



Introduction

Welcome to St. Giles. We are committed to providing a first-class service.

This is your insurance policy which sets out your insurance protection in detail.

Your premium has been calculated on the basis of the extent of cover you have selected which is specified in the schedule, the information you have provided and the declaration you have made. Please read the policy and the schedule carefully to ensure that the cover meets your requirements.

Please contact your insurance adviser if you have any questions or if you wish to make adjustments.

Contents

Contents

This policy consists of individual sections. You should read this policy in conjunction with the schedule which confirms the sections you are insured under and gives precise details of the extent of your insurance protection.

Contact details for claims and help

Complaints Procedure

Important Information

The Contract of Insurance

Policy Definitions

Policy Conditions

Policy Exceptions

In addition please find your:

Certificate of Employers' Liability Insurance (If applicable)

Policy Schedule

Contact details for claims and help

Services

As a St Giles customer, you can access additional services to help you keep your business running smoothly. For our joint protection telephone calls may be recorded and/or monitored.

St. Giles Insurance & Finance Services Ltd.
78 Rodney Street, Liverpool, L1 9AR
Tel: 0151 709 1911
Fax: 0151 709 3987
Email: lbrady@stgilesgroup.co.uk
Website: www.stgilesgroup.co.uk

Claims Service

0207 253 2907

A 24 hour, 365 days a year claims line allowing you to notify the Insurer.

Knowles Loss Adjusters Ltd
51-52 St John's Square,
London,
EC1V 4JL
Tel: 0207 253 2907
Fax: 0207 336 8248
DX: 53342 CLERKENWELL
E-mail: london@k-l-a.co.uk

Complaints Procedure

Our Promise of Service

Our goal is to give excellent service to all our customers but we recognise that things do go wrong occasionally. We and the Insurer take all complaints we receive seriously and aim to resolve all our customers' problems promptly. To ensure that we provide the kind of service you expect we welcome your feedback. We will record and analyse your comments to make sure we continually improve the service we offer.

If you have questions or concerns

If you have any questions or concerns about this insurance or the handling of a claim, please contact St. Giles

What to do if you are unhappy and wish to make a complaint

If you wish to make a complaint, you can do so at any time by referring the matter to:

Complaints Manager
Catlin Insurance Company (UK) Ltd.
20 Gracechurch Street
London
EC3V 0BG

Email: xlcatlinukcomplaints@xcatlin.com

Telephone Number: +44 (0) 20 7743 8487

If you remain dissatisfied after the Complaints Manager has considered your complaint, or you have not received a final decision within 8 weeks, you can refer your complaint to the Financial Ombudsman Service (FOS) at:

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

From within the United Kingdom

Telephone Number: 0800 0234 567 (free for people phoning from a "fixed line", for example, a landline at home)

Telephone Number: 0300 1239 123 (free for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02)

From outside the United Kingdom

Telephone Number: +44 (0) 20 7964 1000

Fax: +44 (0) 20 7964 1001

The Financial Ombudsman Service can look into most complaints from consumers and small businesses. For more information contact them on the above number or address, or view their website: www.financial-ombudsman.org.uk

Following the complaints procedure does not affect your right to take legal action.

Important Information

Choice of Law

The appropriate law as set out below will apply unless the Insured and the Insurer agree otherwise.

1. The law applying in that part of the United Kingdom, Channel Islands or Isle of Man in which you, the Insured, normally live or (if applicable) the first named Insured normally lives;
or
2. In the case of a business, the law applying in that part of the United Kingdom, Channel Islands or Isle of Man where it has its principal place of business
or
3. Should neither of the above be applicable, the law of England and Wales will apply.

Financial Services Compensation Scheme

Catlin Insurance Company (UK) Ltd. is covered by the Financial Services Compensation Scheme. The Insured may be entitled to compensation from the Scheme if an Insurer is unable to meet their obligations under this contract of insurance. If the Insured were entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this contract of insurance. Further Information about the Scheme is available from the Financial Services Compensation Scheme (10th Floor, Beaufort House, 15 St. Botolph Street, London EC3A 7QU) and on their website: www.fscs.org.uk

Change in circumstances

You must tell St. Giles (which is deemed notice to The Insurer) within 14 days of You becoming aware of any changes in the information You have provided to us and the Insurer which happens before or during any Period of Insurance.

When the Insurer is notified of a change they or we will tell You if this affects Your Policy. For example, the Insurer may amend the terms of Your Policy, or require You to pay more for Your insurance, or cancel Your Policy in accordance with the Cancellation Condition on page 71 below. If You do not inform St. Giles or the Insurer about a change it may affect any claim You make or could result in Your insurance being invalid.

Data Protection

Any information provided to the Insurer regarding the Insured, any person insured or any Employee will be processed by the Insurer, in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling Claims or complaints, if any. This may necessitate providing such information to third parties.

Cooling Off

You are entitled to cancel this Policy by notifying St. Giles (which is deemed notice to Us) in writing, by email or by telephone within 14 days of either:

- i. the date You receive this policy; or
 - ii. the start of the Period of Insurance;
- whichever is the later.

A full refund of any premium paid will be made unless You have made a Claim in which case the full annual premium is due.

Use of Language

Unless otherwise agreed, the contractual terms and conditions and other information relating to this contract will be in English.

The Contract of Insurance

The policy, the information You have provided and/or the application form, the declaration made by You and The Schedule should be read together and form the contract of insurance between The Insured and The Insurer.

In return for You having paid or agreed to pay the premium for the Period of Insurance, We will reimburse or indemnify You by payment or, at Our option, by reinstatement or repair, in respect of loss, liability, destruction, damage, accident or injury, to the extent of and subject to the terms contained in or endorsed on the policy.

Important

This policy is a legal contract. You must tell us about any information, facts or changes which affect Your insurance and which have occurred either since the policy started or since the last renewal date.

If You are not sure whether certain information, facts or changes are relevant, please ask Your insurance adviser or St. Giles. If You do not tell the Insurer about such changes, Your policy may not be valid or the policy may not cover You fully.

In deciding to accept this policy and in setting the terms including premium The Insurer has relied on the information which You have provided to us. You must take care when answering any questions asked by ensuring that any information provided is accurate and complete.

If the Insurer establishes that You deliberately or recklessly provided untrue or misleading information the Insurer will have the right to:

- a) treat this policy as if it never existed;
- b) decline all claims; and
- c) retain the premium.

If the Insurer establishes that You carelessly provided us or them with untrue or misleading information the Insurer will have the right to:

- i. treat this policy as if it never existed, refuse to pay any claim and return the premium You have paid, if the Insurer would not have provided You with cover;
- ii. treat this policy as if it had been entered into on different terms from those agreed, if the Insurer would have provided You with cover on different terms;
- iii. reduce the amount they pay on any claim in the proportion that the premium You have paid bears to the premium the Insurer would have charged You, if the Insurer would have charged You more.

The Insurer or St. Giles will notify You in writing if (i), (ii) and/or (iii) apply.

If there is no outstanding claim and (ii) and/or (iii) apply, the Insurer will have the right to:

- a) give the Insured 30 days' notice that they are terminating the policy as set out in the Cancellation Condition on page 79 below; or
- b) give the Insured notice that they will treat the policy and any future claim in accordance with (ii) and/or (iii), in which case You may then give The Insurer via St. Giles 30 days' notice that You are terminating this policy.

If the policy is terminated in accordance with (a) or (b), the Insurer will refund any premium due to You in respect of the balance of the Period of Insurance.

You should keep a written record (including copies of letters) of any information You give Us or Your insurance adviser when You renew this policy.

Policy Definitions

Each time We use one of the words or phrases listed below, it will have the same meaning wherever it appears in Your policy unless We state otherwise. A defined word or phrase will start with a capital letter each time it appears in the policy, for example Employee, except when used in the sections of this policy headed 'Introduction', 'Contents', 'Contact details for claims and help', 'Complaints Procedure' and 'Important Information' and in headings and titles.

Each Section of the policy contains definitions which apply to that particular Section and they must be read in conjunction with the following policy definitions.

Block of Flats

A building occupied entirely for residential purposes

- (1) in excess of 2 storeys high
- (2) with a single roof
- (3) containing two or more Residential Units.

Building

The building including

- (a) interior decorations and landlords' fixtures and fittings and tenants improvements
- (b) telecommunication television and radio aerials, satellite dishes, aerial fittings and masts
- (c) outbuildings, roads, pavements, fences, gates, paths, drives, fixed signs, garden walls, patios, terraces, ornaments and statues, car parks, cess pits and septic tanks, oil tanks
- (d) underground pipes, cables and wires
- (e) gangways, pedestrian malls, pedestrian access bridges, hard standings, bollards, barriers, flag poles, lamp posts, street furniture
- (f) video, audio and building management and security systems and equipment
- (g) trees, shrubs, hedges, plants and turf used in landscaping
- (h) Contents of Common Areas including models, exhibitions and seasonal items introduced into shopping centres.

Computer and Electronic Equipment

All computers, computer installations and systems, microchips, integrated circuits, microprocessors, embedded systems, hardware, and any electronic equipment, data processing equipment, information repository, telecommunication equipment, computer controlled or programmed machinery, equipment capable of processing data and/or similar devices, whether physically or remotely connected thereto.

Contents

Furniture, furnishings, fixtures and fittings and refrigerators, dishwashers, washing machines, microwaves and other white goods belonging to You or for which You are responsible within the Building at The Premises.

Contents of Common Areas

Furniture, furnishings, fixtures and fittings and other contents including janitorial goods belonging to You or for which You are responsible in the common areas of The Premises including property kept in yards, car parks, gardens or other open areas at The Premises.

Policy Definitions

Data

All information which is

- (1) electronically stored; or
- (2) electronically represented; or
- (3) contained on any current and back-up disks, tapes or other materials or devices used for the storage of data

including but not limited to operating systems, records, programs, software or firmware, code or series of instructions.

Data Storage Materials

Any materials or devices used for the storage or representation of Data including but not limited to disks, tapes, CD-ROMs, DVDs, memory sticks, memory cards or other materials or devices which may or may not also constitute Computer and Electronic Equipment.

Defined Contingencies

- (1) fire
- (2) lightning
- (3) explosion
- (4) aircraft and other aerial devices or articles dropped from them
- (5) earthquake or subterranean fire
- (6) riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances
- (7) storm or flood
- (8) escape of water from any tank, apparatus or pipe
- (9) falling trees
- (10) impact
- (11) escape of fuel from any fixed oil heating installation
- (12) malicious persons other than thieves
- (13) malicious persons other than thieves but only where involving entry into or exit from The Premises by forcible and violent means
- (14) theft or attempted theft
- (15) theft or attempted theft but only where involving entry into or exit from The Premises by forcible and violent means
- (16) theft involving violence or threat of violence to You, Your partners, directors or Employees
- (17) Subsidence or Ground Heave of the site of the Property Insured, or Landslip.

Denial of Service Attack

Any actions or instructions with the ability to damage, interfere with, or otherwise affect the availability of Computer and Electronic Equipment or Data, including but 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 within, between or amongst networks.

Policy Definitions

Employee

Any person who is

- (1) under a contract of service or apprenticeship with You
- (2) borrowed by or hired to You
- (3) a labour master or supplied by a labour master
- (4) a labour only sub-contractors and persons employed by them
- (5) self-employed
- (6) under a work experience or training scheme
- (7) a voluntary helper

while working under Your control in connection with The Business

- (8) an outworker or homeworker when engaged in work on Your behalf.

Endorsement

A change in the terms and conditions of this Policy that can extend or restrict cover.

Excess / Excesses

The amount(s) specified in Your policy or The Schedule which We will deduct from each and every claim at each separate premises.

The amount(s) to be deducted after the application of any Average condition.

You will repay any such amount paid by Us.

For the purposes of this definition the term “separate premises” shall include all Residential Units which are not within or form part of a Block of Flats or Maisonette insured by this policy.

Failure

Any partial or complete reduction in the

- (1) performance; or
- (2) availability; or
- (3) functionality; or
- (4) the ability to recognise or process any date or time of any
 - (a) Computer and Electronic Equipment
 - (b) electronic means of communication
 - (c) website.

Ground Heave

Upward movement of the ground beneath the Building as a result of the soil expanding

Landslip

Downward movement sloping ground

Local Authority Rates

Money paid or payable by You to the local authority in respect of local authority or business rate charges levied in respect of The Premises.

Policy Definitions

Long Term Unoccupied

Any Unoccupied Building, Portion of a Building or a Residential Unit in a building that

- (1) remains untenanted at the first renewal following the expiry of a 26 week untenanted period; and/or
- (2) is either empty, void, vacant or disused and is awaiting
 - (a) redevelopment and/or
 - (b) demolition.

For the purposes of this definition, notwithstanding (1) above, where The Premises is classified for use as either

- (1) offices; or
- (2) internal retail units within a covered shopping complex which is locked against public access out of business hours

in respect of Portion of a Building the period is extended to 156 weeks unless otherwise agreed by Us in writing to the contrary.

Loss of Data

Physical or electronic or other loss or destruction or alteration or loss of use, whether permanent or temporary, of or damage to Data, of whatsoever nature, in whole or in part, including, but not limited to, Loss of Data resulting from loss or damage to Computer and Electronic Equipment or Data Storage Materials, including while stored on Data Storage Materials.

Maisonette

A Residential Unit occupying 2 or more floors of a larger building having its own entrance from outside.

Money

Current

- (1) coins, bank and currency notes
- (2) postal and money orders, bankers' drafts, cheques and giro cheques
- (3) crossed warrants, bills of exchange and securities for money
- (4) postage, revenue, national insurance stamps
- (5) national insurance and holiday with pay cards, national savings certificates, war bonds, premium savings bonds and franking machine impressions
- (6) credit company sales vouchers, luncheon vouchers and trading stamps
- (7) travel tickets
- (8) VAT invoices.

Period of Insurance

From the effective date until the expiry date (both shown in The Schedule) or any subsequent period for which We accept payment for renewal of this policy.

Portion of a Building

Any part of a building that the Landlord has free rights of access to enter and is responsible for the upkeep and maintenance.

Rent Free Period

The period specified in the lease agreement during which Gross Rentals are not payable.

Policy Definitions

Residential Unit	An individual self-contained living area with a separately controlled entry/exit point within any building.
The Business	Activities directly connected with the business specified in The Schedule.
The Premises	The premises specified in The Schedule.
The Schedule	The document which specifies details of The Insured, The Premises, Property Insured, Sums Insured, Limits of Indemnity and any Excess(es), Endorsements and Conditions applying to this policy.
Subsidence	Downward movement of the ground beneath the building where the movement is unconnected with the weight of the Building
Unoccupied	Any Building or Portion of a Building or a Residential Unit in a building that is (1) untenanted or void; and/or (2) empty, void, vacant or disused for a period in excess of 45 consecutive days.
Virus or Similar Mechanism	Program code, programming instruction or any set of instructions with the ability to damage, interfere with, or otherwise adversely affect Computer and Electronic Equipment or Data, whether involving self-replication or not, including, but not limited to trojan horses, worms and logic bombs.
We/Us/Our/The Insurer	Catlin Insurance Company (UK) Ltd. Catlin Insurance Company (UK) Ltd. is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference No. 423308) Further details can be found on the Financial Services Register at www.fca.org.uk
You/Your/The Insured	The person, persons, company, companies, partnership, partnerships or unincorporated association, named in The Schedule as The Insured.

Asset Protection Property Damage – All Risks

Definitions

The following definitions apply to this Section, in addition to the Policy Definitions at the front of this policy, and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Damage

Physical loss, destruction or damage.

Property Insured

Property insured as detailed in The Schedule.

Cover

We will reimburse You in respect of Damage to the Property Insured occurring during the Period of Insurance at The Premises.

Basis of Claim Settlement – Indemnity

The basis upon which We will calculate the amount We will pay in respect of any claim will be

- (1) the cost of replacement or repair of the property lost, destroyed or damaged, to a condition as good as, but not better or more extensive than, its condition immediately prior to the Damage, or at Our option
- (2) the reduction in value of the Property Insured,

unless the Basis of Claim Settlement – Reinstatement clause or any other alternate basis of settlement is stated to apply.

The Sum Insured under each item other than items applying solely to professional fees, rent, and removal of debris, is separately subject to Average. See Condition (1).

The maximum We will pay under this Section in any one Period of Insurance will not exceed

- (1) the Sum Insured on each item,
or
- (2) the Total Sum Insured,
or
- (3) any other maximum amount payable or limit of liability specified in this Section or The Schedule.

Conditions

The following conditions apply to this Section in addition to the Policy Conditions at the back of this policy.

(1) Average

Where a Sum Insured is stated to be subject to average, this means that if at the time of Damage, the Sum Insured is less than the total value of the Property Insured, You will

- (a) be responsible for the difference
- (b) bear a proportionate share of the loss.

(2) Fire Extinguishing Appliances

You must maintain all fire extinguishing appliances on The Premises, so far as Your responsibility extends, in full working order in accordance with the manufacturer's instructions.

(3) Our Rights

If Damage occurs which may lead to a claim We may

- (a) enter or take possession of the building or The Premises
- (b) take possession of, or require to be delivered to Us, the Property Insured which We will deal with in a reasonable manner

without incurring liability or reducing Our rights.

We will not pay for any Damage if You or anyone acting on Your behalf

- (i) do not comply with Our requirements
- (ii) hinder or obstruct Us.

You are not entitled to abandon property to Us.

(4) Change of Occupancy

You must tell Us immediately if

- (a) any building at The Premises becomes Unoccupied.
- (b) any Unoccupied building at The Premises becomes occupied.

(5) Construction Heating and Occupation of the Buildings

Unless otherwise stated in The Schedule the buildings are

- (a) constructed of brick, stone, or concrete
- (b) roofed with slates, tiles, concrete, metal or asbestos
- (c) heated by
 - (i) low pressure hot water or steam
 - (ii) oil fired space heaters fed from a fuel tank in the open
 - (iii) overhead gas or electrical appliances
 - (iv) gas or electric fires in offices only

or as expressly varied in accordance with details provided to Us

- (d) occupied for the sole purpose of The Business and otherwise only as a private dwelling.

(6) Interested Parties - Specified

In the event of Damage as insured by this Section interested parties, as stated in The Schedule, must declare the nature and extent of their interest.

Exceptions

The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.

We will not pay You in respect of

- (1) Damage to the Property Insured caused by or consisting of
 - (a) an existing or hidden defect
 - (b) gradual deterioration or wear and tear
 - (c) frost or change in the water table level
 - (d) faulty or defective
 - (i) design
 - (ii) materials used in its construction
 - (e) (i) faulty or defective workmanship
 - (ii) operating error or omissionby You or any of Your Employees.

However, We will reimburse You in respect of any subsequent Damage which results from a cause not otherwise excluded.

- (2) Damage to the Property Insured caused by or consisting of
 - (a) (i) corrosion, rust or rot
 - (ii) shrinkage, evaporation or loss of weight
 - (iii) dampness or dryness
 - (iv) scratching
 - (v) vermin or insects
 - (vi) mould or fungus
 - (b) change in
 - (i) temperature
 - (ii) colour
 - (iii) flavour
 - (iv) texture
 - (v) finish
 - (c) (i) nipple or joint leakage
 - (ii) failure of welds
 - (d) cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and any associating piping
 - (e) the Property Insured's own mechanical or electrical breakdown or derangement.

However, We will reimburse You in respect of

- (i) Damage not otherwise excluded which results from Defined Contingencies (1) to (12) or any other accidental cause
 - (ii) any subsequent Damage which results from a cause not otherwise excluded.
- (3) Damage to the Property Insured caused by pollution or contamination.

Exceptions (continued)

However, We will reimburse You in respect of Damage to the Property Insured not otherwise excluded caused by

- (a) pollution or contamination which results from Defined Contingencies (1) to (12)
 - (b) Defined Contingencies (1) to (12) which results from pollution or contamination.
- (4) Damage to the Property Insured caused by
- (a) acts of fraud or dishonesty.
 - (b) (i) disappearance
 - (ii) unexplained or inventory shortage
 - (iii) misfiling, misplacing of information or clerical error.
- (5) Damage to any building or structure caused by its own cracking or collapse.

However, We will reimburse You in respect of such Damage if it results from Defined Contingencies (1) to (12) and is not otherwise excluded.

- (6) Damage to
- (a) gates
 - (b) fences
 - (c) moveable property in the open
- by
- (i) wind
 - (ii) rain, hail, sleet or snow
 - (iii) flood
 - (iv) dust

However, We will reimburse You for Damage to such property caused by falling trees and not otherwise excluded.

- (7) Damage
- (a) to the Property Insured by fire resulting from its undergoing any process involving the application of heat.
 - (b) to that portion of the Property Insured caused by its own self ignition, leakage of electricity, short circuiting, or over running.
 - (c) resulting from the Property Insured undergoing any process of
 - (i) production or packaging
 - (ii) treatment, testing or commissioning
 - (iii) servicing or repair.

However, We will reimburse You in respect of such Damage if it is caused by fire or explosion and is not otherwise excluded.

- (8) Damage while any building is Unoccupied caused by escape of water as a result of freezing of any automatic sprinkler in The Premises.
- (9) Damage to glass, china, earthenware, marble or other fragile objects, which do not form part of the structure of the Buildings or its fixtures and fittings, unless specifically mentioned as insured in The Schedule.

However, We will reimburse You in respect of such Damage if it results from a Defined Contingency and is not otherwise excluded.

Exceptions (continued)

- (10) Damage to glass, china, earthenware, marble or other fragile objects, which do not form part of the structure of the Buildings or its fixtures and fittings, unless specifically mentioned as insured in The Schedule.

However, We will reimburse You in respect of such Damage if it results from a Defined Contingency and is not otherwise excluded.

- (11) Damage to
- (a) vehicles licensed for road use including accessories on or attached to them
 - (b) caravans or trailers
 - (c) railway locomotives or rolling stock
 - (d) watercraft or aircraft
 - (e) property in the course of construction including materials for use in the construction
 - (f) land, piers, jetties, bridges, culverts or excavations
 - (g) livestock
 - (h) growing crops or trees.
 - (i) moveable property kept in yards, car parks, gardens or other open areas at The Premises exceeding
 - (i) £10,000 any one item
 - and
 - (ii) £50,000 in any one Period of Insurance.

However, We will reimburse You if such property is specifically stated as insured in The Schedule and the Damage is not otherwise excluded.

- (12) Damage
- (a) insured by any marine policy
 - (b) which would be insured under any marine policy if this policy did not exist.

However, We will reimburse You in respect of Damage not otherwise excluded for any sum beyond the amount which would have been payable under the marine policy had the insurance not existed.

- (13) Damage more specifically insured by You or on Your behalf.
- (14) any indirect or consequential loss or damage.

However, We will reimburse You in respect of rent when this item(s) is specifically mentioned as insured in The Schedule.

- (15) any Damage to the Property Insured resulting directly or indirectly from or in connection with any of the following regardless of any other cause or event contributing concurrently or other sequence to the loss
- (a) Terrorism
 - (b) civil commotion in Northern Ireland
 - (c) any action taken in controlling, preventing, suppressing, or in any way relating to (a) and/or (b) above.

Terrorism means

- (i) in respect of Damage occurring in England, Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands)

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 Her Majesty's government in the United Kingdom or any other government de jure or de facto

Exceptions (continued)

(ii) in respect of Damage occurring in England, Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands)

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 Her Majesty's government in the United Kingdom or any other government de jure or de facto

(ii) in respect of Damage occurring in any territory not specified in (i) above any act or acts including but not limited to

- the use or threat of force and/or violence and/or
- harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

In any action, suit or other proceedings where We allege that any Damage results from Terrorism as defined above and is therefore not covered by this Section, the burden of proving that any such Damage is covered under this Section will be upon You.

(16) (a) Loss of Data

(b) any Damage to Computer and Electronic Equipment or Failure resulting directly or indirectly from, or in connection with

- (i) Virus or Similar Mechanism,
- (ii) Denial of Service Attack,
- (iii) unauthorised access to or use of Computer and Electronic Equipment.

However, We will reimburse You in respect of subsequent Damage to the Property Insured caused by or resulting from Defined Contingencies (1) to (11) and (13) which is not otherwise excluded.

(17) Damage to grounds or landscaping

- (a) the cost of moving soil other than as necessary for surface preparation
- (b) the failure of trees, shrubs, plants or turf to become established
- (c) the failure of seeds to germinate
- (d) damage caused by disease, infection or application of chemicals.

(18) Damage

(a) caused by

- (i) collapse of any Building
- (ii) the normal settlement, shrinking and cracking of any Building
- (iii) coastal or riverbank erosion
- (iv) defective design or inadequate construction of foundations any demolition, construction, erection, ground or excavation works, carried out at the site of The Premises or the site of any adjoining premises, unless We have agreed otherwise in writing
- (v) settlement or movement of made up ground.

(b) as a result of movement of solid floor slabs.

However, We will reimburse You in respect of Damage not otherwise excluded if there is Damage to the foundations beneath the exterior walls of The Premises at the same time.

(19) the Excess(s) stated in The Schedule.

Special Provision

The following Special Provision apply to the Property Damage - Defined Contingencies and/or the Property Damage - All Risks Section where stated in The Schedule.

Subsidence

We will only reimburse You in respect of Damage at The Premises caused by Subsidence or Ground Heave of the site of the Property Insured, or Landslip to

- (1) forecourts, car parks, driveways or drives, roads, pavements, gangways, pedestrian malls, pedestrian access bridges, ornaments or statues
- (2) walls, gates, paths, patios, terraces, hedges or fences
- (3) cess pits, septic tanks, oil tanks
- (4) outbuildings, hard-standings, bollards, barriers, flag poles, lamp posts, street furniture,
if
 - (a) such property is specifically insured by this Section; and
 - (b) Damage also occurs to the Building to which such property applies and that Building is insured by this Section.

Property Damage – Clauses

The following clauses apply to the Property Damage – Specified Contingencies Section and/or Property Damage – All Risks Section if stated as insured in The Schedule, except where otherwise stated.

Automatic Reinstatement

The Sums Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give notice to the contrary.

You must pay any additional premium required by Us to reinstate the Sums Insured.

Bailors' Goods

We will indemnify You in respect of Damage to bailors' goods for which You are responsible in connection with The Business.

We will only indemnify You in respect of Damage where

- (a) the goods are stored in a secure building in England, Wales, Scotland, Northern Ireland, the Republic of Ireland, the Channel Islands and the Isle of Man
- (b) an inventory signed by You has been issued to the tenant as soon as the bailors' goods are taken into Your custody
- (c) the bailors' goods are inspected at least every 7 days.

We will not pay You in respect of

- (1) theft or attempted theft not involving entry into or exit from the building, where the bailors' goods are being stored, by forcible and violent means.
- (2) Damage in respect of
 - (a) audio and visual equipment
 - (b) cigarettes, cigars, tobacco, wines and spirits.

The Basis of Claim Settlement – Reinstatement clause detailed in the Property Damage – Clauses does not apply to any property insured by this clause.

The maximum We will pay in respect of any one loss is £10,000.

Basis of Claim Settlement – Reinstatement

In the event of Damage to the Property Insured, excluding any items on

- (i) Stock and Materials in Trade
- (ii) professional fees
- (iii) debris removal
- (iv) rent
- (v) pedal cycles and personal effects
- (vi) motor vehicles
- (vii) Computer and Electronic Office Equipment

the basis upon which We will calculate the amount We will pay in respect of any claim will be the reinstatement of the property lost, destroyed or damaged, subject to the following conditions

- (1) Where the Property Insured is
 - (a) lost or destroyed, We will pay for its rebuilding or replacement by similar property in a condition as good as, but not better or more extensive than, its condition when new.
 - (b) damaged, We will pay for the replacement or repair of the damaged portion to a condition as good as, but not better or more extensive than, its condition when new. However, We will not pay more than We would have done if the property has been completely destroyed.
- (2) Where Computer and Electronic Office Equipment is insured by this Section and such property is
 - (a) lost or destroyed beyond economic repair, We will pay for its replacement by new Computer and Electronic Office Equipment of equal performance and/or capacity but if this is not possible, by Computer and Electronic Office Equipment with the nearest higher performance and/or capacity.
 - (b) damaged, if an economic repair is possible, We will pay for the repair of the Computer and Electronic Office Equipment, to its condition when new.

Asset Protection Property Damage – Clauses

Property Damage – Clauses (continued)

However, We will not pay more than We would have done if Computer and Electronic Office Equipment had been completely destroyed.

- (3) (1) and (2) above includes the costs necessary to comply with any

- (a) European Union Legislation
- (b) Act of Parliament
- (c) Bye laws of any public authority.

We will not pay You

- (a) in respect of the costs incurred
 - (i) for Damage not insured by this Section
 - (ii) where notice was served on You before the Damage occurred
 - (iii) where an existing requirement must be completed within a stipulated period
 - (iv) for property or parts of the property, other than foundations (unless foundations are specifically excluded), which have not suffered Damage
- (b) in respect of any charge or assessment arising from capital appreciation following compliance with any legislation or Bye law.

- (4) The work of reinstatement

- (a) may be carried out on another site and in a manner suitable to Your needs. However,
 - (i) Our liability must not be increased
 - (ii) this will not apply when The Premises are Unoccupied unless We have agreed otherwise in writing.
- (b) must begin and be carried out as quickly as possible.

- (5) The following condition of Average will apply.

If the Sum Insured at the time the Damage occurred is less than 85% of the amount necessary to replace the whole of the Property Insured and/or Computer and Electronic Office Equipment, at the time of rebuilding or replacement, You will be liable to bear a proportionate share of the loss.

- (6) We will not pay You if You

- (a) do not incur the cost of replacing or repairing the Property Insured and/or Computer and Electronic Office Equipment.
- (b) or someone acting on Your behalf, have insured the property under another policy which does not have a similar basis of reinstatement.
- (c) do not comply with any of the terms of this clause.

However, the Basis of Claim Settlement – Indemnity will apply.

For the purposes of this clause Computer and Electronic Office Equipment means

- (a) all computers, computer installations and systems, microchips, integrated circuits, microprocessors, embedded systems, hardware, data processing equipment, information repository, equipment capable of processing data and or similar devices, whether physically or remotely connected thereto,
- (b) personal computers, laptops, small micro computers and similar equipment used for processing electronic data and which are designed to be carried by hand,
- (c) all electronic office equipment including telecommunications equipment, facsimile, printing and photocopying machines.

Computer and Electronic Office Equipment does not include

- (i) Portable equipment away from The Premises
- (ii) Computer and Electronic Office Equipment held as stock or customers' Computer and Electronic Office Equipment held in trust
- (iii) Computer and Electronic Office Equipment controlling or monitoring any manufacturing process.

Property Damage – Clauses (continued)

Basis of Claims Settlement – Indemnity Only

In respect of Buildings that are Long Term Unoccupied, the Basis of Settlement - Reinstatement clause detailed in the Property Damage - Clauses does not apply other than to

- (1) a Portion of a Building
or
- (2) a Residential Unit within a Block of Flats
or
- (3) a Maisonette.

Basis of Claim Settlement – Rent

If rent is insured under this Section, We will reimburse You or Your lessee in respect of loss of rent resulting from the Building or any part of the Building

- (1) generating the rent received
or

- (2) for which rent is payable

being made unfit for the purpose of The Business as a result of Damage insured by this Section. The maximum amount that We will pay You in respect of loss of rent will be the proportion of the Rent Sum Insured that would have been payable during the period from the date of the Damage until the Building is repaired or reinstated.

Breakage or Collapse of Television & Radio Aerials

We will reimburse You in respect of Damage at The Premises caused by the breakage or collapse of television and radio aerials, aerial fittings, masts or satellite dishes.

Buildings awaiting Refurbishment Redevelopment or Renovation

If at the time of Damage a Building insured under this Section is awaiting refurbishment redevelopment or renovation We will not pay You for costs that You would have incurred in the absence of any Damage.

Property Damage – Clauses (continued)

Changing Locks

We will reimburse You in respect of such additional costs incurred by You following theft or attempted theft of keys including but not limited to digital access cards, safe keys or safe combination access codes from

- (1) The Premises
- (2) Your home
- (3) Your directors' homes
- (4) Your authorised Employees' homes

or while in Your custody or that of an Employee following theft involving violence or threat of violence to You or an Employee.

The maximum We will pay in respect of any one claim is £5,000 and £15,000 in total during any one Period of Insurance.

Contract Works

Where You have entered into a contract or agreement for the extension, alteration or refurbishment of any of The Premises, the insurance by each Item on buildings is extended to include contract works (including unfixed materials on site) to the extent required by contract conditions and We will note the interest of the contractor and sub-contractor as specified in the contract where such interests are required

provided that You

- (1) give Us prior notification of any contract with a contract price in excess of £100,000 including details of the
 - (a) nature of the works to be carried out
 - (b) contract conditions
 - (c) contract period
 - (d) contract price
- (2) pay Us the additional premium required in respect of each individual contract to which this clause applies.

We will not pay You

- (a) where a more specific insurance policy is in force
- (b) in respect of each separate contract for the first £500 in respect of Theft or Malicious Damage.

For the purposes of this clause, contract works include temporary or permanent works completed or to be completed by or on behalf of You at The Premises.

Contractors' Interests

Where You are required to effect insurance on the Property Insured in joint names of You and the contractor under the terms of a contract condition then the interest of the contractor in the Property Insured as joint policyholder is hereby noted and You must provide Us with details of any single contract valued in excess of £250,000 prior to work commencing and pay an additional premium if required.

Damage to Grounds

We will reimburse You in respect of reasonable costs and expenses necessarily incurred in reinstating or repairing landscape gardens and grounds due to the actions of the emergency services following Damage at The Premises or adjoining properties.

The maximum We will pay in respect of any one claim is £25,000.

Property Damage – Clauses (continued)

Debris Removal

Unless a separate item for costs of removal of debris is insured under this Section, the Sum Insured for each item on Buildings, Machinery and Plant and Stock and Materials in Trade in The Schedule, includes costs and expenses You incur with Our consent for

- (1) the removal of debris
- (2) dismantling
- (3) demolishing
- (4) shoring up or propping of those parts

of the Property Insured which have suffered Damage.

We will not pay You in respect of such costs and expenses

- (1) incurred in removing debris from anywhere other than the site of the Damage and the area immediately adjacent to it
- (2) arising from pollution or contamination of property not insured by this Section
- (3) more specifically insured.

Description of Property

In determining the item under which property is insured We will accept the description given in Your business records.

Drains

The Sum Insured under each Buildings and/or Machinery and Plant item includes costs and expenses You incur with Our consent for cleaning and/or clearing of

- (1) drains
- (2) sewers
- (3) gutters

for which You are responsible following Damage to the Property Insured.

Emergency Services

We will reimburse You in respect of loss destruction or damage to The Premises resulting from the actions of the emergency services, including deliberate acts where such deliberate acts are for the purposes of safeguarding human life or minimising Damage.

Environmental Clause

We will reimburse You in respect of losses over £10,000 for the additional costs necessarily and reasonably incurred with Our consent in rebuilding or repairing Buildings at The Premises in a manner that aims to reduce potential harm to the environment by improving energy efficiency following Damage.

We will not pay You under this clause in respect of

- (1) the additional cost of complying with any European Union legislation, Act of Parliament, or byelaws of any public authority
- (2) any additional costs for work You had already planned to be carried out prior to the Damage
- (3) any additional costs for replacing undamaged property
- (4) any Unoccupied building
- (5) You electing not to rebuild or repair the Building.

The maximum We will pay under this clause in respect of all claims occurring during the Period of Insurance is

- (1) an additional 5% of the amount We have paid or agreed to pay in respect of the claim for Buildings, after the application of all other terms and conditions of the policy
or
- (2) £2,500

whichever is the lower.

**Property Damage
– Clauses**
(continued)

Fire and Security Equipment

We will reimburse You in respect of costs and expenses incurred in

(1) refilling, recharging or replacing any

- (a) portable fire extinguishing appliances
- (b) local fire suppression system
- (c) fixed fire suppression system
- (d) sprinkler installation
- (e) sprinkler heads

(2) re-setting fire and/or intruder alarms and/or closed circuit television equipment following Damage insured by this Section.

The maximum We will pay in respect of any one claim is £50,000.

If in relation to any claim under this clause You have failed to fulfil the following condition, You will lose Your right to payment for that claim.

You must maintain all such equipment in accordance with the manufacturer's instructions.

Property Damage – Clauses (continued)

We will not pay You in respect of any costs and expenses recoverable from Your maintenance company or Fire and Rescue Service.

Fly Tipping

We will pay for the reasonable costs of clearing and removing any property illegally deposited in or around the buildings insured under this policy.

We will not indemnify You in respect of the first £1,000 of each and every loss at each of The Premises.

The maximum We will pay for any one claim or in any one period of insurance is £5,000.

Further Investigation Expenses

We will reimburse You where a portion of the building has suffered Damage and there is a reasonable possibility of Damage having occurred to other portions of the same building, which is not immediately apparent.

We will pay

- (1) the reasonable costs incurred with Our prior agreement in establishing whether or not such Damage has occurred
and
- (2) costs incurred in establishing whether or not other buildings insured at The Premises have suffered such Damage but only if such buildings are subsequently found to have suffered such Damage for which We are liable under the policy.

The maximum We will pay in respect of any one loss is £25,000.

Gardening Equipment

We will reimburse You in respect of Damage to gardening equipment owned by You and used in connection with The Business at The Premises.

The maximum We will pay in respect of any one claim is £10,000.

Hire Agreement

If the Property Insured by this Section is the subject of hire agreements, We will include the interest of the owners in any indemnity provided by this Section.

You must provide the name of any other interested party in the event of a claim.

Property Damage – Clauses (continued)

Illegal Cultivation of Drugs

We will reimburse You in respect of Damage arising from Your tenants use of The Premises for the manufacture, cultivation, harvest or processing by any other method of drugs classed as a controlled substance under the Misuse of Drugs Act (1971).

You will lose Your right to reimbursement in respect of a Residential Unit if You, or anyone acting on Your behalf, do not

- (1) carry out internal and external inspections of the buildings at least every 3 months or as permitted under the tenancy agreement
 - (a) maintain a log of such inspections and retain that log for at least 24 months
 - (b) carry out a 6 monthly management check of the inspections log
 - (2) obtain and record written formal identification of any prospective tenant
 - (3) obtain and retain a written employers reference for any new tenant
 - (4) obtain and record details of Your tenant's bank account and verify those details by receiving at least one payment from such account
 - (5) advise Your tenant, where sub-letting is allowed by the tenancy agreement, that they must follow the measures laid out in items (2) (3) and (4) above for all lettings that they arrange.
-

Insect Nests Removal

We will pay the cost of removing the nests of wasps, bees or hornets and other insects harmful to humans from The Premises.

We will not pay the cost of removing such nests that were already in the building prior to the inception of the policy.

The maximum We will pay in respect of any one claim is £500.

Property Damage – Clauses (continued)

Legal Expenses for the Eviction of Squatters

We will pay legal costs and expenses payable to a lawyer or other suitably qualified person who has been appointed to act for You with Our prior written agreement in any civil action to evict anyone in the Property Insured who does not have Your permission to be there.

All legal proceedings will be dealt with by a Court or other body that We agree to within the United Kingdom, Channel Islands or Isle of Man.

We will not pay costs and expenses

- (1) for any dispute where the cause of the action arises within 90 days of the inception date of this Clause under this policy
- (2) for any dispute where the cause of the action involves Your tenant
- (3) for any dispute which is recoverable under Property Owner's Legal Protection Section of this policy
- (4) more specifically insured elsewhere.

The maximum We will pay in any one Period of Insurance is £2,500.

Local Authority Rates

We will reimburse You in respect of the Local Authority Rates You become liable for as a result of the lessee being able to determine or frustrate the lease, following Damage.

We will not pay You

- (1) in respect of any portion or portions of The Premises which were untenanted at the date of the Damage
- (2) where You elect not to reinstate The Premises
- (3) where The Premises are unfit for occupation as a result of an act or omission by You or someone acting on Your behalf, which has resulted in a valuation officer reinstating The Premises on the rating list.

The maximum amount We will pay under this clause is £5,000.

Long Term Unoccupied

If at the time of Damage the buildings are Long Term Unoccupied

- (1) We will not pay You in respect of Damage caused by or resulting from
 - (a) malicious persons
 - (b) escape of water from any tank apparatus or pipe or escape of fuel from any fixed oil heating installation
 - (c) water accidentally discharged or leaking from any automatic sprinkler installation in The Premises that had not been caused by freezing where sufficient heating to The Premises had been provided to prevent freezing
 - (d) theft or attempted theft
 - (e) any other cause unless Damage results from a Defined Contingency not otherwise excluded by this clause.
- (2) the Excess for any loss or damage is £1,000 or as stated in The Schedule, whichever is the higher amount.

Loss Minimisation Costs and Prevention Expenditure

Following Damage at The Premises We will pay for costs and expenses incurred by You with Our prior consent to provide necessary additional physical protection to prevent further Damage.

We will not pay

- (1) more than the reduction in Damage avoided by the expenditure
- (2) for costs otherwise incurred under Policy Condition (10) Reasonable Precautions.

The maximum We will pay in any one Period of Insurance is £5,000.

Property Damage – Clauses *(continued)*

Metered Services

We will reimburse You for charges for which You are responsible following Damage if water, electricity, gas, oil or other utility is accidentally discharged from a metered system providing service to The Premises.

The maximum We will pay in respect of any one claim is £25,000.

Munitions of War

Policy Exceptions 1 (a) and (c) will not apply in respect of Damage to the Property Insured caused by or resulting from the detonation of munitions of war or parts thereof, at or within one mile of the boundary of The Premises, provided that the presence of such munitions does not result from a state of war current at the time of the Damage.

Property Damage – Clauses (continued)

Non-invalidation

The insurance by this Section will not be invalidated by any act, omission or alteration, either unknown to You or beyond Your control, which increases the risk of Damage.

However, You must

- (1) notify Us immediately You become aware of any such act, omission or alteration and
- (2) pay any additional premium We require.

Other Interests

Subject to Your consent, the interest of all parties who wish to register an interest in the Cover by this Section will be noted provided that all such interests are notified to Us within 30 days of any Damage.

Professional Fees

Unless a separate item for professional fees is insured under this Section, the Sum Insured for each item on Buildings and Machinery and Plant includes an amount for necessary and reasonable professional fees, incurred in reinstating or repairing the Property Insured following Damage insured by this Section.

We will not pay You in respect of fees

- (1) more specifically insured
- (2) incurred in preparing a claim
- (3) incurred without Our consent.

Reinstatement of Data

We will reimburse You in respect of the necessary and reasonable costs of reinstating data held on or used by or in connection with building management or control systems resulting from Damage.

The maximum We will pay in respect of any one claim is £5,000

You must

- (1) store the original disks or media of all software or programs and any backups in a fire resistant safe or in a secure location away from The Premises.
- (2) maintain adequate backup copies by backing up
 - (a) the original disks or media or software or programs where that is allowable under the terms of the software licence and
 - (b) all data produced by the software or programs no less than once a day or any other period agreed by Us. The integrity of any data backup must be validated using operator system routines or checks produced by the software supplier.

Subrogation

In the event of a claim under this Section, We agree to waive any rights, remedies or relief to which We may be entitled by subrogation against

- (1) any company whose relationship to You is either a parent or subsidiary
 - (2) any company which is a subsidiary of a parent company of which You are a subsidiary as defined in the relevant legislation current at the time of Damage
 - (3) any tenant of Yours provided that
 - (a) the tenant or lessee contributes to the cost of insuring the Property Insured against the event which caused the Damage
 - (b) the Damage did not result from a criminal, fraudulent or malicious act of the tenant or lessee
 - (4) the professional property managing agent.
-

Property Damage – Clauses (continued)

Reinstatement to Match

Where the Property Insured has suffered Damage, 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 this Section shall not be regarded as being better or more extensive than when new. This Section further extends to include the replacement or modification of undamaged property insofar as it is necessary to adapt it to operate in conjunction with that property which has been replaced, repaired or restored provided that Our total liability is not increased beyond the amount that would otherwise have been payable for the replacement, repair or restoration of the property destroyed or damaged in its original form.

Tenant Debris Removal

We will reimburse You in respect costs necessarily and reasonably incurred following Damage at The Premises for the removal of contents debris including fixtures and fittings not Your Property for the purpose of accelerating the reinstatement of The Premises.

We will not pay You where a more specific insurance policy is in force. The maximum We will pay in respect of any one claim is £25,000.

Property Damage – Clauses (continued)

Trace and Access

We will reimburse You in respect of reasonable costs and expenses incurred with Our consent

- (1) in locating the actual source of Damage
and

- (2) any repairs directly arising from (1)

caused by the escape of water from any tank, apparatus or pipe or leakage of fuel from any fixed oil heating installation, provided such Damage is insured by this Section.

The maximum We will pay in respect of any one claim is £50,000.

Transfer of Interest

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

- (1) the contract has not yet been completed
and

- (2) the building has not yet been insured by or on behalf of the purchaser.

We will reimburse the purchaser to the extent that this Section insures the Building if the purchase is subsequently completed.

This will not affect either Your or Our rights and liabilities up to the date of completion of the purchase.

Tree Felling and Lopping

We will pay reasonable costs and expenses incurred by You with Our consent for the lopping or removal of trees for which You are responsible if such trees are considered by an arborologist or other qualified person to be an immediate threat to life or to The Property Insured.

We will not pay for

- (a) legal or local authority costs involved in removing trees.
- (b) costs solely incurred to comply with a preservation order.

The maximum We will pay for any one claim is £500 and £2,500 in any one Period of Insurance.

Unoccupied Building awaiting demolition and redevelopment.

The Basis of Settlement in respect of any Unoccupied Building awaiting demolition and redevelopment is amended to read as follows

In the event of Damage the basis upon which We will calculate the amount We will pay for any claim will be the costs and expenses necessarily incurred by You with Our consent following Damage to the Property Insured for

- (1) removal of debris
- (2) dismantling or demolishing
- (3) shoring up or propping.

We will not pay You in respect of costs and expenses

- (a) incurred in removing debris from anywhere other than the site of the Damage and the area immediately adjacent to it
- (b) arising from pollution or contamination of property not insured by this item
- (c) more specifically insured
- (d) which exceed the sum insured

of the parts of the property which have suffered Damage for this Item.

Our liability under this clause in respect of the costs of removing debris, dismantling or demolishing or propping or shoring up shall be limited to the difference between such costs and those which would have been incurred had the Damage not occurred.

Property Damage – Clauses (continued)

Value Added Tax

The insurance by this Section extends to include Value Added Tax paid by You (including 'self-supply' Value Added Tax where appropriate) which is not subsequently recoverable provided that

- (1) (a) Your liability for such tax arises solely as a result of the reinstatement or repair of the buildings following Damage
 - (b) We have paid or have agreed to pay for such Damage
 - (c) if any payment by Us in respect of the reinstatement or repair of such Damage is less than the actual cost of reinstatement or repair, any payment under this Clause resulting from that Damage will be reduced in like proportion
- (2) Your liability for such tax does not arise from the replacement building having greater floor area than or being better or more extensive than the destroyed or damaged building
- (3) where an option to reinstate on another site is exercised, Our liability under this Clause will not exceed the amount of tax that would have been payable had the building been rebuilt on its original site
- (4) Our liability under this Clause will not include amounts payable by You as penalties or interest for non-payment or late payment of tax

The following amendments are made to this Policy in respect of this Clause only

- A for the purposes of any Condition of Average, rebuilding costs will be exclusive of Value Added Tax
- B Our liability may exceed the Sum Insured where such excess is solely in respect of Value Added Tax.

Waiver of Average (RICS)

Where You

- (1) have taken all reasonable steps to ensure that The Building(s) item Sum Insured is adequate and
- (2) have obtained a valuation of The Building(s), that has been calculated as the cost of reinstating The Building(s) as defined within the Policy Definitions including debris removal costs and associated professional fees, from a Royal Institute of Chartered Surveyors professional or such other person agreed by Us within the three years prior to the date of the Damage and
- (3) have adjusted the Sum Insured in line with the valuation and
- (4) have made annual adjustments of the Sum Insured based on the General Building Cost Index issued by the Building Cost Information Service of the Royal Institution of Chartered Surveyors or alternative index as may be agreed by Us in writing

then if at the time of Damage You provide Us with a copy of the valuation no adjustment will be made under either the Condition of Average or paragraph (5) of the Basis of Claim Settlement – Reinstatement clause.

Workmen

Repairs and minor structural alterations may be carried out at The Premises without affecting the Cover.

Property Damage Additional Clauses

The following Additional Clauses apply to the Property Damage – Specified Contingencies Section and/or Property Damage – All Risks Section.

Day One Basis of Settlement

For each Item of Property Insured to which this clause applies (as stated in The Schedule).

- (1) The first and annual premiums are based upon the Declared Value as stated in The Schedule.

Declared Value shall mean

Your assessment of the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of the Basis of Settlement - Reinstatement Clause at the level of costs applying at the start of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with an allowance for

- (a) the additional cost of reinstatement to comply with
- (i) European Union Legislation
 - (ii) Act of Parliament
 - (iii) Bye laws of any public authority
- (b) professional fees
- (c) debris removal costs.

The Declared Value incorporated in each Item is stated in The Schedule.

- (2) You must notify Us of the Declared Value at the start of each Period of Insurance.

If You fail to notify Us of the Declared Value at the start of any Period of Insurance, We will use the last Declared Value notified to Us for the following Period of Insurance.

- (3) Paragraphs (5) and (6) of the Basis of Settlement - Reinstatement are restated as follows

- (5) if, at the time of the Damage, the Declared Value is less than the cost of reinstatement of the Property Insured, arrived at in accordance with paragraph (1) of this Clause, at the start of the Period of Insurance, Our liability for any Damage will be limited to that proportion which the Declared Value bears to the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of this Clause.

- (6) We will not pay You

- (a) until You have incurred the cost of replacing or repairing the property
- (b) if You, or someone acting on Your behalf, have insured the property under another policy which does not have the same basis of reinstatement
- (c) if You do not comply with any of the provisions of this Clause.

However the Sums Insured will be limited to 108% of the Declared Values stated in The Schedule.

- (4) The maximum We will pay in respect of each separate location subject to this Clause is as stated in The Schedule.

Property Damage Additional Clauses *(continued)*

European Union and Public Authorities – including Undamaged Property and Automatic Sprinkler Installations

Paragraph (3) of the Basis of Claim Settlement – Reinstatement clause contained in the Property Damage and Theft – Clauses is deleted and replaced by the following:

- (3) (a) (1) and (2) above includes the costs necessary to comply with any
- (i) European Union Legislation
 - (ii) Act of Parliament
 - (iii) Bye laws of any public authority.
- (b) where We require You to comply with current LPC Rules for Automatic Sprinkler Installations, the additional cost of reinstating water supply equipment which
- (i) conformed to previous LPC Rules
 - (ii) conformed to current LPC Rules when installed but fails to conform to subsequent amendments to those rules.

However, the maximum We will pay will not exceed in total

- (a) in respect of Property Insured which has suffered Damage, the Sum Insured
- (b) in respect of undamaged portions of Property Insured, other than foundations, 15% of the amount We would have been liable to pay if the Property Insured by the item at The Premises where Damage occurred had been completely destroyed.

We will not pay You in respect of

- (1) the costs incurred
 - (a) for Damage not insured by this Section
 - (b) where notice was served on You before the Damage occurred
 - (c) where an existing requirement must be completed within a stipulated period.
- (2) any charge or assessment arising from capital appreciation following compliance with any legislation or Bye law.

Additional Conditions

The following Additional Conditions apply to the Property Damage - Specified Contingencies Section and/or Property Damage - All Risks Section and in addition to the Conditions contained in this Section and Policy Conditions at the back of this policy.

Unoccupied Premises

If in relation to any claim for Damage while The Premises are Unoccupied, You have failed to fulfil any of the following conditions, You will lose Your right to payment for that claim.

You must

- (1) carry out internal and external inspections of the buildings at least every 7 days and
 - (a) maintain a weekly log of such inspections
 - (b) immediately repair, or arrange to repair, any damage or defects found
 - (i) in the buildings, including the removal of graffiti
 - (ii) in security or alarm or fire protection installations.
- (2) remove all waste, unfixed combustible materials, and gas bottles either within or outside the buildings, from The Premises.
- (3) securely lock all external doors, close and secure all windows, and secure and seal all letter boxes and openings.
- (4) Wherever possible
 - (a) turn off all sources of power, fuel and water at the mains,
 - (b) chain and padlock the isolation valves,
 - (c) drain all water and fuel supply tanks, apparatus and pipes.

However, where the buildings are protected by

- (i) an Intruder Alarm, CCTV or Fire Detection System You must provide sufficient power for their effective operation.
 - (ii) a sprinkler installation, You must provide sufficient power or water supplies for its effective operation and sufficient heat to prevent it freezing.
- (5) advise Us immediately if the buildings are to be occupied by contractors for renovation, alteration or conversion purposes or if the buildings are to become occupied or used.

However notwithstanding the above

- (1) where only a Portion of the Building insured is untenanted condition (3) will read as follows
 - (3) securely lock all exit and entry doors, close and secure all windows and secure and seal all letter boxes and openings to the untenanted Portion of a Building or Residential Unit.
- (2) where The Premises are empty, vacant or disused but are tenanted conditions (1), (2), (3) and (4) above apply only to the extent that they may be reasonably and practically implemented without frustrating or invalidating the lease

unless We agree otherwise in writing.

Definitions

The following definitions apply to this Section in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Damage

Physical loss, destruction or damage.

Cover

We will reimburse You where you are responsible under the terms of the lease and cover is not more specifically arranged elsewhere in respect of

- (1) breakage (including the cost of boarding up) of glass at The Premises
- (2) (a) Damage at The Premises to
 - (i) contents of display windows
 - (ii) window and door frames
- (b) the cost of removing and reinstating obstructions to replacing glass
- (c) the cost of replacing alarm foil, lettering, painting, embossing, silvering, or other ornamental work on glass

occurring during the Period of Insurance.

The maximum that We will pay in respect of item 2 (a), (b) and (c) is £5,000 in respect of total of all claims during any one Period of Insurance.

- (3) breakage of fixed
 - (a) washhand basins, pedestals, baths, sinks
 - (b) lavatory bowls, bidets, cisterns
 - (c) shower trays, splashbacks at The Premises including undamaged portion of matching sets where only part of the set is damaged.
- (4) Damage to neon and illuminated signs for which You are responsible.

We will not pay You in respect of Damage

- (1) arising from adjustment, repair, dismantling or erection of any part of the sign or Damage to any part whilst removed from its normal working position
- (2) arising from mechanical breakdown of the sign or any part thereof
- (3) to any part of the sign by its own ignition, electrical breakdown or burn out
- (4) to tubes unless the glass is fractured.

Exceptions

The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.

We will not pay You in respect of

- (1) Damage to glass in
 - (a) light fittings
 - (b) signs
 - (c) Stock and Materials in Trade or goods in trust
 - (d) vehicles
 - (e) vending machines.
- (2) Damage to glass caused by
 - (a) scratching
 - (b) gradual deterioration or wear and tear
 - (c) change in colour or finish.
- (3) breakage of glass
 - (a) while The Premises are Unoccupied
 - (b) in transit or while being fitted
 - (c) by workmen carrying out alterations or repairs to The Premises.
- (4) the Excess stated in The Schedule.

Revenue Protection Business Interruption

Definitions

The following definitions apply to this Section, in addition to the Policy Definitions at the front of this policy, and keep the same meaning wherever they appear in the Section, unless an alternate definition is stated to apply.

Damage

Physical loss, destruction or damage.

Cover

In respect of each item in The Schedule, We will reimburse You in respect of any interruption or interference with The Business resulting from Damage to property used by You at The Premises for the purpose of The Business occurring during the Period of Insurance caused by any of the following Contingencies

The Schedule will state

- (a) which of the following Contingencies apply
- (b) any Clauses, Extensions and Additional Contingencies which apply.

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

- (a) for any Item, the Sum Insured stated in The Schedule
- (b) in aggregate, the Total Sum Insured unless stated otherwise in the Specification.

Contingencies

All Risks

Any Damage not excluded.

Conditions

The following conditions apply to this Section in addition to the Policy Conditions at the back of this policy.

Alteration

We will not pay You under this Section if

- (a) Any Insured
 - (i) agrees a composition or arrangement with creditors
or
 - (ii) agrees a proposal for a voluntary arrangement for a composition of debts or a scheme of arrangement approved in accordance with the Insolvency Act 1986 (or any successor act)
or
 - (iii) has an application made under the Insolvency Act 1986 (or any successor act) to the court for the appointment of an administrator
or
 - (iv) has a winding up order made or a resolution for voluntary winding up passed (except for the purposes of amalgamation or reconstruction), or has a provisional liquidator, receiver, or receiver and manager of The Business duly appointed
or
 - (v) has an administrative receiver, as defined in the Insolvency Act 1986 (or any successor act), appointed or has possession taken by or on behalf of the holders of any debentures secured by floating charge or of any property comprised in or subject to the floating charge.

Revenue Protection Business Interruption

Conditions (continued)

- (b) Your interest ceases otherwise than by Your death.

However, We will reimburse You if We agree otherwise in writing.

Claims Procedures

If in relation to any claim You have failed to comply with the following Claims Procedures You will lose Your right to reimbursement under this Section.

You must

- (a) take any action reasonably practicable to minimise any interruption of or interference with The Business or to avoid or minimise any Damage
- (b) at Your expense, provide Us with
 - (i) a written claim
 - and
 - (ii) details of other insurances covering the Damagewithin 30 days after the expiry of the Indemnity Period or such further time that We may allow
- (iii) books, records and documents We require to assess Your claim
- (c) repay Us, any payment on account We have already made, if You fail to comply with this condition.

Index Linking

Renewal

Where it states in The Schedule that index linking applies, the amounts insured will be adjusted for movements in the Producer Price Index for Home Sales of Manufactured Products issued by the relevant government department or any alternative index specified by Us in Our reasonable opinion.

In the event of a negative index We will retain Your existing estimates, unless You advise Us otherwise.

Property Cover

We will not pay You under this Section unless

- (1) there is in force at the time of the Damage, an insurance policy covering Your interest in the property at The Premises for the Damage
- and
- (2) (i) payment has been made or liability admitted for such Damage
- or
- (ii) payment would have been made or liability would have been admitted for such Damage but for the exclusion of losses below a stated amount in such insurance policy.

Revenue Protection Business Interruption

Conditions (continued)

Subrogation Rights Waiver

In the event of a claim under this Section, We agree to waive any rights, remedies or relief to which We may be entitled by subrogation against

- (1) any company whose relationship to You is either a parent or subsidiary
- (2) any company which is a subsidiary of a parent company of which You are a subsidiary as defined in the relevant legislation current at the time of Damage
- (3) any tenant of Yours provided that
 - (a) the tenant or lessee contributes to the cost of insuring the Property Insured against the event which caused the Damage
 - (b) the Damage did not result from a criminal, fraudulent or malicious act of the tenant or lessee
- (4) the professional property managing agent.

Payments on Account

Claim payments on account may be made to You during the Indemnity Period, if required.

Exceptions

The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.

We will not reimburse You in respect of

- (1) Damage to the Property Insured caused by or consisting of
 - (a) an existing or hidden defect
 - (b) gradual deterioration or wear and tear
 - (c) frost or change in the water table level
 - (d) faulty or defective
 - (i) design
 - (ii) materials used in its construction
 - (e) (i) faulty or defective workmanship
 - (ii) operating error or omissionby You or any of Your Employees.

However, We will reimburse You in respect of any subsequent Damage which results from a cause not otherwise excluded.

- (2) Damage to the Property Insured caused by or consisting of
 - (a) (i) corrosion, rust or rot
 - (ii) shrinkage, evaporation or loss of weight
 - (iii) dampness or dryness
 - (iv) scratching
 - (v) vermin or insects
 - (vi) mould or fungus
 - (b) change in
 - (i) temperature
 - (ii) colour
 - (iii) flavour
 - (iv) texture
 - (v) finish

Exceptions (continued)

- (c) (i) nipple or joint leakage
 - (ii) failure of welds
 - (d) cracking, fracturing, collapse or overheating of a boiler, vessel, machine or apparatus in which internal pressure is due to steam only and any associating piping
 - (e) the Property Insured's own mechanical or electrical breakdown or derangement.
- However, We will reimburse You in respect of
- (i) Damage not otherwise excluded which results from Defined Contingencies (1) to (12) or any other accidental cause
 - (ii) any subsequent Damage which results from a cause not otherwise excluded.
- (3) Damage to the Property Insured caused by pollution or contamination.
- However, We will reimburse You in respect of Damage to the Property Insured not otherwise excluded caused by
- (a) pollution or contamination which results from Defined Contingencies (1) to (12)
 - (b) Defined Contingencies (1) to (12) which results from pollution or contamination.
- (4) Damage to the Property Insured caused by
- (a) acts of fraud or dishonesty
 - (b) (i) disappearance
 - (ii) unexplained or inventory shortage
 - (iii) misfiling, misplacing of information or clerical error.
- (5) Damage to any building or structure caused by its own cracking or collapse.
- However, We will reimburse You in respect of such Damage if it results from Defined Contingencies (1) to (12) and is not otherwise excluded.
- (6) Damage to
- (a) gates
 - (b) fences
 - (c) moveable property in the open
- by
- (i) wind
 - (ii) rain, hail, sleet or snow
 - (iii) flood
 - (iv) dust.
- However, We will reimburse You for Damage to such property caused by falling trees and not otherwise excluded.

Exceptions (continued)

- (7) Damage
- (a) to the Property Insured by fire resulting from its undergoing any process involving the application of heat
 - (b) to that portion of the Property Insured caused by its own self ignition, leakage of electricity, short circuiting, or over running
 - (c) resulting from the Property Insured undergoing any process of
 - (i) production or packaging
 - (ii) treatment, testing or commissioning
 - (iii) servicing or repair.

However, We will reimburse You in respect of such Damage if it is caused by fire or explosion and is not otherwise excluded.

- (8) Damage while any building is Unoccupied caused by escape of water as a result of freezing of any automatic sprinkler in The Premises.
- (9) Damage to glass, china, earthenware, marble or other fragile objects, which do not form part of the structure of the Buildings or its fixtures and fittings, unless specifically mentioned as insured in The Schedule.

However, We will reimburse You in respect of such Damage if it results from a Defined Contingency and is not otherwise excluded.

- (10) Damage to
- (a) vehicles licensed for road use including accessories on or attached to them
 - (b) caravans or trailers
 - (c) railway locomotives or rolling stock
 - (d) watercraft or aircraft
 - (e) property in the course of construction including materials for use in the construction
 - (f) land, piers, jetties, bridges, culverts or excavations
 - (g) livestock
 - (h) growing crops or trees.

However, We will reimburse You if such property is specifically stated as insured in The Schedule and the Damage is not otherwise excluded.

- (11) Damage
- (a) insured by any marine policy
 - (b) which would be insured under any marine policy if this policy did not exist.

However, We will reimburse You in respect of Damage not otherwise excluded for any sum beyond the amount which would have been payable under the marine policy had the insurance not existed.

- (12) Damage more specifically insured by You or on Your behalf.

Exceptions (continued)

- (13) any Damage to the Property Insured resulting directly or indirectly from or in connection with any of the following regardless of any other cause or event contributing concurrently or other sequence to the loss
- (a) Terrorism
 - (b) civil commotion in Northern Ireland
 - (c) any action taken in controlling, preventing, suppressing, or in any way relating to (a) and/or (b) above.

Terrorism means

- (i) in respect of Damage occurring in England, Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands) 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 Her Majesty's government in the United Kingdom or any other government de jure or de facto
- (ii) in respect of Damage occurring in any territory not specified in (i) above any act or acts including but not limited to
 - the use or threat of force and/or violence and/or
 - harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

In any action, suit or other proceedings where We allege that any Damage results from Terrorism as defined above and is therefore not covered by this Section, the burden of proving that any such Damage is covered under this Section will be upon You.

- (14) (a) Loss of Data
- (b) any Damage to Computer and Electronic Equipment or Failure resulting directly or indirectly from, or in connection with
 - (i) Virus or Similar Mechanism,
 - (ii) Denial of Service Attack,
 - (iii) unauthorised access to or use of Computer and Electronic Equipment.

However, We will reimburse You in respect of subsequent Damage to the Property Insured caused by or resulting from Defined Contingencies (1) to (11) and (13) which is not otherwise excluded.

- (15) the Excess stated in The Schedule.

Business Interruption – Clauses

The following Business Interruption clauses apply to the Business Interruption Section if stated as insured in The Schedule, except where otherwise stated.

Breakage/Collapse of Television and Radio Aerials

We will reimburse You in respect of any resultant loss in Gross Rentals following Damage at The Premises caused by the breakage or collapse of television and radio aerials, aerial fittings, masts or satellite dishes.

Buildings Awaiting Sale

Buildings forming part of the Property Insured, that You have contracted to sell or have accepted an offer in writing to purchase the interest in the buildings subject to contract, where that sale is cancelled or delayed solely due to the Damage.

Under this extension We will reimburse You in respect of

- (1) interest payable by You on capital borrowed which, but for the Damage, would be available, from the proceeds of the sale, for investment in The Business
- (2) the additional interest payable by You on amounts borrowed at a rate of interest not exceeding 2% above the prevailing Inter Bank Lending Rate
- (3) the investment interest lost by You on any proceeds of the sale (after the deduction of any capital borrowed as detailed in (2) above).

We will not pay You unless You have made all reasonable efforts to complete the sale as soon as possible following the Damage.

Maximum Indemnity Period

6 months.

Indemnity Period

The period during which the results of The Business are affected due to the Damage, beginning with the date on which, but for the Damage, the building would have been sold and ending with the date of completion or the expiry of the Maximum Indemnity Period if earlier.

Revenue Protection Business Interruption

Business Interruption – Clauses *(continued)*

Contracting Purchaser's Interest

Between You contracting to sell Your interest in any of The Premises and the completion of the purchase by a third party, if Damage occurs which is not otherwise insured by the third party, on completion the third party will be entitled to benefit under this Section without prejudice to the rights and liabilities of You or Us.

Business Interruption – Clauses *(continued)*

Illegal Cultivation of Drugs

We will reimburse You in respect of loss of Gross Rentals following Damage arising from Your tenants use of The Premises for the manufacture, cultivation, harvest or any other method of processing of drugs classed as a controlled substance under the Misuse of Drugs Act (1971).

You will lose Your right to reimbursement in respect of a Residential Unit if You, or anyone acting on Your behalf, do not

- (1) carry out internal and external inspections of the buildings as permitted by the tenancy agreement at least every 3 months
 - (a) maintain a log of such inspections and retain that log for at least 24 months
 - (b) carry out a 6 monthly management check of the inspections log
- (2) obtain and record written formal identification of any prospective tenant
- (3) obtain and retain a written employers reference for any new tenant
- (4) obtain and record details of Your tenant's bank account and verify those details by receiving at least one payment from such account
- (5) advise Your tenant where sub-letting is allowed by the tenancy agreement that they must follow the detail in items (2) (3) and (4) above and You do not incorporate this detail within Your inspection and management log.

Loss of Investment Income on Late Payment of Gross Rentals

If as a result of Damage We are reimbursing You in respect of Loss of Gross Rentals and the payment by Us to You is made later than the date on which you would normally have expected to receive rent from a lessee, We will pay a further amount representing the investment interest lost to You during the delay period.

Business Interruption – Clauses (continued)

Loss of Rent or Alternative Accommodation for Residential Units

Where any Residential Unit is rendered uninhabitable or if access to it is denied as a result of Damage and where not otherwise insured We will reimburse

- (1) (a) You or Your lessee in respect of the cost of reasonable and necessary alternative accommodation for which You are responsible to provide and/or ground rent and/or management charges
or
(b) You or Your lessee in respect of
Gross Rentals and/or
- (2) You or Your lessee in respect of the cost of reasonable and alternative accommodation for domestic pets where such pets are not permitted in any alternative accommodation
and/or
- (3) You or your lessee in respect of the temporary storage of Your Contents or Contents of Common Parts.

The maximum we will pay in respect of any one claim is 30% of the Sum Insured on the building insured under the Asset Protection Property Damage Section of this Policy in which the Residential Unit is contained subject to a Maximum Indemnity Period of 24 months.

Prevention of Access

We will reimburse You or Your lessee in respect of loss of Gross Rentals following Damage to Property within one mile of the boundary of The Premises which physically prevents or restricts access to or use of The Premises.

We will not pay You for any interruption or interference lasting less than 12 consecutive hours.

Business Interruption – Clauses *(continued)*

Relocation of Tenants to Own Premises

In the event that Your tenant is relocated to an empty building of Yours following Damage Your claim for any resultant loss of Gross Rentals in relation to that damaged building will not be reduced provided that the building used to relocate the tenants to is insured by the Asset Protection Property Damage – Specified Contingencies Section or Asset Protection Property Damage – All Risks Section of this policy.

Rent Free Period

The Indemnity Period where a Rent Free Period exists within the lease agreement shall be the period during which The Business results are affected due to the Damage beginning with the date following the Damage that the Rent Free Period ends and ending not later than the Maximum Indemnity Period.

Revenue Protection Business Interruption - Additional Contingencies

Additional Contingencies

The Schedule will state which of the following Additional Contingencies described below apply. In some instances an Additional Contingency will apply with a standard limit unless stated otherwise in The Schedule.

The insurance by Item 1 of this Section, is extended to include interruption or interference with The Business during the Period of Insurance, which results from the Additional Contingencies described below.

The maximum We will pay under each Additional Contingency in respect of any one loss will be

(1) £1,000,000
or

(1) 10% of the Maximum Amount payable
whichever is the lower, unless otherwise stated in The Schedule.

Provided that

- (1) The Additional Contingencies do not apply in respect of any Business Interruption Extension.
- (2) The amounts or limits stated in The Schedule are inclusive of any amounts payable under the provisions of any Clauses stated in The Schedule.

Action by Police, Government or Other Competent Authority

The prevention or restriction of access to, or closure of, The Premises, by any Police, Government or other competent Authority, due to an emergency event within one mile of the boundary of The Premises that causes or threatens a danger or disturbance.

We will not pay You

- (1) in respect of any action taken in controlling, preventing or suppressing the spread of any disease.
- (2) in respect of any danger or disturbance caused wholly or partly by You, or through Your misconduct, connivance, neglect or omission.
- (3) for any interruption or interference lasting less than 12 consecutive hours.

The provisions of any Automatic Reinstatement Clause does not apply in respect of this Additional Contingency.

Failure of Electricity Supply

The accidental failure of Your supply of electricity at the terminal ends of Your suppliers feed to The Premises.

We will not pay You in respect of any accidental failure

- (1) caused by the deliberate act of any supplier of electricity
- (2) caused by the exercise of any supplier of electricity's power to withdraw or restrict supply or services
- (3) caused by any industrial action
- (4) other than at premises in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- (5) lasting less than 4 hours but this will not apply in respect of accidental failure resulting from Damage to any generating station or sub-station of Your supplier(s) of electricity, in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man.

Additional Contingencies (continued)

Failure of Gas Supply

The accidental failure of Your supply of gas at the terminal ends of Your suppliers feed to The Premises.

We will not pay You in respect of any accidental failure

- (1) caused by the deliberate act of any supplier of gas
- (2) caused by the exercise of any supplier of gas's power to withdraw or restrict supply or services
- (3) caused by any industrial action
- (4) other than at premises in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- (5) lasting less than four hours but this will not apply in respect of accidental failure resulting from Damage to any land based premises of
 - (a) Your supplier(s) of gas
and
 - (b) any natural gas producer directly linked to Your supplier(s) of gas, in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man.

Failure of Water Supply

The accidental failure of Your supply of water at the terminal ends of Your suppliers feed to The Premises.

We will not pay You in respect of accidental failure

- (1) caused by the deliberate act of any supplier of water
- (2) caused by the exercise of any supplier of water's power to withdraw or restrict supply or services
- (3) caused by any industrial action
- (4) caused by drought or other weather conditions unless equipment has been damaged
- (5) other than at premises in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man
- (6) lasting less than four hours but this will not apply in respect of accidental failure resulting from Damage to any water works or pumping station of Your supplier(s) of water, in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man.

Specified Disease, Food Poisoning, Vermin Pests and Defective Sanitation, Murder or Suicide.

- (1) A Specified Disease occurring at The Premises or within five miles of the boundary of The Premises,
- (2) Any person contracting an illness caused by food or drink poisoning, which is directly attributable to food or drink supplied from The Premises,
- (3) The discovery of an organism at The Premises which is likely to result in any person contracting an illness caused by food or drink poisoning or a Specified Disease,
- (4)
 - (i) The discovery of vermin or pests
or
 - (ii) any accident causing defects in the drains or other sanitary arrangements, at The Premises,

Revenue Protection Business Interruption - Additional Contingencies

Additional Contingencies (continued)

- (5) Any occurrence of murder or suicide at The Premises which
- (a) restricts the use of or results in closure of The Premises on the order or advice of the competent authority and
 - (b) directly results in a reduction in the Turnover (or Revenue, Fees, or Rentals as insured by this Section) of The Business.

The provisions of any Automatic Reinstatement Clause do not apply in respect of Additional Contingency Specified Disease, Food Poisoning, Vermin Pests and Defective Sanitation, Murder or Suicide.

Definitions

For the purposes of this additional contingency, the following definitions apply:

Specified Disease

Any of the following diseases contracted by any person

(a) Acute encephalitis	Meningococcal septicaemia	(b) Viral haemorrhagic fever caused by the following virus's
Acute poliomyelitis	Mumps	Lassa virus
Anthrax	Ophthalmia neonatorum	Junin virus
Chicken pox	Paratyphoid fever	Machupo virus
Cholera	Puerperal fever	Sabia virus
Diphtheria	Plague	Guanarito virus
Dysentery	Rabies	Ebola virus
Erysipeloid	Relapsing fevers	Marburg virus
Legionellosis	Rubella	Crimean-Congo haemorrhagic fever virus
Legionnaires Disease	Scarlet fever	Hanta virus
Leprosy	Smallpox	Rift Valley fever virus
Leptospirosis	Tetanus	Yellow fever virus
Lyme Disease	Toxoplasmosis	Dengue virus
Malaria	Tuberculosis	
Measles	Typhoid fever	
Meningitis	Typhus fever	
	Viral hepatitis	
	Whooping cough	
	Yellow fever	

Indemnity Period

The period during which the results of The Business are affected due to the accident, occurrence or discovery starting from the date the Premises are closed or their use restricted and ending not later than the Maximum Indemnity Period.

Maximum Indemnity Period

3 months.

Condition

If in relation to any claim arising directly or indirectly from an occurrence of Legionellosis or Legionnaires Disease You have failed to fulfil the following condition, You will lose Your right to payment for that claim.

At The Premises You must ensure compliance at all times with the Health and Safety Commissions Approved Code of Practice, "The Prevention and Control of Legionellosis (including Legionnaires Disease)" Ref ISBN-0-7176-1772- 6 or any supplementary, replacement or amending Code of Practice.

Legal Liabilities Employers' Liability

Definitions

The following definitions apply to this Section, in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Bodily Injury	Bodily injury including death, illness, disease or nervous shock.
Compensation	Damages, including interest.
Costs and Expenses	<p>(1) Fees for The Insured's legal representation at</p> <p>(a) any Coroner's Inquest or Fatal Accident Inquiry</p> <p>(b) proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty</p> <p>(2) costs and expenses incurred with Our written consent</p> <p>(3) Any claimant's legal costs for which The Insured is legally liable</p> <p>in connection with any event which is or may be the subject of indemnity under this Section.</p>
Terrorism	<p>Any act or acts including but not limited to</p> <p>(1) the use or threat of force and/or violence and/or</p> <p>(2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means</p> <p>caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.</p>
The Defined Territories	Great Britain, Northern Ireland, the Channel Islands, the Isle of Man, or offshore installations within the Continental Shelf around such territories.
The Insured	<p>(1) You.</p> <p>(2) Your personal representatives in respect of legal liability You incur.</p> <p>(3) At Your request</p> <p>(a) any director, partner or Employee of Yours</p> <p>(b) the officers, committees and members of Your</p> <p>(i) canteen, social, sports, educational and welfare organisations</p> <p>(ii) first aid, fire, security and ambulance services</p> <p>in their respective capacities as such</p> <p>(c) any principal for whom You are carrying out a contract to the extent required by the contract conditions</p> <p>(d) those who hire plant to You to the extent required by the hiring conditions</p>

Legal Liabilities Employers' Liability

Definitions (continued)

or the personal representative of any of these persons in respect of legal liability for which You would have been entitled to indemnity if the claim had been made against You.

Each indemnified party will be subject to the terms of this Section so far as they apply.

The total amount which We will pay will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

The Limit of Indemnity

The maximum amount, stated in The Schedule, including Costs and Expenses, which We will pay in respect of any one claim or series of claims against The Insured arising out of one cause.

The Territorial Limits

Anywhere in the world in connection with The Business conducted by You from premises within The Defined Territories.

We will not provide indemnity in respect of Bodily Injury to any Employee engaged by You outside The Defined Territories for the purpose of work by any such Employee outside The Defined Territories.

Cover

We will indemnify The Insured against

- (1) legal liability to pay Compensation and
- (2) Costs and Expenses

in respect of Bodily Injury caused during the Period of Insurance to any Employee arising out of and in the course of employment by You in The Business within The Territorial Limits.

The maximum We will pay is The Limit of Indemnity.

Clauses

The following clauses apply to this Section.

Additional Activities

The Business includes

- (1) ownership, use and upkeep of Your premises.
- (2) upkeep of vehicles and plant which are owned and used by You.
- (3) canteen, social, sports, educational and welfare organisations for the benefit of any Employee.
- (4) Your first aid, fire, security and ambulance services.
- (5) Your participation in exhibitions.
- (6) private work by any Employee, with Your prior consent, for You or for any director, partner or Employee of Yours.

Contractual Liability

We will indemnify The Insured in respect of liability for Bodily Injury imposed on You solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in Us.

We will not provide indemnity in respect of any agreement for or including the performance of work outside The Defined Territories.

Clauses *(continued)*

Cross Liabilities

We will indemnify each party named as The Insured in The Schedule as if a separate policy had been issued to each.

The total amount payable will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

Legal Expenses arising from Corporate Manslaughter and Corporate Homicide Act 2007

We will indemnify You in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals.
- (2) costs of prosecution awarded against You

which arise from criminal proceedings for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged offence committed during the Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which
 - (a) result from any deliberate act or omission by You.
 - (b) relate to any person other than an Employee.
- (3) in respect of any
 - (a) fines.
 - (b) remedial or publicity orders or any steps required to be taken by such orders.
- (4) where indemnity is provided by another insurance policy.

Legal Expenses arising from Health and Safety Legislation

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against The Insured

which arise from any health and safety inquiry or criminal proceedings for any breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during The Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which
 - (a) result from any deliberate act or omission by You.
 - (b) relate to the health and safety of any person other than an Employee.
- (3) where indemnity is provided by another insurance policy.

Clauses *(continued)*

Our Right of Recovery

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

However, You will repay to Us all sums We would not have been liable to pay but for the provisions of such law.

Payment for Court Attendance

We will compensate You if, at Our request, You, any director, partner or Employee of Yours, is attending court as a witness in connection with a claim for which The Insured is entitled to indemnity.

The maximum We will pay for

- | | |
|--------------------------------------|---------------|
| (1) You, each director or partner is | £500 per day. |
| (2) each Employee is | £250 per day. |

Unsatisfied Court Judgments

We will, at Your request, pay any Employee or their personal representative, the amount of damages and costs awarded to such person as a result of a judgment which has been obtained for Bodily Injury against any company registered in or any individual domiciled in The Defined Territories and which remain unpaid 6 months after the date of such judgment.

Payment will only be made where

- (1) the Bodily Injury was caused during any Period of Insurance to the Employee arising out of and in the course of employment by You in The Business.
- (2) the judgment was obtained in a court within The Defined Territories.
- (3) there is no appeal outstanding to the judgment.
- (4) the Employee, or their personal representative, assigns the judgment debt to Us.

Employers' Liability Tracing Office Notice

Certain information relating to Your insurance or policy, namely:

- the policy number(s),
- employers' names and addresses (including subsidiaries and any relevant changes of name),
- coverage dates, and
- (if relevant) the employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers

will be provided to the Employers' Liability Tracing Office, (the "ELTO") and added to the Employers' Liability Database (ELD).

It is understood by You that the above named information provided to Insurers will be processed by Insurers, for the purpose of providing the ELD, in compliance with the provisions of the Employers' Liability Insurance: Disclosure by Insurers Instrument 2010. The ELTO may provide such information to third parties to assist individuals with claims arising out of their course of employment in the United Kingdom for employers carrying on, or who carried on, business in the United Kingdom, to identify an insurer or insurers that provided employers' liability insurance.

Exceptions

The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.

We will not provide indemnity in respect of

- (1) work in or on and travel to, from or within any offshore
 - (a) accommodation, exploration, drilling or production rig or platform.
 - (b) support vessel.

Legal Liabilities Employers' Liability

Exceptions (continued)

- (2) Bodily Injury sustained by any Employee when such person is
- (a) carried in or upon a vehicle
 - (b) entering or getting on to, or alighting from, a vehicle
- where any road traffic legislation requires insurance or security.
- (3) (a) liquidated damages.
- (b) penalty clauses.
 - (c) fines.
 - (d) aggravated, restitutionary, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.
- (4) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event
- (a) Terrorism
 - (b) any action taken in controlling, preventing, suppressing or in any way relating to (a) above

except as stated in **Special Provision - Terrorism** below

In any action, suit or other proceedings where We allege that any consequence whatsoever resulting directly or indirectly from or in connection with (4)(a) and/or (4)(b) above regardless of any other contributory cause or event is not covered under this Section (or is covered only up to a specified limit of liability) the burden of proving that any such consequence is covered (or is covered beyond that limit of liability) under this Section shall be upon You.

Special Provision - Terrorism

Subject otherwise to the terms of the policy

Neither of the exclusions in (4)(a) and (4)(b) above shall apply to the Employers' Liability Section but the Limit of Indemnity for the purpose of this Special Provision - Terrorism is limited to £5,000,000 including Costs and Expenses.

Conditions

The following conditions apply to this Section in addition to the Policy Conditions at the back of this policy.

Premium Adjustment

- (1) At renewal, where it is stated in The Schedule that index linking applies, the estimates upon which the premium is based will be adjusted for movements in The Average Earnings Index issued by the relevant government department or any alternative index specified by Us in Our reasonable opinion.
- In the event of a negative index We will retain Your existing estimates, unless You advise Us otherwise.
- (2) Where it is stated in The Schedule that declarations apply
- (a) You will, within 1 month after the Expiry Date shown in The Schedule, supply the information We require
 - and
 - (b) We will adjust the premium for the expired period subject to any minimum premium(s) applying.

Legal Liabilities Property Owners Liability

Definitions

The following definitions apply to this Section, in addition to the Policy Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Asbestos	Asbestos, asbestos fibres or any derivatives of asbestos.
Bodily Injury	Bodily injury including death, illness, disease or nervous shock.
Clean-Up Costs	Costs of Remediation.
Compensation	Damages, including interest.
Costs and Expenses	(1) Fees for The Insured's legal representation at <ol style="list-style-type: none">any Coroner's Inquest or Fatal Accident Inquiryproceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty (2) Costs and expenses incurred with Our written consent (3) Any claimant's legal costs for which The Insured is legally liable in connection with any event which is or may be the subject of indemnity under this Section.
Damage	Physical <ol style="list-style-type: none">lossdestructiondamage.
Enforcing Authority	Any government or statutory authority or body implementing or enforcing environmental protection legislation within Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.
Financial Loss	A pecuniary loss suffered by any tenant of The Insured and not caused by Personal Injury or Damage to Property.
Personal Injury	(1) Bodily Injury (2) Wrongful <ol style="list-style-type: none">arrest, detention or imprisonmentevictionaccusation of shoplifting.
Pollution or Contamination	(1) Pollution or contamination of buildings or other structures or of water or land or the atmosphere and (2) all loss, Damage to Property and Bodily Injury directly or indirectly caused by such pollution or contamination.
Products Supplied	Anything which is <ol style="list-style-type: none">manufactured, sold, supplied, processed, altered or treatedrepaired, serviced or testedinstalled, constructed, erected or transported by You or on Your behalf and which is no longer in the custody or control of The Insured.

Definitions (continued)

Property	Material property.
Remediation	Remedying the effects of Pollution or Contamination as lawfully required by any Enforcing Authority to a standard reasonably achievable by the methods available at the time such Remediation commences and shall include the testing for or monitoring of Pollution or Contamination.
Terrorism	<p>Any act or acts including but not limited to</p> <p>(1) the use or threat of force and/or violence and/or</p> <p>(2) harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means</p> <p>caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.</p>
The Defined Territories	Great Britain, Northern Ireland, the Isle of Man, the Channel Islands or offshore installations within the Continental Shelf around such territories.
The Insured	<p>(1) You.</p> <p>(2) Your personal representatives in respect of legal liability You incur.</p> <p>(3) At Your request</p> <p>(a) any director, partner or Employee of Yours</p> <p>(b) the officers, committees and members of Your</p> <p>(i) canteen, social, sports, educational and welfare organisations</p> <p>(ii) first aid, fire, security and ambulance services in their respective capacities as such</p> <p>(c) any principal for whom You are carrying out a contract, to the extent required by the contract conditions</p> <p>(d) those who hire plant to You to the extent required by the hiring conditions</p> <p>or the personal representatives of any of these persons</p> <p>in respect of legal liability for which You would have been entitled to indemnity if the claim had been made against You.</p> <p>Each indemnified party will be subject to the terms of this Section so far as they apply.</p> <p>The total amount which We will pay will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.</p>

Legal Liabilities Property Owners Liability

Definitions (continued)

The Limit of Indemnity

The maximum amount, stated in The Schedule, which We will pay in respect of any one event or all events of a series consequent on or attributable to one original cause.

In respect of

- (1) Products Supplied
- (2) Pollution or Contamination

The Limit of Indemnity will apply to the total of all events happening in any one Period of Insurance.

The Territorial Limits

Anywhere in the world in connection with The Business conducted by You from premises within The Defined Territories.

The Works

All works completed or to be completed by You or on Your behalf including

- (1) all materials incorporated or to be incorporated
- (2) plant, tools, equipment and temporary buildings used or to be used

for the period during which You are responsible under contract conditions.

Cover

We will indemnify The Insured against

- (1) legal liability to pay Compensation
and

- (2) Costs and Expenses

in respect of accidental

- (a) Personal Injury
- (b) Damage to Property
- (c) obstruction, trespass, nuisance or interference with any right of way, air, light or water

which arises in connection with The Business and which happens during the Period of Insurance and within The Territorial Limits.

The maximum We will pay is The Limit of Indemnity and any Costs and Expenses.

However, in respect of any claim brought in

- (1) the United States of America or any territory within its jurisdiction
- (2) Canada

the maximum We will pay, inclusive of Costs and Expenses, is The Limit of Indemnity.

Clauses

The following clauses apply to this Section.

Additional Activities

The Business includes

- (1) ownership, use and upkeep of Your premises.
- (2) upkeep of vehicles and plant which are owned and used by You.
- (3) Your canteen, social, sports, educational and welfare organisations for the benefit of any Employee.
- (4) Your first aid, fire, security and ambulance services.
- (5) Your participation in exhibitions.
- (6) private work by any Employee, with Your prior consent, for You or for any director, partner or Employee.

Clauses (continued)

Buildings Temporarily Occupied

We will indemnify The Insured in respect of legal liability for accidental Damage to premises (and their contents) temporarily occupied by The Insured for the purpose of carrying out The Business.

We will not provide indemnity in respect of Damage to

- (1) premises and their contents which You own or are loaned, leased, hired or rented to
 - (a) The Insured.
 - (b) any other party who is carrying out work on Your behalf.
- (2) The Works.

Legal Expenses arising from Consumer Protection Act 1987 and Food Safety Act 1990

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against The Insured

which arise from criminal proceedings for any breach of Part II of the Consumer Protection Act 1987 or Part II of the Food Safety Act 1990.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during the Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which result from any deliberate act or omission by You.
- (3) where indemnity is provided by another insurance policy.

Contractual Liability

We will indemnify The Insured in respect of accidental Bodily Injury or Damage to Property imposed on You solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in Us.

We will not provide indemnity in respect of any agreement for or including the performance of work outside The Defined Territories.

Cross Liabilities

We will indemnify each party named as The Insured in The Schedule as if a separate policy had been issued to each.

The total amount payable will not exceed The Limit of Indemnity regardless of the number of parties claiming to be indemnified.

Clauses (continued)

Data Protection Act 1998

We will indemnify The Insured in respect of

- (1) legal fees and defence costs
- (2) legal liability for Compensation to an individual
 - (a) the subject of personal data The Insured holds
and
 - (b) who suffers damage or distress caused by
 - (i) inaccuracy of data
 - (ii) loss of the data
 - (iii) unauthorised destruction or disclosure of the data
 - (iv) unauthorised access to the data

arising from proceedings brought against The Insured under Section 13 of the Data Protection Act 1998.

The maximum We will pay for all claims happening during any one Period of Insurance is £1,000,000.

We will not provide indemnity in respect of

- (1)
 - (a) Personal Injury other than as provided by this Clause
 - (b) Damage to Property
 - (c) fraud, dishonesty, insolvency, financial default, conspiracy, conversion, deceit, intimidation, inducement of breach of contract, injurious falsehood or breach of confidence
 - (d) libel, slander or defamation.
- (2) Indirect or consequential losses.
- (3) liability
 - (a) as a result of You having authorised the destruction or disclosure of the data
 - (b) which could reasonably have been expected to arise as a result of any other deliberate act or omission by You.
- (4) any fine or statutory payment.
- (5) liability which arises solely by reason of the terms of any agreement.
- (6) liability in respect of liquidated damages or under any penalty clause.
- (7) legal costs or expenses or financial losses in respect of any order
 - (a) for rectification or erasure of data
 - (b) requiring that data to be supplemented by any other statements.
- (8) proceedings relating to Compensation for any
 - (a) Employee if the Employers' Liability Section of this policy is not in force
 - (b) third party if the Property Owners Liability Section of this policy is not in force.

Clauses (continued)

Defective Premises

We will indemnify The Insured in respect of legal liability for accidental Bodily Injury or Damage to Property arising under

- (1) the Defective Premises Act 1972
- (2) the Defective Premises (Northern Ireland) Order 1975 or the Defective Premises (Landlord's Liability) Act (Northern Ireland) 2001

in connection with any premises which You previously owned or occupied for the purposes of The Business.

We will not provide indemnity in respect of the cost of rectifying any defect or alleged defect in such premises.

Employees' and Visitors' Personal Belongings

We will indemnify The Insured in respect of legal liability for accidental Damage to Employees' and visitors' vehicles and personal belongings which are in the custody or control of The Insured.

We will not provide indemnity where this Property is

- (1) loaned, leased, hired or rented to The Insured.
- (2) stored for a fee or other consideration by The Insured.
- (3) in the custody or control of The Insured for the purposes of being worked upon.

Environmental Statutory Clean-Up Costs

We will indemnify The Insured against

- (1) the cost of carrying out Remediation
and/or
- (2) paying for Clean-Up Costs

pursuant to a lawful notice or demand served upon The Insured under any environmental protection legislation in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands by any Enforcing Authority provided that such cost or costs arise from Pollution or Contamination 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.

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

The maximum We will pay, including Costs and Expenses, is £100,000 in respect of all events in any one Period of Insurance.

The limit above forms part of, and is not in addition to, The Limit of Indemnity stated in The Schedule for the Property Owner's Liability Section.

We will not provide indemnity

- (1) in respect of any work (whether preventive or otherwise) in respect of property
 - (a) which You own or is loaned, leased, hired or rented to The Insured.
 - (b) which is held in trust or in the custody or control of
 - (i) The Insured
 - (ii) any other party who is carrying out work on Your behalf.
 - (c) which requires to be insured under the terms of Clause 6.5.1. of the Standard Form of Building Contract issued by the Joint Contracts Tribunal or a clause of similar intent under other contract conditions.
- (2) in respect of any work involving the reinstatement or reintroduction of flora or fauna.
- (3) in respect of any fines or penalties.

Clauses (continued)

- (4) in respect of any Complementary or Compensatory Remediation as defined by the Environmental Damage (Prevention and Remediation) Regulations 2009 and any successor and/or amending legislation.
- (5) in respect of costs of preventing any imminent threat of environmental damage where such costs are incurred in the absence of Pollution or Contamination caused by a sudden, identifiable, unintended and unexpected incident.
- (6) in respect of costs of achieving any improvement or alteration in the condition of the land, atmosphere or any watercourse or body of water beyond that required under any relevant and applicable law or statutory enactment at the time Remediation commences.
- (7) where indemnity is provided by another insurance policy.

Financial Loss – Property Owners

We will indemnify The Insured in respect of legal liability for Financial Loss as a direct result of the failure to provide any Property or service in connection with Property Insured as detailed under the Property Damage Section of this policy.

The maximum We will pay, including Costs and Expenses, in respect of all claims made against The Insured in any one Period of Insurance is £500,000.

This indemnity only applies to claims made against The Insured during the currency of this clause or within 30 days of its expiry.

We will not provide indemnity

- (1) in respect of Financial Loss as a result of
 - (a) circumstances which, at inception of this Property Owner's Liability Section, The Insured knew or ought to have known about and which were likely to give rise to a claim.
 - (b) fraud, dishonesty, insolvency, financial default, conspiracy, conversion, deceit, intimidation, inducement of breach of contract or injurious falsehood.
 - (c) passing off or infringement of any trademark, trade name, merchandise mark, registered design, copyright or patent right.
 - (d) libel, slander or defamation.
 - (e) liability under the Data Protection Act 1998 or any subsequent amending legislation.
 - (f) any diminution in value of any Property.
 - (g) the failure or partial failure of any managing agent to fulfil their obligations under any contract.
 - (h) any consequence whatsoever directly or indirectly caused by or contributed to or arising from
 - (i) the presence
 - (ii) the releaseof Asbestos including any product containing Asbestos.
- (2) for the first 5% or £1,000, whichever is the greater, of Compensation, Costs and Expenses in respect of each and every loss.

Clauses (continued)

Hired or Rented Premises

We will indemnify The Insured in respect of legal liability for accidental Damage to premises (including fixtures and fittings) within The Defined Territories which are hired, rented or loaned to The Insured in connection with The Business.

We will not provide indemnity in respect of

- (1) the first £250 of Compensation, Costs and Expenses in respect of such Damage caused other than by fire or explosion.
- (2) liability imposed on The Insured solely by reason of the terms of any hiring or renting agreement.
- (3) Damage caused by fire or any other peril against which any hiring or renting agreement specifies that insurance is taken out by The Insured.

Legal Expenses arising from Corporate Manslaughter and Corporate Homicide Act 2007

We will indemnify You in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against You

which arise from criminal proceedings for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged offence committed during the Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which
 - (a) result from any deliberate act or omission by You.
 - (b) relate to any Employee.
- (3) in respect of any
 - (a) fines.
 - (b) remedial or publicity orders or any steps required to be taken by such orders.
- (4) where indemnity is provided by another insurance policy.

Legal Expenses arising from Health and Safety Legislation

We will indemnify The Insured in respect of

- (1) legal fees and expenses incurred with Our written consent for defending proceedings, including appeals
- (2) costs of prosecution awarded against The Insured

which arise from any health and safety inquiry or criminal proceedings for any breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.

We will not provide indemnity

- (1) unless the proceedings relate to an actual or alleged act, omission or incident committed during the Period of Insurance within The Defined Territories and in connection with The Business.
- (2) in respect of proceedings which
 - (a) result from any deliberate act or omission by You.
 - (b) relate to the health and safety of any Employee.
- (3) where indemnity is provided by another insurance policy.

Clauses (continued)

Legionella

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must ensure that in connection with any Premises owned, hired or rented by You that You comply with the Health and Safety Commissions Approved Code of Practice – The control of legionella bacteria in water systems Ref ISBN 0-7176-1772-6 or any amending Code of Practice.

We will indemnify You in respect of Pollution or Contamination caused by the discharge dispersal release or escape of legionella bacteria from premises owned, hired or rented by The Insured where the Pollution and Contamination is not caused by a sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place.

This indemnity only applies to claims made against You during the currency of this Clause or within 30 days of its expiry.

The maximum We will pay, including Costs and Expenses, in respect of all claims made against The Insured in any one Period of Insurance is £1,000,000.

We will not provide indemnity in respect of

- (1) any occurrence happening before the inception date of this Clause under this policy.
- (2) any agreement unless liability would have existed otherwise.

If We do not offer The Insured renewal of the cover provided by this Clause We will indemnify The Insured in respect of any occurrence happening during the currency of this Clause and before the expiry of the last Period of Insurance provided that

- (1) claims are made in writing within 90 days of the last Period of Insurance.
- (2) You exercise the right granted by this Clause no later than 30 days after the last Period of Insurance.
- (3) You pay the premium required by Us, which shall not exceed 20% of the annual premium, or pro rata equivalent thereof, applicable to the last Period of Insurance.
- (4) The maximum We will pay, including Costs and Expenses, in respect of all claims made against You during the last Period of Insurance and within the amount of days shown in (1) above is the amount specified above as applying to this Clause.

Clauses (continued)

Motor Contingent Liability

We will indemnify You in respect of Your legal liability for accidental Bodily Injury and Damage to Property which arises from any vehicle or trailer attached thereto which is

- (1) (a) not owned by
(b) not loaned, leased, hired or rented to
You nor provided by You
and
- (2) being used in connection with The Business in The Defined Territories.

We will not provide indemnity

- (1) in respect of Damage to the vehicle or trailer or goods carried in or on the vehicle or trailer.
- (2) while the vehicle is being driven by
 - (a) You.
 - (b) any person who to Your knowledge or that of Your representatives does not hold a licence to drive the vehicle unless such person has held and is not disqualified from holding or obtaining such a licence.
- (3) where indemnity is provided by another insurance policy.

Overseas Personal Liability

We will indemnify You and, at Your request, any director, partner or Employee of Yours in respect of legal liability for accidental Bodily Injury or Damage to Property incurred in a personal capacity whilst such persons are temporarily outside The Defined Territories in connection with The Business.

We will also indemnify any accompanying spouse and children.

Where You are an individual, this indemnity will also apply to Your personal liability whilst away from Your business premises in connection with The Business but within The Defined Territories.

We will not provide indemnity

- (1) where liability arises from
 - (a) any agreement unless liability would have existed otherwise.
 - (b) ownership or occupation of land or buildings.
 - (c) the carrying on of any trade or profession.
 - (d) ownership, possession or use of wild animals, firearms (other than sporting guns), mechanically propelled vehicles, aircraft or watercraft.
- (2) where indemnity is provided by another insurance policy.

Payment for Court Attendance

We will compensate You if, at Our request, You, any director, partner or Employee of Yours, is attending court as a witness in connection with a claim for which The Insured is entitled to indemnity.

The maximum We will pay for

- (1) You, each director or partner is £500 per day.
- (2) each Employee is £250 per day.

Exceptions

The following exceptions apply to this Section in addition to the Policy Exceptions at the back of this policy.

We will not provide indemnity in respect of

- (1) Personal Injury to any Employee arising out of and in the course of employment by You in The Business.
- (2) the ownership, possession or use by or on behalf of The Insured of any
 - (a) aircraft, aerial device or hovercraft.
 - (b) watercraft exceeding eight metres in length.
 - (c) motor vehicle, trailer or plant in circumstances where compulsory insurance or security is required by any road traffic legislation other than
 - (i) where described in the Motor Contingent Liability Clause.
 - (ii) the loading or unloading of any such vehicle, trailer or plant where indemnity is not provided by another insurance policy.
- (3) Damage to Property
 - (a) which You own or is loaned, leased, hired or rented to The Insured
 - (b) which is held in trust or in the custody or control of
 - (i) The Insured
 - (ii) any other party who is carrying out work on Your behalfother than in the circumstances described in the Hired or Rented Premises Clause, the Employees' and Visitors' Personal Belongings Clause or the Buildings Temporarily Occupied Clause.
 - (c) which requires to be insured under the terms of Clause 6.5.1 of the Standard Form of Building Contract issued by the Joint Contracts Tribunal or a clause of similar intent under other contract conditions.
- (4) Damage to or the cost incurred by anyone in repairing, removing, replacing, reapplying, rectifying or reinstating
 - (a) Products Supplied (other than Products Supplied under a separate contract).
 - (b) The Works.
- (5) recalling or making refunds in respect of
 - (a) Products Supplied.
 - (b) The Works.
- (6) advice, instruction, consultancy, design, formula, specification, inspection, certification or testing performed or provided separately for a fee or under a separate contract.
- (7)
 - (a) the carrying out of any work
 - (b) any Products Suppliedwhich affects or could affect
 - (i) the navigation, propulsion or safety of any aircraft or other aerial device.
 - (ii) the safety or operation of nuclear installations.
- (8) Pollution or Contamination other than 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.

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

Exceptions (continued)

- (9) (a) work in or on and travel to, from or within
- (b) Products Supplied to any offshore
 - (i) accommodation, exploration, drilling or production rig or platform.
 - (ii) support vessel.
- (10) (a) liquidated damages.
- (b) penalty clauses.
- (c) fines.
- (d) aggravated, restitutionary, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.
- (11) liability imposed on You solely by reason of the terms of any contract conditions or agreement in connection with Products Supplied.
- (12) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event
 - (a) Terrorism
 - (b) any action taken in controlling, preventing, suppressing or in any way relating to (a) above

except as stated in **Special Provision - Terrorism** below.

In any action, suit or other proceedings where We allege that any consequence whatsoever resulting directly or indirectly from or in connection with (12)(a) and/or (12)(b) above regardless of any other contributory cause or event is not covered under this Section (or is covered only up to a specified limit of liability) the burden of proving that any such consequence is covered (or is covered beyond that limit of liability) under this Section shall be upon You.

Special Provision - Terrorism

Subject otherwise to the terms of the policy

Neither of the exclusions is (12)(a) and (12)(b) above shall apply to the Property Owners Liability Section but The Limit of Indemnity for the purpose of this Special Provision – Terrorism is limited to

- (a) £5,000,000 in respect of any one event or all events consequent on or attributable to one original cause
- (b) £5,000,000 in respect of all events happening in any one Period of Insurance in respect of Products Supplied

or any other amount specified in the policy for Property Owners Liability whichever is the lower.

- (13) the amount of Compensation, Costs and Expenses shown in The Schedule as applying in respect of each and every event resulting in Damage to Property.

You will reimburse any such amount paid by Us.

- (14) (a) exposure to
- (b) inhalation of
- (c) fears of the consequences of exposure to or inhalation of
- (d) the costs incurred by anyone in repairing, removing, replacing, recalling, rectifying, reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of Asbestos including any product containing Asbestos.

Exceptions (continued)

(15) any liability arising directly or indirectly from, or in connection with, or consisting of any loss, destruction or damage, Failure or Loss of Data resulting directly or indirectly from or in connection with

- (a) Virus or Similar Mechanism.
- (b) Denial of Service Attack.
- (c) unauthorised access to or use of Computer and Electronic Equipment.

However We will not exclude any liability in respect of any ensuing accidental Bodily Injury or accidental Damage to Property which is not otherwise excluded.

(16) Products Supplied other than

- (a) the sale or supply of food and drink
- (b) the disposal of furniture and office equipment previously used in the course of The Business.

Conditions

The following conditions apply to this Section in addition to the Policy Conditions at the back of this policy.

Premium Adjustment

(1) At renewal, where it is stated in The Schedule that index linking applies, the estimates upon which the premium is based will be adjusted for movements in The Average Earnings Index issued by the relevant government department or any alternative index specified by Us in Our reasonable opinion.

In the event of a negative index We will retain Your existing estimates, unless You advise Us otherwise.

(2) Where it is stated in The Schedule that declarations apply

- (a) You will, within 1 month after the Expiry Date shown in The Schedule, supply the information We require

and

- (b) We will adjust the premium for the expired period subject to any minimum premium(s) applying.

Suspension of Cover

We may, at any reasonable time, inspect any property and, in the event of any defect or danger being apparent We may by written notice to You suspend all Our liability that might otherwise arise from such defect or danger.

Unoccupancy

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must ensure that in connection with any building You own, hire or rent which is Unoccupied

- (1) all mains services are isolated and tanks drained unless required for the maintenance of alarms, fire detection systems or sprinklers
- (2) all flammable and combustible materials are removed
- (3) all external doors and windows are closed and securely locked and other similar precautions taken to prevent unauthorised access
- (4) arrangements are in force to check the unoccupied building internally and externally at least every 7 days for evidence of unauthorised unauthorised access

where they can be reasonably and practically implemented without frustrating or invalidating the lease.

Endorsements

This Section is subject to the following Endorsement and any Endorsements which are stated in The Schedule as applying, in addition to the Policy Conditions at the back of this policy.

Libel/Slander

- (1) We will, in respect of any claim made against The Insured while this endorsement is in force or within 12 months of its cancellation provided the cause of the claim occurred while the endorsement was in force, indemnify The Insured in respect of
 - (a) Compensation
 - (b) Costs and Expensesas a result of
 - (i) libels in any Publication.
 - (ii) slanders made in the course of The Business.
 - (iii) infringement of any trade mark, registered design, copyright or patent right arising from the contents of any Publication.
 - (iv) slander of title to goods.
- (2) All claims arising out of one cause, whether or not all such claims are made against The Insured in the same Period of Insurance, will be treated as one claim.
- (3) The maximum We will pay, inclusive of Costs and Expenses, in respect of
 - (a) any one claim
 - and
 - (b) the total of all claims in any one Period of Insuranceis £250,000 or any other amount shown in The Schedule as applying to this endorsement.
- (4) We will not provide indemnity in respect of
 - (a) withdrawing, recalling or replacing any Publication.
 - (b) liability imposed on The Insured solely by reason of the terms of any contract conditions or agreement.
 - (c) actions brought in a court of law outside The Defined Territories.
 - (d) 10% of each and every claim.

Definition

"Publication" shall mean any written material produced in the course of The Business.

Policy Conditions

Policy Conditions

All of the following Policy Conditions apply in addition to the conditions contained in each Section of the policy.

(1) Alteration of Risk

If

- (a) there has been any alteration to the Property Insured and/or The Premises and/or The Business after the effective date of this insurance which increases the risk of loss, destruction, damage, accident or injury; or
- (b) Your interest ceases except by will or operation of law

We will at Our option avoid the policy from the date of such alteration or when Your interest ceases, unless We accept the alteration.

(2) Arbitration

If We accept liability but You disagree with the amount We offer to pay, the claim will be referred to an arbitrator who will be jointly appointed in accordance with statutory provisions.

(3) Cancellation

- (a) You may cancel this policy after the cooling-off period by notifying Us in writing, by email or by telephone at any time after the date We have received the premium.
- (b) St. Giles may cancel this policy, by providing notice in writing to You at your last known address, if there is a default under any relevant instalment agreement. In such case, Your policy will end with effect from the beginning of the period in respect of which the instalment has not been paid.

If Your policy is cancelled under (a) or (b) above, any return of premium due to You will be calculated at a proportional daily rate depending on how long this policy has been in force, and provided that there have been no

- (i) claim(s) made under the policy for which We have made a payment
- (ii) claim(s) made under the policy which are still under consideration
- (iii) incident(s) which You are aware of and are likely to give rise to a claim which has yet to be reported to Us

during the current Period of Insurance.

- (c) We will cancel this policy from the inception date if the premium has not been paid and no return premium will be allowed. Such cancellation will be confirmed in writing by Us or St. Giles to Your last known address.
- (d) We may also cancel this policy at any time by sending not less than 30 days' notice in writing to Your last known address. We will only do so if there are serious grounds to do so. Examples of serious grounds including, but are not limited to:
 - (i) a change in risk which means We or the Insurer can no longer provide You with insurance cover; or
 - (ii) the Insurer establishes that You have provided Us or them with incorrect information and You have failed to provide a remedy when requested; or
 - (iii) non-cooperation or failure to supply any information or documentation requested, such as details of a loss, incident or claim.

We will refund a proportionate part of the premium for the unexpired period provided that there have been no

- (i) claim(s) made under the policy for which We have made a payment
- (ii) claim(s) made under the policy which are still under consideration
- (iii) incident(s) which You are aware of and are likely to give rise to a claim which has yet to be reported to Us

during the current Period of Insurance.

(4) Claims Procedure

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to reimbursement or indemnity for that claim.

You must

- (a) tell Us immediately of any event or occurrence which may result in a claim.
- (b) notify the police immediately of loss, destruction or damage caused by malicious persons or thieves.

Policy Conditions

Policy Conditions (continued)

- (c) at Your expense, provide Us with a written claim containing as much information as possible of the loss, liability, destruction, damage, accident or injury, including the amount of the claim within
 - (i) 30 days: or
 - (ii) 7 days in the case of loss, destruction or damage caused by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances or malicious persons
- (d) of You becoming aware of the event or occurrence, or such further time that We may allow
- (e) provide Us with all information and help We require in respect of the claim.
- (f) pass to Us unanswered, immediately, all communications from third parties in relation to any event which may result in a claim under this policy.
- (g) not admit or repudiate liability, nor offer to settle, compromise, make payment which may result in a claim or pay any claim under this policy without Our written agreement.
- (h) allow Us to take over and conduct in Your name the defence or settlement of any claim. You will also allow Us to prosecute at Our own expense and for Our own benefit, any claim for indemnity or compensation against any other person and You must give Us all information and assistance required.

(5) Contribution

Applicable to Employers' Liability Section and Property Owners Liability Section

- (a) If the insurance provided by these Sections is also covered by another policy (or would but for the existence of these Sections), We will only indemnify You in respect of any excess beyond the amount which would be payable under such other insurance had these Sections not been effected.

Applicable to all other Sections insured by this Policy

- (b) Where any loss, destruction, damage or liability covered by the policy is also covered by another policy, (or would be but for the existence of this policy), We will only pay a rateable share of the loss.
- (c) If the other insurance is subject to a condition of average and this policy is not, this policy will become subject to the same condition of average.
- (d) If the Property Insured covered by the other insurance is subject to a provision excluding proportional payment in whole or in part, the payment We make will be limited to the proportion of loss, destruction or damage as the Sum Insured bears to the value of the property.

(6) Discharge of Liability

We may at any time pay

- (a) the Limit of Indemnity; or
- (b) the Sum Insured; or
- (c) a smaller amount for which a claim can be settled after deduction of any sum already paid.

We will not make any further payment except for costs and expenses incurred prior to the payment of the claim.

(7) Fraud

- (a) If a claim made by You or anyone acting on Your behalf, or any person claiming to be indemnified, is fraudulent or exaggerated, whether ultimately material or not; or
- (b) (i) if a false declaration or statement is made; or
 - (ii) if a fraudulent device is used in support of a claim.

We may at Our option

- (i) avoid the policy from the inception of this insurance; or
- (ii) cancel the policy from the date of the claim or alleged claim and repudiate the claim:
or
- (iii) repudiate the claim.

Policy Conditions

Policy Conditions (continued)

(8) Identification

The policy and The Schedule will be read as one contract.

(9) Care and Precautions

You must

- (a) maintain The Premises, machinery, plant and equipment in a satisfactory state of repair.
 - (b) take all practical precautions to prevent
 - (i) loss, destruction or damage to the Property Insured
 - (ii) accident or injury to any person or loss, destruction or damage to their property.
 - (c) comply with all legal requirements and safety regulations and conduct The Business in a lawful manner.
 - (d) keep books with a complete record of purchases and sales.
-

(10) Reinstatement

When We decide, or are required to reinstate or replace any property, You will at Your expense provide

- (a) plans
- (b) documents
- (c) books
- (d) information

which We require.

We will not be obliged to reinstate property exactly but only in a satisfactory manner as circumstances allow.

The maximum amount We will pay in respect of one item is the Limit of Indemnity or Sum Insured for that item.

(11) Subrogation

Anyone making a claim under this policy must, at Our request and expense, do everything We reasonably require to

- (a) enforce a right or remedy; or
- (b) obtain relief, payment or indemnity

from other parties to which We will become entitled or subrogated because of payment for or making good loss, destruction, damage, accident or injury.

We may require You to carry out such actions before or after We make any admission of or payment of a claim.

(12) Index Linking

- (a) Renewal.

Where it states in The Schedule that index linking applies, the amounts insured will be adjusted for movements in the following indices or any alternative index specified by Us in Our reasonable opinion

- (i) any buildings and tenants improvements item

The General Building Cost Index issued by the Building Cost Information Service of the Royal Institution of Chartered Surveyors.

- (ii) other items

The Producer Price Index for Home Sales of Manufactured Products issued by the relevant government department.

In the event of a negative index We will retain Your existing amounts insured, unless You advise Us otherwise.

Policy Conditions

Policy Conditions (continued)

(b) Claims.

These adjustments will continue during the

- (i) Period of Insurance
- (ii) period of repair, replacement or reinstatement provided that such work is carried out and completed without undue delay.

(13) Subjectivity

At the inception of or during each Period of Insurance, the insurance provided by this policy may be subject to You

- (a)
 - (i) providing Us with any additional information
 - (ii) completing any actions agreed between You and Us
 - (iii) allowing Us to complete any actions agreed between You and Us.
- (b) If required by Us, allowing Us access to The Premises and/or The Business to carry out survey(s) and Your compliance with any risk improvements identified.

If this is the case, then The Schedule will clearly state the information required and/or the actions to be completed and the dates We require such information or the actions to be completed by.

Upon completion of these requirements (or if they are not completed by the required dates) We may, at Our option:

- (i) modify Your premium,
- (ii) amend the terms and conditions of this policy,
- (iii) require You to make alterations to The Premises and/or to comply with any risk improvements identified,
- (iv) exercise Our right to cancel Your policy under Policy Condition (3) Cancellation,
- (v) leave the policy terms, conditions, and premium unaltered.

If We proceed with any of (i) (ii) and (iii) above, You have the right to cancel this policy from a date agreed by You and Us and, providing no claims have been made, We will refund a proportionate part of the premium paid for the unexpired period of cover.

(14) Sanctions

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that reinsurer to any sanction, prohibition or restriction under trade or economic sanctions, laws or regulations of the European Union or United Kingdom, or with which the reinsurer is legally obligated to comply.

(15) Third Party Rights

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

Policy Exceptions

Exceptions

The following Policy Exceptions apply to all Sections unless otherwise stated and in addition to the Exceptions contained in each Section.

We will not pay or indemnify You in respect of

- (1) any consequence whatsoever which is the direct or indirect result of any of the following, or anything connected with any of the following, whether or not such consequence has been contributed to by any other cause or event
 - (a) (i) war, invasion, act of a foreign enemy, hostilities or a warlike operation or operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power
 - (ii) mutiny or military uprising, martial law
 - (b) nationalisation, confiscation, requisition, seizure, damage or destruction by or by order of any government or any local or public authority, and
 - (c) any action taken in controlling, preventing, suppressing or in any way relating to (1) (a) and/or (1) (b) above.

However,

- (1) exception (1) (a) (ii) shall only apply in respect of the following Sections, when insured by this policy
 - (a) Property Damage – Specified Contingencies
 - (b) Property Damage – All Risks
 - (c) Money and Assault
 - (d) Glass
 - (e) Engineering
 - (f) Business Interruption.
 - (2) exceptions (1) (a) (b) and (c) do not apply to the following Sections, when insured by this policy
 - (a) Terrorism
 - (b) Employers' Liability
 - (c) Professional Indemnity
 - (d) Directors and Officers Liability
 - (e) Management Liability.
 - (3) exception (1) (b) does not apply to the Property Owners Liability Section, when insured by this policy.
- (2) death or disablement, loss or destruction of or damage to any property, any loss or expense whatsoever, any indirect or consequential loss or any legal liability directly or indirectly caused by or contributed to by or arising from
 - (a) (i) ionising radiations or contamination by radioactivity from nuclear fuel or from nuclear waste from the combustion of nuclear fuel
 - (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
 - (b) the use of any weapon or device
 - (i) dispersing radioactive material and/or ionising radiation
 - or
 - (ii) using atomic or nuclear fission and/or fusion or other like reaction.

Policy Exceptions

Exceptions

(continued)

- (c) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this will not apply in respect of radioactive isotopes at The Premises (other than nuclear fuel or nuclear waste) used in the course of The Business for the purposes for which they were intended.

However,

- (1) exception (2) (b) does not apply to the following Sections, when insured by this policy
 - (a) Employers' Liability
 - (b) Property Owners Liability.
- (2) in relation to the Employers' Liability Section, exception (2) (a) only applies when You under a contract or agreement have undertaken to
 - (a) indemnify another party
 - or
 - (b) assume the liability of another party.
- (3) exceptions (2) (a) and (2) (b) do not apply to the following Sections, when insured by this policy
 - (a) Terrorism
 - (b) Professional Indemnity
 - (c) Directors and Officers Liability
 - (d) Management Liability.
- (3) (a) Money, negotiable instruments and specie
 - (b) securities and bonds
 - (c) jewellery
 - (d) precious stones
 - (e) precious metals
 - (f) bullion
 - (g) furs
 - (h) curios and antiques
 - (i) rare books
 - (j) works of art
 - (k) goods held in trust or on commission
 - (l) documents
 - (m) manuscripts
 - (n) business books
 - (o) computer systems records
 - (p) explosives and hazardous substances
 - (q) property in transitunless specifically mentioned.

However, exceptions (3)(a) to (q) do not apply to the following Sections, when insured by this policy

- (1) Terrorism
- (2) Employers' Liability
- (3) Property Owners Liability
- (4) Property Owners Legal Protection.

Policy Exceptions

Exceptions (continued)

- (4) any claim which arises directly or indirectly from or consists of the failure or inability of any
- (a) electronic circuit, microchip, integrated circuit, microprocessor, embedded system, hardware, software, firmware, program, computer, data processing equipment, telecommunication equipment or systems, or any similar device
 - (b) media or systems used in connection with anything referred to in (a) above whether Your property or not, at any time to achieve any or all of the purposes and consequential effects intended by the use of any number, symbol or word to denote a date and this includes without any limitation the failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data, information, command, logic or instruction as a result of
 - (i) recognising, using or adopting any date, day of the week or period of time, otherwise than as, or other than, the true or correct date, day of the week or period of time
 - (ii) the operation of any command or logic which has been programmed or incorporated into anything referred to in (a) and (b) above.

However,

- (1) We will not exclude any claim for subsequent loss or destruction of or damage to any property or indirect or consequential loss which itself results from a Defined Contingency arising under any of the following Sections, but only to the extent that such claim would otherwise be insured under that Section
 - (a) Property Damage – Specified Contingencies
 - (b) Property Damage – All Risks
 - (c) Money and Assault
 - (d) Engineering
 - (e) Business Interruption.
- (2) exceptions (4) (a) and (4) (b) do not apply to the following Sections, when insured by this policy
 - (a) Terrorism
 - (b) Employers' Liability
 - (c) Professional Indemnity
 - (d) Directors and Officers Liability
 - (e) Management Liability.

Definition

The following definition only applies to this exception

'Defined Contingency'

fire, lightning, explosion, aircraft and 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 or subterranean fire, storm, flood, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal, or theft.