismantle the Plant as necessary to enable the Competent Person to carry out the Inspection;
- 3.4 reassemble the Plant following completion of the Inspection;
- 3.5 co-operate with and upon request provide the Competent Person with such information and data relating to the Plant as he requires to conduct the Inspection Service;
- 3.6 inform the Inspection Company if the Competent Person or other such person associated with the Inspection Company behaves in a threatening or abusive manner towards the Client or any other employee, agent or contractor of the Client;
- 3.7 provide the Inspection Company with a minimum of two working days notice in writing of the intention to cancel or postpone a planned Inspection. When such notice is not provided, the Inspection Company shall be entitled to charge for its wasted costs and the cost of resources it is unable to reallocate; and
- 3.8 notify the Inspection Company either on or before the renewal date of the Contract of its intention to renew such Contract. In the event that the Client decides to allow the Contract to lapse but fails to notify the Inspection Company prior to any Inspection Service being undertaken, the Client shall be liable to pay for the Inspection Company's fee in respect of such Inspection Service.

4 Fees

The Inspection Company and the Client agree that:

- 4.1 the Client will pay the amount shown in the Schedule (the Fee) in cleared funds to a bank account nominated in writing by the Inspection Company, or at the Inspection Company's discretion by the Client's insurance broker on behalf of the Inspection Company, in each case within thirty calendar days of the date of the Inspection Company's invoice or, if different, such period as is specified on the insurance broker's invoice;
- 4.2 the Fee is calculated on Plant as notified to the Inspection Company by the Client at the start of the Contract Period;
- 4.3 where the parties have agreed that an item of Plant will not have an Inspection at least annually, the Inspection Company may agree to apportion the Fee for the Inspection Services for that Plant over subsequent Contract Periods;
- 4.4 where the Plant is not made available by or on behalf of the client in accordance with the terms of the Contract for an Inspection, the Inspection Company will issue a "Plant Not Available" notice and will seek to rearrange a time to carry out the Inspection. The Fees will remain payable in respect of the initial Inspection and additional Fees will be charged for any return visits required as a result of the Plant not being made available. The provisions of Clause 9.4 will also apply;
- 4.5 the Fee may be adjusted after the Inspection is undertaken should:
 - i the details of the Plant notified to the Inspection Company for the purposes of calculating the Fee differ from the Plant on Site requiring an Inspection Service; or
 - ii anything beyond the reasonable control of the Inspection Company (including without limitation a change in applicable legislation) increase the cost to the Inspection Company of provision of the Inspection Service;
- 4.6 the Client may add or delete individual items of Plant from the categories of Plant shown in the Schedule during the Contract Period;
- 4.7 the Fee may be adjusted at any time during the Contract Period to take account of any Plant added during the Contract Period;
- 4.8 the Client will pay or the Inspection Company will refund the difference between the Fee and the adjusted Fee as the case may be;

- 4.9 the Inspection Company will be entitled to charge reasonable expenses and disbursements incurred in performing the Inspections, including without limitation for work carried out outside of Normal Working Hours;
- 4.10 the Client must pay all undisputed invoices without any deduction, withholding, counterclaim or set-off;
- 4.11 the Inspection Company may set-off any amount owing to it by the Client against any amount it owes to the Client;
- 4.12 all Fees shall be subject to value added tax at the appropriate rate;
- 4.13 if the Client disputes any item of an invoice it must notify the Inspection Company in writing within twenty-one calendar days of receipt of such invoice, after which time the invoice shall be deemed accepted; and
- 4.14 should any undisputed invoice remain unpaid for a further twenty-one calendar days following receipt by the Client of a notice from the Inspection Company that payment has become overdue, the Inspection Company will be entitled to suspend all Inspections until such time as the invoice is settled in full, with the Inspection Company providing no guarantee that Plant will be able to be inspected following resumption of Inspections in time for it to not become overdue. It is the Client's responsibility to rearrange Inspection of such Plant or take it out of service and the Inspection Company will have no liability to the Client in such circumstances should the Plant become overdue for Inspection.

5 Termination of Contract

- 5.1 The Inspection Company may terminate the Contract on thirty calendar days notice. If the Client has paid the Fee in full the Client shall be entitled to a refund of the Fees in respect of Inspections outstanding.
- 5.2 The Inspection Company may terminate the Contract with immediate effect should the Client breach (or the Inspection Company have reasonable grounds to suspect the Client is in breach of) any anti-bribery legislation including without limitation the Bribery Act 2010.
- 5.3 Either the Client or the Inspection Company may terminate the Contract by giving written notice to the other if the other:
 - i commits any material breach of the Contract and (where the breach is capable of remedy) fails to remedy the breach within thirty calendar days after being required to do so;
 - ii goes into liquidation, has a receiver, administrative receiver or similar office appointed over any of its assets, makes a voluntary arrangement with its creditors, becomes subject to an administration order, has an administrator appointed, or anything analogous to these events occurs in relation to the other party; or
 - iii in the case of an individual or partnership, the individual or individuals become(s) bankrupt.
- 5.4 Any provision of the Contract that expressly or by implication is intended to come into or continue in force on or after termination or expiry of the Contract shall remain in full force and effect following termination or expiry.
- 5.5 Following termination or expiry of the Contract:
 - i any Fees for work carried out up to the date of such termination or expiry will remain payable by the Client (including without limitation any additional charges payable in accordance with the terms of the Contract); and
 - ii the Inspection Company will consider in good faith any request to assist with transfer of the Inspections to a new provider, provided that the Inspection Company may make reasonable charges for the provision of such assistance.

6 Anti-Bribery

6.1 Both parties:

- i shall comply with all applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 and shall not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 (regardless of where such activity, practice, or conduct is carried out);
- ii shall not offer or give, or agree to give, to any employee, agent, servant or representative of the other party any gift or consideration of any kind as an inducement or reward for doing, refraining from doing, or for having done or refrained from doing, any act in relation to the obtaining or execution of this Contract or any other contract, or for showing or refraining from showing favour or disfavour to any person in relation to this Contract or any such contract;
- iii shall have in place adequate procedures designed to prevent persons employed by or associated with them from bribing another person;
- iv shall promptly report to the other party any request or demand for any undue financial or other advantage of any kind received in connection with the performance of this Contract; and
- v warrant that they have not paid commission or agreed to pay any commission to any employee or representative of the other party.

6.2 Where a party or a party's employees, servants, sub-suppliers, suppliers or agents or anyone acting on the party's behalf, engages in conduct prohibited by this clause in relation to this or any other contract between the parties, the other party shall have the right to terminate this Contract immediately and recover from the first party the amount of any loss suffered by that party resulting from such termination; or to recover in full from the first party any other loss sustained by that party in consequence of any breach of this clause, whether or not this Contract has been terminated.

7 Confidentiality

7.1 Unless otherwise agreed, each party shall keep confidential the terms of the Contract and all information of a confidential nature that it may acquire in relation to the business or affairs of the other party (Confidential Information). Neither party shall use the other party's Confidential Information for any purpose other than to perform its obligations under this Contract, unless otherwise required by law or the Confidential Information has entered the public domain other than through the fault of the party which received such Confidential Information. The obligations in this clause shall continue for a period of three years from the date of expiry or termination of the Contract.

7.2 The Inspection Company shall in the case of:

- i a merger between two or more Clients or the purchase of one Client by another, make the Confidential Information available to all relevant parties subject to approval in writing from the principal Client or new owner or their appointed Agent; and
- ii a de-merger or sale where all parties remain Inspection Clients, make the Confidential Information available to all relevant parties subject to approval in writing from the organisation holding the original contractual rights.

7.3 The Inspection Company shall be entitled to:

- i share Confidential Information with other members of its Group; and
- ii retain a copy of any Confidential Information as required for regulatory purposes and/or to show evidence of compliance with this Clause 7.

8 Indemnity

The Client indemnifies and shall keep the Inspection Company indemnified in respect of any claims of any nature made against any and all damages, costs and expenses suffered or incurred by the Inspection Company as a result of any third party claim arising out of the Client's failure to comply with its obligations under the Contract.

9 Liability

- 9.1 In substitution for all rights which the Client would or might have but for the Contracts, the Inspection Company undertakes that if an Inspection is performed in a defective or erroneous manner then the Inspection Company will at its discretion either credit to the Client the Fee paid by the Client and attributable to the Inspection or re-perform the Inspection (save as to the time of performance).
- 9.2 The Inspection Company's liability under or in connection with this Contract, whether arising in contract, tort, negligence, breach of statutory duty or otherwise, shall not exceed the sum of ten million pounds in the aggregate.
- 9.3 Neither the Inspection Company nor the Client shall be liable to the other party in contract, tort, negligence, breach of statutory duty or otherwise for any:
- i loss of profits;
 - ii economic loss;
 - iii loss of turnover;
 - iv loss of business;
 - v loss of data;
 - vi loss of goodwill; and/or
 - vii indirect, special or consequential losses.
- 9.4 The Inspection Company shall have no liability under the Contract for any failure or delay in the provision of an Inspection to the extent that the same is contributed to by the acts or omissions of the Client (including without limitation where Plant is not made available for Inspection), even if the same results in Plant becoming overdue for Inspection and in such circumstances it shall be the Client's responsibility to rearrange Inspection of such Plant or take it out of service.
- 9.5 Where any Plant is overdue for Inspection at the time it is added to the Contract (including at commencement of the Contract), or where Plant becomes overdue for Inspection as a result of the acts and omissions of the Client, the Inspection Company will seek to agree a timetable with the Client for the Inspection of such Plant. However, the Client acknowledges that the Inspection Company shall have no liability in respect of such overdue Plant and the Client indemnifies and shall keep the Inspection Company indemnified in respect of any claims of any nature made against any and all damages, costs and expenses suffered or incurred by the Inspection Company in connection with such Plant being overdue for Inspection.

- 9.6 Nothing in this Contract shall operate to limit or exclude the liability of either party for fraud, fraudulent misrepresentation, death or personal injury caused by its negligence, or any other liability which cannot be limited or excluded by law.

10 General

10.1 Transfer of Employees

The Inspection Company shall not be obliged to employ any employees of the Client or a previous service provider to the Client in connection with the Contract and the Client indemnifies and shall keep the Inspection Company indemnified against any and all damages, costs and expenses suffered or incurred by the Inspection Company as a result of any claim (including for dismissal) or demand of any nature by any such employee against the Inspection Company.

10.2 Force Majeure

Neither party shall be in breach of the Contract nor liable for delay in performing, or failure to perform, any of its obligations under the Contract if such delay or failure results from a Force Majeure Event. In such circumstances the affected party shall be entitled to a reasonable extension of the time for performing such obligations. If the period of delay or non-performance continues for three months or more the party not affected may terminate the Contract by giving fourteen calendar days written notice to the affected party.

10.3 Data Protection

- i The Inspection Company, together with its Group, may use the personal and business details the Client provides (or which are supplied by third parties) including any details of directors, officers, partners and employees (whose consent the Client must obtain) to:
 - 1 provide the Client with a quotation and to deal with the associated administration of the Contract;
 - 2 search credit reference, credit scoring and fraud agencies who may keep a record of the search;
 - 3 support the development of the Inspection Company's business by including the Client's details in customer surveys, for market research and business reviews which may be carried out by third parties acting on the Inspection Company's behalf.
- ii Telephone calls may be recorded for the mutual protection of both parties and for training and monitoring purposes.
- iii Under the Data Protection Act 1998 individuals are entitled to request a copy of all the personal information the Inspection Company holds about them. Please contact the Customer Satisfaction Manager, Allianz Engineering, Construction & Power, 57 Ladymead, Guildford, Surrey, GU1 1DB
- iv Personal details may be transferred to countries outside the EEA. They will at all times be held securely and handled with the utmost care in accordance with all principles of English law.
- v By applying for and/or entering into this Contract the Client is deemed to specifically consent to the use of any personal data supplied by the Client and the Client's contract data in the ways and for the purposes set out in this Clause 10.3 and that its directors, officers, partners, and employees have consented to the Inspection Company using their details in this way.

10.4 Allianz Name, Logo and Reputation

- i Nothing in this Contract shall grant any right or licence to the Client to use the name, logo, or any intellectual property of the Inspection Company without the prior written consent of the Inspection Company.
- ii Without prejudice to Clause 10.4 i the Client shall not make reference to the Inspection Company, or hold itself out as associated with the Inspection Company, in any promotional or marketing documentation without the prior written consent of the Inspection Company.
- iii The Client shall not by its actions or omissions do anything which may harm the reputation, image or goodwill of the Inspection Company or its Group.

10.5 Assignment and Subcontracting

The Contract is personal to the Client and the Client shall not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of its rights and obligations under the Contract without the prior written consent of the Inspection Company (such consent not to be unreasonably withheld or delayed).

10.6 Relationship of the parties

Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, or authorise any party to make or enter into any commitments for or on behalf of any other party.

10.7 Variations to the Contract

No variation of the Contract shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

10.8 Notices

Any notice given to a party under or in connection with this Contract shall be in writing and shall be delivered by hand or sent by recorded delivery or pre-paid first-class post or other next working day delivery service to the address set out in the Schedule or its principal place of business (in any other case) (and in the case of notices to the Company, a copy shall be required to be sent for the attention of the Company Secretary at the same address).

10.9 Entire Agreement

- i The Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
- ii Each party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in the Contract. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in the Contract.

10.10 No Waiver

No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

10.11 Rights of Third Parties

No one other than a party to the Contract shall have any right to enforce any of its terms.

10.12 Unenforceable Terms

If any provision in the Contract 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.

10.13 Language, Governing Law and Jurisdiction

- i The language of the Contract and all communications relating to it will be in English.
- ii English law shall apply to the Contract and the parties agree to submit to the exclusive jurisdiction of the English Courts in respect of all disputes arising out of or in connection with the Contract (whether of a contractual or tortious nature or otherwise).

Section 5 – Engineering

Part 2 – Insurance

Please read Section 5 – Engineering Part 2 – Insurance if you selected to purchase Engineering Insurance. If you did not purchase Engineering Insurance, Part 2 is not relevant – please refer to Section 5 – Engineering Part 1 which contains the Inspection Contract.

Insurance Definitions

The Policy Definitions of this Policy apply to Section 5 – Engineering Part 2 – Insurance and in addition:

1 Breakdown

- a the actual breaking distortion or burning out of any part of the Property Insured while in use arising from mechanical or electrical defects in the Plant causing sudden stoppage

- b fracturing of any item of the Property Insured by frost

which necessitates repair or replacement before it can resume normal working.

2 Property Insured

a Plant

All integral parts of any item of Plant and machinery (or as more specifically described in Section 5 – Engineering Part 2 – Insurance of the Schedule) owned by or leased to You at the Premises and ready for use in connection with the Business.

b Electronic Diagnostic Equipment

Electronic diagnostic equipment described in Section 5 – Engineering Part 2 – Insurance of the Schedule owned by or leased by You at the Premises and ready for use in connection with the Business.

Cover

Limits of Indemnity

Our liability under Section 5 – Engineering Part 2 – Insurance 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 Property Insured by Breakdown (including caused by or resulting from operator error)
- b Necessary and reasonable cost up to the amount shown in the Schedule incurred by You with Our consent in effecting a temporary repair or expediting a permanent repair following damage insured under **2a Breakdown** of Section 5 – Engineering Part 2 – Insurance

3 Cost of Hiring/Increased Costs

(applicable only if shown in the Schedule)

Necessary and reasonable cost following Breakdown to Plant insured under Section 5 – Engineering Part 2 – Insurance in respect of increased cost of working (including the hiring of replacement Plant) incurred by You to prevent or minimise interruption to the business in consequence of the damage excluding the cost incurred in the 48 hours immediately following the occurrence of the damage

arising at The Premises or at any other location where the Property Insured is temporarily situated or while the Property Insured is actually in transit other than by sea or air or within the Geographical Limits.

Exclusions

The General Exclusions of this Policy apply to Section 5 – Engineering Part 2 – Insurance 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 the cost of

- a** maintenance
- b** inevitable 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** rectification of faulty workmanship occurring during the execution of repairs

but not damage resulting therefrom unless otherwise excluded.

- e** scratching of painted or polished surfaces unless accompanied by other indemnifiable damage to the item.

3 loss of or damage to:

- a** safety or protective devices by their functioning
- b** the contents of the Plant
- c** cutters bits tools moulds dies heating elements driving belts and chains and similar items that require periodic replacement
- d** property or materials being processed by the Property Insured
- e** rubber tyres by the application of brakes or by punctures cuts or bursts.

4 loss of or damage to:

- a** foundations masonry brickwork chimneys gantries tracks grabs magnets or refractory linings
- b** office machinery computers or other electronic data processing equipment (except in respect of diagnostic equipment)
- c** plant or machinery which is prototype experimental or untried
- d** metal bending press or similar
- e** air conditioning units
- f** tanks

unless specifically described in the Schedule.

5 loss of or damage to Property Insured arising during:

- a** its installation erection dismantling resiting or removal other than whilst under its own power
- b** its final testing or commissioning
- c** the imposition of abnormal conditions deliberate overloading or overload testing other than overload testing in accordance with the Code of Practice for the Safe Use of Cranes BS 7121 including any subsequent amendments or revisions
- d** overload testing in accordance with the Code of Practice for the Safe Use of Cranes BS 7121 including any subsequent amendments or revisions caused by or arising from a defect in the item.

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

7 loss of or damage to any

- a** vessel craft vehicle or device designed to float on in or travel under or through water air or space
- b** marine rig or marine platform
- c** equipment mounted on and fixed to such vessel craft vehicle device rig or platform.

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

9 loss or damage to the Property Insured due to any accidental external cause, other than overheating of boilers.

10 A Damage to, loss, destruction, distortion, erasure, corruption, alteration, theft or other dishonest, criminal, fraudulent or unauthorised manipulation of Electronic and Digital Data from any cause whatsoever (including, but not limited, to Computer Attack) or loss of use, reduction in functionality, loss, cost, expense and/or fee of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage.

B However, in the event that an Insured Event listed below results from any of the matters described in **A** above, this Section, subject to all its terms, provisions, conditions, exclusions and limitations, will cover a direct physical damage and/or a consequential loss therefrom occurring during the Period of Insurance to property insured by this Section directly caused by such an Insured Event to the extent covered and not otherwise excluded under this Policy.

Insured Event:

Any loss or damage other than loss or damage due to or caused by malicious persons

For the purposes of this Exclusion Electronic and Digital Data means data of any kind including, but not limited to, facts, concepts, or other information in a form useable by computers or other electronic or electromagnetic data processing equipment.

Electronic and Digital Data shall also include computer software and all other coded instructions for the processing or manipulation of data on any equipment.

Computer Attack means any malicious direction of network traffic, introduction of malicious computer code, or other malicious attack directed at, occurring within, or utilising the computer system or network of whatsoever nature.

11 loss, damage or cost consisting of or in consequence of

a damage directly or indirectly caused by confiscation nationalisation requisition or destruction of or damage to property by order of the Government or any Public Municipal or Local Authority

b in the case of Property Insured outside the Geographical Limits loss damage directly or indirectly caused by warlike operations mutiny conspiracy martial law state of siege or any events or causes which determine the proclamation or maintenance of martial law or state of siege riot civil commotion strike locked-out persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation.

12 damage to an exchangeable component of an item forming part of the Electronic Diagnostic Equipment described in the Schedule due to its own electrical or mechanical breakdown or derangement.

This Exclusion does not apply to subsequent damage to other components of the item that would be covered under Section 5 – Engineering Part 2 – Insurance of the Policy but for the application of this Exclusion.

13 the first £250 of each and every occurrence for which You are indemnified by Section 5 – Engineering Part 2 – Insurance of this Policy.

Conditions

The General Conditions of this Policy apply to Section 5 – Engineering Part 2 – Insurance 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.

Section 6 – Public and Products Liability

Definitions

The Policy Definitions of this Policy apply to Section 6 – Public and Products Liability 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

- a The United Kingdom
- b in respect of Injury, loss or damage caused by or arising from
 - i manual and non-manual work occurring during any temporary visit or journey anywhere in the world (other than the United States of America or Canada or any dependency or trust territory) and
 - ii non-manual work occurring during any temporary visit or journey to the United States of America or Canada or any dependency or trust territory

by any partner, director or Employee of You normally resident within the United Kingdom.

- c anywhere in the world in respect of Products.

3 Injury

- a Bodily injury, death, disease or illness.
- 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 above.

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.

7 Asbestos

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

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 Section 6 – Public and Products Liability.

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 or any dependency or trust territory 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 and within the United Kingdom 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:

- a** any claim is first made in writing against You during the Period of Insurance and
- b** notified to Us during the same Period of Insurance or within 30 days of the expiry of such Period of Insurance
- c** our liability for all compensation costs and expenses payable for all claims first made against You during any one Period of Insurance shall not exceed the Limit of Indemnity shown in the Schedule
- d** where more than one claim arises out of one original cause all claims shall be deemed to have been made at the point in time when the first of the claims was first made in writing against You.

This extension does not cover:

- i** any
 - 1** circumstance giving rise to any Financial Loss happening before the inception of this Extension, or
 - 2** circumstance known to You at the inception of this Extension which has or might reasonably be expected to produce a claim, whether or not notified under any policy of insurance which was in force prior to the inception of this Extension

- ii liability in respect of Financial Loss directly or indirectly caused by or arising from or in consequence of or in any way involving Asbestos
- iii liability which attached to You solely under the terms of an agreement other than under any warranty of goods implied by law
- iv liability in respect of
 - 1 the costs of or arising from the need for making good removal, repair, rectification, replacement or recall of any Products
 - 2 diminution in value of Products
 - 3 delay, non-completion or non-delivery of Products
- v liability arising out of any act of fraud or dishonesty by You or any partner director or Employee of You or inducement of breach of contract
- vi liability in respect of infringement of patent copyright, design, trademark, trade name or any other intellectual property rights
- vii the first 10% of each and every claim made against You, subject to a minimum contribution of £1,000 in respect of each and every claim

For the purposes of this Extension, the following Additional Definition shall apply

Financial Loss shall mean:

a pecuniary loss or expense incurred by any person other than You or a partner, director or Employee of You.

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 Section 6 – Public and Products Liability 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 Section 6 – Public and Products Liability 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 Section 6 – Public and Products Liability 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 Section 6 – Public and Products Liability 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 Duty of Care

In respect of any event which may be the subject of indemnity under Section 6 – Public and Products Liability We will arrange and pay for legal defence costs and expenses incurred with Our written consent in providing defence of any criminal proceedings, including appeals against judgements and costs of prosecution awarded against You, under

- a The Health and Safety Act Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.
- b The Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands.

Provided that

- i Our indemnity under this Extension is subject to a limit of £5,000,000 in any one Period of Insurance or the Limit of Indemnity shown in the Schedule whichever is the lesser. This Limit of Indemnity will form part of and is not in addition to the Limit of Indemnity shown in the Schedule.
- ii The proceedings must relate to an alleged breach occurring during the Period of Insurance within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands in connection with The Business.
- iii We have agreed details of the specific solicitor or counsel, prior to their appointment to act on Your behalf.
- iv In the event of an appeal, solicitor or counsel has advised that there are strong prospects of succeeding in the appeal or recovering any costs award made against the defendant at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed.

We shall not be liable:

- a for any fines or penalties imposed on You or the cost of implementing any remedial order or publicity order
- b for proceedings resulting from any deliberate or intentional criminal act or omission by You
- c where indemnity is provided by another source or any other insurance or where but for the existence of this sub-section indemnity would have been provided by such source or insurance.

10 Joint Insured – Cross Liabilities

If more than one party is named as You in the Schedule Section 6 – Public and Products Liability 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 Section 6 – Public and Products Liability.

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 Section 6 – Public and Products Liability We will pay compensation to You on the following scale for each day that attendance is required

any director or partner	£750
any Employee	£250

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 Section 6 – Public and Products Liability 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 Section 6 – Public and Products Liability 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 requests any Employee or director or partner of the Insured as a result of an offence under Sections 13 of the Data Protection Act 1998 or any subsequent overriding legislation committed during the Period of Insurance within the United Kingdom and arising in connection with the Business provided that You are

- a a registered user in accordance with the terms of the Data Protection Act 1998 or any subsequent overriding 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 claim or incident that could give rise to a claim 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 of omission.
- b the payment of fines or penalties
- c the costs and expenses of replacing reinstating rectifying or erasing blocking or destroying any Data or Personal Data
- d any claim or incident that could give rise to a claim caused by any act of fraud or dishonesty
- e liability arising from the recording, processing or provision of Data or Personal Data for reward or to determine the financial status of any person

Data and Personal Data shall have the meaning defined in the Data Protection Act 1998 or any subsequent overriding legislation.

14 Defective Premises Act 1972

We will indemnify You in the terms of Section 6 – Public and Products Liability 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 (or any subsequent legislation) 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.
- c the presence of Asbestos.

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.

16 Contractual Liability

In respect of liability assumed by You by a contract or agreement entered into by You and which would have not been attached in the absence of such contract or agreement, the indemnity provided by Section 6 – Public and Products Liability shall only apply if the sole conduct and control of any claim is vested in Us

Provided that We shall not in any event provide indemnity

- a under Exclusion 9. a. except as stated therein
- b in respect of liquidated damages or fine imposed by or payable under any penalty clause.

Exclusions

General Exclusion 2, 3 and 5 of this Policy apply to Section 6 – Public and Products Liability and in addition:

1 Penalties and Liquidated damages

Section 6 – Public and Products Liability 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

Section 6 – Public and Products Liability 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

Section 6 – Public and Products Liability 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.

Section 6 – Public and Products Liability 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

Exclusion 4i does not apply to the cover provided under Extension 3 Vehicles Sold.

- ii
 - a the rectification of the original repair or alteration
 - b carrying out again the service, maintenance, treatment, test or examination

- iii recall of any goods sold or supplied.

that gave rise to Your liability.

5 Vehicles and Craft

Section 6 – Public and Products Liability 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

Section 6 – Public and Products Liability 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

Section 6 – Public and Products Liability does not apply to any liability in respect of Pollution or Contamination occurring:

- a in the United States of America or Canada or any dependancy or trust territory.
- 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

Section 6 – Public and Products Liability 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 or any dependancy or trust territory.

9 Products – Additional Exclusions

In respect of Injury or damage caused by or arising from Products Section 6 – Public and Products Liability does not cover any

- a liability which attached to You solely under the terms of an agreement other than under any warranty of goods implied by law
- b 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
- c any claim made against You in any country outside the European Union in which You occupy premises or are represented by and resident Employee or holder of Your power of attorney.

10 Offshore Installations

Section 6 – Public and Products Liability does not apply to liability in respect of:

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

11 Design and Advice

Section 6 – Public and Products Liability does not apply to liability in respect of any Injury, loss or damage arising out of or in connection with:

advice, design, formula or specification provided or performed for a fee by or on behalf of You other than where provided or performed in connection with any Products.

12 Asbestos

Section 6 – Public and Products Liability does not apply in respect of:

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

13 Cyber Event

Section 6 – Public and Products Liability does not cover any loss, damage, expense or liability howsoever arising out of a Cyber Event.

Definitions

Cyber Event means

- A any unauthorised Processing of Data by You
- B any breach of laws and infringement of regulations pertaining to the maintenance or protection of Data
- C any Network Security Failure in Your Sphere

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

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

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

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

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

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

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

Write-back

This exclusion does not apply to

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

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

Conditions

The General Conditions of this Policy except **8** and **12** apply to Section 6 – Public and Products Liability 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 Section 6 – Public and Products Liability 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 Policy Definitions of this Policy apply to Section 7 – Employers Liability and in addition:

1 Injury

Bodily injury, death, disease or illness.

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 above.

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 Section 7 – Employers Liability.

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 Section 7 – Employers Liability if the claim had been made against You

as though each such party was individually named as You in Section 7 – Employers Liability

- 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 Section 7 – Employers Liability 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 Section 7 – Employers Liability 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 Duty of Care

In respect of any event which may be the subject of indemnity under Section 7 – Employers Liability We will arrange and pay for legal defence costs and expenses incurred with Our written consent in providing defence of any criminal proceedings, including appeals against judgements and costs of prosecution awarded against You, under

- a The Health and Safety Act Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.
- b The Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Isle of Man or the Channel Islands.

Provided that

- i Our indemnity under this Extension is subject to a limit of £5,000,000 in any one Period of Insurance or the Limit of Indemnity shown in the Schedule whichever is the lesser. This Limit of Indemnity will form part of and is not in addition to the Limit of Indemnity shown in the Schedule.
- ii The proceedings must relate to an alleged breach occurring during the Period of Insurance within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands in connection with The Business.
- iii We have agreed details of the specific solicitor or counsel, prior to their appointment to act on Your behalf.
- iv In the event of an appeal, solicitor or counsel has advised that there are strong prospects of succeeding in the appeal or recovering any costs award made against the defendant at all times throughout the appeals process. Any change to such prospect of success during the appeals process may result in cover being removed.

We shall not be liable:

- a for any fines or penalties imposed on You or the cost of implementing any remedial order or publicity order
- b for proceedings resulting from any deliberate or intentional criminal act or omission by You.

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
- iii Section 7 – Employers Liability was shown as operative in the Schedule at the time of the Injury.

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 Section 7 – Employers Liability We will pay compensation to You on the following scale for each day that attendance is required

any director or partner	£750
any Employee	£250

Exclusions

General Exclusion 2, 3 and 5 of this Policy applies to Section 7 – Employers Liability and in addition:

1 Vehicles

Section 7 – Employers Liability 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

Section 7 – Employers Liability does not apply to liability in respect of:

- a travel to or from
- b work on
- c visiting

any Offshore Installation.

Conditions

All General Conditions of this Policy except 13 apply to Section 7 – Employers Liability 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 Section 7 – Employers Liability 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 Section 7 – Employers Liability 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 Policy Definitions of this Policy apply to Section 8 – Business Interruption 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 amount of Turnover and the amount of the closing stock and work in progress shall exceed the amount of the opening stock and work in progress and the amount of Uninsured Working Expenses.

Note

The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with Your normal accountancy methods, due provision being made for depreciation.

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 Your behalf, in the course of The Business conducted at or from The Premises.

9 Uninsured Working Expenses

Purchases (less discounts received)
Carriage, packing and freight
Discounts allowed
Bad debts

Note

The words and expressions used in this definition shall have the meaning usually attached to them in Your books and accounts.

*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 Section 8 – Business Interruption shall be exclusive of such tax.

Cover

(Type of cover is shown in the Schedule)

Indemnity 1 – Gross Profit

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 £25,000 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.

Indemnity 3 – Additional Increase Cost of Working

Cover extends to include additional expenditure beyond which We will pay as Indemnity in respect of increase in cost of working under Indemnity 1 – Gross Profit, necessarily and reasonably incurred in consequence of Business Interruption for the purpose of avoiding or diminishing the reduction in Turnover during the Indemnity Period.

The most We will pay for any one claim is the amount shown in the Schedule.

Indemnity 4 – Additional Cost of Working

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 subject to Damage by the risks insured under Section 1 – Material Damage, 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:

- a 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 or liability admitted solely owing to the operation of an Excess).
- b in consequence
 - i the Departmental Clause, Automatic Reinstatement of Loss and Premium Rebate clauses
 - ii Extensions 2 – Suppliers
 - iii Indemnity 2 – Book Debts

shall not apply in respect of this Indemnity.

The Amount Payable

- i on Additional Cost of Working:

Cover is limited to the additional expenditure necessarily and reasonably incurred by You during the Indemnity Period in order to minimise any interruption or interference with The Business in consequence of the Damage.

- ii on auditor's 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 accounts 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.

The Amount Payable shall not exceed the amount shown in the Schedule.

Cover Adjustments

Alternative Premises

If during the Indemnity Period goods are sold or services are rendered elsewhere than at the Premises for the benefit of The Business, either by You or by others on behalf of You, the money paid or payable for such sales or services shall be taken into account in arriving at the Turnover during the Indemnity Period.

Automatic Reinstatement of Loss

The Sum Insured or limits of liability shall not be reduced by the amount of any claim following Damage as insured under Section 8 – Business Interruption provided that

- a We do not give written notice to the contrary within 30 days of the notification of any Damage
- b You pay the appropriate additional premium on the amount of the claim from the date of the Damage to the expiry of the Period of Insurance
- c You agree to comply with any security recommendations or other measures We may require to reduce the risk of Damage.

Departmental Clause

If The Business is 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.

Essential Personnel

Cover extends to include additional expenditure necessarily and reasonably incurred by You during the Indemnity Period as a consequence of the death or permanent disablement of any principal, director or partner of You by accidental and external means preventing the carrying out of their usual employment or occupation for the sole purpose of avoiding or diminishing any interruption of or interference with the Business carried on by You at The Premises which but for that expenditure would have taken place during the Indemnity Period, provided that

- a the maximum Indemnity Period in respect of this clause shall not exceed 12 months
- b We shall not be liable for more than £25,000 in respect of any one claim.

Fines and Damages

Cover extends to indemnify You against fines, penalties or damages imposed by the conditions of any contract between You and Your customer for breach of contract, and the amount payable shall be such sums as You shall be legally liable to pay and shall pay in discharge of fines, penalties or damages for non-completion or late completion of orders or contracts, or in respect of cancellation of orders or contracts, and incurred directly and solely as a result of Business Interruption at the Premises provided that We

- a shall not be liable for the amount of any loss which is incurred after a period of 12 months beginning with the date of the occurrence of the Damage
- b shall not be liable for more than £10,000 in respect of any one claim.

New Business

If The Business is in its first year of trading during the first Period of Insurance, and Damage occurs before completion of such first Period of Insurance, Rate of Gross Profit and Standard Turnover shall mean the following.

Rate of Gross Profit – the rate of gross profit earned on the Turnover during the period between the date of commencement of The Business and the date of the Damage.

Standard Turnover – the proportional equivalent for the period equal to the Indemnity Period, of the Turnover realised during the period between the date of commencement of The Business and the date of the Damage.

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.

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.

Public Relation Expenses

In the event of Business Interruption at The Premises cover extends to include additional expenditure as necessarily and reasonably incurred during the Indemnity Period of employing suitable public relations personnel to deal with press and public announcements and other activities provided that

- a the maximum Indemnity Period in respect of this clause shall not exceed 3 months
- b We shall not be liable for more than £10,000 in respect of any one claim.

Salvage Sale

If following Damage which gives rise to a claim under Section 8 – Business Interruption You hold a salvage sale during the Indemnity Period, the amount payable under Indemnity 1 – Gross Profit shall for the purpose of such claims be amended as follows:

- a Reduction in Turnover: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the Turnover relating to the period of the salvage sale) shall in consequence of the Damage fall short of the Standard Turnover, from which sum shall be deducted the Gross Profit actually earned during the period of the salvage sale.

Extensions

1 Denial of Access

Loss resulting from interruption or interference with The Business in consequence of Damage by any cause covered by Section 1 – Material Damage to property in the immediate 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, but excluding Damage to the property of any supply undertaking from which You obtain electricity, gas, water or telecommunications services which prevents or hinders the supply of such services to The Premises.

2 Suppliers

Loss as insured under Indemnity 1a of Section 8 – Business Interruption resulting from interruption of or interference with The Business in consequence of Damage by any cause covered by Section 1 Material 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:

- A** premises of any of Your suppliers of goods and/or services with whom You have contracts or a contractual trading relationship with at the time of Damage all situate within the Geographical Limits or any member country of the European Union (except as provided for under B or C)

Provided that Our maximum liability in respect of any one claim shall not exceed 33.3% of the Gross Profit Sum Insured or £2,500,000 whichever is the lower

- B** premises of any motor vehicle manufacturer with whom You have contracts or a contractual trading relationship with at the time of Damage or the premises of any manufacturers supplying them with components or materials whom the motor vehicle manufacturer has contracts or contractual trading relationships with at the time of Damage all situate within the Geographical Limits or any member country of the European Union

Provided that Our maximum liability in respect of any one claim shall not exceed 33.3% of the Gross Profit Sum Insured or £2,500,000 whichever is the lower

- C** Vehicles whilst in transit or stored at premises not in Your occupation situated within the Geographical Limits

Provided that Our maximum liability in respect of any one claim shall not exceed 15% of the Gross Profit Sum Insured or £2,500,000 whichever is the lower

We will not indemnify You in respect of Damage at any premises of suppliers of electricity, gas, water or telecommunications services.

3 Supply Undertakings

Loss resulting from interruption or interference with The Business in consequence of Damage by any cause covered by Section 1 – Material Damage to any property shown below within the Geographical Limits

Property

- A** at any land based premises

- B** comprising any land based cable or pipe connecting to the terminal connecting point at The Premises or any pylon through which any such cable runs
- of any supply undertaking service provider or producer from which You obtain
- i** electricity (including generating stations or sub-stations)
 - ii** gas (including any natural gas producer provided that it supplies gas directly to the supply undertaking or service provider which supplies gas to You)
 - iii** water (including water works and pumping stations)
 - iv** telecommunications services (excluding intranet or extranet services)
 - v** other telecommunications services providing intranet or extranet services

Provided that

- a** the Maximum Indemnity Period shall not exceed 1 month beginning with the date on which the damage occurred
- b** We shall not be liable
 - i** unless the loss, destruction or damage results in a complete cessation of the supply of the relevant service to The Premises for more than forty eight (48) consecutive hours
 - ii** for the first forty eight (48) consecutive hours of cessation of the supply of the relevant service to The Premises
 - iii** for any Business Interruption caused by loss or destruction of or damage to any overhead transmission and distributing cables or lines and their supporting structures (including pylons), other than where such loss, destruction or damage occurs to such cables, lines and structures situated within one (1) mile of The Premises
 - iv** for more than £1,000,000 or the Gross Profit Sum Insured whichever is the lesser for each occurrence (of loss, damage or destruction to the supply undertaking's, service provider's or producer's property) or series of occurrences arising out of or in connection with the same originating cause, irrespective of the number of The Premises which are affected by the occurrence or series of occurrences. Where the same originating cause results in loss, damage or destruction to the property of more than one supply undertaking, service provider or producer, We shall not be liable to pay more than £1,000,000 or the Gross Profit Sum Insured whichever is the lesser under this Extension in respect of all occurrences of loss, destruction or damage combined and in the aggregate, irrespective of the number of supply undertaking's, service provider's or producer's properties affected.

4 Failure of Supply

Loss resulting from interruption or interference with The Business in consequence of accidental failure of supply of any of the under-noted contingencies within the Geographical Limits

- i electricity at the terminal ends of the service provider's feeders at The Premises
- ii gas at the service provider's meters at The Premises
- iii water at the service provider's main stop cock serving The Premises
- iv land based telecommunications services (excluding intranet or extranet services) at the incoming line terminals or receivers at The Premises
- v other telecommunications services (including intranet or extranet services) at the incoming line terminals or receivers at The Premises

Provided that

- a the Maximum Indemnity Period shall not exceed 1 month beginning with the date on which the failure of the supply first started occurring
- b We shall not be liable
 - i unless there is a complete cessation of the supply of the relevant service to The Premises of more than forty eight (48) consecutive hours
 - ii for the first forty eight (48) consecutive hours of cessation of the supply of the relevant service to The Premises
 - iii for any Business Interruption resulting from the deliberate act of any supply undertaking or service provider, or from any such undertaking or provider exercising its power to withhold or restrict supply or services or otherwise not performing its services, save where the supply undertaking or service provider is acting for the sole purpose of safeguarding life or protecting the supply undertaking's or service provider's system
 - iv for any Business Interruption resulting from failure of supply caused by
 - strikes or any labour or trade dispute
 - drought
 - other atmospheric or weather conditions, but this shall not exclude failure due to physical damage caused by such conditions
 - v for any Business Interruption caused by the failure of any overhead transmission and distributing cables, lines and their supporting structures (including pylons), other than where such failure occurs to such cables, lines and structures situated within one (1) mile of The Premises

- vi for any Business Interruption resulting from the failure of telecommunications services delivered via satellite
- vii for any Business Interruption which is insured under the Supply Undertakings Extension
- viii for more than £25,000 or the Gross Profit Sum Insured whichever is the lesser for each failure of supply or series of failures arising out of or in connection with the same originating cause, irrespective of the number of The Premises which are affected by the failures. Where the same originating cause results in failure of supply from more than one supply undertaking or service provider, We shall not be liable to pay more than £25,000 or the Gross Profit Sum Insured whichever is the lesser under this Extension in respect of all failures of supply combined and in the aggregate, irrespective of the number of supply undertakings or service providers involved.

5 Exhibition Sites

Loss as insured under Indemnity 1a of Section 8 – Business Interruption resulting from interruption of or interference with The Business in consequence of Damage by any cause covered by Section 1 Material Damage or Section 2 – Motor Vehicle Road Risks at any exhibition site where You are exhibiting goods or services.

Our liability for any one claim shall not exceed

- A £50,000 when the Damage occurs within the Geographical Limits
- B £25,000 when the Damage occurs outside of the Geographical Limits but within the European Union.

Exclusions

The General Exclusions of this Policy apply to Section 8 – Business Interruption 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 Section 8 – Business Interruption.

Section 9 – Conversion

Definition

The Policy Definitions of this Policy apply to Section 9 – Conversion 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 Section 9 – Conversion 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 Section 9 – Conversion and in addition it does not cover:

The first £500 of each claim.

Conditions

The General Conditions of this Policy apply to Section 9 – Conversion and in addition:

You shall be a subscriber to HPI Ltd or Experian Ltd and it is a condition precedent to Our liability that all payments for Vehicles purchased or allowances for part exchange made by You shall be by cheque, credit card payment, CHAPS, BACS 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 Section 9 – Conversion.

Section 10 – Fidelity Guarantee

Definitions

The Policy Definitions of this Policy, except 2, apply to Section 10 – Fidelity Guarantee 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 therefore 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 Section 10 – Fidelity Guarantee 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 Theft

- a during the continuance of Section 10 – Fidelity Guarantee and
- b during the uninterrupted employment of such Employee by You

and is discovered within eighteen calendar months from Theft.

Exclusions

The General Exclusions of this Policy apply to Section 10 – Fidelity Guarantee 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 Section 10 – Fidelity Guarantee

- 1 in respect of any One Claim irrespective of the number of Periods of Insurance during which the insurance by Section 10 – Fidelity Guarantee (and any insurance issued in substitution therefore) shall remain in force shall not exceed the Limit of Indemnity stated in the Schedule
- 2 in respect of any one Period of Insurance shall not exceed the Limit of Indemnity stated in the Schedule.

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 Section 10 – Fidelity Guarantee 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 Section 10 – Fidelity Guarantee

Provided that Our total liability including any amount payable under the provisions of Section 10 – Fidelity Guarantee 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 Section 10 – Fidelity Guarantee
- 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 Section 10 – Fidelity Guarantee.

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 Section 10 – Fidelity Guarantee committed by an Employee of You.

For the purpose of Section 10 – Fidelity Guarantee 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 Section 10 – Fidelity Guarantee 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 Section 10 – Fidelity Guarantee shall be payable unless the terms of Section 10 – Fidelity Guarantee condition have been complied with.

3 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.

4 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.

5 Termination of Service

It is a condition precedent to Our liability that upon the termination of service of any Employee You shall take all reasonable precautions to prevent a loss as insured by Section 10 – Fidelity Guarantee, 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.

6 System of Check

It is a condition precedent to Our liability that You

- i operate and enforce the System of Check
- ii do 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.

7 Auditors

It is a condition precedent to Our liability that Your accounts, including all subsidiary companies, are examined by external auditors every twelve months. All recommendations or alternatives acceptable to the auditors must be implemented without delay.

8 References

It is a condition precedent to Our liability that You obtain satisfactory references:

- a to confirm the honesty of each Employee who will be responsible for money, goods, accounts, computer operations or computer programming
- b 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

- c from one character referee in respect of Employees joining directly from school or Government sponsored youth training schemes
- d Including 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 Policy 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 loss or destruction of or 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 Data

Data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

5 Denial of Service Attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or Computer 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 and the procurement of such actions or instructions by other Computer Systems.

6 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.

7 Hacking

Unauthorised access to any Computer System whether Your property or not.

8 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.

9 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.

10 Phishing

Any access or attempted access to Data made by means of misrepresentation or deception.

11 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
 - d a Bankers Blanket Bond

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 insured in the name of an individual and is occupied as a private residence or any part thereof which is so occupied, unless the building is used for both commercial and residential purposes and:

- a both commercial and residential portions are insured under the same policy, and
- b the square footage of the commercially occupied portion of the building exceeds 20% of the total square footage of the building.

Note: Trustees that hold blocks of flats and/or private dwelling houses under a trust or a person who owns blocks of flats and/or private dwelling houses in the business of a sole trader and sole traders are not deemed to be individuals, except that where the property is a private dwelling house or a self-contained unit insured as part of a block of units and is occupied as a private residence by any of the trustees or any beneficiary of the trust or by the sole trader, it will be deemed to be insured in the name of an individual.

3 any Nuclear Installation or Nuclear Reactor.

12 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.

13 Virus or Similar Mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, Computer Systems, Data 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 and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

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 the General Cover Policy
- b is subject otherwise to all the terms and conditions of the General Cover Policy except where expressly varied within 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 the General Cover Policy
- e is not subject to any terms in the General Cover Policy which provide for adjustments of premium.

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, except where the liability of the Insurer exceeds the Total Sum Insured, or for each item its individual Sum Insured, or any other limit of liability in this Policy, where such excess is solely in respect of any Cover Extension as provided for in this Policy.

Section Exclusions

We will not pay for

1 Digital and Cyber Risk Exclusion

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

- a damage to or the destruction of any Computer System or
- b any alteration, modification, distortion, erasure or corruption of Data

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

Provided that this Exclusion 1. will not apply to Damage or Consequential Loss solely to the extent that such Damage or Consequential Loss:

- i results directly (or, solely as regards (ii) (c) below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer System; and

- ii comprises;
 - a the cost of reinstatement, replacement or repair in respect of damage to or destruction of Property insured by the Insured; or
 - b the amount of business interruption loss suffered directly by You itself by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either damage to or destruction of Property insured by the Insured or as a direct result of denial, prevention or hindrance of access to or use of the Property insured by the Insured by reason of an Act of Terrorism causing damage to other Property within one mile of the Property insured by You to which access is affected; or
 - c the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of Property and any additional costs or charges reasonably and necessarily paid by the Insured to avoid or diminish such loss.

and

- iii is not proximately caused by an Act of Terrorism in relation to which the relevant organization or any persons acting on behalf of or in connection with that organization are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.

- iv The meaning of Property for the purposes of this proviso shall (additionally to those exclusions in the definition of Property) exclude:

- a any money (including Money as defined elsewhere in this Policy), currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever:

and

- b any Data.

- v Notwithstanding the exclusion of Data from Property, to the extent that damage to or destruction of Property within the meaning of sub-paragraph (ii) above indirectly results from any alteration, modification, distortion, erasure or corruption of Data, because the occurrence of one or more of the matters referred to in sub-paragraph (i) above results directly

or indirectly from any alteration, modification, distortion, erasure or corruption of Data, that shall not prevent cost or business interruption loss directly resulting from damage to or destruction of such Property and otherwise falling within sub-paragraphs (i) and (ii) above from being recoverable under this Section. In no other circumstances than the previous sentence, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of Data be recoverable under this Section.

- vi For the avoidance of doubt, the burden of proof shall be on the Insured to prove or establish all the matters referred to in sub-paragraphs (i) to (ii) above.

2 Riot, Civil Commotion and War

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

3 Territorial Limits

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

4 Private Residences

any loss whatsoever or any expenditure resulting or arising therefrom or any Consequential Loss directly or indirectly relating to a private residence property when insured in the name of a private individual caused by or contributed to by or arising from:

- a the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- b ionising radiation or contamination by radioactivity or from the combustion of any radioactive material;
- c chemical and/or biological and/or radiological irritants contaminants or pollutants.

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 the Terrorism Section, the burden of proving that such damage or loss is covered shall be upon the Insured.

Section 13 – Personal Accident

Definitions

The Policy Definitions of this Policy apply to Section 13 – Personal Accident 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 the aggregate in respect of all Insured Persons involved in the same originating event.

3 Aircraft Accumulation Limit

Our maximum liability in the aggregate under Section 13 – Personal Accident and any other group personal accident or business travel policies issued or to be issued by Us to You in respect of any one originating event involving any Scheduled Air Transport.

4 Associated Illness

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

5 Benefit

The sum or sums of money that We have agreed to pay You and/or the Insured Person as shown 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 caused by Accidental Bodily Injury.

8 Event Accumulation Limit

Our maximum liability in the aggregate under Section 13 – Personal Accident and any other group personal accident and/or business travel policies and/or sickness policies issued or to be issued by Us to You for all losses not involving air travel.

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 in one or both ears that in the opinion of an independent qualified medical referee acceptable to Us is never going to improve.

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 which 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 maintained by the government 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.

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, Loss of Limb, Loss of Speech, and Loss of Internal Organ.

17 Permanent Total Disablement

Any permanent disablement other than

- a Loss of Sight
- b Loss of Hearing
- c Loss of Limb
- d Loss of Internal Organ
- e Loss of Speech

which having lasted without interruption for at least 12 months has no 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:

- i their Usual Occupation if in gainful employment
- ii a business profession or occupation of each and every kind if the Insured Person is not in gainful employment
- iii a business schooling profession or occupation of each and every kind if the Insured Person is under 16 years of age or under 18 years of age and in full time education

for the remainder of their life.

18 Scale(s) of Compensation

The scale of Benefits as shown in the Schedule.

19 Temporary Total Disablement

Disablement which completely prevents the Insured Person from performing each and every function of their Usual Occupation.

20 Temporary Partial Disablement

Disablement which completely prevents the Insured Person from performing more than 50% of the functions of their Usual Occupation.

21 Usual Occupation

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

22 Weekly Benefit

The amount shown in the Schedule under the Scale(s) that We will pay to You for each complete working week, during any period of Temporary Total Disablement or Temporary Partial Disablement of an Insured Person.

23 Weekly Wage

The gross basic weekly amount (or in the case of salaried employees 1/52nd of the Annual Salary) normally paid (excluding bonus payments) payable by You to the Insured Person as at the date of occurrence of the accident giving rise to Accidental Bodily Injury for their Usual Occupation.

24 Operative Time of Cover

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

A Occupational including Commuting

While an Insured Person is carrying out their occupational duties for You or travelling between:

- i an Insured Person's place of residence and place of work
- ii places of work at the expense of You

B 24 Hours

At any time.

25 Annual Salary

The annualised gross salary (excluding bonus payments) payable per annum by You to the Insured Person as at the date of occurrence of the accident giving rise to Accidental Bodily Injury.

26 Loss of Internal Organ

Total and permanent:

- a loss by removal

or

- b effective loss of use

of one lung or one kidney, the spleen or the liver.

27 Loss of Speech

Total and permanent loss of the ability to speak or communicate verbally.

28 Scheduled Air Transport

A registered fixed wing aircraft which flies from an internationally recognised airport on a published schedule and which has more than 18 seats.

Cover

Accident

We will pay You the sum or sums shown 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 £15,000.

Rehabilitation and Retraining Expenses

If the Permanent Total Disablement Benefit becomes payable We will pay for rehabilitation and retraining costs to facilitate the Insured Person's return to gainful employment provided that:

- i the Insured Person was not over 65 years of age when Accidental Bodily Injury leading to Permanent Total Disablement occurred
- ii the Insured Person was an Employee of You
- iii Our prior written approval of any rehabilitation and retraining costs is obtained.

The maximum amount payable is £10,000 in respect of any one Insured Person.

Age Enhancement Benefit

Notwithstanding Policy Condition 11 We will pay a sum of £2,500 to You in respect of an Insured Person who is over 75 years of age if the Death or Permanent Partial Disablement Benefit would otherwise become payable if the Insured Person was under 75 years of age.

Simultaneous Death of the Insured Person and Spouse

If an Insured Person suffers Accidental Bodily Injury resulting in Death and in the same event the Death of the Spouse and they leave bereaved a Dependent Adult or Dependent Child then We will double the Benefit payable for Death of the other party. If the Insured Person and the Spouse are both Insured Persons then only the highest value Benefit payable for Death shall be doubled and not the Benefit payable for Death of the other party.

Exclusions

The General Exclusions of this Policy apply to Section 13 – Personal Accident and in addition it does not cover any claim or series of 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 taking part or attempting to take part in off-piste winter sports
 - c riding or driving in any kind of race or endurance test (or practice thereof)
 - d engaging in air travel as aircraft crew of any kind or carrying out any trade or technical operation whilst an aircraft is in flight
 - e any gainful occupation outside The Business of You specified in the Policy
 - f serving in the armed forces of any Nation or International Authority
- 2 arising out of consequent upon or contributed directly or indirectly by the Insured Person:
 - a 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 committing a criminal act or taking part or whilst engaged in civil commotions or riots of any kind
- 3 caused or contributed to directly or indirectly by:
 - a venereal disease or Acquired Immune Deficiency Syndrome (AIDS), Human Immunodeficiency Virus (HIV) and or any mutual derivative or variations however caused
 - b the suicide, intentional self-injury or by the Insured Person
 - c sickness or disease (with the exception of Associated Illness)

- 4 payable as a result of any event directly or indirectly arising out of any 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 or the Insured Person, as applicable

- 5 arising out of or consequent upon (or contributed to directly or indirectly by) any one originating event not involving or relating to any aircraft in excess of £20,000,000 or the amount shown under the Event Accumulation Limit stated in the Schedule
- 6 in excess of the Event Accumulation Limit, Non-scheduled Air Accumulation Limit, Aircraft Accumulation Limit
- 7 in any way caused or contributed to by a Cyber Event or Denial of Service.

Definitions

Computer System means any computer, hardware, software, information technology and communications system or electronic device, including any similar system or any configuration of the aforementioned and including any associated input, output or data storage device, networking equipment or back up facility.

Cyber Event means an unauthorised or malicious act or series of related unauthorised or malicious acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System or any data by any person or group(s) of persons.

Denial of Service means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of Service includes, but is 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.

Write-back

Where coverage is provided, this exclusion does not apply to Accidental Bodily Injury Subject otherwise to the terms, conditions and exclusion of this Policy.

Conditions

The General Conditions of this Policy except 7 and 9 apply to Section 13 – Personal Accident and in addition:

A In respect of each Insured Person:

- 1 We will not pay more than one of the Benefits 1 to 5 shown in the Scale(s) of Compensation in respect of any one Insured Person for injuries arising from the same Loss.
- 2 We will not pay weekly compensation:
 - i for 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
 - ii for such first part of each period of disablement as is specified as the Excess Period in the Scale(s) of Compensation
 - iii for 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
 - iv 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.
- 3 Payment by Us to You of any Weekly Benefit does not prejudice Your entitlement to any other Benefit but payment of Weekly Benefits will cease if We pay any of the Capital Sum Benefits and We will not be liable to pay any further Benefits in respect of the same Insured Person for the same Loss.
- 4 where the total of all individual claims exceed the
 - i Aircraft Accumulation Limit
 - ii Event Accumulation Limitthe individual claims shall be reduced proportionately until the total of all individual claims does not exceed the appropriate limit stated within the Schedule.

B Change in Risk

It is a precedent to Our liability that 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.

C Claims Conditions

No claim will be paid unless You and where applicable the Insured Person complies strictly with these conditions:

- 1 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 Section 13 – Personal Accident.
- 2 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.
- 3 You must ensure that as soon as possible after the occurrence of any Accidental Bodily Injury the Insured Person obtains and follows 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.
- 4 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.
- 5 To claim for Weekly Benefits under this Policy 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.
- 6 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 50% of the Insured Person's normal Weekly Wage. It is the duty of You to inform Us if any claim payment does exceed these limits and payment will be reduced proportionately until these limits are not exceeded.
- 7 You or the Insured Person must provide Us with all information and evidence which We may reasonably require at no cost to Us.

D Age Limit

Unless otherwise agreed by Us and specifically noted in this Policy no person aged 75 or over at commencement of the Period of Insurance will be covered by this Policy.

E Disappearance

Death of any Insured Person shall not be presumed by reason of their 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 during the Operative Time of Cover resulting in his/her Death, the disappearance of such Insured Person shall be deemed to constitute Death by accident for the purposes of Section 13 – Personal Accident.

In the event of the Insured Person's re-appearance after payment of compensation under Item 1 of the Scale(s) of Compensation the beneficiary thereof will repay 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

Policy Definitions 5, 6, 8, 10, 11, 12, 15, 19 and 20 of this Policy apply to Section 14 – Commercial Legal Expenses and in addition:

1 Acts of Parliament

All Acts of Parliament referred to in Section 14 – Commercial Legal Expenses 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 become aware, or should reasonably have become aware, of any actual or alleged breach of a Contract by another party to 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 become aware, or should reasonably have been aware, of:

- 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.

and You intend to hold another party responsible for that damage or breach

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 Section 14 – Commercial Legal Expenses 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 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 Section 14 – Commercial Legal Expenses 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, on the Standard Basis, up to the Guideline Hourly Rates issued by the Senior Courts Costs Office, as may be agreed and 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 the Insured Person is held liable in a civil court or tribunal to pay such costs or under a settlement made with another party with Our consent. For the avoidance of doubt, the indemnity provided in respect of other parties costs does not include any costs awarded against The Insured Person following criminal proceedings.
- c** any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the Legal Representative on the Standard Basis, up to the Guideline Hourly Rates issued by the Senior Courts Costs Office, as may be agreed and confirmed by Our written consent in an appeal, or in resisting an appeal against the judgment of a relevant court or tribunal.

- d any unrecovered professional fees, expenses or other disbursements reasonably and properly incurred by the Legal Representative, on the Standard Basis, up to the Guideline Hourly Rates issued by the Senior Courts Costs Office or at such rates, or in such amounts as may be agreed and confirmed by Our written consent where it is necessary for an accountant to represent the Insured in connection with any Claim relating to Taxation Proceedings, but excluding any tax or interest and penalties demanded assessed or requested by HM Revenue & Customs.

15 Legal Representative

A solicitor, barrister or any other appropriately qualified person appointed in The Insured Person's name and on The Insured Person's behalf with Our agreement to act for The Insured Person in accordance with the terms of Section 14 – Commercial Legal Expenses.

16 Reasonable Prospects of a Satisfactory Outcome

Reasonable Prospects of a Satisfactory Outcome only exist if:

- a The Insured Person is more likely than not to succeed assuming the case was determined at trial or other final hearing at first instance and where the likely damages claimed and recovered by or against The Insured Person will exceed The Insured Person's own likely Legal Expenses or
- b any lawyer appointed by Us or any other lawyer appointed on The Insured Person's 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 Legal Protection, a trading name of Allianz Insurance plc.

24 Standard Basis

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

Limit of Indemnity

The maximum amount We are liable to pay under Section 14 – Commercial Legal Expenses 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 shown as operative in the Schedule.

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 Section 14 – Commercial Legal Expenses 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 Section 14 – Commercial Legal Expenses 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 Section 14 – Commercial Legal Expenses 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 £500 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 Section 14 – Commercial Legal Expenses 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 arising out of the amount payable under an insurance policy.
- 2 In respect of Event 2 – Employment You do not have cover for:
 - a an Excess of £500 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 dispute which necessitates the establishment of a transfer of employment under the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Acquired Rights Directive or a breach or alleged breach, of either.
 - 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 £100 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.
 - f any costs awarded against The Insured Person by a court of criminal jurisdiction.
- 5 In respect of Event 5 – Property You do not have cover for:
- a an Excess of £100 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 Section 14 – Commercial Legal Expenses 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 Section 14 – Commercial Legal Expenses 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, including any costs awarded against The Insured Person following criminal proceedings.

- 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 Section 14 – Commercial Legal Expenses.
- 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 Section 14 – Commercial Legal Expenses. The Contracts (Rights of Third Parties) Act 1999 does not apply to Section 14 – Commercial Legal Expenses.
- 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 Any VAT attaching to Legal Expenses incurred with Our consent which is recoverable by The Insured Person from elsewhere.

Conditions

The General Conditions of this Policy apply to Section 14 – Commercial Legal Expenses and in addition:

A General Conditions

1 Arbitration

Any dispute between The Insured Person and Us concerning Section 14 – Commercial Legal Expenses 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 Section 14 – Commercial Legal Expenses.

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

2 Maintenance of Records

It is a condition precedent to Our liability to provide Cover under Section 14 – Commercial Legal Expenses 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.

3 Disclosure of the Existence of this Section

The Insured Person or the Legal Representative must not reveal the existence of Section 14 – Commercial Legal Expenses unless We have given written Consent or are ordered to do so by a court.

4 Assignment

Section 14 – Commercial Legal Expenses 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 Section 14 – Commercial Legal Expenses that We are notified in writing by You by the completion of a claim form immediately You are, or should reasonably 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 Section 14 – Commercial Legal Expenses that consent to accept a claim and:

- a incur Legal Expenses; and
- b pay Awards of Compensation, Data Protection Compensation Awards, 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 to be accepted under Section 14 – Commercial Legal Expenses

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 Section 14 – Commercial Legal Expenses 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 Section 14 – Commercial Legal Expenses.

If The Insured Person fails to comply with this requirement then We will have the right to adjust Our liability under Section 14 – Commercial Legal Expenses 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, it is a condition precedent to Our liability to provide cover under Section 14 – Commercial Legal Expenses that 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

For any Claim where We may be liable to pay Awards of Compensation under Event 2 Employment We will choose the Legal Representative.

For any other Claim We will choose the Legal Representative at any time before We agree that legal proceedings need to be issued or defended. 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. The Insured Person must send the name and address of The Insured Person's chosen Legal Representative to Us. If We agree

to appoint a Legal Representative that The Insured Person chooses, that Legal Representative will be appointed on the same terms as We would have appointed Our chosen Legal Representative.

In respect of any Claim for which We have granted Consent, the Legal Representative will be appointed in the name of and on behalf of The Insured Person to act for The Insured Person in accordance with the terms of Section 14 – Commercial Legal Expenses.

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

Our liability to provide Cover under Section 14 – Commercial Legal Expense 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 Section 14 – Commercial Legal Expenses, if:

- i due to any unreasonable conduct or failure to act by The Insured Person, the Legal Representative reasonably refuses to continue acting for The Insured Person, or
- ii The Insured Person unreasonably dismisses the Legal Representative without Our agreement.

- b Disclosures to the Legal Representative

It is a condition precedent to Our liability to provide cover under Section 14 – Commercial Legal Expenses that 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 Obligations of The Insured Person and Legal Representative in relation to any Claim.

It is a condition precedent to Our liability to provide cover under Section 14 – Commercial Legal Expenses that:

- i The Insured Person and on their behalf the Legal Representative 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 inform Us 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 will under no circumstances 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 Section 14 – Commercial Legal Expenses 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 will report in writing the result of the Claim to Us when it is finished.

e Payment of Legal Representative's Bills

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

The Insured Person should forward all bills which are received from the Legal Representative relating to the Claim to Us without delay following conclusion of the Claim. If We require The Insured Person must ask the Legal Representative to submit the bill of costs for audit or assessment by the appropriate court or, at Our discretion, a law costs draughtsman or other competent party.

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. Failure to do so will result in Us not paying counsel's fees incurred prior to Our approval.

g Conduct of the Claim

It is a condition precedent to Our continuing liability to provide Cover under Section 14 – Commercial Legal Expenses that The Insured Person:

- i does not unreasonably withdraw from a Claim or dismiss the Legal Representative 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 Section 14 – Commercial Legal Expenses 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 incurred in respect of the Claim.

h Award of Costs

Where The Insured Person is awarded costs, it is a condition precedent to Our liability to provide cover under Section 14 – Commercial Legal Expenses that the Insured Person and the Legal Representative must take every reasonable step to recover Legal Expenses which would be or have been subject to payment under Section 14 – Commercial Legal Expenses. All such recoveries will be taken into account when calculating Our liability under Section 14 – Commercial Legal Expenses.

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.

Notifying a Claim under 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 0344 2090 518 and quote Master Policy number 36444.

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 14 – Commercial Legal Expenses, 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.

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 - ALP
PO Box 10623
Wigston
LE18 9HJ

Phone: 0370 243 4340

Section 15 – Directors & Officers

Definitions

Acknowledged USA Company vs. Insured Claim

Any Claim:

- a brought or maintained by an insolvency practitioner or the equivalent in any other jurisdiction directly or derivatively without the solicitation, voluntary assistance participation or co-operation of any Insured Person or any Outside Entity's directors or officers unless legally compelled to do so
- b brought or maintained by way of a shareholder derivative action on behalf of a Company or Outside Entity, which is brought without the solicitation, voluntary assistance, participation or cooperation of any Insured Person or any Outside Entity's directors or officers unless legally compelled to do so
- c brought or maintained by a Past Insured Person.

Additional Costs

Reasonable costs, incurred by the Insured after a waiting period of 48 hours, as a result of a covered Loss, provided that these following costs are beyond usual operational costs and necessary to the restoration of the normal course of operations of the Insured's Business:

- a renting fee for temporary replacement of equipment and temporary additional Location
- b costs for additional external workforce and overtime Employees
- c costs related to transportation of equipment or documents.

Approved Person

Any natural person employed by any Company to whom the Prudential Regulation Authority (PRA) or Financial Conduct Authority (FCA) has given its approval, pursuant to Section 59 of the Financial Services and Markets Act 2000 (or any re-enactment thereof), to perform for such Company one or more of those controlled functions which were or are designated by the PRA or FCA (or any successor organisation or organisations) as "significant influence functions", or the equivalent of any such position in any other jurisdiction.

Asset and Liberty Proceeding

Any proceeding brought against an Insured Person by any governmental, regulatory or judicial agency seeking:

- a to disqualify an Insured Person from holding office as a director or officer
- b confiscation, assumption of ownership and control, suspension or freezing of rights of ownership of real property or personal assets of an Insured Person
- c a charge over real property or personal assets of such Insured Person
- d a temporary or permanent prohibition on such Insured Person from holding the office of or performing the function of a director or officer
- e a restriction of such Insured Person's liberty to a specified domestic residence or an official detention
- f deportation of an Insured Person following revocation of otherwise proper, current and valid immigration status for any reason other than such Insured Person's conviction of a crime.

Change of Control

- a the Policyholder's merger with or consolidation into any other company;
- b a management buy out;
- c the sale of all or the majority of the Policyholder's assets to any person or company acting alone or in concert; or
- d any person or company acting alone or in concert:
 - i acquiring ownership or control or assuming control pursuant to written agreement with other shareholders of more than 50% of the voting rights in the Policyholder and/or more than 50% of the outstanding Securities representing the present right to vote for the election of the board of directors of the Policyholder and/or assuming the right to appoint or remove the majority of the board of directors (or equivalent position) of the Policyholder; or
 - ii acquiring the right to receive 50% or more of the income of the Policyholder on a distribution by a company of all its income or a majority of its assets on a winding-up.

Claim

The earliest of any:

- a written demand against an Insured Person for a Wrongful Act;
- b civil or criminal proceedings (including but not limited to any Manslaughter Allegation or Extradition Proceedings) against an Insured Person for a Wrongful Act; or
- c formal administrative proceedings or Investigation concerning the Wrongful Act of an Insured Person.

Company

The Policyholder or any Subsidiary thereof.

Computer Programmes

A collection of instructions that describe a task, or set of tasks, to be carried out by a Computer System, including application software, operating systems, firmware and compilers.

Computer System

A computer and all input, output, processing, storage (including offline media libraries), intranets and communication facilities including related communication or open systems networks and extranets which are connected directly or indirectly to such a device.

Confiscation Order

An order of confiscation, assumption of ownership and control, suspension or freezing of rights of ownership of real property or personal assets of any Insured Person in connection with an Asset and Liberty Proceeding or Extradition Proceedings.

Crisis Communication Consultant

Any one of the following panel companies:

- a Hill and Knowlton or;
- b CNC; or
- c Brunswick

which is selected and appointed by the Policyholder.

Cyber Event means:

Any actual, alleged or suspected:

- a Damage to, loss, destruction, corruption, theft, or loss of operational control of data, or unauthorised or negligent processing, collection, recording, retrieval, disclosure, dissemination, or disposal of data, by the Insured, an independent contractor or an outsourced service provider of the Insured Company; and/or
- b Unauthorised access to or use of any personal information, personal data or confidential information (other than information that is lawfully available in the public domain or to the general public unless such information which had been publically available became uniquely identifiable through collection and/or processing) while under the care and custody, or control, of the Insured, an independent contractor or an outsourced service provider of the Insured Company; and/or
- c Non-physical and technological failure of the Company's Computer System, or failure of technological security measures aimed at protecting data in any form. This includes, but is not limited to, any interruption of the Insured Company's business caused by such event(s); and/or
- d Malicious direction of network traffic, introduction of malicious computer code, or other malicious attack directed at, occurring within, or utilising the Company's Computer System. This includes, but is not limited to, any interruption of the Insured Company's business caused by such event(s); and/or
- e Interruption of the Insured Company's business caused by an accidental, unintentional or negligent act, error or omission of the Insured person in the operation or maintenance of the Company's Computer System which causes total or partial unavailability of the Company's Computer System; and/or
- f Breach of laws and regulations pertaining to privacy and resulting from items a to e above.

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

Data

Any electronic data of a form readily usable by Computer Programmes within the Insured's Computer System.

Deductible

The amount specified as such in the Schedule.

Defence Costs

- a All reasonable fees, costs and legal expenses (including disbursements) incurred by or on behalf of the Insured Person in the investigation, defence or settlement of the Claim and appeal thereof either
 - i with the prior written consent of Ourselves; or,
 - ii where it has not been practicable to obtain Our prior written consent of, such costs may be incurred up to a maximum aggregate amount of 10% of the Limit of Liability (being part of and not in addition to the Limit of Liability) provided that such costs are incurred reasonably and necessarily;
- b the reasonable premium for a financial instrument (including but not limited to a bond), but not collateral for the instrument, that guarantees for a period not exceeding 12 months the Insured Person's contingent obligation for a specified amount if required by a Court.

Defence Costs shall not include remuneration, time, expenses or any other associated benefit or overhead of any Insured Person and/or any Company.

Discovery Period

The period (as set out in the Discovery Period Extension) commencing immediately after the expiry date of the Period of Insurance, during which written notice may be given to Us of a Claim first made during such period or the Period of Insurance for a Wrongful Act that occurred prior to the expiry date of the Period of Insurance.

Employment Practice Wrongful Act

Any actual or alleged violation of employment law or regulation or any other legal provision relating to the past, present or future employment of an individual with the Company.

Environmental Condition

- a the actual, alleged or threatened discharge, dispersal, release or escape of pollutants (as defined by applicable local legislation), including greenhouse gases

- b any regulator direction or request to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralise pollutants (as defined by applicable local legislation), including greenhouse gases that may result in a Non-Indemnifiable Loss to an Insured Person.

Environmental Violation

Any Claim based upon, arising out of or attributable to an Environmental Condition if and to the extent such Claim

- a is against an Insured Person for a Wrongful Act in connection with misrepresenting or failing to disclose information as governed by any statute, regulation, rule or common law regulating or creating liability for an Environmental Condition;
- b results in a Non-Indemnifiable Loss to any Insured Person.

Extradition Proceedings

Proceedings against the Insured Person following a request for deportation, extradition or arrest warrant (including an appeal or separate proceedings to overturn an extradition order).

Insolvency Hearing Costs

All reasonable fees, costs and legal expenses (including disbursements) incurred with Our prior written consent, to retain legal advisors for an Insured Person's preparation for and attendance at any formal or official hearing in connection with the investigation or inquiry into the affairs of a Company, or an Insured Person in his capacity as such, by any insolvency administrator or receiver, bankruptcy trustee or liquidator or the equivalent under any laws of any jurisdiction where the facts underlying such hearing, investigation or inquiry may be expected to give rise to a Claim against such Insured Person.

Insured Person

Any natural person who was, is or during the Period of Insurance becomes:

- a a director, officer, Non-Executive Director or de facto director of any Company or any Approved Person or the equivalent in any other jurisdiction;
- b a director, officer or employee of any Company and who by virtue of such position is a Shadow Director as defined in section 251 of the Companies Act 2006 (or any re-enactment thereof or the equivalent legislation in any other jurisdiction) of a company;
- c any Outside Entity Director following the exhaustion of any:
 - i indemnification provided by the Outside Entity; and
 - ii other collectible directors and officers or management liability cover issued to the Outside Entity that protects the Outside Entity Director;

- d** a director, officer or employee of any Company who is a compliance committee member appointed by a Company;
- e** a prospective director or officer in any listing particulars, prospectus, circular or similar document issued by any Company;
- f** an employee of any Company whilst acting in a managerial or supervisory capacity for the Company;
- g** an employee of any Company to the extent that the employee is:
 - i** named as a defendant in connection with an Employment Practice Wrongful Act;
 - ii** joined as a party to any action against any person defined in a) to f) above.

Insured Person shall also include:

- h** the lawful spouse or civil partner (as defined in the Civil Partnership Act 2004 or any re-enactment thereof or the equivalent legislation in any other jurisdiction) of any person set out in a) to g) arising out of a Wrongful Act of such person and where recovery is sought solely because joint property is held or owned by or on behalf of the spouse or civil partner; and
- i** legal representatives, heirs, assigns or estates of any person set out in a) to g) above in the event of their death, incapacity, insolvency or bankruptcy where recovery is sought solely because of a Wrongful Act of such person
- j** for the purpose of Cover E only; the Company.

Insured Person shall not include insolvency practitioners or external auditors.

Investigation

Any formal or official hearing, investigation or inquiry by a governmental, regulatory or judicial agency into the affairs of a Company, an Outside Entity or an Insured Person in their capacity as such, if an Insured Person receives written documentation during the Period of Insurance or Discovery Period:

- a** that legally requires such Insured Person to attend such hearing, investigation or inquiry; or
- b** in which the Insured Person is identified by an investigating authority as a subject of such hearing, investigation or inquiry.

An Investigation shall be deemed to be first made when the Insured Person is first so required or identified.

Investigation shall not include routine regulatory supervision, inspection or compliance reviews or any investigation which focuses on an industry rather than a Company, Outside Entity or Insured Person in their capacity as such.

Investigation Costs

All reasonable fees, costs and legal expenses (except remuneration, time, expenses or any other associated benefit or overhead of any Insured Person and/or the costs or overheads of any Company) incurred by or on behalf of an Insured Person to protect their interests with Our prior written consent which shall not be unreasonably withheld or delayed.

Kidnap Consultant

Any person or entity appointed by the Company with Our consent to advise and respond to a Kidnap Event.

Kidnap Event

- a** the seizing, detaining or carrying away of an Insured Person while such Insured Person is acting in the course of employment, by force or fraud by a Company outside his country of residence, for the purpose of demanding ransom monies; or
- b** any illegal holding under duress, for a period in excess of six hours, of an Insured Person, during its travel in the course of employment with a Company, on or in any aircraft, motor vehicle or waterborne vessel; or
- c** the arbitrary or capricious confinement of an Insured Person, while acting in the course of his employment by a Company, by persons acting as agents of, or with the tacit approval of, any government or governmental entity, or acting or purporting to act on behalf of any insurgent party, organisation or group that first occurs during the Period of Indemnity.

A connected series of Kidnap Events will be considered one Kidnap Event.

Kidnap Response Costs

The reasonable fees, costs and expenses of the Kidnap Consultant incurred by the Company in response to any Kidnap Event anywhere in the world (excluding Colombia, Iraq, Nigeria, and the Philippines). Such fees and expenses shall include related costs for travel, accommodation, qualified interpretation, communication and payments to informants.

Limit of Liability

The amount specified as such in the Schedule.

Loss

Any:

- a** amounts which the Insured Person is legally liable to pay for a Wrongful Act (including settlements, awards of damages, awards of punitive and exemplary damages, pre and post-judgment interest on a covered judgment or award, or awards of costs).
- b** Defence Costs incurred as a result of a Claim for a Wrongful Act

Enforceability of payment for punitive, exemplary and the multiplied portion of multiple damages shall be governed by the applicable law that most favours coverage for such damages.

Loss shall not include:

- a** criminal fines and criminal penalties;
- b** remuneration or employment related benefits;
- c** any sum pursuant to a financial support direction or contribution notice by the Pensions Regulator;
- d** taxes other than to the extent that personal liability of a director under Cover A for non-payment of corporate taxes is established by law in the jurisdiction in which the Claim is made and such liability constitutes Non-Indemnifiable Loss;
- e** any amounts which may be deemed uninsurable under the law applicable to Section 15 – Directors & Officers or in the jurisdiction in which the Claim is brought other than in respect of amounts which are punitive, exemplary or the multiplied portion of multiple damages as specified above
- f** punitive or exemplary damages awarded for an Employment Practice Wrongful Act;
- g** any such Loss (as defined above) arising out of, based upon or attributable to any actual, alleged or suspected act, conduct or matter related in the broadest sense to data or computer systems, including but not limited to hardware, software and computer programs, constitutes a Loss covered under the insurance contract.

All other terms, conditions, provisions, exclusions and limitations of this insurance contract remain unchanged.

Manslaughter Allegation

Proceedings against an Insured Person for an offence under the Corporate Manslaughter and Corporate Homicide Act 2007 or for a breach of the Health and Safety at Work Act 1974 (or any re-enactment thereof or the equivalent legislation in any other jurisdiction).

Non-Executive Director

Any natural person who serves as a Non-Executive director of the Policyholder at the inception date of the Period of Insurance.

Non-Indemnifiable Loss

Loss in respect of which a Company is not able to indemnify an Insured Person due to legal or regulatory prohibition under any statutory law, codified law or common law; or in respect of which a Company is unable to indemnify due to insolvency.

Outside Entity

Any organisation, association joint venture or company other than:

- a** a Company;
- b** an organisation, association or company that has a level II or III American Depositary Receipt Programme or is directly listed on an exchange in the United States of America;
- c** a financial institution including any bank, clearing house, depository institution, investment firm, investment advisor, investment manager, investment fund, stock broker, mortgage broker, credit institute, asset manager, private equity or venture capital company, insurance company or similar company

unless added by Clause issued by Ourselves.

Outside Entity Director

An employee, director, officer, trustee, governor or equivalent of a Company who, at the specific request of that Company, holds the position of director, officer, trustee, governor or equivalent of an Outside Entity.

Past Insured Person

An Insured Person who has retired from or voluntarily ceased to hold such office prior to the expiry date of the Period of Insurance other than a disqualified individual or where directly related to a Change of Control.

Personal Expenses

Any

- a schooling cost for dependant non-adults
- b monthly primary housing mortgage payments or rental cost
- c utilities cost, including private water, gas, electricity, phone and internet services
- d personal insurance premiums, including Property, Life, and Health policies to be paid directly by Us to a third party service producer of an Insured, provided that:
 - i the services were contracted by the Insured Person prior to the Confiscation Order and are owed by such Insured Person
 - ii the expenses are in excess of any personal allowance granted in connection with the Confiscation Order and
 - iii the expenses fall due during the period beginning 30 days after the date of the Confiscation Order and ending when the Insured Person has obtained its discharge or revocation, but in no event shall such period be longer than 12 months.

Personal Expenses shall not include remuneration, time, expenses or any other associated benefit or overhead of any Insured Person and/or any Company.

Policyholder

The entity specified as 'The Insured' in the Schedule

Pollutants (for the purpose of Cover E only)

Any substance, solid, liquid, gaseous, biological, radiological or thermal irritant, toxic or hazardous substance, or contaminant including but not limited to asbestos or asbestos products, mycota or by-products, lead or lead containing products, smoke, vapours, dust, fibres, mould, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals, air emissions, odour, waste water, oil, oil products, medical waste, and waste materials. Waste materials include but are not limited to recycled, reconditioned or reclaimed nuclear materials.

Post-claim Reputational Costs

All reasonable fees, costs and expenses for the professional advice of a Crisis Communication Consultant incurred by an Insured Person to mitigate the adverse effect on that Insured Person's reputation from a covered Claim first made during the Period of Insurance or the Discovery Period, if applicable, for a Wrongful Act, by disseminating findings made in a final judicial disposition of that claim in the Insured Person's favour.

Prior/Pending Litigation Date

The date of first inception of the policy with Us.

Related Claim

Any and all Claims and/or Investigations and or Self Report Investigations (whether made or commenced before, during or after the Period of Insurance) arising out of, based upon or attributable to the same source or cause.

Reputational Crisis Costs

All reasonable fees, costs and expenses for the professional advice of a Crisis Communication Consultant incurred by an Insured Person to mitigate the adverse effect on that Insured Person's reputation directly in connection with any circumstance that could reasonably lead to a covered Claim against an Insured Person for a Wrongful Act, and any Claim or any Extradition Proceedings brought against such Insured Person.

Securities

Any financial or investment instrument issued by a Company which denotes an ownership interest and provides evidence of a debt, a right to share in the earnings of such company, or a right in the distribution of a property.

Self Report

The actual report to any governmental, regulatory or judicial agency by any Insured Person or Company pursuant to an obligation to inform such agency of matters giving rise to actual or potential regulatory issues, where failure to give such notification or delay in notifying, can itself give rise to enforcement consequences.

Self Report Investigation

An internal investigation by or on behalf of the Company or an Outside Entity into the affairs of a Company, an Outside Entity or an Insured Person in their capacity as such in response to a direct regulatory, judicial or governmental request following a Self Report, if an Insured Person during the Period of Insurance or Discovery Period is first required to attend such investigation or first becomes aware that they are the subject of such investigation.

A self report investigation shall be deemed to be first made when the Insured Person is first so required or becomes aware.

Subsidiary

Any entity or joint venture where the Policyholder controls either directly or indirectly through one or more other entities on or before the inception date of Section 15 – Directors & Officers either; the composition of the board of directors or more than half of shareholder voting power or share capital.

We shall only be liable for Loss in respect of a Wrongful Act whilst such entity or joint venture is a Subsidiary.

United States of America

The United States of America its territories and possessions and/or any state or political subdivision thereof.

Whistleblowing Legislation

The Public Interest Disclosure Act 1998 (or any re-enactment thereof or the equivalent legislation in any other jurisdiction).

Wrongful Act

(other than in respect of Cover E)

Any actual or alleged misrepresentation, misstatement, misleading statement, error, omission, defamation, negligence, breach of warranty of authority, breach of fiduciary duty, Employment Practice Wrongful Act or any other act, including

- a with respect to shareholder derivative actions only, any proposed act; and
- b any violation of the Companies Act 2006 (or any re-enactment thereof or the equivalent legislation in any other jurisdiction); and
- c any violation of the Bribery Act 2010 (or any re-enactment thereof or the equivalent legislation in any other jurisdiction)

by the Insured Person acting in their capacity as such or any matter claimed against the Insured Person solely because of such capacity.

(For the purposes of Cover E the following definition will apply): Any actual or alleged misstatement, misleading statement, error, omission, negligence, breach of trust or breach of duty by the Company, but not including any Employment Practice Wrongful Act.

Cover

The Cover and Extensions under Section 15 – Directors & Officers are afforded solely with respect to any Claim first made during the Period of Insurance (or Discovery Period, if applicable) and notified to Us in accordance with the Claim Notification Condition and are also subject to the general Limits, Conditions and Exclusions of Section 15 – Directors & Officers and the Policy.

Coverage under Section 15 – Directors & Officers is provided anywhere in the world, where legally permitted, unless specified otherwise in the Schedule, subject to all the terms and conditions of Section 15 – Directors & Officers.

A Directors & Officers Cover

We shall pay to, or on behalf of, an Insured Person any Loss resulting from a Claim.

B Company Reimbursement Cover

We shall pay to, or on behalf of, a Company any Loss resulting from a Claim to the extent that such Company has indemnified or agreed to indemnify an Insured Person in respect of such Loss.

C Non-Executive Director Cover

We shall pay to or on behalf of a Non-Executive Director any Loss resulting from a Claim up to the Non-Executive additional amount of £250,000 but only after exhaustion of:

- i the Limit of Liability;
- ii all other collectible directors and officers or management liability covers whether written excess of the Limit of Liability or otherwise; and
- iii all other indemnification for such Loss available from any other source.

The Non-Executive Additional Amount is an aggregate amount for each Non-Executive Director and is in addition to the Limit of Liability

D Investigation Cover

We shall pay to or on behalf of an Insured Person (or a Company to the extent that such Company has indemnified an Insured Person) any Investigation Costs arising out of the Insured Person's preparation for or attendance at:

- i the hearing of an Investigation prior to the identification of a Wrongful Act;

or

- ii a Self Report Investigation.

E Company Entity Liability Cover

We will pay to or on behalf of the Company:

- i all Loss resulting from a Claim against the Company
- ii all Investigation Costs in respect of an Investigation under the Health and Safety at Work etc Act 1974
- iii all Investigation Costs in respect of Investigation under the Corporate Manslaughter and Corporate Homicide Act 2007

The Limit of Indemnity shall be:

- i as specified under the Directors & Officers Limit of Indemnity up to a maximum of £5,000,000
- ii an aggregate limit of Our liability for the Period of Insurance and Discovery Period in respect of all Loss and Investigation Costs covered by the provisions of Cover E regardless of the number of Claims for indemnity under this Policy.

An excess of £2,500 will apply in respect of each and every Claim under Cover E, provided always that this excess will not apply to any Claim which is successfully defended.

Limit of Indemnity

The Limit of Indemnity is the total amount payable by Us in respect of all Loss and Investigation Costs arising from any Related Claim during the Period of Insurance and Discovery Period covered by the provisions of Section 15 – Directors & Officers for all insurance covers and extensions under which such Claim may be made. We shall have no liability in excess of the Limit of Indemnity regardless of the number of Related Claims for indemnity under Section 15 – Directors & Officers and/or the number of Insured Persons who may claim and/or the number of covers under which such Related Claims may be made.

The Non-Executive Additional Amount shall apply in the manner set out in Non-Executive Director Cover C. The Non-Executive Additional Amount is an aggregate amount for each Non-Executive Director.

The Non-Executive Additional Amount is separate and in addition to the Limit of Liability.

The Limit of Liability shall apply after the application of any applicable Deductible.

Extensions

1 Automatic New Subsidiary Cover

If an entity becomes a Subsidiary during the Period of Insurance, such entity shall be covered under Section 15 – Directors & Officers as such with effect from the date on which it became a Subsidiary unless such entity has:

- a total assets that exceed 25% of the total assets of the Policyholder at the inception of the Period of Insurance and/or;
- b any of its Securities listed on any exchange.

In such case, the Company shall provide Us with full information in respect of such entity and pay an additional premium and agree any amendment to the provisions requested by Ourselves to obtain cover as a Subsidiary for such legal entity.

We shall only be liable for Loss in respect of a Wrongful Act or conduct whilst such legal entity is a Subsidiary.

2 Management buy-out

Following a management buy-out of any Subsidiary and upon written instruction from the Policyholder prior to such event, Section 15 – Directors & Officers shall continue to provide cover for a Wrongful Act committed after such buy-out for a period of 45 days subject to the Period of Insurance.

3 Discovery Period

In the event that Section 15 – Directors & Officers is neither renewed nor replaced with directors and officers or management liability cover, then the Policyholder shall have the right to a Discovery Period of:

- a 90 days automatically and at no additional premium; or
- b 12 months at an additional premium of 50% of the full annual premium applicable at the expiry date of Section 15 – Directors & Officers, provided that the Policyholder give Us written notice of the election of the Discovery Period and pays the additional premium required to Ourselves within 30 days of the expiry date of the Period of Insurance.

There shall be no right to a Discovery Period in the event of a Change of Control or where We have declined to renew Section 15 – Directors & Officers due to non-payment of premium.

While Section 15 – Directors & Officers does not offer the right to a Discovery Period if there is a Change of Control, We may, at Our sole discretion, quote for a run-off Discovery Period of up to 72 months upon the written request of the Policyholder. In considering such request, We shall be entitled to underwrite the exposure and to extend an offer on whatever terms, conditions and limitations We deem appropriate.

4 Past Insured Person

We shall pay to or on behalf of a Past Insured Person:

- a any Loss arising from any Claim first made against such Past Insured Person following the expiry date of the Period of Insurance for a Wrongful Act committed before the date that they voluntarily relinquished such position; or
- b any Investigation Costs in connection with any Investigation or Self Report Investigation first made against such Past Insured Person following the expiry date of the Period of Insurance,

provided such matters are notified to Ourselves as soon as practicable and provided that Section 15 – Directors & Officers is not renewed or replaced with any other policy affording directors and officers or management liability cover to such Past Insured Person.

5 Reputational Crisis Costs

If during the Period of Insurance the Policyholder or an Insured Person first becomes aware of:

- a a Claim for a Wrongful Act; or
- b circumstances which are reasonably expected to give rise to a Claim for a Wrongful Act; or
- c any Investigation in to the offering and trading of the Securities of any Company

then provided that written notice is given of such matters in accordance with terms and conditions of Section 15 – Directors & Officers, We will pay Reputational Crisis Costs and Post-claim Reputational Crisis Costs.

It is a condition of the Insured Persons' right to recover such amounts hereunder that written notice must be given to Ourselves within 3 working days after the appointment of the selected Crisis Communication Consultant.

In no event shall the cover under this Extension exceed £100,000 in the aggregate during the Period of Insurance, such amount being part of the Limit of Liability.

Crisis Communication Consultant panel companies (and not Ourselves) will during the Period of Insurance, upon receipt of a written request from the Policyholder, offer at no additional charge:

- i one private crisis communication briefing session for the benefit of director executive officers and invited employees of the Policyholder,
- ii a written manual covering core crisis communication issues

The services of a Crisis Communication Consultant referred to in this Extension are provided to an Insured Person by the Crisis Communication Consultant directly, as its client, without the supervision of Ourselves. Accordingly We cannot and does not make any warranties, guaranties or representations with respect to any such services or any failure to provide the same; and We shall have no liability for acts, errors or omissions of any Crisis Communication Consultant or otherwise for damages from the use of, or inability to use any such services.

6 Environmental Extension

We shall pay, in the aggregate, in addition to the Limit of Indemnity, Defence Costs incurred by any Insured Person for an Environmental Violation, up to the Environmental Extension additional amount of £50,000.

7 Circumstance Investigation Costs

We shall pay the Investigation Costs incurred by the Insured Person in the investigation of any circumstance notified to Us in accordance with Section Claims Condition 1.

Circumstances, including determining the Insured Person's legal position and the steps that might be appropriate to avert or minimise the risk of a Claim. Cover under this Extension is sub-limited to £50,000 in the aggregate during the Period of Insurance, such amount being part of the Limit of Indemnity.

8 Insolvency Hearing Costs

We shall pay the insolvency hearing costs of each Insured Person.

Cover under this Extension is sub-limited to £50,000 in the aggregate during the Period of Insurance, such amount being part of the Limit of Indemnity.

9 Assets and Liberty Costs

We shall pay:

- a the reasonable fees, costs and expenses incurred by any Insured Person with respect to any Asset and Liberty Proceeding and
- b Personal Expenses in the event of a Confiscation Order.

Cover under this Extension is sub-limited to £50,000 in the aggregate during the Period of Insurance, such amount being part of the Limit of Indemnity.

10 Court Attendance Costs

We shall pay a daily rate of £300 for each day on which attendance is required in court by an Insured in connection with any covered Claim.

Cover under this Extension is sub-limited to £20,000 in the aggregate during the Period of Insurance, such amount being part of the Limit of Indemnity.

11 Kidnap & Ransom Cost Cover

We shall pay to the Company Kidnap Response Costs incurred by the Company in the event that during the Period of Insurance an Insured Person has first become a victim of a Kidnap Event.

Cover under this Extension is sub-limited to £50,000 in the aggregate during the Period of Insurance, such amount being part of the Limit of Indemnity.

Section Exclusions

The General Exclusions of this Policy apply to Section 15 – Directors & Officers and in addition it does not cover any Loss or any Investigation Costs for:

1 Behaviour

arising out of, based upon or attributable to:

- a the committing of a dishonest or a fraudulent act; or
- b the Insured Person gaining any personal profit, remuneration or advantage to which they were not legally entitled.

This Exclusion shall only apply to an Insured Person if such behaviour is established by:

- i a final decision of a court, tribunal or regulator in the underlying proceedings; or
- ii written admission of the Insured Person.

2 Prior Claims/Circumstances

arising out of, based upon or attributable to:

- a any Claim, Investigation or Self Report Investigation first made or commenced prior to the inception date of Section 15 – Directors & Officers including any Related Claim thereto irrespective of when it arises; or
- b circumstances which have been notified under any other policy or certificate of insurance providing management liability cover and which attaches prior to the inception date of Section 15 – Directors & Officers.

3 Prior and Pending Litigation

arising out of, based upon, or attributable to:

- a any legal or arbitral proceeding involving any Company or Outside Entity or any Insured Person initiated prior to, or pending at the Prior/Pending Litigation Date; or
- b any fact, circumstance, situation, transaction or event underlying or alleged in such proceeding or alleging or deriving from the same or essentially the same facts, or that has the same source or cause as the matters alleged in such litigation;

regardless of the legal theory upon which the Claim against the Insured Person is predicated.

4 Bodily Injury and Property Damage

for bodily injury, sickness, mental anguish or emotional distress or disturbance, disease or death of any person howsoever caused, or damage to or loss of or destruction of any tangible property including loss of use thereof.

This Exclusion shall not apply to:

- a Defence Costs for Non-indemnifiable Loss of any Insured Person who is a natural person or;
- b mental anguish or emotional distress or disturbance in respect of an Employment Practice Wrongful Act;
- c Loss where and to the extent personal liability is established against an Insured Person, but only for Non-Indemnifiable Loss.

5 Acknowledged USA Company vs. Insured

arising out of, based upon or attributable to any Claim brought or maintained in the United States of America by, on behalf of or at the instigation of any Company, Insured Person, Outside Entity.

This Exclusion shall not apply to an Acknowledged USA Company vs. Insured Claim or Defence Costs.

6 Offering of Securities

arising out of, based upon, or attributable to any public offering of any Securities during the Period of Insurance, provided that this Exclusion shall not apply to debt offerings anywhere in the World.

7 Cyber Event

any Loss, damage, fees, costs, charges, expenses or liability in connection with any Claim arising out of, based upon or attributable to any Cyber Event.

Exclusions

The following Exclusions are added to the Section Exclusions of Section 15 – Directors & Officers for the purposes of Cover E only:

We shall not be liable for any Loss or any Investigation Costs:

1 Company Entity Cover – Competition & Restraint of Trade

arising out of, based upon, or attributable to violation of any law, rule or regulation relating to competition, activities in restraint of trade, or deceptive acts and practices in trade and commerce.

2 Company Entity Cover – Securities

arising out of, based upon, or attributable to the actual or intended private placement or public offering of any Securities during the Period of Insurance.

3 Company Entity Cover – Professional Services

for the performance or failure to perform professional services for any person or any act, error or omission relating thereto.

4 Company Entity Cover - Patent Copyright

arising out of, based upon, or attributable to any actual or alleged infringement, misappropriation or violation of any copyright, patent, trade marks, service marks, trade secrets, title or other proprietary or licensing rights or intellectual property of any products, technologies or services.

5 Company Entity Cover – Contractual Liability

arising out of, based upon, or attributable to any actual or alleged contractual liability assumed by the Company under any contract or agreement; provided that this Exclusion shall not apply to Defence Costs for a Claim brought against the Company.

6 Company Entity Cover – Pollutants

arising out of, based upon, or attributable to Pollutants; provided that this Exclusion shall not apply to:

any Claim against the Company instigated by any shareholder or group of shareholders of the Company directly or in the name of the Company without the solicitation, voluntary assistance or participation of any Insured Person.

7 Company Entity Cover – Pension Scheme

arising out of, based upon or attributable to any Claim against any Company relating to any trust fund, pension scheme, profit-sharing scheme or employee benefit scheme of any Company or any Outside Entity.

8 Insured vs Insured Claims

arising out of, based upon, or attributable to any Claim brought or maintained by or on behalf of any Company.

9 Company Entity Cover – Employment Practice Wrongful Act

arising out of, based upon, or attributable to any Claim against the Company for an Employment Practice Wrongful Act.

10 Company Entity Cover – Bodily Injury and Property Damage

(applicable to Cover E paragraph i) only)

for bodily injury, sickness, mental anguish or emotional distress or disturbance, disease or death of any person howsoever caused, or damage to or loss of or destruction of any tangible property including loss of use thereof.

11 Company Entity Cover – Products

arising out of, based upon, or attributable to the efficiency, inefficiency, performance or lack of performance, defect, or non-compliance with health and safety standards of any products, technologies or services manufactured, produced, processed, packaged, sold marketed, distributed, advertised and/or developed by the Company.

Section Claims Conditions

1 Circumstances

If during the Period of Insurance an Insured Person first becomes aware of circumstances which are reasonably expected to give rise to a Claim under Section 15 – Directors & Officers, then the Policyholder or any Insured Person may give notice thereof to Ourselves in the manner and at the address identified in the Claim Notification Condition below.

In order for such notice to be effective, the notification of the circumstances must be made in writing, given during the Period of Insurance and include at least the following:

- a a statement that it is intended to serve as notice of circumstances of which an Insured Person has become aware which are reasonably expected to give rise to a Claim;
- b the reasons for expecting such Claim (including full particulars as to the nature and date of the possible Wrongful Act);
- c the identity of any potential claimant;
- d the identity of any Insured Person involved in such circumstances; and
- e the date on, and manner in which, the Insured Person first became aware of such circumstances.

If during the Period of Insurance circumstances are notified in accordance with the requirements of this Condition, then any later Claim arising out of, based upon or attributable to such notified circumstances shall be accepted by Ourselves as having been made at the same time as the circumstances were first notified to Ourselves.

There shall be no cover under Section 15 – Directors & Officers with respect to any such Claim or Related Claim where the circumstances have not been notified in accordance with this Condition.

2 Claim Notification

The Policyholder or any Insured Person shall give written notice to Us of any Claim first made against an Insured Person or any Investigation or Self Report Investigation first made during the Period of Insurance (or Discovery Period, if applicable) as soon as reasonably practicable during the Period of Insurance (or Discovery Period, if applicable). In the event that it has not been practicable for the policyholder or the Insured Person to give notice during the Period of Insurance (or Discovery Period, if applicable), then written notice may be given within 90 days of the expiry date of the Period of Insurance (or Discovery Period, if applicable). Such notice shall be deemed to have been given during the Period of Insurance.

There shall be no cover under Section 15 – Directors & Officers with respect to any Claim which has not been notified in accordance with this Condition.

All notifications must be in writing to:

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

or by telephone to 0344 893 9500 (lines are open 9am to 5pm Monday to Friday)

3 Defence and Settlement

It shall be the duty of each Insured Person to defend any Claim made against it. We shall be entitled to participate fully in the investigation, defence and negotiation of any settlement of any Claim that involves or appears reasonably likely to involve Ourselves. In respect of any Claim brought or maintained by, on behalf of or at the instigation of any Company, Insured Person, Outside Entity or any of their respective directors or officers other than an Acknowledged USA Company vs. Insured Claim, We shall have the right (but not the duty) to control the investigation, defence and negotiation of any settlement of such Claim.

Other than as provided in Definitions Defence Costs a) ii), no Defence Costs shall be incurred without the prior written consent of Ourselves. Such consent shall not be unreasonably withheld or delayed.

We shall pay covered Defence Costs to or on behalf of the Insured Person on an as incurred basis prior to final disposition or adjudication of the Claim upon receipt of sufficiently detailed invoices. However, any such payments made by Ourselves which are subsequently determined not to be covered by Section 15 – Directors & Officers in complete D&O shall be returned by the policyholder or Insured Person to Ourselves on demand and the policyholder shall also be jointly and severally liable with the Insured Person to make such payment to Ourselves except in the case of Non-indemnifiable Loss.

The Insured Person shall assert all appropriate defences and cross claims for contribution, indemnity or damages. The Insured Person shall not admit liability for or settle or attempt to settle any Claim without the prior written consent of Ourselves. Such consent shall not be unreasonably withheld or delayed.

The Insured Person shall at its own cost and in a timely fashion provide to Ourselves all information and assistance as We may reasonably require.

4 Related Claims

If during the Period of Insurance (or any applicable Discovery Period) a Claim, Investigation or Self Report Investigation is notified in accordance with the requirements of Section 15 – Directors & Officers, then any Related Claim made after expiry of the Period of Insurance (or the applicable Discovery Period) shall be accepted by Ourselves as having been:

- a made at the same time as such notified Claim, Investigation or Self Report Investigation was first made; and
- b notified at the same time as such notified Claim, Investigation or Self Report Investigation was first notified to Ourselves.

All Related Claims shall be deemed to be one single matter and deemed to be made at the same time as the first of such Related Claims was made or is deemed to have been made.

5 Dispute Resolution

Where, following receipt by Ourselves of all information reasonably required to provide such decision:

- a a final decision has been given by Ourselves regarding any aspect of Section 15 – Directors & Officers or any matter relating to cover hereunder;
- b that decision is disputed between Ourselves and an Insured Person; and
- c such dispute cannot be resolved within 14 days of the date on which such decision is communicated to the Insured Person or its insurance broker,

the dispute shall be referred to arbitration by either party under The Insurance & Reinsurance Arbitration Society (“A.R.I.A.S (UK)”) Arbitration Rules (save as set out below).

The Arbitration Tribunal (the “Tribunal”) shall consist of three arbitrators, one to be appointed by an insured party involved in the arbitration, one to be appointed by Ourselves and the third to be appointed by the two appointed arbitrators. The third member of the Tribunal shall be appointed as soon as practicable (and no later than 28 days) after the appointment of the two party-appointed arbitrators. The Tribunal shall be constituted upon the appointment of the third arbitrator.

The arbitrators shall be persons (including those who have retired) with not less than ten years’ experience of insurance within the industry or as lawyers or other professional advisers serving the industry.

Where a party fails to appoint an arbitrator within fourteen (14) days of being called upon to do so or where the two party-appointed arbitrators fail to appoint a third within 28 days of their appointment, then, upon application, A.R.I.A.S (UK) shall appoint an arbitrator to fill the vacancy. At any time prior to such an appointment by A.R.I.A.S (UK) the party or arbitrators in default may make such appointment.

The Tribunal may at its sole discretion make such orders and directions as it considers necessary for the final determination of the matters in dispute. The Tribunal shall have the widest discretion permitted under the law governing the arbitral procedure when making such orders or directions. The seat of arbitration shall be London, England and the law governing the arbitration shall be the law of England & Wales.

6 Allocation

If an Insured Person incurs any Loss arising out of a Claim or any Investigation Costs in connection with an Investigation or Self Report Investigation that includes both covered and non-covered matters or that is made against both covered and non-covered parties, then the Insured Person and Ourselves shall use their best efforts to agree upon a fair and proper allocation of the proportion of the Loss or Investigation Costs covered hereunder, having regard to the relative legal and financial exposures. Notwithstanding the above, if, on account of a Claim or Investigation, an Insured Person incurs covered Defence Costs or Investigation Costs on account of an allegation against both the Insured Person and a Company, then, if the Insured Person and the Company are being defended by the same lawyers, 100% of those covered Defence Costs or Investigation Costs shall be deemed allocated to covered Loss.

If an allocation cannot be agreed between the Insured Person and Ourselves, then the parties agree that it shall be determined, having regard to the relative legal and financial exposures, by a Queen's Counsel to be mutually agreed upon, or in default of agreement to be nominated by the Chairperson of the Bar Council. Such Queen's Counsel shall act as an expert and not an arbitrator and their determination shall be based upon the written submissions of the parties and shall be final and binding on the parties. There shall be no obligation on the Queen's Counsel to provide reasons unless specifically requested by the Insured Person or Ourselves.

The costs of any reference to expert determination under this Condition shall be borne equally by both the Insured Person seeking the determination and Ourselves.

7 Priority of Payment of Claims

If We are liable to make any payment for Loss or Investigation Costs covered under Section 15 – Directors & Officers, then at the time that such payment is due We will (subject always to the Limit of Liability):

- a first, seek to agree with the Insured Person and/or Company entitled to such payment to pay any Loss and Investigation Costs for which cover is provided to a natural Insured Person;

- b thereafter, where Loss or Investigation Costs remain for which cover is provided to a Company, We may request the Policyholder to elect in writing:
 - i to stipulate the order and the amounts in which such Loss or Investigation Costs are to be discharged; or
 - ii to receive such balance to be held on behalf of any Company who has incurred such Loss or Investigation Costs.

In the event that no such agreement can be reached, We shall make payments as they fall due under this Policy without regard to this Condition.

In the event that the Company becomes insolvent, this Condition shall not relieve Ourselves of the obligation to seek to agree to prioritise payment of Loss or Investigation Costs under Section 15 – Directors & Officers.

Subject to the Limit of Liability, payment pursuant to this Priority of Payment of Claims Condition shall fully discharge Ourselves from its obligations under Section 15 – Directors & Officers.

8 Subrogation

In the event of a payment under Section 15 – Directors & Officers, We shall be subrogated to all applicable rights of recovery of the Policyholder and any Insured Person in respect of such payment. In addition, the policyholder and Insured Person shall execute all and any documentation and undertake any action necessary to enable Ourselves to bring a recovery action or suit (at Our option) in the name of Ourselves or (as applicable), the Policyholder or Insured Person.

Any recovery received shall first be applied against any payment made by Ourselves with any balance remaining thereafter being remitted to or retained by the Policyholder or Insured Person or entity.

Any recovery received shall first be applied against any payment made by Us with any balance remaining thereafter being remitted to or retained by the Insured or any insured person or entity.

We shall not exercise any right of subrogation against a principal, partner, director or employee of the Insured unless it is established that such Insured Person has committed a deliberate criminal act or obtained any profit or advantage to which such Insured Person was not legally entitled in accordance with Section 15 – Directors & Officers Exclusion 1.

Section General Conditions

1 Severability

For the purposes of determining the availability of coverage under Section 15 – Directors & Officers (including the application of any Exclusion), no fact pertaining to, knowledge possessed by, or conduct of one Insured Person shall be imputed to any other Insured Person.

2 Non-Avoidance

We shall not avoid Section 15 – Directors & Officers or any severable part of the Section or exercise any other legal remedy on the grounds of misrepresentation or non-disclosure, save in the case of fraudulent misrepresentation or fraudulent non-disclosure.

If there has been fraudulent misrepresentation or fraudulent non-disclosure, then We shall be entitled to avoid Section 15 – Directors & Officers *ab initio* with respect to:

- a an Insured Person who has fraudulently misrepresented or fraudulently non-disclosed material information prior to the conclusion of this contract; or
- b cover for the Company under Cover B, Cover D and Cover E (where operative) where the fraudulent misrepresentation or fraudulent non-disclosure was made by the chief executive officer and/or the chief financial officer and/or the chief operating officer and/or the chief risk officer of that Company or of the Policyholder.

3 Change of Control

We shall not be liable for any Loss or any Investigation Costs arising out of, based upon or attributable to a Wrongful Act committed after a Change of Control or in respect of any Company when an administrator, liquidator or receiver (or the equivalent in any jurisdiction) is appointed to such Company.

4 Assignment

Section 15 – Directors & Officers and any rights under or in respect of it cannot be assigned by the Policyholder or any Insured Person without the prior written consent of Ourselves and any assignment in breach of this Condition shall be null and void.

5 Contracts (Rights of Third Parties) Act 1999

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 re-enactment thereof, to enforce any term of this Policy or otherwise but this does not affect any right or remedy of a third party which exists or is available apart from such Act.

6 Plurals, Headings and Titles

The descriptions in the headings and titles of Section 15 – Directors & Officers are solely for reference and convenience and do not lend any meaning to this contract. Words and expressions in the singular shall include the plural and vice versa. Words that are not specifically defined in Section 15 – Directors & Officers have the meaning normally attributed to them.

7 Deductible

A deductible shall apply with respect to each and every Claim other than for Non-indemnifiable Loss.

In the event that the policyholder and/or the relevant Subsidiary does not indemnify an Insured Person, We shall advance the Loss covered by the provisions of Section 15 – Directors & Officers to such Insured Person. However, any applicable Deductible shall then become immediately payable by the Policyholder and/or the Subsidiary to Ourselves.

8 Other Insurance

Unless otherwise required by law, cover under Section 15 – Directors & Officers is provided only as excess over any other valid and collectible insurance, unless such insurance is written as specific excess insurance over the Limit of Liability.

Other insurance shall be regarded as valid and collectible if there is an entitlement to indemnity thereunder in respect of Loss covered under Section 15 – Directors & Officers, or if there would be such an entitlement to indemnity but for the existence of Section 15 – Directors & Officers and/or but for any provision in such other policy to the same or similar effect as General Condition 9 of Section 15 – Directors & Officers.

9 Sanctions

Section 15 – Directors & Officers does not provide coverage related to any business, or benefit from any business, to the extent

- a such cover of benefit and/or
- b such business or activity

would violate any economic or trade sanction law or regulations of the UN and/or the EU/EAA and/or any other national economic or trade sanctions law or regulations, as applicable from time to time.

10 Administration

The policyholder shall act on behalf of itself and each and every Subsidiary and each and every Insured Person or insured company or entity with respect to:

- a Claim notifications;
- b the necessary notifications regarding any new Subsidiary;
- c the payment of the premium and any additional premiums and the receipt of return premiums that may become due under Section 15 – Directors & Officers;
- d the receipt and acceptance of any endorsements issued by Ourselves to form part of Section 15 – Directors & Officers; and
- e the exercising or declining of any right to a Discovery Period
- f negotiating the terms and conditions of and binding cover
- g dispute resolution.

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 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

Radioactive Contamination (Not applicable to Fidelity Guarantee, Directors & Officers and Engineering Part 1 Inspection Contract Sections).

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

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

Exclusions 1 and 2 do not apply to the Employers' Liability Section other than in respect of

- i the liability of any Principal
- ii liability assumed by You under a contract or agreement which would not have attached in the absence of such contract or agreement

Exclusion 3 and 4 does not apply to the Employers' Liability, Public and Products Liability and Personal Accident Sections.

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 (Not applicable to the Employers' Liability, Personal Accident, Terrorism, Fidelity Guarantee, and Directors and Officers Sections)

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

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

For the purposes of this Exclusion

Loss includes, but is not limited to, financial and business interruption loss (including business interruption loss covered under the Extensions to the Business Interruption Sections), physical loss, loss of value, marketability or use of property, fines and penalties.

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

6 Cyber and Data Events

Section 1 Material Damage, Section 4 MOT Loss of License, Section 8 Business Interruption, Section 9 Conversion and Section 10 Fidelity Guarantee does not cover

- a any Cyber Loss;
- b any claim, loss, damage, destruction, cost, expense, or any consequential loss, directly or indirectly caused or contributed to by, arising out of or in connection with, or consisting of any Data Loss; or

- c any cost, expense or fee incurred in replacing, reinstating, recovering, restoring or reproducing intangible elements of any Computer System,

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

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

- i this exclusion will not apply to Physical Damage to Tangible Property at The Premises during the Period of Insurance by a Non-Cyber Cause which itself results from a Cyber Act or Cyber Incident, together with any business interruption solely and directly resulting from such Physical Damage to Tangible Property, provided always that the Policy will not cover:
 - a any loss, costs or expenses comprising or consisting of Data Loss (including where resulting from Physical Damage to Tangible Property) other than as set out in sub-clause (ii) below;
 - b any loss, distortion, erasure, corruption or alteration of or inability to access or use any other intangible property or assets or intangible elements of Computer Systems (including where resulting from Physical Damage to Tangible Property) or any business interruption resulting therefrom;
 - c any business interruption caused or contributed to by any Data Loss which results directly or indirectly from Physical Damage to Tangible Property.
- ii should Data Processing Media owned or operated by You suffer physical loss or physical damage by a Non-Cyber Cause which is otherwise insured by this Policy, this exclusion will not apply to the cost of repairing or replacing the damaged Data Processing Media plus the costs of copying Data from back-up or from originals of a previous generation onto the replacement or repaired Data Processing Media, but only where such back-ups or originals of a previous generation still exist and are accessible and provided always that the Policy will not cover:
 - a any research and engineering costs;
 - b any costs of recreating, gathering or assembling the Data;
 - c any reduction in value of Data or any amount pertaining to the value of such Data to You or any Third Party, even if such Data cannot be recreated, gathered or assembled or copied from back-up or from originals of a previous generation;

- d any business interruption loss caused directly or indirectly by or contributed to by any Data Loss or by the copying from back-ups or originals of any Data.

For the purposes of this Exclusion

Any reference to the word 'loss' includes, but is not limited to, financial and business interruption loss (including business interruption loss covered under any or all of the Extensions to Section 8 Business Interruption), physical loss, loss of value, marketability or use of property (including intangible property), fines and penalties, other than where this exclusion refers specifically to a particular type of loss, such as 'physical loss' or loss comprising or consisting of loss of Data or loss of other intangible property, in which case the word 'loss' will be interpreted in the context within which it is used

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

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

Cyber Act means any unauthorised, malicious or criminal act (whether or not directed at You), regardless of time and place, or the threat or hoax thereof, involving access to, processing, use, manipulation or operation of, or impairing any Computer System or Data, including but not limited to any unauthorised or malicious direction of network traffic or introduction of code, malware, virus or ransomware

Cyber Incident means:

- i any error or omission involving access to, processing of, use of or operation of any Computer System, whether any such error or omission is made by or on behalf of You or any Third Party;

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

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

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

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

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

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

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

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

7 Terrorism

(Not applicable to Employers' Liability, Directors & Officers, 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.

9 Computer Date Recognition

A Section 1 Material Damage and Section 8 Business Interruption of this Policy do not cover Damage, loss, or Book Debts directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether Your property or not, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure:

- 1** correctly to recognise any date as its true calendar date;
- 2** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date;

- 3** to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date.

But the insurance by Section 1 Material Damage and Section 8 Business Interruption shall not exclude any subsequent Damage which is not otherwise excluded and which itself results from a Specified Event.

B Indemnity 8 Motor Legal Expenses of Section 2 Motor Vehicle Road Risks of this Policy does not cover professional fees, costs and disbursements charged or incurred by the Legal Representative, or the civil costs incurred by any other party directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether Your property or not, and whether occurring before to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

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

C Section 5 – Engineering Part 2 – Inspection of this Policy does not cover Damage by impact to property belonging to or held by You in trust or on commission or for which You are responsible directly consequent upon and solely due to fragmentation of any part of the Plant, or Damage to the Plant by Breakdown, directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether Your property or not, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

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

D Section 6 Public and Products Liability of this Policy does not cover any legal liability arising directly or indirectly from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether Your property or not, and whether occurring before to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

- 1 correctly to recognise any date as its true calendar date
- 2 to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date;

- 3 to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date.

10 Contagious and Infectious Disease

(Not applicable to Employers' Liability, Public and Products Liability, Directors & Officers, Fidelity Guarantee, Personal Accident, Motor Vehicle Road Risks, Self Drive Hire, Conversion, Fidelity Guarantee, Engineering Part 1 – Inspection Contract Sections)

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

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

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

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

For the purposes of this exclusion:

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

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

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

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

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

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

Contagious or Infectious Disease means

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

Pathogen means

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

General Conditions

1 Premium

You shall pay the premium on request.

2 Identification

This Policy and the Schedule shall be read together 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) – Action By You

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 or any malicious damage 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 retain unaltered and unrepaired anything in any way connected with injury, loss destruction, damage or consequential loss for as long as We may require

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

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

i not pay or offer or agree to pay any money or make any admission of liability without Our previous consent

j allow Us in the name of and on behalf of You to take over and, during such periods as We think proper, to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and the settlement thereof and co-operate fully with Us for that purpose.

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) – The Rights of Us

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) – Reinstatement

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) – Subrogation

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.

Note that in addition to the above General Claims Conditions, special or additional Claims Conditions also apply to the individual Sections of this Policy. Please refer to each individual Section for details.

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

Reflection Period

If You are an individual or a sole trader (including a partnership in England and Wales) You may cancel this Policy within fourteen days of the date You receive it. You can do this by writing to the intermediary with whom You arranged this insurance. We will cancel this Policy record on the Motor Insurance Database with effect from the date we receive the written notice of cancellation.

If You choose to do this You are entitled to a refund of the premium calculated from the date on which We cancel the Policy record on the Motor Insurance Database

We will only charge a pro rata premium for the period for which cover has been provided and an additional administration charge of £50 to cover Our operational costs subject to a minimum amount payable of £100. Provided that no claim has been made or that no incident has arisen in the current Period of Insurance which may give rise to a claim in which case the full annual premium will be payable to Us.

Cancellation (Outside the reflection period)

You have a right to cancel this Policy however You will not be entitled to a return premium.

Our Cancellation Rights

Other than where General Condition 11 (Fraud) applies, We may cancel Your Policy by sending seven days notice in writing to You at Your last known address.

If the premium has been paid in full, You shall be entitled to a proportionate rebate in respect of the unexpired Period of Insurance. The amount of the premium to be refunded under this condition will be reduced by all future instalments or unpaid premiums due to Us.

If the premium for Your 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 Your Policy by sending fourteen days notice in writing to You at Your last known address.

10 Change of Risk

(Not applicable to Directors & Officers insurances)

You must notify Us as soon as possible if during the Period of Insurance there is any alteration:

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

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

Upon being notified of any such alteration, We may, at Our absolute discretion:

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

If You fail to notify Us of any material alteration of the risk, We may:

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

11 Fraud

(Not applicable to Directors & Officers insurances)

If You or anyone acting on Your behalf:

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

We will:

- i refuse to pay the whole of the claim; and
- ii recover from You any sums that We have already paid in respect of the claim.

We may also notify You that We will be treating the Policy as having terminated with effect from the date of the earliest of any of the acts set out in sub-clauses (a) – (d) above. In that event, You will:

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

12 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.

13 Rights of Third Parties

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

14 The Proposal

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

15 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 Policy Definitions, General Conditions and General Exclusions.

16 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.

17 Car Sharing

The receipt of contributions as part of a car sharing arrangement for social or other similar purposes in respect of the carriage of passengers on a journey in a vehicle insured under Your Policy will not be regarded as constituting the carriage of passengers for hire or reward (or the use of the vehicle for hiring) provided that:

- 1 the vehicle is not constructed or adapted to carry more than eight passengers (excluding the driver)
- 2 the passengers are not being carried in the course of a business of carrying passengers
- 3 the total contributions received for the journey concerned do not involve an element of profit

18 Survey and Risk Improvement Condition

Subject to Survey

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

In the event that a survey should show that the risk or any part of it is not satisfactory in the opinion of Us, then We reserve the right to:

- a alter the premium or terms and conditions
- b exercise Our right to cancel the Policy
- c leave the premium or terms and conditions unaltered

We will advise You of Our decision and the effective date of such decision. If the premium terms or conditions are amended by Us then You will have fourteen (14) days to accept or reject the revised basis of indemnity.

If You elect to reject the revised basis of premium, terms or conditions then You shall be entitled to a proportionate refund of premium (subject to an administration charge) for the unexpired period of cover provided that no claim has been made during the current Period of Insurance.

If We exercise Our right to cancel this Policy, then You shall be entitled to a proportionate refund of premium (subject to administration charge) for the unexpired period of cover provided that no claim has been made during the current Period of Insurance.

Risk Improvements

It is a condition precedent to Our liability that You comply with all survey risk improvements required by Us within completion time scales specified by Us.

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

- a alter the premium or terms and conditions
- b exercise the right to cancel this Policy
- c leave the premium or terms and conditions unaltered

We will advise You of Our decision which will be effective either from the expiry of any time period specified by Us for completion/introduction of the required survey risk improvements, or any other period specified by Us

If the premium, terms or conditions are amended by Us then You will have fourteen (14) days to accept or reject the revised basis of indemnity.

If You elect to reject the revised basis of premium, terms or conditions then You shall be entitled to a proportionate refund of premium (subject to an administration charge) for the unexpired period of cover provided that no claim has been made during the current Period of Insurance.

If We exercise Our right to cancel this Policy, then You shall be entitled to a proportionate refund of premium (subject to administration charge) for the unexpired period of cover provided that no claim has been made during the current Period of Insurance.

The above conditions do not affect Our right to void the Policy if We discover information material to Our acceptance of the risk.

To the extent that this Condition conflicts with any other Cancellation Condition(s) then this Condition shall prevail.

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

19 Fair Presentation of the Risk

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

We will return the premium paid by You unless the failure to make a fair presentation is deliberate or reckless.

- c If We would have issued the Policy on different terms had You made a fair presentation, We will not avoid the Policy (except where the failure is deliberate or reckless) but We may instead:
 - i reduce proportionately the amount paid or payable on any claim, the proportion for which We are liable being calculated by comparing the premium actually charged as a percentage of the premium which We would have charged had You made a fair presentation; and/or
 - ii treat the Policy as if it had included such additional terms (other than those requiring payment of premium) as We would have imposed had You made a fair presentation.

For the purposes of this clause references to:

- a avoiding the Policy means treating the Policy as if it had not existed from the inception date (where the failure to make a fair presentation of the risk occurs before or at the inception of the Policy), the renewal date (where the failure occurs at renewal of the Policy), or the variation date (where the failure occurs when the Policy is varied);

- b refunds of premium should be treated as refunds of premium back to the inception date, renewal date or variation date as the context requires;
- c issuing a Policy should be treated as references to issuing the Policy at inception, renewing or varying the Policy as the context requires.

Where this Policy provides cover for:

- a any person who is not the Policyholder; and
- b that person would, if they had taken out such cover in their own name, have done so for purposes wholly or mainly unconnected with their trade business or profession,

We will not invoke the remedies which might otherwise have been available to Us under this General Condition (Fair Presentation of the Risk) as against the Policyholder, if the failure to make a fair presentation of the risk concerns only facts or information which relate to a particular person who is not the Policyholder. However, if the person concerned or the Policyholder on their behalf makes a careless misrepresentation of fact, We may invoke the remedies available to Us under this General Condition as against that particular person, as if a separate insurance contract had been issued to such person, leaving the remainder of the Policy unaffected.

20 Motor Garage Condition

It is a condition precedent to Our liability that:

- 1 all oily and/or greasy waste and cloths are to be kept within lidded metal receptacles and to be completely removed from The Premises once a week
- 2 all other hazardous and/or combustible waste be collected and bagged daily and removed from The Buildings at the end of each working day
- 3 all highly flammable liquids (liquids with a flash point below 32 degrees centigrade) to be used and stored in compliance with The Control of Substances Hazardous to Health Regulations, 2002(COSHH) and The Dangerous Substances and Explosive Atmospheres Regulations, 2002 (DSEAR).

21 No Smoking

It is a condition precedent to liability for Damage by fire or explosion that You will:

- 1 communicate to Employees and visitors and rigorously enforce a no smoking policy at The Premises
- 2 prominently display "No Smoking" signs throughout The Premises
- 3 only allow smoking in clearly marked and specifically designated smoking areas that comply with current legislation
- 4 in all designated smoking areas, provide metal receptacles with metal lids for the safe disposal of waste smoking materials
- 5 ensure that waste smoking materials, when being removed from the designated smoking areas, are kept separate from other combustible waste material and are stored in metal receptacles with metal lids whilst awaiting final removal from The Premises

22 No Portable Heating

It is a condition precedent to Our liability for Damage by fire or explosion that no portable heating (including electric fan heaters, LPG and paraffin fuelled heaters) is in operation on The Premises other than in office and canteen areas.

23 Conditions

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

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

Additional Benefits

FREE 24/7 Vehicle Recovery Assistance Line

If you need recovery assistance following an accident you can call us on the number below. Once your vehicle is recovered we will contact you within 24 hours to register a claim. Please note that if a claim is not made or is unsuccessful you will be liable for the costs of the recovery.

Phone: **0344 412 9996**

Allianz approved glass provider

Allianz have an arrangement with one of Britain's leading windscreen replacement specialists. Contact them on the number below or from the windscreen cards provided to arrange a convenient date and location for your repair to take place. You will only have to pay your excess.

Phone: **0344 412 9996**

Book an appointment online: www.allianz.co.uk

Glass Replacement

Broken glass is dangerous and in some circumstances can be a major security risk. Allianz have negotiated a special arrangement for you with one of Britain's leading glass replacement specialists. In an event of emergency or if your property is insecure please phone our Claims Team.

Phone: **0344 412 9996**

FREE 24/7 Legal Helpline

Our trained solicitors can provide advice on a range of legal matters from employment and contract disputes to business restructuring. Please quote a master policy number 34048

Phone: **0344 873 7371**

FREE Allianz Legal Online

Our legal online site will help you to prepare complex legal documents and policies at the touch of a button. We have over 140 legal templates for you to use, including agency and lease agreements, employment contracts as well as templates for wills. The site also provides updates on employment law, health and safety and environment regulation in addition to an extensive, jargon-free, law guide.

Visit: www.allianzlegal.co.uk

FREE Legal Health Assessment

Our online questionnaire quickly identifies what legal documentation you may require, based on the nature of work you undertake, and enables you to create it through Allianz Legal Online.

Visit: www.allianzlegal.co.uk

FREE Tax Helpline

Our tax advice service provides guidance on any business tax related matter. Available 9-5, Monday to Friday. Please quote a master policy number 34048.

Phone: **0344 873 0244**

FREE Allianz Cyber Risk Assessment

A simple online questionnaire that assesses your network security against the recommended Government standard.

Visit: www.allianz.co.uk/riskmanagement

FREE Ten Minute Cyber Consultancy

On how to strengthen online/system security provided by data loss prevention experts.

Visit: www.allianz.co.uk/riskmanagement

FREE Business Helpline

Advice on health and safety and business continuity matters.

Visit: www.allianz.co.uk/riskmanagement

Allianz Motor Insurance Database

Access to the Allianz Motor Insurance Database website – providing immediate access to vehicle data to help you establish a robust reporting process. A Helpdesk is also available.

Visit: www.allianzmid.co.uk

FREE Risk Management

Our free online risk management service provides comprehensive risk management information, guidance and support on a broad range of topics, in an easy-to-use central online location.

Visit: www.allianz.co.uk/riskmanagement

Privacy Notice: How We Use Personal Information

Introduction

This notice explains how we collect, use and store personal information. Your privacy and personal information are important to us and we are committed to keeping it protected. We've tried to make this notice as clear and transparent as possible, so you are confident about how we use your information. As data controller, we are responsible for decisions about how your information will be processed and managed. You will also find details below regarding your rights under data protection laws and how to contact us.

1 Who we are and whose personal information we collect

When we refer to "we", "us" and "our" in this notice it means Allianz Insurance plc, Allianz Engineering Inspection Services Limited, Petplan Ltd and VetEnvoy. When we say "you" and "your" and "individuals" in this notice, we mean anyone whose personal information we may collect, including:

- anyone seeking an insurance quote from us or whose details are provided during the quotation process
- policyholders and anyone named on or covered by the policy
- anyone who may benefit from or be directly involved in the policy or a claim, including claimants and witnesses
- anyone who has a business relationship or transacts business with us or provides us with a service, such as brokers, intermediaries and animal breeders.

2 How we use personal information

We use personal information in the following ways:

- to provide quotes, administer policies and policyholder claims and carry out engineering inspections to fulfil our contract
- to administer third party claims, deal with complaints and prevent financial crime to meet our legal obligations
- to manage our business, conduct market research and manage our relationships with business partners to meet the legitimate needs of our business
- to send marketing information about our products and services if we have received your specific consent.

There is no obligation to provide us with personal information, but we cannot provide our products and services without it.

Anyone whose personal information we hold has the right to object to us using it.

They can do this at any time by telling us and we will consider the request and either stop using their personal information or explain why we are not able to. Further details can be found below.

3 Marketing--

We use an individual's personal information to market products and services to them.

Our marketing activities may include:

- providing information about products and services by telephone, post, email and SMS; we will either do this ourselves or use third party partners to do it for us
- working with selected partners to display relevant online advertisements, and to our other customers, on third party websites and social media platforms. To do this, we may provide our partners with an individual's personal information in an encrypted format, which they use only to identify the appropriate audiences for our advertisements. We ensure that our partners delete this information once the advertisement audiences have been identified, and do not use the information for their own purposes.

If you do not wish to receive marketing information about our products and services you can tell us at any time by using the contact details found in Section 10: Know your Rights.

4 Automated decision making, including profiling

We may use automated decision making, including profiling, to assess insurance risks, detect fraud, and administer your policy. This helps us decide whether to offer insurance, determine prices and validate claims.

Anyone subject to an automated decision has the right to object to it. To do so please contact us using the details in Section 10: Know Your Rights and we will review the decision.

5 The personal information we collect

The information we collect will depend on our relationship with you. We collect the following types of personal information so we can complete the activities in Section 2:

How We Use Personal Information:

- basic personal details such as name, age, contact details and gender
- family, lifestyle and social circumstances, such as marital status, dependants and employment type
- financial details such as direct debit or payment card information
- photographs and/or video, including surveillance to help us manage policies and assess claims
- tracking and location information if it is relevant to the insurance policy or claim
- identification checks and background insurance risk details including previous claims information
- information relating to the use of our websites via the use of cookies
- accessibility details if we need to make reasonable adjustments to help
- business activities such as goods and services offered

In certain circumstances, we may request and/or receive special category or sensitive information about you. We would only collect this information if it is relevant to the insurance policy or claim or where it is necessary for a legal obligation:

- your current or former physical or mental health
- criminal offences, including alleged offences, criminal proceedings, outcomes and sentences (previous criminal convictions, bankruptcies and other financial sanctions such as County Court Judgements)

6 Where we collect personal information

We collect personal information direct from individuals, their representatives or from information they have made public, for example, on social media.

We also collect personal information from other persons or organisations, for example:

- credit reference and/or fraud prevention agencies
- emergency services, law enforcement agencies, medical and legal practices
- veterinary practices, animal charities and breeders
- insurance industry registers and databases used to detect and prevent insurance fraud, for example, the Motor Insurance Database (MID), the Motor Insurers Anti-Fraud and Theft Register (MIAFTR) and the Claims and Underwriting Exchange (CUE)
- insurance investigators and claims service providers
- other insurers or service providers who underwrite the insurance or provide the services for our products
- other involved parties, for example, claimants or witnesses.

We also collect information from your computer in the form of cookies. Please refer to our Cookie Policy for more details - <https://www.allianz.co.uk/cookie-policy.html>

7 Sharing personal information

We only share your information when necessary for the purposes stated in Section 2: How We Use Personal Information.

We may share personal information with:

- other companies within the global Allianz Group www.allianz.com
- credit reference, fraud prevention and other agencies that carry out certain activities on our behalf, for example, the Motor Insurance Database (MID), the Insurance Fraud Bureau (IFB) and marketing agencies if agreed
- our approved suppliers to help deal with claims or manage our benefit services, for example, vehicle repairers, veterinary advisors, legal advisors and loss adjusters
- other partners, local authorities and councils, including the RSPCA, if we suspect or conclude, following investigation, poor breeding practices and animal cruelty
- other insurers, third party underwriters, reinsurers, insurance intermediaries, regulators, law enforcement and the Financial Ombudsman Service (FOS); and other companies that provide services to us or you, for example, the Employers Liability Tracing Office (ELTO) and the Claims and Underwriting Exchange (CUE) and network organisations of which you are a member
- external agencies for market research purposes
- any organisation where you have agreed for them to receive that data as part of the terms and conditions of your membership or affiliation
- prospective buyers in the event that we wish to sell all or part of our business.

8 Transferring personal information outside the UK

We use servers located in the European Union (EU) to store personal information where it is protected by laws equivalent to those in the UK. We may transfer personal information to other members of the global Allianz Group to manage the insurance policy or claim; this could be inside or outside the EU. We have Binding Corporate Rules (BCRs) which are our commitment to the same high level of protection for personal information regardless of where it is processed. These rules align with those required by the European Information Protection authorities.

For more information about BCRs, please contact our Data Protection Officer.

Some of our suppliers have servers outside the EU. Our contracts with these suppliers require them to provide equivalent levels of protection for personal information.

9 How long we keep personal information

We keep information only for as long as we need it to administer the policy, manage our business or as required by law or contract.

10 Know your rights

Any individual whose personal information we hold has a number of rights in relation to how that information is processed by us. You have the following rights:

- **The right to object** – individuals can object to us processing their data and we will either agree to stop processing or explain why we are unable to
- **The right of access** – individuals can request a copy of their personal information we hold, subject to certain exemptions (a subject access request)
- **The right of rectification** – individuals can ask us to update or correct their personal information to ensure its accuracy
- **The right to be forgotten** – individuals can ask us to delete their personal information from our records if it is no longer needed for the original purpose
- **The right of restriction** – individuals can ask us to restrict the processing of their personal information in certain circumstances
- **The right to data portability** – individuals can ask for a copy of their personal information, so it can be used for their own purposes
- **The right to withdraw consent** – individuals can ask us, at any time, to stop processing their personal information, if the processing is based only on individual consent
- **The right to make a complaint** – individuals can complain if they feel their personal information has been mishandled. We encourage individuals to come to us in the first instance but they are entitled to complain directly to the Information Commissioner's Office (ICO) www.ico.org.uk

If you wish to exercise any of these rights you can do so by contacting our Data Rights team:

Phone: **0208 231 3992**

Email: **datarights@allianz.co.uk**

Address: Allianz Insurance Plc, Allianz,
57 Ladymead, Guildford, Surrey GU1 1DB

11 Allianz (UK) Group Data Protection Officer contact details

Allianz Insurance plc, Allianz Engineering Inspection Services Limited, Petplan Ltd and VetEnvoy are companies within the Allianz Holdings.

Any queries about how we use personal information should be addressed to our Data Protection Officer:

Phone: **0330 102 1837**

Email: **dataprotectionofficer@allianz.co.uk**

Address: Data Protection Officer, Allianz,
57 Ladymead, Guildford, Surrey GU1 1DB

12 Changes to our Privacy Notice

This Privacy Notice was last updated in September 2020.

Occasionally it may be necessary to make changes to this notice. When that happens we will provide an updated version at the earliest opportunity. The most recent version will always be available on our website www.allianz.co.uk

13 Allianz Privacy Standards (APS)

The Allianz Privacy Standard provides you with information on the rules governing the international transfer of personal data between Allianz Group companies operating in the European Economic Area (EEA) and Allianz Group companies outside that area. The Allianz Privacy Standard also describes your rights in respect of such transfers, what to do if you want to exercise your rights or complain about such transfers, and how to contact us. The latest Allianz Privacy Standard can be found at

<https://www.allianz.com/en/privacy-statement.html>

Consent for Special Categories of Personal Data

The global Allianz Group may need to collect and process data relating to **individuals** who may benefit from the policy (“Insured Persons”), which falls within the special categories of personal data under Data Protection Legislation, for example, medical history or convictions of Insured Persons for the purpose of evaluating the risk and/ or administering claims which may occur. You must ensure that you have explicit verbal or written consent from the Insured Persons to such information being processed by the global Allianz Group and that this fact is made known to the Insured Persons.

By applying for and/or entering into this insurance policy you will be deemed to specifically consent to the use of the Insured Persons Personal Data in this way and for these purposes and that your directors, officers, partners, and employees have consented to the global Allianz Group using their details in this way.

Employers Liability Tracing Office

If your policy provides Employers Liability cover information relating to your insurance policy will be provided to the Employers Liability Tracing Office (the “ELTO”) and added to an electronic database, (the “Database”) in a format set out by the Employer’s Liability Insurance: Disclosure by Insurers Instrument 2010.

The Database assists individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK whilst working for employers carrying on, or who carried on, business in the UK and as a result are covered by the employers’ liability insurance of their employers, (the “Claimants”):

- i to identify which insurer (or insurers) was (or were) providing employers’ liability cover during the relevant periods of employment; and
- ii to identify the relevant employers’ liability insurance policies.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers’ liability insurance cover and any other persons or entities permitted by law.

The Database will be managed by the ELTO and further information can be found on the ELTO website www.elto.org.uk

Motor Insurance Database

If your policy provides Motor cover, information relating to your insurance policy will be added to the Motor Insurance Database (“MID”) managed by the Motor Insurers’ Bureau (“MIB”). MID and the data stored on it may be used by certain statutory and/or authorised bodies including the Police, the DVLA, the DVANI, the Insurance Fraud Bureau and other bodies permitted by law for purposes not limited to but including:

- i Electronic Licensing
- ii Continuous Insurance Enforcement;
- iii Law enforcement (prevention, detection, apprehension and or prosecution of offenders)
- iv The provision of government services and or other services aimed at reducing the level and incidence of uninsured driving.

If you are involved in a road traffic accident (either in the UK, the EEA or certain other territories), insurers and or the MIB may search the MID to obtain relevant information. Persons (including his or her appointed representatives) pursuing a claim in respect of a road traffic accident (including citizens of other countries) may also obtain relevant information which is held on the MID. It is vital that the MID holds your correct registration number. If it is incorrectly shown on the MID you are at risk of having your vehicle seized by the Police. You can check that your correct registration number details are shown on the MID at www.askmid.com

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allianz.co.uk

 **allianzUKbroker**

Allianz Insurance plc.
Registered in England number 84638
Registered office: 57 Ladymead, Guildford,
Surrey GU1 1DB, United Kingdom.

Allianz Insurance plc is authorised by the Prudential
Regulation Authority and regulated by the Financial
Conduct Authority and the Prudential Regulation Authority.

Financial Services Register number 121849.