



Your Policy

BHIB Local Councils

Combined Policy

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Important

This document provides details of your policy and the terms and conditions that apply.

Please read it carefully and keep it in a safe place.

INTRODUCTION

In consideration of payment of the premium and subject to the terms and conditions of this Policy, the Insurer and the Insured agree that the Insurer will provide insurance cover as set out in those Parts and Sections identified as operative in the Schedule.

All parts of this Policy including the Schedule and endorsements should be read together and considered as one contract. The contents of this Policy are as set out on the following page.

Important

This **Policy** is a legal contract. The **Insured** must tell the **Insurer** about any material circumstances which affect the insurance and which have occurred either since the **Policy** started or since the last renewal date.

A circumstance is material if it would influence the **Insurers** judgement in determining whether to provide the cover and, if so, on what terms. If the **Insured** are not sure whether a circumstance is material they should ask their insurance adviser. If the **Insured** fails to tell the **Insurer** it could affect the extent of cover provided under the **Policy**.

The **Insured** should keep a written record (including copies of letters) of any information they give the **Insurer** or their insurance adviser when renewing this **Policy**.

Breach of Term

The Insurers agree that where there has been a breach of any term (express or implied) which would otherwise result in **the Insurers** automatically being discharged from any liability, then such a breach shall result in any liability **the Insurers** might have under this **Policy** being suspended. Such a suspension will apply only from the date and time at which the breach occurred and up until the date and time at which the breach is remedied. This means that **the Insurers** will have no liability in respect of any loss occurring, or attributable to something happening, during the period of suspension.

Terms not relevant to the actual loss

Where there has been non-compliance with any term (express or implied) of this **Policy**, other than a term that defines the risk as a whole, and compliance with such term would tend to reduce the risk of:

- loss of a particular kind, and/or

- loss at a particular location, and/or
- loss at a particular time,

then **the Insurers** agree that they may not rely on the non-compliance to exclude, limit or discharge their liability under this **Policy** if **the Insured** shows that non-compliance with the term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred

Additional Services

As a BHIB Local Councils Combined policyholder you can access additional services to help you keep your business running smoothly.

Telephone Call Charges and Recording

Calls to 0800 numbers from UK landlines and mobiles are free. The cost of calls to 03 prefixed numbers are charged at national call rates (charges may vary dependent on your network provider) and are usually included in inclusive minute plans from landlines and mobiles. For our joint protection telephone calls may be recorded and/or monitored.

Legal and Tax Helpline - 0345 300 1899

Call this helpline anytime, day or night, for advice on legal or tax matters in the United Kingdom. Given in confidence, the advice is free and you pay for just the cost of the call

Risk Solutions Helpline - 0345 366 6666

Call for advice on safety, fire, security and other issues that can affect your business. Most enquiries can be dealt with over the telephone, but if we can't give you an immediate answer, we will deal with your enquiry within one working day. This service is available during office hours with an answering service outside these times.

Counselling Service Helpline - 0117 934 0105

This is a confidential service available to your staff to help deal with personal issues such as bereavement, divorce, the threat of violence in the workplace and bullying at work.

Cutredtape website: www.cutredtape.co.uk

This is a free website offering many tools and resources to help you manage your business effectively. You will get access to

- Free business advice in accounting, HR, sales and marketing, finance, technology, law and risk management

- Over 700 legal and business guides
- Easy to use templates to build legal documents including employee contracts, health and safety policies, dismissal letters etc
- Email alerts on changes in law, legislation and regulation

To register, please visit **www.cutredtape.co.uk** and follow prompts.

General Definitions

Words and expressions to which specific meaning is given in any part of this **Policy** shall have the same meaning wherever they appear. When used in bold print in this **Policy**

1. Aircraft Products

means aircraft or any aerospace device (including missiles or spacecraft) and any other goods or products manufactured sold handled or distributed or services provided or recommended by the Insured or by others trading under their name if such goods or products form part of the integrity structure navigation or propulsion of such aircraft or aerospace device

2. Asbestos

means asbestos, asbestos fibres or any derivatives of asbestos

3. Bodily Injury

means death disease illness physical and mental injury mental anguish or nervous shock

4. Buildings

means the buildings at the **Premises** including (in so far as the values declared allow)

- a) landlord's fixtures or fittings therein or thereon
- b) tenant's improvements
- c) fixed machinery and plant
- d) annexes and outbuildings
- e) roads, pavements, paths, yards, car parks, hardstandings, gangways, forecourts, tennis courts, artificial playing surfaces, swimming pools, pedestrian bridges, hoardings and street furniture and playground equipment
- f) walls, gates, canopies, signs and fences
- g) landscaping and recreational features including ornaments statues and fixed play/sport equipment
- h) building management, cleaning cradles and security systems
- i) fixed glass including its framework lettering or any intruder alarm foil attached to it

- j) conveyors, trunk lines, cables, wires, ducting, pipes, mains, drains, sewers, meters and other equipment that provide services to or from the **Premises** including such items up to the public mains
- k) **Building Foundations** unless specifically otherwise insured,

5 Building Foundations

means the part below the lowest storey of the **Building**, whether such floor constitutes the flooring of the basement or otherwise

6. Business

means the business described in the Schedule and includes the:

- a) engagement of sub-contractors for performance of work on behalf of the **Insured**
- b) organisation of and participation in exhibitions trade fairs conferences and the like
- c) provision of gifts and promotional material incidental to the Business
- d) ownership leasing repair and maintenance of land and property
- e) repair maintenance and servicing of mechanically propelled vehicles other than on a commercial basis
- f) sale or disposal of own property and goods including owned mechanically propelled vehicles
- g) provision and management of car parks canteen social sports welfare medical organisations fire first aid rescue and ambulance services
- h) provision of nursery crèche or child care facilities where incidental to the **Business**
- i) private work undertaken by any **Employee** for any fellow **Employee** with the prior consent of the **Insured**
- j) security organisation for the benefit of the **Insured**
- k) the organisation and sponsorship of fund raising activities and events and the sponsorship of individuals

7. Business Hours

means the period during which **Premises** are actually occupied for the purposes of the **Business** and during which employees, partners, directors or officers entrusted with **Money** are on the **Premises**.

8. Clerk

means the clerk to the **Insured**

9. Co-insurance

means the percentage detailed in the Schedule of any claim under this **Policy** made by the **Insured** which is not payable by the **Insurer** and shall be retained by the **Insured** as its own loss

10. Computer Equipment

means

- a) computer hardware, including microprocessors
- b) computer application software
- c) computer operating systems or related software
- d) computer networks
- e) microprocessors (computer chips) not part of any computer system
- f) any other computerised or electronic equipment

11. Consequential Loss

means loss resulting from interruption of or interference with the **Business** carried on by the **Insured** at the **Premises** in consequence of loss or destruction of or damage to any property used by or for the benefit of the **Insured** at the **Premises** for the purposes of the **Business**.

12. Contents

means (in so far as the values declared allow), all machinery, plant, equipment and all other contents and **Stock** including but not limited to office contents, business equipment, telecommunication equipment **Computer Equipment, Data**, tenants' improvements, alterations and decorations, fixtures and fittings, furniture, deeds, manuscripts, documents, business books, records, plans and designs, patterns and moulds, including machinery and plant foundations, marquees, tents inflatables, sports equipment and in so far as they are not otherwise insured **Employees'** and visitors' personal effects of every description

13. Councillor

means any person elected to or co- opted onto the **Insured**.

14. Damage

means loss or destruction of or damage to property.

15. Data

means information represented or stored electronically including but not limited to code or series of instructions operating systems software programmes and firmware.

16. Date/Time Material

means dates times or data or information or command or instruction that in any manner depends upon is contingent upon is derived from or incorporates any date or time irrespective of the manner by which it is stored recorded or entered.

17. Debris Removal

means costs and expenses necessarily and reasonably incurred by the **Insured** with the consent of the **Insurer** in the:

- a) removing and disposal of debris or obstructions;
- b) dismantling, demolishing, shoring- up, propping or underpinning;
- c) making safe, fencing off and protecting from subsequent **Damage**;
- d) cleaning and/or clearing and/or repairing of drains, gutters, sewers, mains and the like or de-watering;
- e) decontamination and/or decommissioning of property following **Damage** but excluding costs or expenses
 - i. incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
 - ii. arising from pollution or contamination of property not insured by this **Policy**

18. Defined Peril

means fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons (other than thieves in respect of insurance under Part A, Section 1), earthquake, storm, tempest, flood, escape of water from any tank, apparatus or pipe or impact by any road vehicle or animal, or subsidence, ground heave or landslide

19. Discovery/Discovered

means the learning by any **Councillor** or **Clerk** or equivalent of the **Insured** (who is not acting in collusion with a dishonest **Employee**) first becomes aware of any act, event or matter which would cause a reasonable person to believe that a crime had occurred which could give rise to a loss regardless of whether the amount or circumstances of the loss have been established. Discovery also occurs when any **Councillor** or **Clerk** or equivalent receives notice of an actual or potential claim against the **Insured** alleging facts that if true would constitute a loss covered by Part B, Section 5 of this **Policy**.

20. Discovery Period

Means a period of 36 months immediately following the expiry of the **Period of Insurance** or earlier termination of this **Policy** (other than for non- payment of the premium).

21. Employee

means any of the following whilst working for the **Insured** in connection with the **Business**

- a) person engaged under a contract of service or apprenticeship with the **Insured**
- b) director of the **Insured**
- c) person acting in the capacity of non- executive director of the **Insured**
- d) equity partner of the **Insured**
- e) any **Clerk** or **Councillor**
- f) person supplied to hired or borrowed by the **Insured** including any person on secondment from another employer and any other person required by the **Insured** to be defined as an employee which may include but is not limited to
 - i. labour masters or persons supplied by them
 - ii. labour only subcontractors
 - iii. self-employed persons
 - iv. drivers or operators of hired-in plant
- g) persons engaged under work experience training study exchange or similar schemes
- h) officer member or voluntary helper of the organisations or services stated in the **Business** definition

- i) voluntary workers helpers or instructors
- j) persons working under the Criminal Justice Act 2003 the Community Offenders (Scotland) Act 1978 or similar legislation
- k) employees elected on any industry users committee
- l) person defined under Sections 35 - (2) and 54 - (3) (b) of the National Minimum Wage Act 1998
- m) prospective employees who are being assessed by the **Insured** as to their suitability for employment
- n) person a Court of Law in the United Kingdom deems to be an employee

22. Estimated Gross Revenue

means the amount declared by the **Insured** to the **Insurer** as representing not less than the **Gross Revenue** which it is anticipated will be earned by the **Business** during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds 12 months).

23. Failure of a System

means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a **System** whether or not owned by the **Insured** to operate at any time as desired as specified or as required in the circumstances of the **Business**.

24. Great Britain

means England, Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man nor the Channel Islands nor Northern Ireland. England shall include the Channel Tunnel up to the frontier with the Republic of France, as set out by the Treaty of Canterbury 1986.

25. Gross Revenue

means the money paid or payable to or earned by the **Insured** for goods sold, leased and delivered or services rendered in the course of the **Business** at the **Premises**

26. Improper Gain

means improper financial benefit

- a) to the **Employee**, or
- b) to any other person or organisation intended by that **Employee** to receive such benefit.

Salaries, commission fees or other benefits earned or paid in the normal course of employment or service are not improper financial benefits

27. Incident

means loss or destruction of or damage to any property used by or for the benefit of the **Insured** at the **Premises** for the purpose of the **Business**.

28. Indemnity Period

means the period beginning with the **Incident** and ending not later than the Maximum Indemnity Period thereafter during which the results of the **Business** shall be affected in consequence thereof

29. Insured

means the Insured named in the Schedule

30. Insurer

means the Insurer(s) named in the Schedule

31. Medical Persons

means medical doctors nurses and dentists

32. Microchip

means a unit of packaged computer circuitry manufactured in a small scale and made for programme logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers.

33. Money

means **Negotiable** money and **Non-negotiable** money.

34. Negotiable money

means cash, currency, bank notes and coins, uncrossed cheques and uncrossed Giro cheques (other than pre- signed blank cheques), uncrossed Giro drafts, uncrossed travellers cheques, uncrossed bankers drafts, uncrossed postal orders, uncrossed money orders, charge cards, cash cards, debit cards, credit cards, bills of business exchange, current embossed revenue or postage stamps, television licence stamps, trading stamps, National Insurance stamps, National Savings stamps, certificates holidays with pay stamps, company sales vouchers, gift tokens, consumer redemption and discount vouchers, Luncheon Vouchers, travel vouchers and tickets and/or warrants, petrol and other coupons.

35. Non-negotiable money

means crossed cheques, crossed Giro cheques, crossed Giro drafts, crossed travellers cheques, crossed bankers' drafts, crossed postal orders, crossed money orders, National Savings certificates, Premium Bonds, stamped National Insurance cards, VAT purchase invoices, unused franking machine units.

36. Offshore

means embarkation on to a vessel or aircraft (including helicopters) for conveyance to an offshore installation or support or accommodation vessel until disembarkation from the conveyance on to land upon return from the offshore installation or support or accommodation vessel

37. Period of Insurance

means the period set out in the Schedule during which the cover by this **Policy** is operative

38. Personal Injury

means

a) **Bodily Injury**

b) false arrest invasion of the right of privacy detention false imprisonment false eviction malicious prosecution harassment libel slander or defamation of character (except as covered by Section 7 – Libel & Slander)

c) assault and battery not committed by or at the direction of the **Insured** unless committed for the purpose of preventing or eliminating danger to persons or property

39. Persons Entitled to Indemnity

means

a) the **Insured** named in the Schedule

b) the personal representatives of the **Insured** in respect of legal liability incurred by the **Insured**

c) at the request of the **Insured**

i. any **Employee** or former **Employee, Clerk** or **Councillor** acting on behalf of or in the course of employment or engagement by the **Insured** in respect of liability for which the **Insured** would be entitled to indemnity if the claim had been made against the **Insured**

- ii. the officers committee members and voluntary helpers of the **Insured's** welfare and canteen organisations and first aid fire security and ambulance services in their respective capacities as such
- iii. the officers committee members and voluntary helpers of the **Insured's** sports theatrical and social organisations in their respective capacities as such
- iv. any **Employee** in respect of private work undertaken by that **Employee** for another **Employee** with the prior consent of the **Insured**
- v. the officers committee members and voluntary helpers of the **Insured's** medical organisation other than any **Medical Persons** while working in a professional capacity
- vi. any officers or trustees of the **Insured's** pension scheme(s)
- vii. voluntary helpers at any sponsored or charitable or similar fund raising or recreational activity organised by or with the authority of the **Insured**
- viii. any principal or other party not described in a), b) and c) i) to vii) above with whom the **Insured** enters into a contract to the extent required by or arising out of such contract Indemnity will only apply in respect of liability for which the **Insured** named in the Schedule would have been entitled to indemnity if the claim had been made directly against the **Insured**

Provided that such persons shall act as though they were the **Insured** observe fulfil and be subject to the terms Exclusions and conditions of this **Policy** in so far as they can apply but the Insurer will not provide an indemnity

- a) unless the **Insurer** has the sole conduct and control of any claim
- b) where the party stated in c) i. to viii. is indemnified under any other insurance policy or in any other way

40. Policy

means this policy document, the Schedule and Endorsements which shall be read together as one contract.

41. Premises

means all premises for which the **Insured** is responsible within its area as defined by the Boundary Committee for England or the Local Government Boundary Commission for Wales

42. Products

means goods or products (after they have ceased to be in the possession or under the control of the **Insured**) manufactured constructed altered erected repaired serviced treated sold supplied distributed installed or maintained by the **Insured** in connection with the **Business** including any container packaging and instructions for use

43. Professional Fees

means architects', surveyors', consultants' and legal or other fees and expenses necessarily and reasonably incurred in the reinstatement of the **Property Insured** following **Damage**, but not for preparing any claim. The amount payable for such fees shall not exceed those authorised under the scales of the various institutions or bodies regulating such charges.

44. Property Damage

means

- a) direct loss of or damage to or destruction of material property or **Data** or
- b) nuisance trespass obstruction loss of amenities or interference with any easement right of air light water or way

45. Property Insured

means

- a) all property of every kind and description owned in whole or in part by the **Insured**;
- b) property held in trust or on commission by the **Insured**;
- c) property for which the **Insured** are responsible or in the event that the **Insured** in the course of their business as bailees deem themselves responsible
- d) property for which the **Insured** may have assumed liability, under contract or agreement, prior to **Damage**;
- e) property for which the **Insured** may have an obligation to insure

all as described in the Schedule and except as specifically excluded elsewhere in this **Policy**

46. Publication

means notices, agenda, minutes and reports of meetings, correspondence and publications of the **Insured** issued in the ordinary course of the **Insured's Business**

47. Retroactive Date

means the date when

- a) Part C, Section 5 of this **Policy** was first incepted, or
- b) where equivalent cover to that provided under this Section has been continuously maintained in full force and effect prior to inception of Part C, Section 5, the date which first applied to such equivalent cover.

48. Standard Gross Revenue

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

49. Stock

means stock, work in progress, finished work and materials in trade

50. Territorial Limits

means the Territorial Limits stated in the Schedule

51. United States of America

means the United States of America, its territories, possessions and insular areas (including but not limited to American Samoa, Guam, Mariana Islands, Marshall Islands, Micronesia, Palau, Puerto Rico, US Virgin Islands)

52. Virus

means programming code designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a **System** or transmitted or transferred between **Systems** via networks extranets, internet, electronic mail or attachments thereto, floppy diskettes or CD-ROMs or otherwise and whether involving self-replication or no Part A Property Damage and Business Interruption

Part A Property Damage and Business Interruption

DEFINITIONS

When used in bold print in Part A of the Policy

1. Act of Terrorism

means:

- a) In respect of **Damage** occurring in **Great Britain** acts of persons acting on behalf of or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing by force or violence, of Her Majesty's government in the United Kingdom or any other government de jure or de facto.
- b) In respect of **Damage** occurring anywhere other than in **Great Britain** any act, including but not limited to the use of force or violence or the threat thereof, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, committed for political, religious, ideological or similar purposes including the intention to influence any government or to put the public or any section of the public, in fear.

2. Occurrence

means any one loss or series of losses arising out of and directly resulting from one source or original cause.

Note: The duration and extent of any one source or original cause shall be limited to

- 72 consecutive hours as regards earthquake, storm, and/or flood.
- 72 consecutive hours and within the limits of one city, town or village as regards riot, civil commotion and malicious damage

Should any time period referred to above commence prior to and extend beyond the expiry date of this **Policy** the Insurer shall pay all losses occurring during such period as if such period fell entirely within the term of this **Policy**.

The **Insurer** shall not be liable however for any such loss commencing either before the effective date and time or after the expiration date and time of this **Policy**.

INSURING AGREEMENT

The **Insurer** agrees (subject to the terms and provisions of this **Policy**) that if after payment or agreement to pay the premium

- a) any of the **Property Insured**, or
- b) any building or other property used by or for the benefit of the **Insured** at the **Premises** for the purpose of the **Business**

be accidentally (in so far as the **Insured** is concerned) lost, destroyed or damaged during the **Period of Insurance** (or any subsequent period for which the **Insurer** accepts a renewal premium) the **Insurer** will pay to the **Insured**

- i. in respect of Section 1 the value of the **Property Insured** at the time of its loss or destruction or the amount of the damage alternatively, at the **Insurer's** option, the **Insurer** will reinstate, replace or repair the **Property Insured**
- ii. in respect of Section 2 the amount of the loss resulting from interruption of or interference with the **Business** carried on by the **Insured** at the **Premises** consequent upon the loss or destruction of or damage to any property used by or for the benefit of the **Insured** at the **Premises** for the purpose of the **Business**

all as more fully described in this **Policy**, provided that

- a) the liability of the **Insurer** under this **Policy** shall not exceed the total sum insured or in respect of any item its sum insured or any other Limit of Liability stated in this **Policy**
- b) in respect of the insurance under Section 2 if at the time of **Damage** the **Insured** has an interest in the property at the **Premises** there shall be in force an insurance covering any interest of the **Insured** in the property and that
 - i. payment shall have been made or liability admitted therefor, or
 - ii. payment would have been made or liability admitted therefor but for the operation of a proviso in such insurance excluding losses below a specified amount

EXTENSIONS

Claims Preparation Expenses

This **Policy** is extended to include reasonable expenses incurred by the **Insured** for an external assessment or preparation of a claim resulting from loss which would be payable under this **Policy**.

Part A Property Damage and Business Interruption

SECTION 1 PROPERTY DAMAGE

Basis of settlement

Buildings and Contents

The actual cash value of the **Property Insured** at the time of its loss or destruction, or the amount of the damage, or if replaced the cost of replacement as new or the cost of reinstatement as new, subject to the provisions of the Reinstatement (Day One) Non Adjustable Extension, other than

- a) Documents, records and property of like kind The replacement cost of the paper or materials plus the cost expended in reinstatement or rewriting the information contained therein but excluding the value of the information to the **Insured**.
- b) Models, patterns, moulds and property of a like kind The replacement cost of the materials plus the cost expended in reinstatement but excluding the value to the **Insured**.
- c) **Data** - The cost of blank media plus the costs of copying the **Data** from back-up or from originals of a previous generation. Such costs include research and engineering and any costs of recreating, gathering or assembling such **Data** but not the value of the **Data** to the **Insured** even if such **Data** cannot be recreated, gathered or assembled.
- d) Leased equipment

At the **Insured's** option either

- i. the costs of reinstatement subject to the provisions of the Reinstatement (Day One) Non Adjustable Extension, or
- ii. actual cash value at the time of **Damage**, or
- iii. the termination sums (as detailed by the terms of any leasing agreement)

Stock

The cost to repair or replace the **Stock** at the time of **Damage**, which shall mean the cost to replace raw materials or supplies plus the direct costs of labour and production expended until the time of **Damage**. For goods sold but not delivered for which the Insured is responsible, the basis of valuation shall be the contract price.

AVERAGE (UNDERINSURANCE)

The sums insured by:

- a) any items of **Buildings** or **Contents** that are subject to the provisions of the Reinstatement (Day One) Non Adjustable Extension are separately subject to Average as described therein.
- b) any other items (other than first loss items) including **Buildings, Contents** that are not subject to the provisions of the Reinstatement (Day One) Non Adjustable Extension, are separately subject to the following Condition of Average:

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

EXTENSIONS

Unless otherwise stated in the Schedule the following Extensions apply. Extensions may be subject to Sub- limits, which, if applicable, are stated in the Schedule.

1. Average Waiver (for Professional Valuations)

The provisions of Average (under insurance), Special Provision d) of the Reinstatement (Day One) Non Adjustable Extension and the average provisions of the Contribution and Average Claims Condition shall be waived provided that

- a) the **Insured** provides at their own expense and at intervals of not more than 3 years, valuations of all **Buildings** and **Contents** compiled by professionally qualified members of the Royal Institute of Chartered Surveyors or some other suitable valuer the **Insurer** agrees to and
- b) the sums insured and/or Declared values are adjusted from the date of such valuations to account for alterations in values

2. Capital Additions

The indemnity provided by this **Policy** shall automatically apply in respect of any new or acquired and/or occupied premises or property (or additions and/or improvements to existing property).

Provided that the **Insured** shall as soon as practicable and in any event within 6 months give particulars of such acquisition or alteration and effect specific insurance thereon retrospectively from the date of its acquisition or creation

3. Contracting Purchaser's Interest

If at the time of **Damage** the **Insured** shall have exchanged contracts to sell their interest in any **Property Insured** and the purchase has not been but is thereafter completed the purchaser on completion of the purchase (and if and so far as the property is not otherwise

insured against such **Damage** by the **Insured** or on the **Insured's** behalf) will be entitled to benefit under this Section without prejudice to the rights and liabilities of the **Insured** or the **Insurer** until completion.

4. Debris Removal

This Section includes **Debris Removal** in so far as the values declared allow.

5. Decontamination and Clean Up Expense

This Section includes any cost or expense of decontamination or removal or disposal of water, soil or any similar substance on or under the **Premises** incurred during emergency measures undertaken in order to mitigate any circumstances pertaining to seepage, pollution and/or contamination, whether or not at the instruction of any government agency or other authority, following **Damage**.

6. Deterioration of Freezer Stock

Notwithstanding Exclusion 2 to Part A, this Section includes deterioration or putrefaction of foodstuffs caused by

- a) a rise or fall in temperature,
- b) a rise or fall in humidity levels,
- c) a change in gas concentration levels,
- d) the action or escape of refrigerant and/or fumes

due to

- a) breakdown or damage of storage equipment
- b) loss, destruction or damage to any **Property Insured** or to the building and/or store in which such foodstuffs are stored
- c) non-operation of any automatic controlling or thermostatic devices
- d) accidental failure of utilities not resulting from the deliberate act of the public supply authority other than where this is necessitated by an emergency

Excluding any loss where the storage equipment is over 10 years old.

7. European Union and Public Authorities

This Section includes such additional costs of reinstatement following **Damage** as may be incurred solely by reason of the necessity to comply with the stipulations of

- a) European Union legislation, or

- b) Building or other regulations under or framed in pursuance of any Act of Parliament or bye laws of any public authority, or
- c) the **Insurer** requiring conformity to the appropriate sprinkler rules of an automatic sprinkler installation which conformed to the appropriate rules when installed but fails to conform to subsequent amendments to those rules.

in respect of property suffering loss, destruction or damage and undamaged portions thereof.

However cover provided by this Extension excludes:

- a) the cost incurred in complying with the aforesaid stipulations:
 - i. in respect of **Damage** occurring prior to the granting of this Extension;
 - ii. in respect of **Damage** not insured by this Section;
 - iii. under which notice has been served upon the **Insured** prior to the happening of the **Damage**;
 - iv. for which there is an existing requirement which has to be implemented within a given period;
- b) the additional cost that would have been required to make good the property which has sustained loss, destruction or damage to a condition equal to its condition when new had the necessity to comply with the stipulations not arisen;
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the stipulations

Special Condition

The work of reinstatement must be commenced and carried out without unreasonable delay and may be carried out upon another site (should the stipulations so necessitate) subject to the liability of the Insurer not being thereby increased.

8. Fire Brigade Charges and Extinguishing Expenses

This Section includes the following expenses resulting from **Damage**:

- a) fire brigade charges and other extinguishing expenses for which the **Insured** may be charged;
- b) loss of fire extinguishing materials expended

In addition the Insurer will pay the reasonable costs and expenses incurred by the Insured of refilling cylinders of any gas flooding systems installed for the protection of property arising out of the accidental discharge of such system.

9. Foundations

If following **Damage**, re-building is carried out upon another site, the **Insurer** agrees to treat abandoned **Building Foundations** as damaged, whether or not such foundations are damaged. Where abandoned foundations increase the resale value of the original building site, the increased value shall be regarded as salvage.

10. Inadvertent Omission to Insure

If after the inception of this **Policy** any property shall be found to have been inadvertently omitted from this insurance, the **Insurer** will deem such omitted property to be insured within the terms of this **Policy** and from the date of commencement of the **Insured's** interest in such property subject to the **Insured** notifying the Insurer of such omission as soon as reasonably practicable and agreeing to pay the reasonable pro-rata premium for such property.

11. Involuntary Betterment

In the event that new property of like kind and quality is not obtainable following **Damage**, property which is as similar as possible to that which has sustained **Damage** and which is capable of performing the same function shall be deemed to be new property of like kind and quality and in no event shall this be considered as a betterment to the **Insured**.

In the event of replacement with new property, the **Insurer** will pay the cost of purchasing and installing technologically current equipment, which is necessitated by incompatibility between:

- a) new equipment installed to replace equipment which has sustained loss, destruction or damage and
- b) undamaged existing equipment at the same or an interdependent location.

Provided always that:

- a) **Damage** was directly caused
- b) the **Insurer** shall be liable only for the amount sufficient to enable the Insured to resume operations in substantially the same manner as before
- c) the **Insurer** shall be liable only for the difference between:
 - i. the highest sales value of the undamaged existing equipment at the same or an interdependent location and
 - ii. the installed cost of the technologically current equipment.

12. Landscaping Costs

This Section includes the reasonable cost of remaking, reconstituting, redesigning, replanting and purchasing as necessary in order to replace surrounding and internal landscaped grounds and gardens.

13. Locks

This Section includes the costs incurred as a result of the replacement of locks to any building or safes or strong rooms therein for which the **Insured** is responsible following the loss of keys by theft from the **Premises** or from the homes of any authorised key-holders, or whilst the keys are being carried elsewhere or by unauthorised duplication of keys.

14. Metered Utility Charges

This Section includes the additional charges **incurred** by the Insured in respect of any utility metered by a supply authority following **Damage**.

15. Mitigation of Environmental Impact

This Section includes additional costs of reinstatement following **Damage**, as may be incurred with the **Insurers** prior consent that may not be unreasonably withheld, for the sole purpose of reducing the environmental impact arising during reinstatement and/or from the operation of the **Business** from the **Premises**.

Including but not limited to the additional costs incurred in;

- a) using sustainable construction materials,
- b) employing alternative waste or **Debris Removal** methods,
- c) modifying design and/or materials in order to reduce carbon emissions or atmospheric pollution or to improve energy efficiencies,

in respect of loss, destruction of or damage to property and undamaged portions thereof.

But cover does not include

- a) additional costs arising for work the **Insured** has already planned and was due to be carried out during the **Period of Insurance** or
- b) the additional cost of complying with any European Union legislation, Act of Parliament, or by-laws of any public authority

16. Mitigation of Loss

This Section includes all reasonable and necessary expenses incurred by the **Insured** in taking steps to avoid, reduce or mitigate impending **Damage** for which cover is provided by this Section provided that such **Damage** would be the likely outcome if such expenses were not incurred.

In the case of actual **Damage**, this Section includes the reasonable and necessary costs incurred to pay for temporary repairs and to expedite the permanent reinstatement, repair or replacement of property lost destroyed or damaged.

17. Mortgagees

Any increase in the risk of **Damage** resulting from any act or neglect of the **Insured** mortgagor freeholder leaseholder lessee licensee or occupier of any **Building(s)** insured by this **Policy** shall not prejudice the interest of any freeholder lessor mortgagee financier or lender provided such increase in risk is without their prior knowledge or authority and that the **Insurer** is notified as soon as practicable on becoming aware of such increase in risk any reasonable additional premium required is paid to the **Insurer**

18. Motor Vehicles

Notwithstanding Exclusion 11. a), Part A, this Section includes loss or destruction of or damage to motor vehicles owned or leased by the **Insured** whilst parked at the **Premises** in respect of any amount not recoverable from any other policy.

19. Other Interests

The interest of other parties in this insurance is noted, it being understood that in the event of a loss the nature and extent of such other interest will be disclosed by the **Insured**.

20. Pair and Set/Consequential Reduction in Value

In the event of **Damage**, this Section includes the resulting reduction in value of the remaining undamaged components or parts of products customarily sold as individual units or sold as pairs, sets or lots or ranges of sizes or colours.

21. Professional Fees

This Section includes **Professional Fees** in so far as the values declared allow.

22. Reinstatement (Day One) Non Adjustable

Subject to the following Special Provisions, the basis upon which the amount payable is to be calculated in respect of each Item of the **Property Insured** as stated in the Schedule, shall be the reinstatement of the property lost, destroyed or damaged.

For this purpose “reinstatement” shall mean

- a) the rebuilding or replacement of property lost or destroyed which, provided the liability of the **Insurer** is not increased may be carried out
 - i. in any manner suitable to the requirements of the Insured
 - ii. upon another site
- b) the repair or restoration of property damaged

in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new except, provided the liability of the **Insurer** is not increased the **Insurer** agrees to allow such betterment made solely to improve resilience to future loss, destruction or damage.

Special Provisions

- a) The **Insured** having stated in writing the Declared value (shown within the Schedule) for each of the said Items, the premium has been calculated accordingly.
- b) For the purposes of this Extension, “Declared value” means the **Insured’s** assessment of the cost of reinstatement of the **Property Insured** arrived at in accordance with paragraph a) above at the level of costs applying at the inception of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently) together with in so far as the insurance by the Item provides due allowance for
 - i. the additional cost of reinstatement to comply with European Union and public authority requirements.
 - ii. **Professional Fees**
 - iii. **Debris Removal** costs
- c) At the inception of each **Period of Insurance** the **Insured** shall notify the **Insurer** of the Declared value of the **Property Insured** by each of the said Items. In the absence of such declaration the last amount declared by the **Insured** shall be taken as the Declared value for the ensuing period.

- d) If at the time of **Damage** the Declared value of the property covered by such Item be less than the cost of reinstatement (as defined in Special Provisions b) above) at the inception of the **Period of Insurance** then the **Insurer's** liability for the **Damage** shall not exceed that proportion thereof which the Declared value bears to the cost of reinstatement.
- e) The liability of the **Insurer** for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed.
- f) No payment beyond the amount which would have been payable in the absence of this Extension shall be made
 - i. unless reinstatement commences and proceeds without unreasonable delay
 - ii. until the cost of reinstatement shall have been actually incurred
 - iii. if the **Property Insured** at the time of its loss, destruction or damage shall be insured by any other insurance effected by or on behalf of the Insured which is not upon the same basis of reinstatement.
- g) All the terms and Conditions of the Policy shall apply
 - i. in respect of any claim payable under the provisions of this Extension except in so far as they may be varied hereby
 - ii. where claims are payable as if this Extension had not been incorporated except that the Insurer's liability shall be limited to 110% of the Declared values.

23 Resilient repairs – Extra costs

This Section includes the additional costs of reinstatement following **Damage** incurred for the sole purpose of improving the **Property Insured's** resilience to future similar loss, destruction or damage, including but not limited to costs incurred in:

- a) modifying design and/or materials
- b) relocating equipment,
- c) obtaining appropriate expert advice

in respect of **Property Insured** suffering loss, destruction or damage and undamaged portions thereof

But cover does not include

- i. additional costs arising for work the Insured has already planned and was due to be carried out during the Period of Insurance; or
- ii. the additional cost of complying with any European Union legislation, Act of Parliament, or by-laws of any public authority

24 Temporary Removal

This Section includes **Damage** (other than **Stock** if insured) whilst temporarily removed elsewhere, as regards documents and books and the like for any purpose and as regards other property for cleaning, renovation, repair or similar purposes.

25 Theft Damage to Buildings

This Section includes **Damage** to buildings at the **Premises** for which the **Insured** is responsible (and not otherwise insured by this **Policy**) caused by theft or attempted theft.

26 Third Party Sites and Transit

This Section includes

- a) loss, destruction or damage to **Property Insured** whilst at any third party site including whilst temporarily removed from the **Premises** for any purpose, which would not otherwise be insured by this Section, including whilst at storage, exhibition, customer, supplier, sub- contractor, agent, contract and outsourcees' sites, including whilst in transit by road, rail or inland waterway and during loading and unloading and whilst in temporary storage during transit.
- b) loss that is not recoverable from a third party following loss, destruction of or damage to **Property Insured** at any location where such **Property Insured** has been passed to the third party in contract, but where title of the goods remain vested in the **Insured**.

27 Trace and Access

If **Damage** results from escape of water, fuel, oil or from sprinkler leakage, this Section includes the costs incurred by the **Insured** in taking steps to locate the source of such **Damage** and the subsequent making good of damage caused as a consequence of such steps.

28 Unauthorised Use of Metered Utilities

This Section includes the additional charges incurred by the **Insured** in respect of electricity, gas, water, effluent, telecommunications or internet provision services arising from its unauthorised use by persons taking possession of or occupying the **Premises** without the **Insured's** authority provided that the **Insured** shall take all practical steps to terminate such unauthorised use as soon as it is discovered

29 Workmen

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

Part A Property Damage and Business Interruption

SECTION 1A MONEY

The **Insurer** will indemnify the Insured arising out of **Damage** in respect of

- a) **Money**
- b) bags or other containers used for carrying **Money**
- c) clothing or personal effects belonging to the Insured or any **Employee**, of the **Insured** occurring at the **Premises** and elsewhere as described in the Schedule.

The **Insurer's** liability shall not exceed the amounts stated in the Schedule

Provided that **Negotiable money** whilst in transit shall be carried by

- a) the following number of able bodied adults
 - i. 2 adults when in excess of £3,000 but not exceeding £6,000
 - ii. 3 adults when in excess of £6,000 but not exceeding £15,000
- b) a professional carrier of money for single transits exceeding £15,000

Notwithstanding Exclusion 4, Part A, cover provided by this Section shall include loss resulting from acts of fraud or dishonesty by the **Insured's Employees**, provided that such act is discovered within 30 days of occurrence.

Money – Assault

This Section includes payment in respect of death or disablement of any **Employee** following theft or attempted theft of **Money**.

Provided that

- a) death or disablement occurs within 24 months and independently from any other cause.
- b) the **Insurer's** liability for any weekly benefit is limited to 104 weeks in respect of any one incident

- c) the **Insurer's** liability is limited to one benefit only in respect of the same incident (should the **Insurer** become liable to pay benefit on account of death, permanent disablement or permanent total disablement, then any amounts already paid by the **Insurer** for temporary total disablement will be deducted from the final settlement).
- d) the **Insurer's** liability for weekly benefits will not exceed the pre-accident weekly earnings of the injured insured person.

Part A Property Damage and Business Interruption

SECTION 2 BUSINESS INTERRUPTION

Basis of settlement

Item 1 Gross Revenue (Declaration linked basis)

The insurance under Item no 1 is limited to

- a) loss of Gross Revenue and
- b) Increase in Cost of Working

and the amount payable as indemnity hereunder shall be

- (a) in respect of loss of **Gross Revenue** the amount by which the **Gross Revenue** during the **Indemnity Period** shall fall short of the **Standard Gross Revenue** in consequence of the **Incident**.
- (b) in respect of Increase in Cost of Working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Gross Revenue** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Incident**, but not exceeding the amount of reduction thereby avoided.

less

- a) any sum saved in respect of such of the charges and expenses of the **Business** payable out of **Gross Revenue** as may cease or be reduced in consequence of the **Incident**
- b) costs to the extent that they are recoverable under Section 1, Part A of this **Policy**

N.B. Depreciation will not be included in any such adjustment for savings.

Item 2 Additional Increase in Cost of Working

The insurance under Item 2 is limited to the amount of the additional expenditure (in excess of the amount payable under paragraph b) of **Gross Revenue**), necessarily and reasonably incurred by the **Insured** during the Indemnity Period in consequence of the Incident for the sole purpose of avoiding or diminishing a reduction in **Gross Revenue** or resuming or maintaining normal business.

Item 3 Standalone Increase in Cost of Working

The insurance under Item 3 is limited to the additional expenditure necessarily and reasonably incurred by the **Insured** during the **Indemnity Period** in consequence of the Incident for the sole purpose of avoiding or diminishing any interruption or interference with the **Business**.

Limits of Liability

Notwithstanding proviso a) in the Insuring Agreement to this Policy the liability of the **Insurer** shall in no case exceed

- a) in respect of **Gross Revenue**, 133.3% of the **Estimated Gross Revenue** stated herein,
- b) in respect of each other item 100% of the of the sum insured stated herein,
- c) in the whole,
 - i. the sum of 133.3% of the **Estimated Gross Revenue** and 100% of the sums insured by other Items, or
 - ii. such other amounts as may be substituted therefor by memorandum signed by and on behalf of the **Insurer**.

Memoranda

1. Alternative Trading

If during the **Indemnity Period** goods shall be sold, leased or delivered or services shall be rendered elsewhere than at the **Premises**, either by the **Insured** or by others on their behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the **Gross Revenue** during the **Indemnity Period**.

2. Current Cost Accounting

For the purpose of the definitions of this Section, any adjustment implemented in current cost accounting shall be disregarded.

3. Essential Operations – Increase in Cost of Working

Item 1b) shall indemnify the **Insured** for reasonable expenditure incurred by the **Insured** for the sole purpose of resuming or maintaining normal business in consequence of an **Incident** at **Premises** used for administrative, office or other similar central group business function for the purpose of the **Business**.

4. Inter-Group Dependency

Any loss resulting from an **Incident** applies not only at the **Premises** at which the **Damage** occurs but also to resulting interruption of or interference with the **Business** at any of the Premises insured by this **Policy**.

5. Professional Accountants Charges

Any particulars or details in the **Insured's** books of account or other business books or documents which may be required by the **Insurer** for the purpose of investigating or verifying any claim under this Section may be produced by professional accountants if at the time they are acting regularly as such for the **Insured** and their report shall be prima facie evidence of the particulars and details to which such report relates.

The **Insurer** will pay to the **Insured** the reasonable charges payable by the **Insured** to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by the **Insurer** under the terms or conditions of this **Policy** and reporting that such particulars or details are in accordance with the **Insured's** books or accounts or other business books or documents provided that the sum of the amount payable under this Memorandum and the amount otherwise payable under this Section shall in no case exceed the Limit of Liability insured by this Section.

6. Renewal

The **Insured** shall prior to each renewal provide the Insurer with the **Estimated Gross Revenue** for the financial year most nearly concurrent with the ensuing years of insurance.

7. Value Added Tax

To the extent that the **Insured** is accountable to the tax authorities for Value Added Tax, this Section shall be exclusive of such tax.

Extensions

Unless otherwise stated in the Schedule the following Extensions apply. Extensions may be subject to Sub-limits, which, if applicable, are stated in the Schedule.

1. Extended Premises

Premises for the purpose of all cover provided by Section 2. shall include the following as if in all respects they were premises owned, leased used or occupied by the **Insured** declared and accepted by **Insurers** and the relevant loss, destruction or damage had occurred thereon:

- a) **Customers' Premises** - The premises of any of the **Insured's** customers, who have a contractual trading relationship with the **Insured**.
- b) **Suppliers' Premises** - The premises of any of the **Insured's** suppliers of components, materials, goods or services or the premises of any contracted outsourcers of the **Insured**, who have a contractual trading relationship with the **Insured** but excluding the premises of suppliers of electricity, gas, water effluent, telecommunications, internet provision and satellite services.
- c) **Third Party Premises** - The premises of any third party, the type of which is specified in the Schedule but excluding
 - i. the premises of any of the Insured's suppliers or customers.
 - ii. the premises of suppliers of electricity, gas water, effluent, telecommunications, internet provision and satellite services
- d) **Transit** - Whilst in transit by road, rail or inland waterway and during loading and unloading and whilst in temporary storage during transit.

2. Extended Incident

Incident for the purpose of all cover provided by Section 2. includes:

- a) **Notifiable Human Disease and Other Health Risks**
 - i. any occurrence of a **Notifiable Human Disease** or a **Notifiable Human Disease** attributable to food or drink supplied from the **Premises**
 - ii. any discovery of an organism or causative agent at the **Premises** likely to result in the occurrence of a **Notifiable Human Disease**,
 - iii. the discovery of vermin or pests at the **Premises**,
 - iv. any accident causing defects in the drains or other sanitary arrangements at the Premises including accidental leakage or escape of sewage or effluent

that causes restrictions on the use of the **Premises** on the order or advice of a competent local authority,

- v. any occurrence of death, murder, suicide, assault, rape, abduction or child abuse at the **Premises**.

Cover provided by this Extension includes the costs and expenses incurred following any **Incident** described above, in

- i. cleaning and decontamination of property used by the **Insured** for the purpose of the **Business** (other than stock in trade),
- ii. removal and disposal of contaminated property owned or leased by the **Insured** or for which the **Insured** is responsible,
- iii. repair or replacement of property owned or leased by the **Insured** or for which the **Insured** is responsible, provided that such costs do not increase the **Insurer's** liability beyond the amount which would have been recoverable under items a) and b) above.

Definitions for the purposes of this Extension

Notifiable Human Disease means human disease, suspected human disease or contamination which must be notified to the local authority excluding any occurrence, whether directly or indirectly, of

- i. any mutation of Avian Flu that manifests itself as a human infectious or human contagious disease
- ii. Severe Acute Respiratory Syndrome (SARS).

b) Prevention of Access and Loss of Attraction

- i. any **Damage** within a radius of 1 mile of the **Premises**;
- ii. unlawful occupation of the **Premises** by any person but excluding occupation of the **Premises** by any person or persons taking part in a labour dispute;
- iii. the presence of or suspected presence of, a harmful device or weapon in, or within a radius of 1 mile of the **Premises** provided that the police or other appropriate statutory authorities are notified as soon as practicable;
- iv. a gas leak or suspected gas leak at or within a radius of 1 mile of the **Premises**

that prevents or hinders the use of the **Premises** and, where relevant, access thereto or results in loss of attraction to the **Insured's Business** by customers or potential customers.

- v. closure or sealing off of the **Premises** or any right of way by the police or other statutory authority which
1. prevents or hinders the use of the **Premises** or access thereto or, where the **Premises** forms part of a larger complex development or shopping centre, prevents or hinders the use of the entire complex development or shopping centre or access thereto or;
 2. causes a reduction in the number of people using the **Premises** or, where the **Premises** forms part of a larger complex development or shopping centre, causes a reduction in the number of people using the same.
- vi. closure or sealing off of roads or transport systems within a mile of the **Premises** by the police, fire, or other statutory authority or local or transport authority, which
1. prevents the **Insured's** staff from reaching their usual place of work or;
 2. causes a reduction in the number of people using the **Premises** or, where the **Premises** forms part of a larger complex development or shopping centre, causes a reduction in the number of people using the same. In so far as concerns paragraph i) above, this shall not include loss, destruction or damage to property of any of the **Insured's** suppliers of electricity, gas, water, effluent, telecommunications or internet provision or satellite services, which prevents or hinders the supply of such services to the **Premises**.

c) Utilities

- a) **Damage** - Loss, destruction or damage of land-based installations and/or equipment used for the supply of electricity, gas, water, effluent, telecommunications or internet provision services.
- b) **Accidental failure** - Loss following the accidental failure of the supply of electricity, gas, water, effluent, telecommunications or internet provision services, at the terminal ends of the service feeders or receivers or meters

but this Extension will not cover loss following failure of supply

- i. due to failure of any satellite;
- ii. due to the deliberate act of a supplier unless done to save human life or to safeguard the property of the supplier or in response to loss or destruction of or damage to the property of the supplier or **Damage** in the vicinity of such property;
- iii. due to default on the part of the **Insured**;
- iv. due to cessation of work;
- v. due to drought;
- vi. that is otherwise insured under paragraph (A) Damage.

Part A Exclusions

Part A of this **Policy** does not cover

1. **Damage** or **Consequential Loss** caused by or consisting of
 - a) inherent vice, latent defect, its own faulty or defective design or materials
 - b) gradual deterioration, wear and tear,
 - c) c. frost,

but this shall not exclude subsequent **Damage** or **Consequential Loss** which itself results from a cause not otherwise excluded.

2. **Damage** or **Consequential Loss** caused by or consisting of
 - a) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam piping in connection therewith
 - b) mechanical or electrical breakdown or derangement of the particular machine or apparatus or equipment in which such breakdown or derangement originates
 - c) corrosion, rust, wet or dry rot
 - d) change in colour, flavour, texture, finish or temperature
 - e) shrinkage, evaporation, loss of weight, dryness,
 - f) marring, scratching
 - g) vermin or insects
 - h) faulty or defective workmanship or operational error or omission, on the part of the **Insured** or any of their **employees**
 - i) change in the water table but this shall not exclude
 - i. such **Damage** or **Consequential Loss** not otherwise excluded which itself results from a **Defined Peril**
 - ii. subsequent **Damage** or **Consequential Loss** which itself results from a cause not otherwise excluded
3. **Damage** or **Consequential Loss** caused by or consisting of theft or attempted theft (other than of **Money** and other property covered by the Money Extension), of
 - a) movable property in any garden, yard, open space or open-sided building;

- b) property contained in any building unless involving
 - i. forcible and violent breaking into or out of either the premises and/or building and/or that part of the building where such property is contained or
 - ii. actual or threatened assault or violence
- c) property contained in any unlocked, unattended vehicle unless such vehicle is itself within a building

but this shall not exclude

- i. such **Damage** or **Consequential Loss** not otherwise excluded which itself results from a **Defined Peril**
 - ii. subsequent **Damage** or **Consequential Loss** which itself results from a cause not otherwise excluded
4. **Damage** or **Consequential Loss** caused by or consisting of acts of fraud or dishonesty by the **Insured's** employees but this shall not exclude such **Damage** or **Consequential Loss** not otherwise excluded which itself results from a **Defined Peril**.

5.

- a) in respect of Section 1, **Damage** caused by pollution or contamination but this shall not exclude loss, destruction of or damage to the **Property Insured**, not otherwise excluded, caused by
 - i. pollution or contamination which itself results from a **Defined Peril**
 - ii. **Defined Peril** which itself results from pollution or contamination
- b) in respect of Section 2, loss resulting from pollution or contamination but this shall not exclude loss resulting from loss, destruction of or damage to property used by the **Insured** at the **Premises** for the purposes of the **Business**, not otherwise excluded, caused by
 - i. pollution or contamination at the **Premises** which itself results from a **Defined Peril**
 - ii. a **Defined Peril** which itself results from pollution or contamination

6. **Damage** or **Consequential Loss** caused by or consisting of

- a) subsidence, ground heave or landslip:

- i. to any **Building** (or contents therein) which stands on made-up ground or on any site where there has been a previous occurrence of subsidence, ground heave or landslip,
- ii. to land, yards, car parks, roads, pavements, walls, gates or fences unless a building insured hereby is also affected
- iii. resulting from gradual coastal or river erosion
- iv. resulting from structural building alterations, demolition or excavation works at the **Premises**
- v. commencing prior to the granting of this insurance,

but this shall not exclude

- a) such **Damage** or **Consequential Loss** not otherwise excluded which itself results from a cause not otherwise excluded
- b) subsequent **Damage** or **Consequential Loss** which itself results from a cause not otherwise excluded
- c) normal settlement or bedding down of new structures

7.

- a) in respect of Section 1 loss, destruction of or damage to a **Building** caused by its own collapse or cracking
- b) in respect of Section 2 **Consequential Loss** resulting from loss, destruction of or damage to a building or structure used by the **Insured** at the **Premises** caused by its own collapse or cracking unless resulting from a **Defined Peril** in so far as it is otherwise not excluded

8. **Damage** caused by or consisting of or **Consequential Loss** arising from disappearance, unexplained or inventory shortage, misfiling or misplacing of information.

9. **Damage or Consequential Loss**

- a) caused by fire resulting from its undergoing any process involving the application of heat
- b) (other than by fire or explosion) resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair

but this shall not exclude subsequent **Damage** or **Consequential Loss** which itself results from a cause not otherwise excluded.

10. **Damage or Consequential Loss** in respect of any **Premises** which are empty or not in use for 30 consecutive days or more.

- a) caused by freezing
- b) caused by the escape of water from any tank, apparatus or pipe
- c) caused (other than by fire or explosion) by malicious persons not acting on behalf of or in connection with any political organisation

11. **Damage or Consequential Loss** (unless specially mentioned as insured in the Schedule or by Extension elsewhere in this **Policy**) in respect of

- a) vehicles licensed for road use (including accessories thereon) caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft.
- b) property or structures in the course of construction or erection and materials and supplies in connection with all such property in the course of construction or erection
- c) land, piers, jetties, culverts or excavations
- d) livestock, growing crops or embankments
- e) movable property in the open caused by wind, rain, hail, sleet, snow, flood or dust
- f) property which at the time of the **Damage** is insured by, or would but for the existence of this **Policy** be insured by, any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.
- g) any property more specifically insured by or on behalf of the **Insured**.

12. Damage or Consequential Loss in respect of

- a) glass (other than fixed glass,) china, earthenware, marble or other fragile or brittle objects
- b) jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art, sculptures or rare books

other than

- i. such **Damage** caused by a **Defined Peril**
- ii. such **Consequential Loss** resulting from loss, destruction of or damage to such property caused by a **Defined Peril**

in so far as it is not otherwise excluded.

13. **Consequential Loss** caused by the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel, telecommunications or internet provision services but this shall not exclude

- a) such **Damage** or **Consequential Loss** not otherwise excluded which itself results from a **Defined Peril**
- b) subsequent **Damage** or **Consequential Loss** which itself results from a cause not otherwise excluded

14. **Damage** or **Consequential Loss** arising out of or relating to

- a) mould, mildew, fungus, or spores
- b) other micro-organism whose presence poses an actual or potential threat to human health.

15. Damage or Consequential Loss

- a) to **Data** arising out of
 - i. its own corruption or erasure
 - ii. unauthorised appropriation use access or modification of **Data**
 - iii. unauthorised transmission of **Data** to any third parties
 - iv. misinterpretation use or misuse of **Data**
 - v. operator error

b) arising directly or indirectly from

i. a **Virus**

ii. unauthorised access to a **System**

iii. interruption of or interference with electronic means of communication used in the conduct of the **Business** including but not limited to diminution in the performance of any website or electronic means of communication except as specifically provided for by Extension – Section 2; Extensions; 2, Extended Incident; c) Utilities

iv. **Failure of a System**

v. anything described in 15. a) above

But in respect of 15. b) i) to iv) inclusive, this shall not exclude subsequent **Damage** or **Consequential Loss** which itself results from a **Defined Peril** not otherwise excluded provided that such **Damage** or **Consequential Loss** does not arise by reason of any malicious act or omission.

16. **Damage** or **Consequential Loss** caused by any consequence of war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power; nationalisation, confiscation, requisition, seizure or destruction by the government or any public authority.

17.

a) in respect of Section 1 loss or destruction of or damage to

b) in respect of Section 2 **Consequential Loss** occasioned by or happening through loss or destruction of or damage to

any property or any loss or expense resulting or arising therefrom or any **Consequential Loss** directly or indirectly caused by or contributed to or arising from

i. ionising radiations or contamination by radioactivity from any nuclear fuel or from any waste from the combustion of nuclear fuel

ii. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

18. **Damage** or any loss or expense resulting or arising therefrom or any **Consequential Loss** directly or indirectly caused by or contributed to by or arising from any **Act of Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This **Policy** also excludes **Damage** loss or expense or **Consequential Loss** directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any **Act of Terrorism**.

In any action suit or other proceedings where the **Insurer** alleges that any **Damage**, loss or expense or **Consequential Loss** is not covered by reason of this Exclusion the burden of proving that such **Damage**, loss or expense or **Consequential Loss** is covered shall be upon the Insured

19. **Damage** or **Consequential Loss** in Northern Ireland caused by riot or civil commotion (except for **Damage** caused by fire or explosion) strikers, locked out workers or persons taking part in labour disturbances or malicious persons.

Part A Conditions

The following Conditions apply to Part A of this **Policy** only

1. Automatic Reinstatement

The sums insured and/or Limits of Liability stated in the Schedule in respect of any **Property Insured** or Business Interruption will be automatically reinstated as and from the date of **Damage** to the expiry of the **Period of Insurance** provided that the **Insured** shall pay the appropriate pro rata premium other than where an aggregate Limit of Liability is shown in the Schedule in which case the aggregate amount shall not be automatically reinstated within the terms of this Condition.

2. Inspections

The **Insurer** shall be permitted but not obligated to inspect the **Insured's** property and operations at any time. Neither the **Insurer's** right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking on behalf of or for the benefit of the **Insured** or others, to determine or warrant that such property or operations are safe. The **Insurer** may examine and audit the **Insured's** books and records at any time during the **Period of Insurance** and extensions thereof and within three years after the final termination of this **Policy**, as far as they relate to the subject matter of this insurance.

3. Non-Invalidation

The insurance by Part A of this **Policy** shall not be invalidated by any act or omission or by any alteration whereby the risk of loss or claim under this **Policy** is increased without the authority or knowledge or beyond the control of the **Insured**. Provided that the **Insured** will notify the **Insurer** as soon as practicable on becoming aware of such act, omission or alteration and agrees to pay an additional premium and/or accept an amended Excess to reflect what the **Insurer** could have reasonably demanded had the increased risk been declared to the **Insurer** prior to inception of the **Policy**.

4. Severability of Interest

If the **Insured** comprises more than one party and/or entity, this **Policy** shall protect each insured party and/or entity as though a separate contract of insurance had been agreed with each for its respective rights and interests. However, this will not

- a) operate to increase the Limit of Liability of the **Insurer** above the amount payable if the **Insured** comprised of only one party and/or entity and in any event will not exceed any Limit of Liability stated in this **Policy**;
- b) apply to rights of cancellation as provided for by the Cancellation Condition of this **Policy**.

The **Insurer** shall not avoid, terminate or otherwise invalidate this **Policy** or fail to pay part or all of any claim on the grounds of breach by an insured party and/or entity of any term or obligation or on any other grounds except in relation to that insured party and/or entity only.

Part B Employers' Liability and Public & Products Liability

DEFINITIONS

When used in bold print in Part B of this **Policy**.

1. **Clean up**

means the costs of **Remediation**

2. **Enforcing Authority**

means 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

3. **Occurrence**

means an accidental event or series of events resulting from one source or originating cause (including continuous or repeated injurious exposure to substantially the same general conditions) where such accidental event or series of events is neither expected nor intended from the standpoint of the **Insured** unless committed for the purpose of preventing or eliminating danger to persons or property

4. **Pollution or Contamination**

means

- a) pollution or contamination of buildings or other structures or of water or land or the atmosphere and
- b) all loss damage to property and **Personal Injury** directly or indirectly caused by such pollution or contamination.

5. Remediation

means 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

6. Terrorism

means an act or acts including but not limited to

- a) the use or threat of force and/or violence and/or
- b) harm or damage to life or 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 groups of person(s) or so claimed in whole or in part for political religious ideological or similar purposes.

Extensions

Unless otherwise stated in the Schedule the following Extensions apply. Extensions may be subject to Sub- limits, which, if applicable, are stated in the Schedule.

1. Compensation for Court Attendance

In the event of any of the under mentioned persons attending court as a witness at the request of the **Insurer** in connection with a claim in respect of which the **Insured** is entitled to indemnity under this **Policy** the **Insurer** will provide compensation to the **Insured** at the following rates per day for each day on which attendance is required

- a) any **Councillor** or **Clerk** GBP 500
- b) any other **Employee** GBP 250

2. Contractual Liability

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

The **Insurer** will not provide indemnity in respect of any agreement for or including the performance of work outside Great Britain Northern Ireland the Channel Islands of the Isle of Man

3. Corporate Manslaughter and Corporate Homicide Act 2007 - Legal Costs

The **Insurer** will indemnify the **Insured** in respect of legal fees and expenses incurred with the **Insurer's** written consent and any prosecution costs awarded in respect of

- a) the defence of any criminal proceedings brought against the **Insured** for an offence occurring within Great Britain Northern Ireland the Channel Islands the Isle of Man or offshore installations within the Continental Shelf around such territories and during the **Period of Insurance** under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar or amending legislation arising out of and in the course of the **Business**

- b) an appeal against a conviction arising from such proceedings

The **Insurer** will not provide indemnity

- a) in respect of proceedings which result from any deliberate act or omission by the **Insured**
- b) in respect of any fines and penalties or the cost of complying with remedial or publicity orders or any steps required to be taken by such orders as defined in the Corporate Manslaughter and Corporate Homicide Act 2007 arising in respect of such proceedings or appeals
- c) In circumstances where the Insured has indemnity for such liability under any other policy

But this Extension of indemnity shall not apply

- a) in respect of Section 3, Employers' Liability to any criminal proceedings to the extent that these do not relate solely to the death of an **Employee**
- b) in respect of Section 4, Public and Products Liability to any criminal proceedings to the extent that these relate solely to the death of an Employee

4. Data Protection Act

The indemnity provided by this Extension is on a "claims made" basis.

Under this Extension the **Insurer** will indemnify the **Insured** in respect of their liability to pay

- a) compensation in respect of damage or distress arising under Section 13 of the Data Protection Act 1998 or under Article 82 of the General Protection Regulation (Regulation (EU) 2016/679) or under any legislation implementing the General Data Protection Regulation or under any replacement legislation in respect of any of the foregoing and defence costs and expenses incurred with the consent of the **Insurer**
- b) defence costs incurred with the consent of the **Insurer** in relation to a prosecution brought under the Data Protection Act 1998 or under Article 82 of the General Protection Regulation (Regulation (EU) 2016/679) or under any legislation implementing the General Data Protection Regulation or under any replacement legislation in respect of any of the foregoing

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

Provided that

- a) Item a) of this Extension shall not apply
 - i. in respect of Section 3 Employers' Liability to such damage or distress that is not suffered by an **Employee**
 - ii. in respect of Section 4 Public and Products Liability to such damage or distress that is suffered by an **Employee**
 - iii. to the extent that an indemnity is provided elsewhere in this **Policy**
- b) Item b) of this Extension shall not apply
 - i. in respect of Section 3 Employers' Liability where the infringement leading to the prosecution does not relate to the personal data of an **Employee**
 - ii. in respect of Section 4 Public and Products Liability where the infringement leading to the prosecution relates to the personal data of an **Employee**
- c) this Extension is subject to the **Insured** having registered in accordance with the terms of the Data Protection Act 1998 or under Article 82 of the General Protection Regulation (Regulation (EU) 2016/679) or under any legislation implementing the General Data Protection Regulation or under any replacement legislation in respect of any of the foregoing
- d) any claim for compensation is first made or prosecution first brought against the **Insured** during the **Period of Insurance**
- e) this Extension will not apply in respect of
 - i. the payment of fines or penalties
 - ii. the cost of replacing reinstating rectifying or erasing any data
 - iii. claims which arise out of circumstances notified to previous insurers or known to the **Insured** at inception of this **Policy**

5. Health and Safety at Work etc. Act 1974 – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and if the Insured so requests any **Employee** in respect of:

- a) legal costs and other expenses incurred with the **Insurer's** written consent and prosecution costs awarded against the **Insured** or any **Employee** in connection with:
 - i. the defence of any criminal proceedings (with the exception of proceedings within the scope of General Extension 4 of this **Policy**) in respect of a breach or alleged breach of the Health and Safety at Work etc. Act 1974 or amending legislation including but not limited to proceedings for manslaughter brought against the **Insured** or **Employee**

- ii. an appeal against conviction arising from criminal proceedings or an appeal against a prosecution Improvement Notice or Prohibition Notice in respect of a breach of the Health and Safety at Work etc. Act 1974 or amending legislation
- b) costs of representation at any Coroner's Inquest or fatal accident inquiry provided that

- a. the proceedings inquest or fatal accident inquiry relate to an offence alleged to have been committed during the **Period of Insurance** within the **Territorial Limits** and in the course of the **Insured's Business** and
 - i. in respect of Section 1 (Employers' Liability) the health safety and welfare of any **Employee** and
 - ii. in respect of Section 2 (Public and Products Liability) the health safety and welfare of any person other than an **Employee**
- b. the indemnity will not apply
 - i. to fines or penalties of any kind
 - ii. where indemnity is provided by any other insurance.

Part B Employers' Liability and Public & Products Liability

SECTION 3 EMPLOYERS LIABILITY

Insuring Agreement

The **Insurer** will provide indemnity to the **Insured**

- 1. against legal liability for damages and claimant's costs and expenses in respect of **Bodily Injury** to any **Employee** caused during the **Period of Insurance** in the **Territorial Limits** arising out of and in the course of employment by the **Insured** in the **Business**
- 2. in respect of
 - a) costs of legal representation at
 - i. any coroner's inquest or inquiry in respect of any death
 - ii. proceedings in any court arising out of any alleged breach of statutory duty resulting in **Bodily Injury**

which may be the subject of indemnity under this Section

- b) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 above

incurred with the **Insurer's** written consent.

Limit of Indemnity

The amount stated in the Schedule for this Section is the maximum amount payable by the **Insurer** including interest and all legal costs and expenses in respect of any claim or series of claims arising out of any one occurrence or series of occurrences consequent upon or attributable to any one source or original cause.

Compulsory Insurance Legislation

This **Policy** satisfies the requirements of the Employers' Liability (Compulsory Insurance) Act 1969 and the Employers Liability (Compulsory Insurance) Regulations 1998 or any subsequent amendment or re-enactment or similar legislation in Northern Ireland the Isle of Man and the Channel Islands

The **Insurer** shall have the right to recover from the **Insured** any sums paid which they would not have been liable to pay but for such legislation.

Extensions

Unless otherwise stated in the Schedule the following Extensions apply. Extensions may be subject to Sub-limits, which, if applicable, are stated in the Schedule.

1. Medical Treatment

Notwithstanding paragraph c) v) of General Definition **Persons Entitled to Indemnity** the **Insurer** will indemnify the **Insured** and any **Medical Persons** employed by the **Insured** in respect of liability for damages and costs and expenses to any **Employee** resulting from treatment given in connection with any **Bodily Injury** sustained by such person during the **Period of Insurance**

2. Unsatisfied Court Judgments

In the event of a judgment for damages being obtained

- a) by any **Employee** or the personal representatives of any **Employee** in respect of **Bodily Injury** to or death disease or illness of the **Employee** caused during any **Period of Insurance** and arising out of and in the course of employment by the **Insured** in the **Business**
- b) against any company or individual operating from premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man in any court situate in Great Britain Northern Ireland the Channel Islands or the Isle of Man

and remaining unsatisfied in whole or in part six months after the date of such judgment the **Insurer** will pay to the **Employee** or the personal representatives of the **Employee** at the request of the **Insured** the amount of any damages and any awarded costs to the extent that they remain unsatisfied

provided that

- a) there is no appeal outstanding
- b) if any payment is made under the terms of this Extension the **Employee** or the personal representatives of the **Employee** shall assign the benefit of any damages payable and any costs awarded under the judgment to the **Insurer**

Exclusions

The indemnity provided by Part B, Section 3, of the Policy will not apply

1. in respect of **Bodily Injury** for which the **Insured** is required to arrange motor insurance or security in accordance with any road traffic legislation within the European Union
2. to **Bodily Injury** to any **Employee** whilst engaged in **Offshore** work unless specifically agreed by the **Insurer** and a Limit of Indemnity stated in respect of **Offshore** work in the Schedule
3. in respect of any legal liability
 - a) of whatsoever nature directly or indirectly caused by or contributed to by or arising from
 - i. ionising radiations from 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 where such legal liability is
 - iii. that of any principal
 - iv. accepted under agreement and would not have attached in the absence of such agreement
4. in respect of
 - 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.

5. in respect of any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless on any contributory cause or event
 - a) **Terrorism**
 - b) any action taken in controlling preventing suppressing or in any way relating to a) above except for the amount stated in the Schedule.

Part B Employers' Liability and Public & Products Liability

SECTION 4 PUBLIC AND PRODUCTS LIABILITY

Insuring Agreement

Subject to all terms and Conditions of this **Policy** the **Insurer** agrees to indemnify the **Insured** and all other **Persons Entitled to Indemnity**:

1. against legal liability for damages or compensation (including interest) consequent upon **Personal Injury** or **Property Damage** happening during the **Period of Insurance** in the **Territorial Limits** and arising from or in consequence of an **Occurrence** in connection with the **Business**
2. in respect of
 - a) costs of legal representation at
 - i. any coroner's inquest or inquiry in respect of any death
 - ii. proceedings in any court arising out of any alleged breach of statutory duty resulting in Personal Injury or Property Damage

which may be the subject of indemnity under this Section

- b) all legal costs recoverable at law by any claimant in relation to any matter which is the subject of a claim for indemnity under 1. above
- c) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 above

incurred with the **Insurer's** written consent.

At the request of the **Insured** the Insurer shall provide such indemnity by making payment on behalf of the **Insured**

Limits of Indemnity

1. Notwithstanding the number of **Insured's** under this Section the liability of the **Insurer** for all sums payable as damages or compensation shall not exceed the sums stated in the Schedule as the Limits of Indemnity
2. All costs of legal representation and other costs and expenses shall be payable in addition to the Limits of Indemnity but in respect of **Occurrences** in the **United States of America** and Canada or any claim which is brought in a Court of Law in the **United States of America** and Canada the Limits of Indemnity specified in the Schedule shall be inclusive of all such costs and expenses.

Extensions

Unless otherwise stated in the Schedule the following Extensions apply. Extensions may be subject to Sub-limits, which, if applicable, are stated in the Schedule.

1. Advertising Liability

This Section shall indemnify the **Insured** for all sums which the **Insured** shall become legally liable to pay as damages or compensation in respect of

- a) any infringement of copyright or of title or of slogan
- b) piracy or unfair competition or idea misappropriation
- c) any infringement of right of privacy

committed or alleged to have been committed during the Period of Insurance in any advertisement publicity article broadcast or telecast and arising out of the Business

The **Insurer** will not indemnify the **Insured** in respect of claims made for

- a) failure to perform a contract except claims for unauthorised appropriation of ideas based upon alleged breach of an implied contract
- b) infringement of registered trade mark service mark or trade name by use thereof as the registered trade mark service mark or trade name of goods or services sold offered for sale or advertised except titles or slogans
- c) incorrect description of any article or commodity
- d) mistake in advertised price

2. Consumer Protection Act

This Section shall indemnify the **Insured** for

- a) all legal costs incurred with the **Insurer's** written consent for the defence of any criminal proceedings brought or in appeal against conviction arising from such proceedings in respect of breach of Part II of the Consumer Protection Act 1987 (or other local equivalent) where the matters constituting the breach occurred within the **Period of**

Insurance and within Great Britain Northern Ireland the Channel Islands the Isle of Man or offshore installations within the Continental Shelf around such territories and

- b) costs of the prosecution awarded against the **Insured**

3. Contingent Motor Liability

Notwithstanding Exclusion 1d), Section 4, Part B of this **Policy** shall provide indemnity for liability arising from **Personal Injury** or **Property Damage** arising out of the use by any **Employee** of the Insured of any vehicle not the property of or leased or rented to the Insured and being used in connection with the **Business**.

Provided that no indemnity shall apply

- a) to loss of or damage to such vehicle
- b) if indemnity is available under any other policy of insurance except for any amount in excess of the limit provided by such other policy of insurance
- c) to liability arising out of the use of any vehicle outside Great Britain Northern Ireland the Isle of Man or the Channel Islands and the European Union (but excluding Luxembourg)
- d) to legal liability for which the **Insured** is obliged to effect insurance by virtue of compulsory insurance as is required under the Road Traffic Act 1988 or any amending legislation or any similar legislation in other territories
- e) while such vehicle is being driven by any person who to the knowledge of the **Insured** does not hold a licence to drive or is disqualified from holding or obtaining such licence

4. Defective Premises Act

This Section is extended to indemnify the **Insured** in respect of **Personal Injury** or **Property Damage** incurred by virtue of liability imposed under the provisions of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 or equivalent legislation outside the United Kingdom provided always that the **Insurer** shall not be liable

- a) for the cost of remedying any defect or alleged defect in premises disposed of by the **Insured** which results or may result in **Personal Injury** or **Property Damage**
- b) to the extent that indemnity is provided from any other source except for any amount in excess of the limit of indemnity available from such other source

5. Food Safety Act

This Section shall indemnify the **Insured** for the defence of any criminal proceedings brought or in appeal against conviction arising from such proceedings in respect of breach of the Food Safety Act 1990 (or other local equivalent) and costs of the prosecution awarded against the **Insured**

6. Indemnity to Hirer

At the request of the **Insured** the **Insurer** shall indemnify within the terms and Conditions of this Section 2, any hirer of the **Premises**

Provided that

- a) such hirer shall take all reasonable precautions to prevent loss damage or injury that may give rise to a claim under this Extension
- b) such hirer shall comply with all relevant safety guidelines relating to their hiring activities
- c) the **Insurer** shall not provide an indemnity
 - i. where the hirer is indemnified under any other insurance or in any other way
 - ii. in respect of any liability assumed under any contract or agreement unless such liability would have attached in the absence of such contract or agreement

7. Member to Member Liability

In respect of the **Insured's** canteen sports social and welfare activities and the activities of any sports or social club associated with the **Insured** it is agreed that if any claim arising out of such activities is made upon any member of the **Insured** by any other such member or other person and the claim is such that if made upon the **Insured** the **Insured** would be entitled to indemnity under this Section the **Insurer** will subject to the terms and Conditions and Exclusions of this **Policy** indemnify the said member in respect of such claim.

For the purposes of this indemnity guests and voluntary helpers shall be deemed to be members.

Provided that

- a) such member is not entitled to indemnity under any other policy or policies
- b) such member shall as though he were the **Insured** observe fulfil and be subject to the terms Exclusions and Conditions of this **Policy**

8. Overseas Personal Liability

At the request of the **Insured** the **Insurer** will indemnify any **Employee** of the **Insured** or any member of their family or persons normally resident with them against all sums in respect of **Personal Injury** or **Property Damage** which any of them may become legally liable to pay consequent upon an **Occurrence** happening whilst temporarily outside their normal country of residence in connection with the **Insured's Business** and/or any related holiday period except

- a) where such liability arises out of the ownership or occupation of any building or land
- b) where indemnity would be provided by any other policy of insurance except for any amount in excess of the limit applying to such other policy

9. Pollution Clean-up Costs

The **Insurer** will indemnify the **Insured** against

- a) the cost of carrying out **Remediation** and/or
- b) for paying 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

This Extension will not apply

- a) in respect of any work (whether preventive or otherwise) in respect of property
 - i. which the Insured own or is loaned, leased, hired or rented to the **Insured**
 - ii which is held in trust or in the custody or control of the Insured or any other party who is carrying out work on behalf of the **Insured**
- b) in respect of any work involving the reinstatement or reintroduction of flora or fauna
- c) in respect of any fines or penalties
- d) 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
- e) 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
- f) 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
- g) where indemnity is provided by another insurance policy

10 Unauthorised Movement of Vehicles

Notwithstanding Exclusion 1d), Section 4, Part B, this **Policy** shall provide indemnity to the **Insured** in respect of **Occurrences** whilst any vehicle not the property of or leased or rented to the **Insured** is being driven by any **Employee** of the **Insured** for the purpose of parking, loading or unloading or with the intention of allowing free passage of any vehicle owned by or on loan or hire to the **Insured** or to allow access to or egress from the **Premises** Provided that:

- a) this Extension shall not indemnify the **Insured** whilst such motor vehicle is being used in circumstances in which insurance or security is required by law
- b) this Extension shall not apply if indemnity is available under any other policy of insurance except for any amount in excess of the limit provided by such other policy of insurance

Exclusions

The **Insurer** shall not be liable for

1. **Personal Injury** or **Property Damage** arising out of the ownership possession or use by the **Insured** of any
 - a) aircraft or other aerial device made or intended to travel through air or space
 - b) any water-borne vessel or craft other than
 - i. those used for business entertainment within inland or territorial waters
 - ii. hand propelled watercraft whilst within inland or territorial waters
 - iii. sailing watercraft whilst within inland or territorial waters and not exceeding 30 feet in length
 - c) hovercraft or hydrofoil
 - d) vehicle except where such vehicle is being used in circumstances where motor insurance or security is not required by law and indemnity is not provided under any other policy of insurance.
2. Legal liability consequent upon advice design and or specification provided for a fee by the **Insured** except where related to the supply or intended supply of the **Insured's Products** but this Exclusion does not apply to the rendering of or failure to render professional medical advice treatment or service by **Medical Persons** employed by or under contract to the **Insured** where medical treatment is required following an accident illness or the like

3. **Property Damage** to property belonging to the **Insured** or in the care custody or control of the **Insured** other than
 - a) **Employees'** and/or visitors' property (including vehicles and contents)
 - b) premises (including their contents) not owned by or leased or rented to the **Insured** at which the **Insured** is undertaking work in connection with the **Business**
 - c) premises leased or rented to the **Insured** (including landlord's fixtures and fittings) except where legal liability has been assumed under a tenancy or other agreement and would not have attached in the absence of such agreement

4.

- a) **Pollution or Contamination** other than caused by a sudden identifiable unintended and unexpected incident which takes in its entirety in the **Period of Insurance**
- b) any loss cost or expense incurred for the prevention of **Pollution or Contamination** or arising out of any direction by any governmental authority that the **Insured** test for monitor clean up remove contain treat detoxify or neutralise any such **Pollution or Contamination**

Provided that all **Pollution** which arises out of one incident shall be considered by the Insurer to have occurred at the time such incident takes place

Exclusion 4 a) shall not apply to liability arising from the outbreak of Legionellosis.

5. the value of **Data** suffering **Property Damage** save that the **Insurer** will pay the cost of recovering restoring or recreating **Data** to return it so far as reasonably possible to its condition prior to suffering **Property Damage**
6. the publication or utterance of a libel or slander
 - a) made prior to the inception date of this insurance
 - b) made by or at the direction of the **Insured** with knowledge of the falsity thereof
7. any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection military or usurped power.
8. **Bodily Injury** sustained by any person arising out of and in the course of the employment of that person by the **Insured**.
9. expense incurred by the **Insured** for the withdrawal inspection repair alteration replacement or loss of use of the **Insured's Products** or of any property of which such **Products** form a part if such **Products** are withdrawn from the market or from use because of any known or suspected defect or deficiency therein or unsuitability thereof

10. Death disablement loss or destruction of or damage to any property any loss or expense whatsoever any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from

- a) ionising radiations from or contamination by radioactivity from nuclear fuel or from nuclear waste from the combustion of nuclear fuel
- b) the radioactive toxic explosive or other hazardous or contamination properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof

11. any liability arising out of **Aircraft Products**

12.

- 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**

13. any liability assumed under any contract or agreement in respect of **Personal Injury** or **Property Damage** arising from or caused by the **Insured's Products** unless such liability would have attached in the absence of such contract or agreement

14. any

- a) fines;
- b) penalties;
- c) liquidated damages
- d) aggravated restitutionary punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.

Part C

SECTION 5 FIDELITY GUARANTEE

Insuring Agreement

The **Insurer** will indemnify the **Insured** in respect of loss first **Discovered** during the **Period of Insurance** or applicable **Discovery Period** arising out of any theft, fraud or dishonesty of any **Employee** committed with the clear intention of making and which results in **Improper Gain**, whether committed by the **Employee** alone or in collusion with other persons subject always to the limits, terms, Conditions and Exclusions of this Section and the **Policy**.

Provided that:

- a) the liability of the **Insurer** under this Section shall not exceed the Limit of Liability stated in the Schedule during any one **Period of Insurance** and any applicable **Discovery Period** which shall be the **Insurer's** maximum liability;
- b) the continuation of this Section beyond the original **Period of Insurance** shall not in itself increase the Limit of Liability;
- c) this Section only applies to acts of **Employees** within the **Territorial Limits**.
- d) the **Insurer** shall not indemnify the **Insured** for the amount of the excess specified in the Schedule

Exclusions

This Section does not cover:

- a) any loss brought about by an **Employee** who, to the knowledge of any **Councillor** or **Clerk**, or equivalent, of the **Insured**, has committed any theft, fraud or dishonesty, provided that this Exclusion shall not be deemed to relieve the **Insurer** of liability for loss occurring prior to the **Discovery** or to convictions regarded as spent under the Rehabilitation of Offenders Act 1984;
- b) any loss of interest or consequential loss of any kind;
- c) any loss caused by any act committed prior to the Retroactive Date;
- d) any unexplained shortages.
- e) any loss caused by any temporary agency staff if such loss is also covered for the benefit of the **Insured** by any insurance or guarantee held by the staff or employment agency furnishing the person concerned.

Extensions

Unless otherwise stated in the Schedule the following Extensions shall apply, subject always to the limits, terms, conditions and exclusions of this Section and the **Policy**.

1. Auditor's Fees

The **Insurer** will also indemnify the **Insured** in respect of auditor's and other professional fees incurred solely for the purpose of submitting and quantifying a loss as herein defined.

2. Re-writing of Records

The **Insurer** will also indemnify the **Insured** in respect of the reasonable cost of re-writing or amending the software programs or systems where such re-writing or amending is necessary to correct the programs or amend the security codes following the fraudulent use of computer hardware or software programs or computer systems the subject of a claim for which liability is admitted under this Section.

3. Unidentified Employees

This Section will also indemnify the **Insured** in the event that a loss is alleged to have been caused by the theft, fraud or dishonesty of one or more **Employee(s)** and the **Insured** is unable to specify the person or persons concerned, but can submit evidence that reasonably proves that the loss is otherwise a valid claim. However this shall not apply in respect of any loss arising out of an inventory shortage.

4. Discovery Period

Should the **Insurer** decline to offer any terms for renewal of this Section of the **Policy** or the **Insured** decide not to renew or extend this Section of the **Policy**, the **Insured** will automatically have a **Discovery Period** during which time it may continue to notify the **Insurer** of any **Discovery** or loss but only in respect of losses caused by an act committed prior to the expiry of the **Period of Insurance** or earlier termination.

The **Discovery Period** provided under this Extension shall terminate immediately upon the commencement date of any similar insurance policy obtained by the **Insured** that covers (or but for the existence of the **Policy** would cover) the loss in whole or in part.

Conditions

1. Recoveries

If any amounts are recovered, from the **Employee** or otherwise, they will be distributed in the following priority order:

- i. to cover the costs of recovery
- ii. to the **Insured** to cover the amount of the **Insured's** loss in excess of the Limit of Liability
- iii. to the **Insurer** for the amount paid under the claim
- iv. to the **Insured** for any excess applying to this Section

2. Previous Cover with the Insurer

If this Section replaces any previous section, policy or cover issued by the **Insurer**, the indemnity given by this Section will be in continuation of and not in addition to the indemnity given by the previous section, policy or cover

3. Limit of Liability

All loss or losses caused by any **Employee** or any other person or in which the **Employee** or other person is acting in collusion either resulting from a single act or any number of acts, shall be deemed one loss such that only one Limit of Liability and one excess shall apply

4. System of Check and Supervision

All **Employees** are to be instructed as to their duties or responsibilities in respect of the System of Check and Supervision as set out below.

System Of Check And Supervision

1. References

The **Insured** will obtain satisfactory written references direct from the previous employer covering the whole of the preceding 2 years of employment in confirmation of the honesty of all **Employees** with responsibility for **Money**, Stock in Trade and/or accounts who are engaged after the inception of this Section. Any gaps in the preceding 2 years of employment must be accounted for. References need not be obtained in respect of **Employees** who have satisfactorily and continuously served the **Insured** for at least 2 years in another capacity before being entrusted with the duties referred to above. In respect of **Employees** joining directly from school or Government sponsored youth training schemes at least one character reference shall be obtained. These references are to be submitted to the **Insurers** in the event of any claim arising.

However this condition does not apply to temporary agency staff.

2. Cheque Signing

All instruments for the operation of bank accounts issued must be signed by 2 authorised signatories after the amount has been inserted where the amount of such instrument exceeds £10,000. Supporting vouchers will be examined against the instrument in all cases by the signatories of the amount of the instrument.

3. Fund Transfers

Duties will be segregated in respect of electronic, fax, or telephone funds transfers, so that no one individual can complete a payment from beginning to end without referral to others. In respect of fax or telephone transfers, the bank or financial institution will be instructed to telephone an **Employee** other than the person who sent, issued, gave or transmitted, or purported to send, issue, give or transmit the instructions to check that they are valid prior to transferring the funds.

4. Stock in Trade

Stock in Trade and relative takings shall be checked at least annually independently of the person responsible for such Stock in Trade and takings.

5. General Accounting Checks

- a) There will be a split in duties so that no one **Employee** both compiles the payroll and makes wage payments.
- b) The cast of the payroll will be subject to an independent check to ensure that the total amount drawn is correct.
- c) All payments over £200 of whatever form received by **Employees** will be remitted and/or banked in full within 3 working days of receipt .
- d) Statements of account for all sums due will be issued direct to customers independently of **Employees** receiving or collecting payment at least at monthly intervals with management action being taken after the account is 3 months overdue.
- e) Cash book entries will be subject to a monthly check independently of the **Employees** responsible against bank paying-in book counterfoils and vouchers and the balance tested with cash and unrepresented cheques.

6. General

- a) The **Insured** are subject to an audit by an external independent auditor at least every 12 months
- b) This System of Check and Supervision applies to all addresses from which the **Insured** operates.

Part C

SECTION 6 NO CLAIMS BONUS PROTECTION AND APPLICATION OF EXCESS PROTECTION

Insuring Agreement

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

- a) loss of or reduction in no claim bonus or
- b) payment of excess contribution in the absence of no claim bonus
- c) payment of excess contribution in addition to loss of or reduction in no claim bonus

under current Motor Vehicle Insurance policies following accidents to private motor vehicles used by **Employees** in connection with the **Business**.

Limit of Indemnity

The Insurer will pay for

- a) between the bonus earned and the bonus which would have been earned had the accident not occurred based on the scale of bonus and gross annual premium in force at the time of the accident not exceeding the amount payable for loss or damage under the said Motor Vehicle Insurance policies nor a total sum of £500 or
- b) the amount of the excess contribution not exceeding the sum of £250 provided a payment has been made or would have been made in the absence of such excess under the Motor Vehicle insurance policy in respect of the particular accident involved or

the sum of the amounts payable under a) and b) above respectively

Part C

SECTION 7 LIBEL AND SLANDER

Insuring Agreement

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

1. against legal liability for damages and claimant's costs and expenses in respect of any claim which is made against the **Insured, Councillor** or **Clerk** during the **Period of Insurance** for
 - a) libel, slander of title, slander of goods, passing off, infringement of trademark or registered design or patent right, infringement of copyright arising from the matter contained in the **Publication**

- b) slander committed by the **Insured, Councillor or Clerk** in the course of the **Insured's Business**
2. all other costs and expenses incurred on the instructions of the **Insurer** in connection with the defence of any claim under this section

Exclusions

The Insurer shall not be liable for

1. the Co-insurance
2. any claim arising from proceedings brought against the **Insured** in a court of law outside Great Britain, Northern Ireland the Channel Islands or the Isle of Man or any other member country of the European Union
3. any claim made against the **Insured** for passing off, infringement of trademark of registered design or patent right or copyright arising in connection with computer software
4. any claim in respect of criminal libel or alleged criminal libel

Conditions

1. Upon the **Insured** becoming aware of any **Publication** or material published or statement likely to give rise to liability under this Section and again upon receipt by the **Insured** of notice of any claim whether well or ill founded the **Insured** shall immediately and in any case within 7 days give notice of the same to the **Insurer** and supply a copy of such publication or material published together with any communication received from the claimant
2. The **Insured** shall not disclose the fact that they are insured

Part C

SECTION 8 OFFICIALS' INDEMNITY

Insuring Agreement

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

1. against legal liability to pay compensation and claimants costs and expenses resulting from a claim made against the **Insured** for any negligent act or accidental error or omission committed or alleged to have been committed by any **Councillor, Clerk or Employee** in pursuit of their duties on behalf of the **Insured**.
2. in respect of all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 above incurred with the **Insurer's** written consent.

Extensions

Subject to the terms conditions and Exclusions of this Section the **Insurer** will indemnify any **Councillor, Clerk** or **Employee** in respect of any claim for which if such claim was made against the **Insured** indemnity would be provided hereunder, but only if

- a) such persons are not entitled to indemnity under any other insurance or from any other source and agree to observe and be bound by all terms and conditions of the cover in so far as they can apply
- b) the negligent act error or omission giving rise to the claim shall have been committed by such person whilst acting within the scope of their authority provided the **Insurer** shall have the sole conduct and control of all claims

Exclusions

The **Insurer** shall not be liable for

- a) **Bodily Injury** or physical loss of or damage to property
- b) loss or damage directly or indirectly caused by or arising from
 - i. fraud, dishonesty or criminal offence on the part of any **Councillor, Clerk** or **Employee**
 - ii. any neglect, error or omission committed by any of the said persons otherwise than in the course of the discharge of their duties
 - iii. the **Insured's** failure to fulfil their obligations under any contract entered into by them with the third party so claiming
 - iv. libel or slander
- c) liability in respect of surcharge made by the District Auditor or other competent body
- d) liability in respect of
 - i. fines, penalties or liquidated damages
 - ii. punitive, exemplary or aggravated damages resulting from the multiplication of compensatory damages

Part C

SECTION 9 PERSONAL ACCIDENT

Definitions

When used in bold print in this Section

Accidental Bodily Injury

means bodily injury resulting solely and directly from accidental external violent and visible means or from exposure to the elements which shall directly and independently of any other cause result within 24 calendar months in disablement or death

Insured Person(s)

means as specified on the Schedule.

Loss of Hearing

means total and permanent loss of hearing in one or both ears which has lasted three consecutive months and is at the end of that period in the opinion of an independently qualified medical referee beyond hope of improvement

Loss of Limb(s)

means loss by physical severance at or above the wrist or ankle, or total and irrecoverable loss of use of a limb or limbs

Loss of Sight

means loss of sight in both eyes if the **Insured Person's** name has been added to the Register of Blind persons on the authority of a fully qualified ophthalmic specialist, or in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen Scale which has lasted three consecutive months and is, in the opinion of an independent optician, at the end of that period beyond hope of improvement.

Loss of Speech

means total and permanent loss of speech which has lasted three consecutive months and is at the end of that period in the opinion of an independently qualified medical referee beyond hope of improvement.

Medical Expenses

means reasonable expenses incurred by the **Insured Person** in medical or surgical treatment of **Accidental Bodily Injury** which the **Insured Person** or **Insured** cannot recover under any other insurance.

Operative Time of Cover

means as specified on the Schedule

Permanent Total Disablement

means any permanent disablement other than **Loss of Sight, Loss of Limb(s), Loss of Hearing** or **Loss of Speech** which having lasted without interruption for at least twelve months is without any reasonable prospect of improving and in the opinion of an independent qualified medical referee acceptable to the **Insurer** will in all probability permanently, completely and continuously prevent the **Insured Person** from attending to his or her usual occupation.

Temporary Partial Disablement

means inability to attend to a substantial part of the **Insured Person's** usual occupation for a period not exceeding 104 weeks in all from the commencement of such disablement.

Temporary Total Disablement

means complete disablement from engaging in or giving attention to the **Insured Person's** usual occupation for a period not exceeding 104 weeks in all from the commencement of such disablement.

Terrorism

means an act including but not limited to the use of force or violence and/or the threat thereof by any person or groups of persons whether acting alone or on behalf of or in connection with any organisations or governments, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

Insuring Agreement

If an Insured Person suffers Accidental Bodily Injury during the Period of Insurance and Operative Time of Cover the Insurer will pay compensation in accordance with the Scale of Benefits stated in the Schedule.

Extensions

1. Clothing and Personal Effects

If the **Insurer** accepts a claim for **Accidental Bodily Injury** the **Insurer** will pay for the **Insured Person's** clothing and personal effects damaged at the same time up to an amount of £500 per **Insured Person** in addition to any amount which may be recoverable elsewhere in the **Policy**.

2. Coma Benefit

If the **Insured Person** suffers **Accidental Bodily Injury** which within 90 days is the sole and independent cause of the **Insured Person** being in a continuous unconscious state, the **Insurer** will pay £30 per full 24 hours up to a maximum of 52 weeks any one **Insured Person** while they remain in a continuous unconscious state.

3. Disappearance

If an **Insured Person** has been missing for a period of 180 consecutive days and there is sufficient evidence to support the conclusion that death has been caused by **Accidental Bodily Injury**, the **Insured Person** will be presumed to have died and compensation will be paid under the death benefit. However, if the **Insured Person** is subsequently found to be alive, any death benefit compensation already paid must be repaid to the **Insurer**.

4. Hospital Benefit and Dental Expenses

If during the period of insurance an **Insured Person** suffers **Accidental Bodily Injury**:

- a) necessitating in-patient treatment in a hospital, the **Insurer** will pay £20 per day up to a maximum payment per **Insured Person** per claim of £200.
- b) if the **Accidental Bodily Injury** results in the **Insured Person** incurring related dental expenses, the **Insurer** will pay up to an additional maximum amount of £500.

5. Medical Expenses

Medical Expenses will be paid in addition to any compensation paid where the claim is for **Temporary Total Disablement** or **Temporary Partial Disablement**. The maximum amount payable under this extension shall be 20% of the compensation paid.

Exclusions

The **Insurer** shall not be liable to pay compensation for **Accidental Bodily Injury** arising from:

1. the **Insured Person** suffering any disability due to a gradually operating cause.
2. suicide or attempted suicide.
3. the **Insured Person's** own criminal act.
4. the **Insured Person** being in a state of insanity.
5. flying or other aerial activities, except as a passenger in a recognised airline.
6. pregnancy or childbirth.
7. naval, military or air force service or operations.

8. the effect of alcohol where the alcohol level is greater than 80 milligrams per 100 millilitre of blood or from the **Insured Person** taking illegal drugs or non –prescribed drugs for the treatment of **the Insured Person’s** own drug addiction or alcoholism.
9. any gainful occupation of the **Insured Person** outside the **Business** of the **Insured** specified in the Policy
- 10 taking part in any of the following activities – winter sports (other than curling or ice skating), armed or unarmed combat sports, mountaineering or rock climbing requiring the use of ropes or guides, motor cycling (other than in respect of scooters or mopeds with a maximum capacity of 50cc), any kind of racing except on foot, hunting on horseback, show jumping, polo or steeple chasing, speed or time trials.
11. any nuclear, chemical or biological contamination due to any act of **Terrorism** regardless of any other cause or any other event contributing at the same time or in any other sequence to such event. If the **Insurer** alleges that by reason of this exclusion any loss damage cost or expense is not covered the burden of proving the contrary shall be upon the **Insured**.

The **Insurer** shall also not be liable to pay any compensation for **Accidental Bodily Injury** suffered by any person aged under 16 years old at the time of such injury, or aged greater than 75 years old at the time of such injury.

Conditions

In respect of each Insured Person

1. this Section shall cease to be in force immediately after the occurrence of any event qualifying for payment under items 1 to 3 of the Scale of Benefits
2. payment of benefits under items 4 or 5 of the Scale of Benefits does not prejudice an **Insured Person’s** entitlement to any other benefit under this Section, but payment under these items will cease if the **Insurer** pays any benefit under items 1, 2 or 3 in respect of the same originating event.
3. The **Insured** shall give the **Insurer** notice in writing of any material alteration affecting the risk insured and of any material variation in the **Business**, occupation or activities or the health of any **Insured Person** (where known), which could reasonably be expected to influence the **Insurer’s** judgement of the risks insured under this Section. This Section shall continue in force until expiry of the current **Period of Insurance** notwithstanding any variation in the health of any **Insured Person** during such period, but in the event of any other alteration or variation in the risk insured the **Insurer** shall not be liable to make payment under this Section unless the **Insurer** has agreed in writing to maintain the Section in force following such alteration or variation.

Part C

SECTION 10 LEGAL EXPENSES

Definitions

When used in bold print in this Section

Appointed Representative

means a solicitor, barrister, accountant or other appropriately qualified person appointed by the Insurer to act in the name of and on behalf of the Insured in accordance with the terms, conditions, limitations, provisos and exclusions of this Policy

Aspect Enquiry

means an examination by HM Revenue and Customs which considers one or more specific aspects of the **Insured's** self-assessment and/or corporation tax return

Attendance Expenses

means the salary or wages of the **Insured Person** for the time the **Insured Person** is off work

- a) to attend any arbitration, court or tribunal hearing at the **Insurer's** request
- b) as a defendant or while attending jury service

Costs and Expenses

means

- a) All reasonable and necessary legal or accountancy costs charged by the **Appointed Representative** and agreed by the **Insurer**
- b) Legal costs which an **Insured Person** has been ordered to pay by a court or other body which the **Insurer** has agreed to authorise

Date of Occurrence

means

- a) in all civil cases, when the cause of action accrued other than Contingencies 4A, 4B or 4C – Tax)
- b) in all criminal cases, when the **Insured Person** first broke or is alleged to have first broken the criminal law in question

- c) in **Full Enquiries, Aspect Enquiries** or **Intervention Enquiries**, when HM Revenue and Customs first notifies in writing the intention to make enquiries
- d) in Employers Compliance and Value Added Tax disputes, when HM Revenue and Customs sends an assessment or written decision to the **Insured**
- e) in Licence or Registration Appeals, when the **Insured** was first notified of the proposal by the relevant licensing or regulatory authority to suspend, alter the terms of, refuse to renew or cancel the **Insured's** licence or British Standard Certificate of Registration

Full Enquiry

means an extensive examination by HM Revenue and Customs which considers all aspects of the **Insured's** tax affairs, excluding those enquiries which are limited to one or more specific aspects of the **Insured's** self-assessment and/or corporation tax return

Insured Person

means

- a) the **Insured**
- b) any director of the **Insured** or partner or proprietor of the **Business**
- c) any employee of the **Insured** under a contract of employment with the **Insured**
- d) any other person agreed with the **Insurer**

Intervention Enquiry

means an examination by HM Revenue and Customs to measure the level of compliance in the **Insured's** financial accounting records to highlight area where errors have or may occur

Legal Proceedings

means legal proceedings for

- a) the pursuit or defence of a claim for damages
- b) the defence of a criminal prosecution
- c) appeal proceedings
- d) specific performance or injunction

dealt with by negotiation or in a court of law, tribunal or arbitration or any other body which the **Insurer** have agreed to or authorised

Limit of Indemnity

means the maximum amount stated in the Schedule which the **Insurer** will pay for **Costs** and **Expenses** in respect of any or all claims arising out of one originating cause in connection with the **Business** stated in the Schedule

Prospects of Success

means in respect of all civil cases, it is always more likely than not that an **Insured Person** will recover damages or obtain any other legal remedy which the Insurer has agreed to

- a) recover damages or obtain any other legal remedy which the **Insurer** has agreed to
- b) make a successful defence
- c) make a successful appeal or defence of an appeal

means in criminal proceedings, it is always more likely than not that an **Insured Person** will succeed in

- a) defending the prosecution assuming the case was determined at trial or other final hearing in the first instance or
- b) a significant mitigation of sentence/fine where the **Insured Person** intends to plead guilty to the offence, or is advised to do so by the **Appointed Representative**

means in a **Full, Aspect or Intervention Enquiry**, Employer Compliance Dispute or VAT Dispute, if the **Insured Person** is more likely than not to succeed in reversing the decision made or reducing the alleged liabilities

Prospects of success will be assessed by the **Insurer** or an **Appointed Representative** on the **Insurer's** behalf.

Territorial Limits

means

For Contingencies 2 Legal Defence (other than Contingency 2E) and 3B Bodily Injury.

The European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey West of the Bosphorus).

For all other Contingencies Great Britain, Northern Ireland, the Isle of Man and the Channel Islands

Insuring Agreement

The **Insurer** will indemnify the Insured or an **Insured Person** where specified for any **Costs and Expenses** and **Attendance Expenses** incurred in respect of **Legal Proceedings** following the occurrence of a Contingency stated as applying in the Schedule provided that

- a) the Contingency occurs within the **Territorial Limits** and the **Date of Occurrence** is within the **Period of Insurance**
- b) any **Legal Proceedings** take place within the **Territorial Limits**
- c) **Prospects of Success** exist for the duration of the claim
- d) in respect of any appeal or defence of an appeal, it has been reported to the **Insurer** at least 10 working days prior to the deadline for any appeal
- e) the maximum the **Insurer** will pay is the Limit of **Indemnity**
- f) The **Insured** must report an incident to the **Insurer** as soon as possible and in any event no later than 180 days after the date the **Insured Person** knew or should have known about the incident

Contingencies

1.

A. Employment Disputes

The **Insurer** will defend the **Insured**

- a) prior to the issue of **Legal Proceedings** following the dismissal of an **Insured Person**
- b) in the resolution of unfair dismissal disputes under the ACAS Arbitration Scheme
- c) in **Legal Proceedings** in respect of any dispute with
 - i. an **Insured Person**
 - ii. a former **Insured Person**
 - iii. a trade union acting on behalf of an **Insured Person** or a former **Insured Person**

which arises out of, or relates to, a contract of employment with the **Insured**

- d) in **Legal Proceedings** in respect of any dispute with
 - i. an **Insured Person**
 - ii. a former **Insured Person**
 - iii. a prospective **Insured Person**

arising from an alleged breach of their statutory rights under employment legislation

The **Insurer** will not provide indemnity for any claim in respect of damages for **Personal Injury** or loss of or physical damage to material property

B. Compensation Awards

The **Insurer** will pay

- a) any basic and compensatory award
- b) an order for compensation following a breach of the **Insured's** statutory duties under employment legislation

which the **Insured** is ordered to pay by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and approved by the **Insurer** in writing in respect of a claim the **Insurer** has accepted under Contingency 1A – Employment Disputes.

The **Insurer** will not provide indemnity in respect of

- a) non-payment of money due under the relevant contract of employment or related statutory provision
- b) any compensation award related to
 - i. trade union activities, trade union membership or non-membership
 - ii. health & safety related dismissals brought under section 44 of the Employment Rights Act 1996
 - iii. statutory rights in relation to trustees of occupational pension schemes
 - iv. statutory rights in relation to Sunday shop and betting work
- c) any award ordered as a result of a breach of National Minimum Wage laws
- d) any compensation award or increase in compensation award ordered by the tribunal for failure to comply with a recommendation it has made including non-compliance with a reinstatement order or re-engagement order

Conditions

If in relation to any claim the **Insured** has failed to fulfil any of the following conditions the Insured will lose their right to indemnity or payment for that claim

- a) **Performance and/or conduct** - In cases relating to performance and/or conduct of an **Insured Person**, or former **Insured Person**, the **Insured** must, throughout the dispute, have either
 - i. followed the ACAS Code of Disciplinary Practice and Procedures in Employment as prepared by the Advisory Conciliation and Arbitration Service, or
 - ii. followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland or
 - iii. sought and followed the advice from the 24 hour legal helpline
- b) **Unlawful Discrimination** - In respect of an order of compensation following a breach of the **Insured's** statutory duties under discrimination legislation the **Insured** must have at all times sought and followed the advice of the 24 hour legal helpline since the date the **Insured** knew or should have known about the employment dispute
- c) **Redundancy** - In respect of any compensation award for
 - i. redundancy
 - ii. alleged redundancy
 - iii. unfair selection for redundancy the Insured must have sought and followed the advice of the 24 hour legal helpline prior to serving notice of dismissal.

C. Service Occupancy

The **Insurer** will negotiate for the **Insured's** legal rights against an **Insured Person** or former **Insured Person** to recover possession of premises owned by the **Insured**, or for which the **Insured** is responsible

The **Insurer** will not indemnify the **Insured** in respect of any claim relating to defending the **Insured's** legal rights other than defending a counter claim

D. Breach of Restrictive Covenant

The **Insurer** will pay the costs of pursuing an injunction against an **Insured Person** or a former **Insured Person** following a breach of an express restrictive covenant in that **Insured Person's** contract of employment with the **Insured**, where the former **Insured Person**

- a) solicited other employees of the **Insured**, or
- b) solicited customers of the **Insured** resulting in proven financial loss to the **Insured**

2. Legal Defence

A. Criminal Prosecution

The **Insurer** will defend an **Insured Person**

- a) prior to the issue of legal proceedings when dealing with the
 - i. Police
 - ii Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer

where it is alleged the Insured Person has or may have committed a criminal offence

- b) following an event which leads to the **Insured Person** being prosecuted in a court of criminal jurisdiction

Provided that in respect of proceedings under the Health and Safety at Work etc. Act 1974, the **Territorial Limits** shall be any place where the Act applies.

The **Insurer** will also indemnify an **Insured Person** against the **Costs and Expenses** incurred in an appeal against sentence or conviction, including an appeal by the **Insured Person** against the service of an Improvement or Prohibition Notice under the Health & Safety at Work Act 1974 or the Food Safety Act 1990.

The **Insurer** will not provide indemnity in respect of any claim which leads to the **Insured Person** being prosecuted for infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

B. Data Protection

- a) The **Insurer** will defend the legal rights of an **Insured Person** following civil action taken against the **Insured Person** for compensation under Section 13 of the Data Protection Act 1998 or under Article 82 of the General Protection Regulation (Regulation (EU) 2016/679) or under any legislation implementing the General Data Protection Regulation or under any replacement legislation in respect of any of the foregoing. The **Insurer** will also pay any compensation award made against the **Insured Person** under Section 13 of the Data Protection Act 1998) or under Article 82 of the General Protection Regulation (Regulation (EU) 2016/679) or under any legislation implementing the General Data Protection Regulation or under any replacement legislation in respect of any of the foregoing.
- b) The **Insurer** will represent the **Insured** in appealing against the refusal of the Information Commissioner to register the **Insured's** application for registration or alteration of registered particulars or an appeal against an Enforcement Deregistration or Transfer Prohibition Notice.

Provided that at the time of the insured incident, the **Insured** is registered with the Information Commissioner in respect of Contingency 2B a)

C. Wrongful Arrest

The **Insurer** will defend the **Insured's** legal rights following civil action taken against the **Insured** for wrongful arrest or malicious prosecution in respect of an accusation of theft alleged to have been carried out during the **Period of Insurance**

D. Employee Civil Legal Defence

At the **Insured's** request the **Insurer** will defend the legal rights of an **Insured Person** (other than the **Insured**) if

- a) an event arising from their work as an **Insured Person** leads to civil action being taken against the **Insured Person** under legislation for unlawful discrimination
- b) civil action is being taken against the **Insured Person** as a trustee of a pension fund set up for the benefit of the **Insured's** employees.

E. Statutory Notice

At the **Insured's** request the **Insurer** will represent the **Insured Person** in appealing against the imposition or terms of Statutory Notice issued under legislation affecting the **Insured's Business**.

F. Disciplinary Hearings

The **Insurer** will represent an **Insured Person** at a disciplinary hearing that the Insured Person is required to attend by a regulatory authority or professional body as a result of a complaint being brought against the **Insured Person**.

3.

A. Property Protection

The **Insurer** will represent the **Insured** in any **Legal Proceedings** for civil action relating to material property which is owned by the **Insured**, or for which the **Insured** is responsible, following

- a) any event which causes or could cause physical damage or loss to such material property
- b) any nuisance or trespass including the eviction of squatters or any person occupying premises owned by the **Insured** or for which the **Insured** is responsible.

The **Insurer** will not indemnify the **Insured** in respect of any claim relating to

- a) a contract entered into by the **Insured**
- b) tenancy disputes
- c) mining subsidence
- d) a motor vehicle whilst being driven by an **Insured Person**

B. Personal Injury

The **Insurer** will pursue the legal rights of an **Insured Person** and the **Insured Person's** family members, if the latter are accompanying an **Insured Person**, following an event which causes the death of, or bodily injury to the **Insured Person** or family member.

The **Insurer** will not provide indemnity in respect of any claim relating to

- a) any illness or bodily injury which develops gradually or is not caused by a specific or sudden accident
- b) defending the legal rights of an **Insured Person** or family members other than defending a counter claim
- c) a motor vehicle whilst being driven by an **Insured Person** or a family member.

4.

A. Tax Protection

The **Insurer** will represent the **Insured** and negotiate on the **Insured's** behalf in any hearing or appeal proceedings in respect of a **Full Enquiry** and/or **Aspect Enquiry** and/or **Intervention Enquiry** carried out by HM Revenue and Customs

B. Employers' Compliance

The **Insurer** will represent the **Insured** in any appeal proceedings in respect of a dispute concerning the **Insured's** compliance with

- a) Pay as You Earn or
- b) Social Security Regulations or
- c) Construction Scheme affairs

following a review by HM Revenue and Customs or a formal written expression of dissatisfaction with the **Insured's** P11Ds or P9Ds

C. VAT Disputes

The **Insurer** will represent the **Insured** in any appeal proceedings following an assessment by HM Revenue and Customs in respect of value added tax due.

Condition to Contingencies 4A, 4B and 4C

Reasonable Care

The **Insured** must have taken reasonable care to ensure that all returns are complete and correct and such returns are submitted within the statutory time limits allowed.

The **Insurer** will not provide indemnity

- a) in respect of any claim caused by the **Insured's** failure to register for value added tax
- b) in respect of any claim arising from any investigations or enquiries undertaken by HM Revenue and Customs Special Investigation Section or Special Compliance Office
- c) in respect of any claim arising from any investigations or enquiry by HM Revenue and Customs into alleged dishonesty or alleged criminal offences
- d) in respect of any claim arising from a tax avoidance scheme

5. Contract Disputes

The **Insurer** will represent the Insured in any **Legal Proceedings** for civil action (including appeal/defence of appeal) relating to a contractual dispute arising from that agreement or that alleged agreement which has been entered into by the **Insured** or on the **Insured's** behalf for the sale, provision, purchase or hire of goods or services

Provided that

- a) the amount in dispute exceeds £250
- b) if the amount in dispute is payable by instalments, the instalments due and payable at the time of making the claim exceed £250
- c) if the dispute relates to money owed to the **Insured**, a claim must be made within 90 days of the money becoming due and payable.

The **Insurer** will not provide indemnity under this contingency in respect of

- a) any claim relating to
 - i. the cover, claims process or settlement payable under an insurance policy other than claims for indemnity under this section
 - ii. a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or tenancy agreement

- iii. a loan, mortgage, pension or any other financial product
 - iv. a motor vehicle owned by, hired or leased to the **Insured** other than agreements relating to the sale or motor vehicles where the **Insured** is engaged in the business of selling motor vehicles
- b) a dispute with an **Insured Person** or former **Insured Person** which arises out of or relates to a contract of employment with the **Insured**
 - c) a dispute relating to computer hardware, software, systems or services which have been specifically tailored
 - d) a dispute arising from the breach or alleged breach of professional duty by an **Insured Person** or former **Insured Person**
 - e) the recovery of money and interest due from another party other than disputes where the other party intimates that a defence exists

6. Tenancy Disputes

The **Insurer** will represent the **Insured** in any **Legal Proceedings** for civil action relating to a tenancy dispute between the **Insured** and the **Insured's** landlord arising from premises leased or rented to the **Insured**.

The **Insurer** will not provide indemnity in respect of any dispute arising from or relating to rent, service charges or renewal of the tenancy agreement

7. Statutory Licence Protection

The **Insurer** will represent the **Insured** in appealing to the relevant statutory or regulatory authority, court, or tribunal following an event which results in the relevant licensing or regulatory authority suspending, or altering the terms of, or refusing to renew, or cancelling the **Insured's** licence or statutory registration or British Standard Certificate of Registration.

The **Insurer** will not provide indemnity in respect of

- a) An original application or application for renewal of a statutory licence or British Standard Certificate of Registration.
- b) Any licence appeal relating to the ownership, driving or use of a motor vehicle

8. Debt Recovery

The **Insurer** will represent the **Insured** in any Legal Proceedings for civil action including the enforcement of judgment to recover money and interest due from the sale or provision of goods or services provided that

- a) the amount in dispute exceeds £250
- b) the **Insured** has exhausted all reasonable credit control and accounting procedures

- c) judgment if the **Insurer** is not satisfied that there are, or will be, sufficient assets available to satisfy judgment
- d) a claim for debt recovery under this contingency is made within 90 days of the money becoming due and payable

The **Insurer** will not provide indemnity in respect of

- a) any claim relating to
 - i. the cover, claims process or settlement payable under an insurance policy
 - ii. a lease, licence or tenancy of land or buildings
 - iii. a loan, mortgage, pension or any other financial product
- b) a dispute with an **Insured Person** or former **Insured Person** which arises out of, or relates to, a contract of employment with the **Insured**
- c) a dispute relating to computer hardware, software, systems or services which have been specifically tailored.
- d) the recovery of money and interest due from another party where the other party intimates that a defence exists

Exclusions applying to all Contingencies

The **Insurer** will not provide indemnity in respect of any claim

- a) if an **Insured Person** does not keep to the terms, exceptions and conditions of this Section. The cover will also not apply if an **Insured Person** can claim under another policy
- b) if any **Costs and Expenses** are incurred prior to the **Insurer's** written acceptance of a claim
- c) for any legal action an **Insured Person** takes which the **Insurer** has not agreed to or where the **Insured Person** does anything to hinder the **Insurer** or the **Appointed Representative**
- d) for any fines, penalties, compensation or damages which an **Insured Person** is ordered to pay by a court or other authority other than compensation awards covered under Contingency 1B Compensation Awards and Contingency 2 Legal Defence

- e)
 - i. patents
 - ii. copyrights
 - iii. trademarks
 - iv. merchandise marks
 - v. registered designs
 - vi. intellectual property
- f) relating to franchise or agency rights where the **Insured** has the legal capacity to alter the legal relations of another
- g) deliberately or intentionally caused by an **Insured Person**
- h) in respect of a dispute with the **Insurer** not catered for in Section Conditions 6 and 7
- i) for a judicial review
- j) relating to any non-contracting party's rights to enforce all or any part of this Section. The Contracts (Rights of Third Parties) Act 1999 does not apply to this **Policy**
- k) notified under this Section when, either at the start of or during the course of the claim the **Insured**
 - i. is bankrupt
 - ii. has filed a bankruptcy petition or winding up petition
 - iii. has made an arrangement with creditors
 - iv. has entered into a deed or arrangement
 - v. is in liquidation
 - vi. is or part of all of the **Insured's** affairs or property is in the care or control of a receiver or administrator.

General Conditions

The following Conditions apply to all Parts of this **Policy**

1. Cancellation

Other than the rights of the **Insurer** under the Fraud and Misrepresentation condition, this **Policy** may be cancelled by the **Insured** or by the **Insurer** by sending by Recorded Signed For™ mail to the other's last known address written notice stating the date and hour of cancellation which in the case of the **Insurer** cancelling must be not less than (60) sixty days from the date of sending and which in the case of the **Insured** cancelling must be not less than (15) fifteen days. Provided that

- a) The effective date and hour of cancellation stated in the notice shall become the end of the **Period of Insurance**
- b) Hand delivery of such written notice either by the **Insured** or by the **Insurer** or their couriers shall be equivalent to mailing
- c) If the **Policy** is cancelled and there have been no claims in the current **Period of Insurance** a pro rata return of premium will be allowed
- d) If the **Policy** is cancelled and there have been claims in the current **Period of Insurance**, premium will be regarded as fully earned and no return premium will be allowed
- e) Premium return may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective but payment or tender of unearned premium is not a condition of cancellation.

2. Contracts - Rights of Third Parties

This **Policy** is an agreement between the **Insured** and the **Insurer**. No party other than the **Insured** has the right to enforce any term of this **Policy** pursuant to the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

3. Fraud and Misrepresentation

- a) This **Policy** shall be voidable in the event of deliberate or reckless misrepresentation or deliberate or reckless non-disclosure by the **Insured** of any circumstances material to the risk insured hereunder.

In the event of misrepresentation or non- disclosure by the **Insured** of any circumstances material to the risk insured which is neither deliberate nor reckless, the **Insurer's** remedy will be limited to the right to amend the premium to that which the **Insurer** could reasonably

have demanded had such misrepresentation or non-disclosure not occurred except where the **Insurer** would not have written the risk and would not have provided any insurance had such misrepresentation or non-disclosure not occurred and in these circumstances the **Insurer** may cancel this **Policy** by sending written notice of cancellation to the **Insured's** last known address stating the date and hour of cancellation which must be not less twenty-one (21) days from the date of sending.

b) In the event of a fraudulent claim by the **Insured** or anyone acting on their behalf, the **Insurer** is not liable to pay the claim and may recover from the **Insured** any sums paid in respect of the claim. In addition the **Insurer** may cancel this **Policy** from the date of the fraudulent act (the **Insurer** need not return any of the premium paid) and recover from the **Insured** any benefit which the **Insured** has received under this **Policy** after such fraudulent act.

It is for the **Insurer** to demonstrate under a) or b) above that any misrepresentation or non-disclosure has been deliberate or reckless or that a fraudulent act has taken place.

4. Law applicable and Jurisdiction

Subject to Part A, Claims Condition 3 (Arbitration) unless otherwise agreed by the **Insured** and **Insurer**, this **Policy** shall be construed in accordance with the law of England and Wales.

The English courts alone shall have jurisdiction to determine any dispute arising hereunder.

5. Material Alterations

The **Insured** shall give notice to the **Insurer** as soon as reasonably practicable of any facts or alterations that materially increase the risks covered by this **Policy**, and the **Insurer** shall be entitled to amend the terms and conditions of the **Policy** and to charge an additional premium from the date of the relevant alteration.

If the amended terms and conditions and/or additional premium are not accepted by the **Insured** within (30) thirty days, the **Insurer** shall afford no cover, and no indemnity or other sum shall be payable, for any claim or **Occurrence** arising from the increased risk.

6. Reasonable Precautions

The **Insured** shall take all reasonable steps and precautions to prevent loss, damage or injury that may give rise to a claim under this **Policy**.

7. Waiver of Terms

The terms of this **Policy** shall not be waived nor changed except by endorsement issued or intended to be issued to form part of this **Policy**.

General Exclusions

1. Date/Time recognition

This **Policy** does not cover any liability, loss, expense, **Damage** or **Consequential Loss** directly or indirectly caused by, consisting of or arising from

- a) any actual or alleged failure or inability of any **Computer Equipment** whether or not owned by or in the possession of the **Insured**:
 - i. to correctly recognise or to correctly process (including but not limited to capture, save, retain, calculate, compare, interpret, record, retrieve, sequence, read, store, manipulate, write to media, determine, distinguish, convert, transfer or execute) **Date/Time Material**;
 - ii. to correctly recognise or to correctly process (including but not limited to capture, save, retain, calculate, compare, interpret, record, retrieve, sequence, read, store, manipulate, write to media, determine, distinguish, convert, transfer or execute) any data or information as the result of the treatment of any **Date/Time Material** by such equipment or by any command or instruction which is or has been programmed or in any other manner entered into it;
- b) any actual or alleged failure to provide or inadequacy of any service whether provided by the **Insured** or any other person or persons due to any actual or alleged failure or inability described at 1.a) above;
- c) any advice consultation design evaluation inspection maintenance alteration repair replacement or supervision provided or done by the **Insured** or for or on behalf of the **Insured** to determine rectify or test any potential or actual problem described at 1.a) above.

But this Exclusion shall not apply to Part B, Section 3 Employers' liability of this **Policy**

2. Sanctions and Regulations

No **Insurer** shall be deemed to provide cover and no **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 **Insurer** to any sanction prohibition or restriction under United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union United Kingdom or United States of America.

General Claims Conditions

Claims Handling

1. For any claim under Part C Section 10 Legal Expenses, please notify in the first instance

Claims Department,
DAS Legal Expenses Insurance Company Limited
DAS House
Quay Side
Temple Back
Bristol
BS1 6NH

Telephone Number: 0345 300 1899

Email Address: newclaims@das.co.uk

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

2. For any claim under any other Section, please notify in the first instance

Aviva Insurance Ltd

Telephone Number: 0800 015 1498

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

The following Claims Conditions apply to all Parts of this **Policy**

1. Subrogation

The **Insured** shall at the request and expense of the **Insurer** take and permit to be taken all necessary steps for enforcing rights against any other party in the name of the **Insured** before or after any claim payment is made by the **Insurer**.

2. Subrogation Waiver

In the event of a claim arising under this **Policy** the **Insurer** agrees to waive any rights, remedies or relief to which they might be entitled by subrogation against

- a) a company standing in the relation of parent to subsidiary (or subsidiary to parent) to the **Insured** as defined in the Companies Act or Companies (Northern Ireland) Order (or any more applicable legislation or regulations in the country in which the **Insured** is registered) current at the time of **Damage** or **Consequential Loss, Personal Injury** or Property Damage,

- b) any company which is a subsidiary of a parent company of which the **Insured** are themselves a subsidiary within the meaning of the Companies Act or Companies (Northern Ireland) Order (or any more applicable legislation or regulations in the country in which the **Insured** is registered) current at the time of **Damage** or **Consequential Loss, Personal Injury** or **Property Damage**
- c) any other company to which the Insured has granted a waiver of subrogation rights, subject to prior notification to the **Insurer**

Part A Claims Conditions

The following Claims Conditions apply to Part A of this **Policy** only

1. Action by the Insured – Section 1, Property Damage

In the event of **Damage** the **Insured** shall

- a) notify the Police if it becomes evident that any **Damage** has been caused by malicious persons
- b) carry out and permit to be taken any action which may be reasonably practicable to prevent further **Damage**
- c) notify the **Insurer** and deliver to the **Insurer** at the Insured's expense
 - i. full information in writing of the property lost, destroyed or damaged and the amount of the **Damage**
 - ii. details of any other insurances on any Property Insured

as soon as reasonably practicable but always within 30 days in the case of **Damage** caused by riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons

- iii. all such proofs and information relating to the claim as may be reasonably required
- iv. if demanded, a statutory declaration of the truth of the claim and of any matters connected to it.

2. Action by the Insured – Section 2, Consequential Loss

- a) In the event of an **Incident** for which a claim is or may be made under Section 2, Part A of this **Policy** the **Insured** shall
- i. notify the **Insurer** as soon as reasonably practicable
 - ii. carry out and permit to be taken any action which may be reasonably practicable to minimise or check any interruption or interference with the **Business** or to avoid or diminish the loss
- b) In the event of a claim being made under Section 2, Part A of this **Policy** the **Insured** at his own expense shall deliver to the **Insurer** for examination at such times as the **Insurer** may reasonably request:
- i. books of accounts, business records, bills, invoices, vouchers and other documents or certified copies if originals are lost
 - ii. proofs, information, explanation and other evidence
 - iii. details of all other insurances covering property (or part thereof) used by the **Insured** at the **Premises** for the purposes of the **Business**
 - iv. a declaration of the truth of any claim and of any matters connected with it
- that the **Insurer** may reasonably require for the purposes of investigating or verifying the amount of any **Consequential Loss**

3. Arbitration

If any dispute arises as to the amount to be paid under this **Policy** (liability being otherwise admitted) such difference will be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions for the time being in force. The arbitrator must find in favour of the **Insured** before the **Insured** is entitled to take any action against the **Insurer**.

4. Contribution and Average

In respect of Section 1

If at the time of any **Damage** there is any other insurance effected by or on behalf of the **Insured** covering such **Damage** the liability of the **Insurer** hereunder shall be limited to their rateable proportion of the **Damage**.

And if:

- a) any such other insurance shall be subject to any Average (underinsurance) Condition this **Policy** shall be subject to Average in a like manner.

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

In respect of Section 2

If at the time of any loss, destruction or damage resulting in a loss under Section 2, Part A, there be any other insurance effected by or on behalf of the **Insured** covering such loss or part of it, the liability of the **Insurer** shall be limited to their rateable proportion of such loss

5. Designation

For the purposes of determining where necessary the item or heading under which any property, income or cost is insured or accounted for, it is agreed to accept the designation used within the **Insured's** business books of account

6. Increased Cost of Working – Agreed costs

Where costs under Items 1b) (Section 2, Part A) are incurred with **Insurer's** consent during the **Indemnity Period**, the **Insurer** agrees that upon final adjustment of the loss all such costs shall continue to be treated within items 1b) irrespective of whether they would have otherwise been allowable.

7. Insurer Rights Following a Claim

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

8. Payments on Account

Where liability has been admitted by the **Insurer**, partial payment(s) of claims shall be made where requested by the **Insured**. Subject to

- a) the provisions of the Claims Conditions and;
- b) the necessary adjustment of the final claims settlement

9. Reinstatement

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

Part B Claims Conditions

The following Claims Conditions apply to Part B of this **Policy** only

1. The **Insured** shall give notice in writing to the **Insurer** as soon as is reasonably practicable of any occurrence which in the opinion of the **Insured** is likely to give rise to a claim under this **Policy**
2. The **Insured** shall forward directly and unanswered to the **Insurer** every letter of claim writ or summons immediately they are received
3. The **Insured** must give immediate notice to the **Insurer** of any impending prosecution inquest fatal accident inquiry or civil or criminal proceedings in connection with the occurrence and shall send to the **Insurer** immediately upon request every relevant document which is in or comes into the **Insured's** possession
4. No admission offer promise payment or indemnity shall be made or given by or on behalf of the **Insured** without the written consent of the **Insurer**
5. The **Insurer** shall be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute any claim in the name of the **Insured** for its own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claim
6. The **Insured** shall give all assistance as the **Insurer** may require
7. The **Insured** shall also upon receipt of a Notice of Adjudication relating to any circumstance which has given or may give rise to a claim under Section 2 of Part B of this **Policy** provide immediate notice (or on the first working day thereafter) thereof by telephone to the **Insurer**

A Notice of Adjudication means any notice issued by a party to a contract to which the Housing Grants Construction and Regeneration Act 1996 applies stating an intention to refer a dispute under the contract to adjudication

8. In connection with any claims against the **Insured** the **Insurer** may at any time pay to the **Insured** the Limit of Indemnity or any less amount for which such claims can be settled and thereupon the **Insurer** shall relinquish the control of such claims and be under no further liability in connection therewith except for legal costs which the **Insurer** have already agreed to bear in respect of matters prior to the date of such payment
9. If at the time of any claim there is or but for the existence of this **Policy** there would be any other insurance covering the same legal liability the indemnity will not apply except in respect of any amount beyond that which would have been payable under such other insurance had this **Policy** not been effected

10.

a) Where indemnity is provided on a “Claims Made” basis the **Insured** must give to the **Insurer** written notice of

i. **any** claim first made against the **Insured** or **Person Entitled to Indemnity**

ii. any circumstances which are likely to give rise to a claim of which the insured first becomes aware

during the **Period of Insurance** as soon as practicable but in no event later than thirty (30) days after the end of the **Period of Insurance**. If the **Insured** does not give notice to the **Insurer** in compliance with this clause the **Insurer** shall have no liability under this **Policy** in respect of that claim or arising out of that circumstance.

A claim will be deemed to have been made the earlier of when

i. a claim is first received by the **Insured** in writing during the **Period of Insurance** or

ii. the **Insurer** is notified in writing during the **Period of Insurance** of circumstances which in the opinion of the **Insured** are likely to give rise to a claim

b) Where the **Insurer** is notified in writing of circumstances which in the opinion of the **Insured** are likely to give rise to a claim any claims resulting therefrom which may be made after the expiry of the **Period of Insurance** will be deemed to have been made during the **Period of Insurance**.

Part C Claims Conditions

The following Claims Conditions apply to Part C of this Policy only

Section 9 - Personal Accident

1. The **Insured** or the **Insured Person** must provide the **Insurer** with all information and evidence which the **Insurer** may reasonably require at no expense to the **Insurer**
2. The **Insured** must notify any **Occurrence** which may give rise to a claim under this Section to the **Insurer** within 90 days of the happening of such **Occurrence**
3. As soon as possible after the occurrence of any **Accidental Bodily Injury** the **Insured Person** must obtain and follow the advice of a registered medical practitioner. The **Insurer** will not be liable for any bodily injury which is worsened or prolonged or any other consequence which arises as a result of the **Insured Person's** failure to obtain and follow such advice and to use such treatment, remedies or appliances as may be prescribed
4. The **Insured Person** must, at the Insurer's request, submit to a medical examination in respect of any **Accidental Bodily Injury** where the Insured requires the **Insurer** to consider a claim under this Section. The **Insurer** will pay the cost of any medical examination fee
5. In the event of death of an **Insured Person** the **Insurer** will be entitled to have a post mortem examination carried out at the **Insurer's** expense
6. Payment for **Temporary Total Disablement** shall be limited to a maximum of 100% of the **Insured Person's** normal weekly wage (the gross basic weekly amount excluding overtime and bonus payments) as paid via the UK tax system during the previous 12 months prior to the claim. **Insured Persons** must supply evidence of taxable income during the said 12 months as part of the presentation of a claim. It is the duty of the **Insured** and/or **Insured Person** to inform the **Insurer** if any claim payments exceeds these limits and payment will be reduced proportionately until these limits are not exceeded.

Section 10 – Legal Expenses

1. As soon as you are aware of an incident, you should get legal advice from the legal helpline on 0345 300 1899 without delay. Please have Your policy number to hand. If you think that you might need to claim, contact the helpline on 0345 300 1899 and request a claim form. We can only proceed with your claim once we have received details of the incident in writing. A claim form is available to download at: **www.aviva.co.uk/legalprotection**

Claims handling is undertaken by DAS Legal Expenses Insurance Company Limited or such other company as we notify you of time to time.

2. The **Insured** must report an incident to the **Insurer** as soon as possible and in any event no later than 180 days after the date the **Insured Person** knew or should have known about the incident
3.
 - a) On acceptance of a claim, if appropriate, the **Insurer** will appoint an **Appointed Representative**.
 - b) If it is necessary to start court proceedings or there is a conflict of interest, an **Insured Person** is free to nominate an **Appointed Representative** by sending to the **Insurer** the name and address of the suitably qualified person
 - c) If the **Insurer** does not agree to the **Insured Person's** choice of **Appointed Representative** under condition 3b) above, an **Insured Person** may choose another suitably qualified person.
 - d) If there is still a disagreement with regard to the **Appointed Representative**, the **Insurer** will ask the president of a relevant national law society to choose a suitably qualified person to represent an **Insured Person**. The **Insurer** and the **Insured Person** must accept such choice.
 - e) In all other circumstances the **Insurer** will be free to choose an **Appointed Representative**. An **Appointed Representative** will be appointed by the **Insurer** and represent an **Insured Person** according to the **Insurer's** standard terms of appointment;
 - f) On acceptance of a claim, if appropriate, the **Insurer** will appoint an **Appointed Representative**.
4.
 - a) The **Insurer** will have direct access to the **Appointed Representative** who will, upon request, provide the **Insurer** with any information or opinion on the **Insured's** claim
 - b) An **Insured Person** must co-operate fully with the **Insurer** and the **Appointed Representative** and must keep the **Insurer** up-to-date with the progress of the claim
 - c) At the **Insurer's** request an **Insured Person** must give the **Appointed Representative** any instructions that the **Insurer** requires
 - d) An **Insured Person** must notify the **Insurer** immediately if anyone offers to settle a claim or makes a payment into court

- e) If an **Insured Person** does not accept the recommendation of the **Appointed Representative** to accept a reasonable offer or payment into court to settle a claim, the **Insurer** may refuse to pay further **Costs and Expenses**
 - f) No agreement to settle on the basis of both parties paying their own costs is to be made without the **Insurer's** prior approval
5. If an Insured Person
- a) settles a claim or withdraws a claim without the **Insurer's** prior agreement
 - b) does not give suitable instructions to the **Appointed Representative** dismisses an **Appointed Representative** without the Insurer's prior consent
 - c) settles a claim or withdraws a claim without the **Insurer's** prior agreement

the cover the **Insurer** provide will end immediately and the **Insurer** will be entitled to re-claim any Costs and Expenses the **Insurer** has incurred from the **Insured Person**.

- 6. An **Insured Person** must take every available step to recover **Costs and Expenses** that the Insurer has to pay and must pay the **Insurer** any **Costs and Expenses** that are recovered.
- 7. If any difference arises between the **Insurer** and an **Insured Person** in respect of the acceptance, refusal, control or handling of any claim under this Section, the **Insured** can take the steps outlined in the complaints procedure.
- 8. The **Insured** has the right to refer any difference that arises between the **Insurer** and an **Insured Person** in respect of the acceptance, refusal, control or handling of any claim under this section to arbitration, which will be decided by counsel chosen jointly by the **Insurer** and an **Insured Person**.

If there is a disagreement with regard to the choice of counsel, the **Insurer** will ask the president of a relevant national law society to choose a suitably qualified person.

The arbiter's decision shall be final and binding on both parties.

All costs for resolving the difference will be met by the party whom the decision is made against

- 9. All references to Acts of Parliament within this Section wording shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man or the Channel Islands as the case may be.

Underwriter and Insurer Details

BHIB Limited arranges this **Policy** on your behalf.

This **Policy** is underwritten by Aviva Insurance Limited Registered in Scotland No 2116. Registered Office Pithleavlis, Pwerth, Scotland, PH2 0NH Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm Register Number 202153.

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 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.

What will happen if you complain

- We will acknowledge your complaint promptly.
- We aim to resolve all complaints as quickly as possible.

Most of our customers' concerns can be resolved quickly but occasionally more detailed enquiries are needed. If this is likely, we will contact you with an update within 10 working days of receipt and give you an expected date of response.

A number of complaints can be dealt with over the telephone, but if a complaint made cannot be resolved by the end of the next business day we will acknowledge receipt of it promptly, within 5 business days. Within this acknowledgement we will provide clear timescales as to when next contact will be made, as we wish to keep you informed on the progress of your complaint.

We will seek to resolve any complaints received in the shortest timescale possible. However, complaints will vary in their nature and complexity and the time taken to handle them will reflect this.

A Complaints Handler will undertake a thorough, independent review of the issues surrounding your complaint. The review will consider all the information available to us or possibly involve writing to you should we need to. If it takes longer than four weeks to resolve your complaint we will provide you with regular written updates. It is expected that complaints are resolved within 8 weeks of receipt and where this is not possible we will provide you with a reason and estimated completion date, as well as advising you that where eligible you can refer the case to the Financial Ombudsman Service (FOS).

What to do if you are unhappy

If you are unhappy with any aspect of the handling of your insurance we would encourage you, in the first instance, to seek resolution by contacting your usual adviser at BHIB Ltd.

Please direct all complaints to:

BHIB Insurance Brokers
AGM House
3 Barton Close
Grove Park
Enderby
Leicester
LE19 1SJ

Tel: 0330 013 0036

Email: enquiries@bhibaffinities.co.uk

If you are unhappy with the outcome of your complaint you may refer the matter to the Financial Ombudsman Service at:

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Telephone: 0800 023 4567 (Calls from UK landlines and mobiles are free) or
0300 123 9123

Email: Complaint.info@financial-ombudsman.org.uk

Or simply log on to their website at **www.financial-ombudsman.org.uk**.

Whilst we are bound by the decision of the Financial Ombudsman Service, you are not. Following the complaints procedure does not affect your right to take legal action.

Financial Services Compensation Scheme

The **Insurers** are members of the Financial Services Compensation Scheme (FSCS).

You may be entitled to compensation from this scheme if the Insurers cannot meet their obligations, depending on the type of insurance and the circumstances of your claim.

Further information about the scheme is available from the FSCS website

www.fscs.org.uk

Customers with Disabilities

This **policy** and other associated documentation are also available in large print, audio and Braille. If you require any of these formats please contact us.

Use of Language

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



BHIB
COUNCILS
INSURANCE

Local Councils Combined

BHIB Limited
AGM House
3 Barton Close
Grove Park
Enderby
Leicester
LE19 1SJ

BHIB Councils Insurance is a trading name of BHIB Limited. Registered office is AGM House, 3 Barton Close, Grove Park, Enderby, Leicester, LE19 1SJ. BHIB Limited is registered in England and Wales number: 829660. Authorised and regulated by the Financial Conduct Authority. We are covered by the Financial Ombudsman Service. You can find out more at www.financial-ombudsman.org.uk.

BHIB Local Councils Combined v01.09.2017

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