



# POLICY WORDING





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## Introduction

Welcome to RSA. Thank you for choosing us as your insurer.

Your Policy (including the Schedule, Endorsements, Clauses and Certificates) is evidence of a legal contract and the document should be kept in a safe place.

We are happy to provide duplicates if you mislay any part of your Policy documentation.

Please read the Policy and Schedule carefully and if they do not meet your needs return them to us or your insurance intermediary.

# Customer Care

## Claims Helpline

We recognise that losses mean disruption to your business and that the ultimate test of any insurance policy is providing a fast, effective claims service. We also realise that running a business means that it might not be convenient for you to report a claim to us during normal office hours. That's why you can now notify us of any claim when it suits you – any time of the day or night. All you have to do is call.

Further details are contained in the Policy Summary provided with your Policy.

## 24 hour Claims Helpline

**0345 300 4006**

(Please quote your Policy Number which can be found on your Schedule).

## Emergency Repairs

Should emergency repairs be needed to your property, we will put you in touch with a tradesman from our carefully selected panel. You will have to pay the cost of any work done, but where the damage is caused by an insured event, you can of course submit the cost as part of your claim. Whatever the nature of the emergency, you just need to make a single phone call.

## Catastrophe Claim

If you are faced with a major catastrophe, such as a serious fire or flood, we recognise that you will need expert assistance immediately. We will send a representative to help you in a major crisis, 24 hours a day, 365 days a year.

## Your Policy

This Policy is a contract between you (also referred to as the Policyholder or your) and us (also referred to as the Insurer, we, our or RSA).

We would advise for clarity that although there may be more than one party detailed as Policyholder in the Schedule, in terms of the application of Sums Insured, Limits of indemnity or cover under the Policy, there is still only one Policyholder or one party or legal entity so there will only be two parties to the contract of insurance.

This Policy and any Schedule, Endorsements, Clauses and Certificates should be read as if they are one document.

Our acceptance of this risk is based on the information presented to us being a fair presentation of your business including any unusual or special circumstances which increase the risk and any particular concerns which have led you to seek insurance.

We would draw your attention to the Policy Conditions – Policy Voidable where in the event of deliberate or reckless misrepresentation and/or non-disclosure of any unusual or special circumstances which increase the risk, we may void the policy.

Our continued acceptance is based on any changes from the original information presented being advised and accepted by us.

We also draw your attention to the Policy Conditions – Alterations where a change in risk shall allow us to avoid a claim or impose additional terms or conditions.

Any reference to the singular will include the plural or vice versa.

Any reference to any statute or statutory instrument will include any modifications or re-enactment thereto.

Any heading in this Policy is for ease of reference only and does not affect its interpretation.

In the United Kingdom the law allows both parties, both you and us, to choose the law applicable to this contract. This Policy will be subject to the relevant law of the United Kingdom, the Isle of Man or the Channel Islands depending upon your address as shown in the Schedule. If there is any dispute as to which law applies it will be English Law.

You agree to submit to the exclusive jurisdiction of the English courts.

This Policy may be cancelled:

- A) by us giving 30 days notice, in writing to you at your last known address.
- B) by you giving 30 days notice in writing to us at the address shown in the Schedule.

You will be entitled to a proportionate return of premium unless a claim has been made in the current Period of Insurance.

For and on behalf of Royal and Sun Alliance Insurance plc.



Steve Lewis  
Chief Executive, UK & Western Europe

## Claim Notification

Conditions that apply to this Policy in the event of a claim are set out in the Policy Conditions pages of this Policy. It is important that you comply with all Policy Conditions and you should familiarise yourself with their requirements.

Directions for claim notification are included in the Policy Conditions. Please remember that events that may give rise to a claim under this insurance must be notified as soon as reasonably possible although there are some situations where immediate notification is required.

The Policy Conditions require you to provide us with any reasonable assistance and evidence that we may require concerning the cause and value of any claim. Ideally, as part of your initial claim notification, you should provide:

- Your name, address, and your email and contact numbers
- Personal details necessary to confirm your identity
- Policy number
- The date of the incident
- The cause of the loss or damage
- Details of the loss or damage together with claim value if known or in respect of injury the nature and extent
- The crime reference number where applicable
- Names and addresses of any other parties involved or responsible for the incident (including details of injuries) and addresses of any witnesses

This information will enable us to make an initial evaluation on policy liability and claim value. We may, however, request additional information depending upon circumstances and value which may include the following:

- Original purchase receipts, invoices, instruction booklets or photographs
- Purchase dates and location of lost or damaged property
- For damaged property, confirmation from a suitably qualified expert that the item you are claiming for is beyond repair

Sometimes we or someone acting on our behalf, may wish to meet with you to discuss the circumstances of the claim, to inspect the damage or to undertake further investigations.

We take pride in the claims service we offer to our customers. Our philosophy is to repair or replace lost or damaged property, where we consider it appropriate, and we have developed a network of contractors, repairers and product suppliers dedicated to providing claim solutions.

Where we can offer repair or replacement through a preferred supplier but we agree to pay a cash settlement, then payment will normally not exceed the amount we would have paid our preferred supplier.

# Policy Conditions

It is a requirement of the Insurer that the following Policy Conditions apply as stated except so far as is necessary to comply with the requirements of any legislation enacted in Great Britain, Northern Ireland the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to Employees.

Applicable to the whole Policy unless otherwise stated:

## 1 Action by the Policyholder

On the discovery of any circumstance or event which may give rise to a claim under this Policy the Policyholder shall:

- A) notify the Insurer as soon as reasonably possible,
- B) give notice within 24 hours to the Police Authority in respect of Damage (other than by fire or explosion) caused by malicious persons or thieves if insured by this Policy,
- C) carry out and permit to be taken any action which may be reasonably possible to prevent further Damage and to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss,
- D) within 30 days after the circumstances or event or of the expiry of the Indemnity Period or such further time as the Insurer may allow, and at the Policyholder's own expense, deliver to the Insurer:
  - i) full information in writing of the claim,
  - ii) details of any other insurance relating to the claim,
  - iii) all such business books, documents, proofs, information, explanation and other evidence as may be reasonably required all of which information and details may be produced by the Policyholder's professional accountants or auditors who are regularly acting as such, their report being prima facie evidence of such information and details,
  - iv) if demanded a statutory declaration of the truth of the claim and of any matter connected with it.
- E) in respect of Liability Insurance:
  - i) Every letter, claim, writ or summons and process in connection with such circumstances shall be forwarded to the Insurer without undue delay on receipt,
  - ii) Written notice shall also be given without undue delay by the Policyholder to the Insurer immediately the Policyholder shall have knowledge of any prosecution, inquest or inquiry in connection with any circumstance which may give rise to liability under this Policy.
- F) in respect of Money Insurance – Section 2 Personal Injury (Robbery) and Personal Accident Insurance:
  - i) provide all medical certificates, reports, information and evidence required by the Insurer to substantiate that claim. Refer to the Evidence Required Condition under each section for full details.

If the terms of this Condition have not been complied with, and as a direct consequence, the amount for which the Insurer is liable under this Policy has increased, then no payment shall be made by the Insurer in respect of the amount of such increase.

## 2 Alterations

This Policy shall be terminated if:

- A) the Business is wound up or carried on by a liquidator or receiver or permanently discontinued or
- B) the Policyholder's Interest ceases otherwise than by death or
- C) any alteration is made either in the Business or in the Premises or Property therein or any other circumstances whereby the risk is increased unless otherwise stated.

at any time after the commencement of this Policy unless its continuance be admitted by the Insurer and in respect of 2C) the Insurer agree not to avoid the Policy provided that:

- i) such alteration is not of such a nature that if the alteration had occurred prior to the commencement of this Policy the Insurer would not have entered into this Policy on any terms,
- ii) the Policyholder shall pay an appropriate additional Premium if required by the Insurer with effect from the date of the alteration,
- iii) the Insurer shall be entitled to impose appropriate additional terms, other than Premium, with effect from the date of the alteration.

## 3 Arbitration

### Not applicable to Liability Insurances

If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions.

Where any difference is, by this condition, to be referred to arbitration, the making of an award shall be a requirement to any right of action against the Insurer.

## 4 Contribution

### A) Applicable to Property Damage and Business Interruption Insurances only:

If at the time of any claim, there is any other insurance covering the Policyholder's interest in the Property Damaged, the Insurer's liability under this Policy shall be limited to its rateable proportion of such claim, and will be subject to any Underinsurance Provision.

In respect of Property Damage only:

- i) If any such other insurance is subject to any Underinsurance Provision, this Policy, if not already subject to any Underinsurance Provision shall be subject to the Provision in like manner.
- ii) If any other insurance effected by or on behalf of the Policyholder is expressed to cover any of the Property insured but is subject to any provision whereby it is excluded from ranking concurrently with this Policy either in whole or in part or from contributing rateably to Damage, the Insurer's liability shall be limited to such proportion of the Damage as the Sum Insured bears to the value of the Property.



**B) Applicable to Liability Insurance**

Other than in respect of Extension 3 (Contingent Motor Liability) to Section 2 (Public/Products Liability), if at the time of any claim there is or, but for the existence there would be, any other insurances 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 insurances had this not been effected.

Where a claim includes the defence of criminal proceedings brought or in appeal against conviction the Insurer will not pay any costs or expenses where cover is provided by any other insurance or where but for the existence of this Policy it would have been provided by such insurance.

In the event that the Policyholder wishes to appoint its own representative, the Policyholder shall provide prior notification of its intention to do so and seek the Insurer's written consent.

The Policyholder agrees that in respect of its proposed representative:

- i) the hourly rate (or such other fee basis as the case may be to apply and
- ii) the terms and conditions of such appointment

shall be subject to the Insurer's prior approval.

In the event of a dispute regarding the amount of legal costs incurred by the Policyholder's representative the Policyholder agrees that the Insurer will have the option to audit any files for the purpose of assessing the costs claimed.

**5 Financial or Trade Sanctions**

The Insurer shall not provide coverage or be liable to provide any indemnity or payment or other benefit under this Policy if and to the extent that doing so would breach any prohibition or restriction imposed by law or regulation.

If any such prohibition or restriction takes effect during the Policy period the Policyholder or the Insurer may cancel that part of this Policy which is prohibited or restricted with immediate effect by giving written notice to the other at their last known address.

If the whole or any part of the Policy is cancelled the Insurer shall return a proportionate amount of the premium for the unexpired period subject to minimum premium requirements and provided no claims have been paid or are outstanding.

**6 Fraud**

If a claim is in any respect fraudulent or if any fraudulent means or devices be used by the Policyholder or anyone appointed to act on their behalf to obtain any benefit under this Policy or if any Damage, claim or loss is caused by the wilful act or with the connivance of the Policyholder, the Insurer will:

- A) have no liability to pay any part of or the whole of the fraudulent claim,
- B) be entitled to refuse all claims arising after the fraudulent action,
- C) remain liable for legitimate claims before the fraudulent action,
- D) terminate the Policy from the date of the fraudulent action whether or not the Policy had expired before the discovery of the fraud.

**7 Legal Representation****(Applicable to Liability Insurance)**

Where the Insurer provides its consent to indemnify the Policyholder in respect of any legal costs and expenses in relation to any matter which may form the subject of a claim for indemnity under this Policy, the Insurer will choose an appropriate representative (be it a solicitor or otherwise) to act on the Policyholder's behalf.

The Insurer will provide the Policyholder with details of the nominated appropriate representative prior to the representative's instruction.

**8 Policy Voidable**

This Policy shall be voidable in the event of misrepresentation, mis-description or non-disclosure in any material particular.

However, the Insurer agrees not to void the Policy provided that:

- A) such misrepresentation or non-disclosure has not been deliberate or reckless,
- B) such misrepresentation or non-disclosure has not been of such nature that, if the material particular had been fairly presented or had been disclosed, the Insurer's would not have entered into this Policy on any terms,
- C) the Insurer shall be entitled to impose appropriate additional terms (other than Premium) with effect from inception or if applicable the date of the alteration. If at the time of Damage, claim or loss the Premium charged to the Policyholder would have been higher but for the misrepresentation or non-disclosure in any material particular the liability of the Insurer for any loss amount payable shall be limited to the proportion that the Premium charged bears to the higher Premium.

**9 Reasonable Precautions****(applicable to the whole Policy other than Liability Insurance)**

The Policyholder at their own expense shall:

take all reasonable precautions to prevent or diminish Damage or any occurrence or cease any activity which may give rise to liability under this Policy and to maintain all Property insured in sound condition.

**10 Reasonable Precautions****(applicable to Liability Insurance)**

It is a condition precedent to liability of the Insurer that the Policyholder at the Policyholder's own expense shall:

- A) take reasonable precautions to prevent any circumstances or to cease any activity which may give rise to liability under this Policy and to maintain all buildings, furnishings, ways, works, machinery, plant and vehicles in a sound condition,
- B) as soon as reasonably possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such reasonable additional precautions to be taken as the circumstances may require.

## **11 Reasonable Precautions**

**(Applicable to Money Insurance – Section 2 Personal Injury (Robbery) and Personal Accident Insurance)**

The Policyholder and each Insured Person must take all reasonable steps to prevent injury.

## **12 Rights of the Insurer**

**(Applicable only to Liability Insurance)**

No admission, offer, promise, payment or indemnity shall be made, or given, by or on behalf of the Policyholder without the written consent of the Insurer; which shall be entitled to take over the absolute control of and conduct in the name of the Policyholder the negotiation, proceeding, defence or settlement of any claim or to prosecute any claim in the name of the Policyholder for its own benefit, and shall have full discretion in the conduct of any proceeding and in the settlement of any claim.

## **13 Rights of Recovery**

Any claimant under this Policy 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 Policyholder before or after any payment is made by the Insurer.

The Insurer's shall not enforce any rights against any company being parent of or subsidiary to the Policyholder or any company which is a subsidiary of a parent company of which the Policyholder is itself a subsidiary in each case as defined by the Companies Act 1985 or the Companies (Northern Ireland) Order 1986.

## **14 The Insurer's Liability**

For all purposes, including but not limited to the application of the Sums Insured, Limits, Limits of Liability or Limits of Indemnity and consideration of when and how the Policy will respond, all parties included in the definition of the Policyholder in the Schedule, shall constitute one Policyholder, or one party or legal entity, so that there will be only two parties to the contract of insurance between the Policyholder and the Insurer.

## **15 Third Party Contract Rights**

No person other than the Policyholder or the Insurer may enforce the terms of this Policy and the provisions of the Contract (Right of Third Parties) Act 1999 do not apply.

# Policy Exclusions

**(Exclusions not applicable to the whole Policy are shown in the individual Insurance section.)**

The Insurer shall not be liable for:

## **1 Radioactive Contamination**

Damage and any loss or expense or liability resulting or arising directly or indirectly caused by or contributed to by or arising from:

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

## **2 War and Allied Risks**

**(except Liability Insurance Section 1 – Employers' Liability)**

Damage and any loss, expense or liability caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power.

# Policy Definitions

The following words or expressions shall have the meanings set out below, unless a more specific Definition applies in the individual Insurance section.

## Business

The Business Description of the Policyholder as stated in the Schedule.

## Insurer

Royal and Sun Alliance Insurance plc.

## Covers

The active efficient causes of Damage including excluded causes.

## Damage

Accidental loss, destruction or damage.

## Damaged

Accidentally lost, destroyed or damaged.

## Data

Information represented or stored electronically including but not limited to code or series of instructions, operating systems, software, programs and firmware.

## Event

One occurrence or all occurrences of a series consequent on or attributable to one source or original cause.

## Failure of a System

The complete failure or partial failure or inability whether in terms of availability functionality including performance or otherwise of a System whether or not owned by the Policyholder to operate at any time as desired, as specified or as required in the circumstances of the Policyholder's business activities.

## Interest

Where loss, damage or injury would cause financial loss to the Policyholder.

## Limit of Indemnity

The amount stated in the Policy and/or Schedule as being the total amount payable by the Insurer in respect of any one Event.

## Microchip

A unit of packaged computer circuitry manufactured in small scale and made for program logic including computer memory purposes and expressly includes integrated circuits and microcontrollers.

## Period of Insurance

The period of time that the Policy is in force as shown in the Schedule.

## Policy

The terms and conditions of the contract including the Policy wording, Schedule, Endorsements, Clauses and Certificates.

## Policyholder

The legal entity insured by the Policy.

## Policyholder's Contribution

The first monetary amount of any claim borne by the Policyholder after the application of all other terms and conditions as described in the relevant Insurance section.

## Premises

The premises owned, occupied, leased or rented by the Policyholder as stated in the Schedule.

## Premium

The monetary amount paid or payable by the Policyholder for coverage under the Policy.

## Property

The material assets owned by the Policyholder or those material assets for which they are legally responsible.

## Schedule

The statement of details specific to the Policyholder forming part of the Policy.

## System

Computers, other computing and electronic equipment linked to a computer, hardware, electronic data processing equipment, Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation.

## Virus

Shall mean programming code or series of instructions designed to achieve an unexpected, unauthorised, undesirable effect or operation when loaded onto a System, transmitted from one System to another by transfer between computer systems via networks, extranets, internets or electronic mail or attachments thereto or via floppy diskettes or CDROMs or otherwise and whether involving self-replication or not.

## Working Hours

The period during which the Premises are actually occupied for the purposes of the Business.

# Property Damage Insurance and Business Interruption Insurance

## THIS INSURANCE DOES NOT APPLY IF SHOWN AS NOT INSURED IN THE SCHEDULE.

If any of the Property Insured described in the Schedule suffers Damage by any of the Covers insured, the Insurer will in accordance with the provisions of the Policy pay to the Policyholder:

- 1 in respect of Property Damage Insurance, the amount of loss or at its option reinstate, repair or replace such Property,
- 2 in respect of Business Interruption Insurance, the amount of loss resulting from the interruption or interference with the Policyholder's Business at the Premises caused by the Damage, provided that:
  - A) the Insurer's liability in any one Period of Insurance shall not exceed in the whole the total Sum Insured or in respect of any item its Sum Insured or any other stated limit of liability.
  - B) in respect of Business Interruption Insurance, payment has been made or liability admitted for the Damage under a Policy covering the Interest of the Policyholder in the Property, or payment would have been made or liability admitted for the Damage but for the operation of a proviso in such excluding liability for losses below a specified amount.

## Property Damage and Business Interruption Covers

The following are the Covers insured unless stated as Covers not insured in the Schedule.

### Cover

- 1 A) **Fire** (including smoke) excluding Damage:
    - i) by explosion resulting from fire,
    - ii) to Property caused by its undergoing any process involving the application of heat.
  - B) **Explosion** excluding Damage caused by the bursting of any boiler, economiser or other vessel, machine or apparatus belonging to or under the control of the Policyholder in which internal pressure is due to steam only, but this shall not exclude:
    - i) in respect of Property Damage Insurance, Damage caused by explosion of any boiler or gas used for domestic purposes only,
    - ii) in respect of Business Interruption Insurance, explosion of any boiler used for domestic purposes only or of any other boiler or economiser on the Premises or of gas used for domestic purposes only.
  - C) **Lightning.**
  - D) **Aircraft** or other aerial devices or articles dropped there from.
- 2 **Earthquake** excluding Damage caused by fire.
  - 3 **Riot and malicious persons**, riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons excluding Damage:
    - A) arising from nationalisation, confiscation, requisition or destruction by order of the government or any public authority,
    - B) arising from cessation of work,
    - C) i) in the course of theft or attempted theft,  
ii) in respect of any Building which is empty or not in use, directly caused by malicious persons not acting on behalf of or in connection with any political organisation.
  - 4 **Storm or flood** excluding Damage:
    - A) attributable solely to change in the water table level,
    - B) caused by frost, subsidence, ground heave or landslip,
    - C) to fences, gates and moveable property in the open.
  - 5 **Escape of water** or oil from any tank, apparatus or pipe excluding Damage:
    - A) by water discharged or leaking from an automatic sprinkler installation,
    - B) in respect of any Building which is empty or not in use.
  - 6 **Impact** by any road vehicle (including any fork lift truck or other industrial vehicle) or animal.
  - 7 **Sprinkler Leakage**  
The accidental escape of water from any automatic sprinkler installation excluding Damage:
    - A) by freezing in any Building which is empty or not in use,
    - B) by heat caused by fire.
  - 8 **Theft** (which shall be deemed to include attempted theft) excluding Damage:
    - A) which does not involve:
      - i) entry to or exit from that part of the Building occupied by the Policyholder for the purpose of the Business by forcible and violent means  
or  
ii) actual or threatened assault or violence.
    - B) to any part of the Building not occupied by the Policyholder for the purpose of the Business,
    - C) to property in the open or from any outbuilding,
    - D) to property in transit,
    - E) to Money and securities of any description.
  - 9 **Subsidence**, ground heave or landslip excluding Damage:
    - A) arising from the settlement or movement of made-up ground or by coastal or river erosion,
    - B) occurring as a result of the construction, demolition, structural alteration or structural repair of any Property at the Premises,

- C) arising from normal settlement or bedding down of new structures,
- D) to yards, car parks, roads, pavements, forecourts, paved areas, walls, gates or fences unless a Building insured under this Policy is also affected,
- E) commencing prior to the granting of cover under this Policy.

**10 Any other accident** excluding Damage:

- A) by any of:
  - i) the Covers,
  - ii) the causes expressly excluded from the Covers specified in Covers 1-9 (whether or not insured).
- B) to any Property caused by:
  - i) its own faulty or defective design or materials,
  - ii) inherent vice, latent defect, gradual deterioration, wear and tear,
  - iii) faulty or defective workmanship, operational error or omission on the part of the Policyholder or any of their Employees, but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded.
- C) caused by:
  - i) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects,
  - ii) change in temperature, colour, favour, texture or finish,
  - iii) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, super-heaters, pressure vessels or any connected range of steam and feed piping,
  - iv) mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which the breakdown or derangement originates,
  - v) caused by or consisting of the freezing, solidification or inadvertent escape of molten metal,

but this shall not exclude:

  - i) such Damage which itself results from other Damage and is not otherwise excluded,
  - ii) subsequent Damage which itself results from a cause not otherwise excluded.
- D) caused by:
  - i) acts of fraud or dishonesty,
  - ii) disappearance, unexplained or inventory shortage, misfiling or misplacing of information,
  - iii) in respect of Business Interruption Insurance, erasure or distortion of information on computer systems or other records:
    - whilst mounted in or on any machine or data, processing apparatus or

- due to the presence of magnetic flux unless caused by Damage to the machine or apparatus in which the records are mounted.

- E) to:
  - i) a Building caused by its own collapse or cracking,
  - ii) moveable Property in the open, fences and gates by wind, rain, hail, sleet, snow, flood or dust,
  - iii) Property resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.
- F) to:
  - i) Property in transit,
  - ii) vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft and aircraft,
  - iii) land, piers, jetties, bridges, culverts and excavations,
  - iv) livestock, growing crops and trees,
  - v) Property or structures in course of construction or erection and materials or supplies in connection with all such Property in course of construction or erection,
  - vi) overhead transmission lines.

**11 Glass**

Damage resulting from Accidental Breakage of Glass if Buildings not insured by the Policyholder.

**12 Specified Items: 'All Risks'**

- A) Damage by any cause excluding Damage caused by:
  - i) wear and tear, moth, vermin, atmospheric or climatic conditions or any gradually operating cause,
  - ii) alterations, maintenance, repairs or any process of cleaning or restoring,
  - iii) delay, confiscation or detention by order of any Government or Public Authority,
  - iv) counterfeit, substitute or foreign coins,
  - v) mechanical or electrical breakdown or derangement.
- B) Damage excluding:
  - i) breakage of electrical valves, bulbs or tubes unless forming part of the Property and fixed therein and happening as the result of Damage to such Property,
  - ii) the contents of machines unless such contents are shown in the Schedule,
  - iii) depreciation, contamination or any other loss that arises directly or indirectly other than Damage to the Property insured itself,
  - iv) Damage consequent upon any person obtaining any Property by deception.

## Property Damage – The Insurance Provided

### In respect of Buildings and General Contents

(other than motor vehicles or directors', partners' and employees' personal effects).

The Insurer will pay:

- A** 1) the cost of reinstatement being where the Property is:
- i) destroyed the cost of rebuilding or in the case of General Contents the cost of its replacement by similar property (including the cost of re-erection, fitting and fixing),
  - ii) Damaged the cost of repairing or restoring the damaged portions to a condition substantially the same as but not better or more extensive than its condition when new.

or

- 2) the Alternative Basis of Settlement being the value of the Property at the time of its destruction.

The Alternative Basis of Settlement will apply:

- i) until the cost of reinstatement has actually been incurred,
- ii) if the work of reinstatement is not carried out as quickly as is reasonably practicable,
- iii) if at the time of its Damage the Property is covered by any other insurance effected by or on behalf of the Policyholder and such other insurance is not on the identical basis of reinstatement defined in cost A1,
- iv) if in the Schedule it is stated that the Alternative Basis of Settlement applies.

**plus in respect of A1 or A2 the cost of:**

- B complying with Public Authorities' requirements**, being such additional cost of reinstatement of the Property as may be incurred with the Insurer's consent in complying with European Union legislation or Building Regulations or local authority or other statutory requirements first imposed upon the Policyholder following the Damage provided that the reinstatement is completed within twelve months of the occurrence of the Damage or within such further time as the Insurer may in writing allow and may be carried out upon another site (should the stipulations require).

The Insurer shall not be liable for requirements relating to: any rate; tax; duty; development or other charge or assessment, which may arise out of capital appreciation as a result of complying with any of the legislation, regulations or requirements referred to.

Cover is extended to include the additional cost of reinstatement in respect of undamaged portions, other than foundations, subject to a Limit of Liability of 15% of the total amount the Insurer would have been liable for had the building been totally destroyed. Provided that the Insurer will not be liable for such additional cost in respect of other Buildings Contents which have not sustained Damage,

- C removing debris** being the cost incurred with the Insurer's consent in removing debris, dismantling, demolishing, shoring up and propping portions of the Property but excluding any costs or expenses:

- i) incurred in removing debris except from the site of such property damaged and the area immediately adjacent to such site,
- ii) arising from pollution or contamination of property not insured by this Policy.

- D professional fees** being those necessarily incurred in the reinstatement of the Property but not for preparing any claims.

### Underinsurance in respect of Buildings and Contents

If at the time of the Damage the Declared Value by the relative item on Buildings or General Contents, or the Sum Insured by the relative item on other property or interests, is less than the Insurable Amount the amount otherwise payable shall be proportionately reduced.

#### In respect of A1

Declared Value shall mean the base value shown in brackets below the Sum Insured excluding any provision for inflation.

Insurable Amount shall be Day One Reinstatement Value.

Day One reinstatement shall mean the total of the insured costs A1, B, C and D in reinstating the Property insured to a condition substantially the same as when new at the level of costs applying at the commencement of the Period of Insurance.

#### In respect of A2

Declared Value shall be 115% of the base value or if no base value is shown it shall be deemed to be the Sum Insured.

Insurable Amount shall mean the total of the value at the time of the Damage of the Property insured by the item and the additional costs B, C and D.

### In respect of documents, manuscripts and business books the Insurer will pay:

- 1 the value of the materials as stationery,
- 2 the clerical labour expended in reproducing or writing up such documents,
- 3 the costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded, but excluding the value to the Policyholder of the information and subject to the Insurer's liability not exceeding the limit stated in the definition of General Contents.

### In respect of stock and other insured Property not specifically provided for the Insurer will pay:

the value of the Property at the time of its destruction or the amount of the Damage including the cost of removing debris as defined in cost C.

The undernoted provisions apply:

#### 1 Contract Price

In respect only of goods sold but not delivered, for which the Policyholder is responsible and with regard to which under the conditions of the sale, the sale contract is cancelled by reason of any Damage insured under this Policy either wholly or to the extent of the Damage the Insurer's liability shall be based on the contract price.

## 2 Underinsurance in respect of Stock

If at the time of Damage the Sum Insured is less than the Insurable Amount the amount otherwise payable shall be proportionately reduced.

Insurable Amount shall mean the Contract Price of or the value at the time of Damage to all other Property.

### In respect of Rent of Buildings which suffer Damage the Insurer will pay:

- 1 if the loss relates to rent receivable by the Policyholder:
    - A) the amount by which the **rent receivable** by the Policyholder during the period stated in the Schedule shall in consequence of the Damage fall short of the rent which would have been received during the period had the Damage not occurred,
    - B) the additional expenditure necessarily and reasonably incurred, for the sole purpose of avoiding or diminishing the shortfall in rent, which but for that expenditure would have taken place during the period stated in the Schedule in consequence of the Damage but not exceeding the total of:
      - the amount of the loss of rent thereby avoided
- Plus
- 5% of the Sum Insured by the item (but not more than £250,000),

less any savings in respect of expenditure payable out of rent receivable which reduces or ceases in consequence of the Damage.

In arriving at the amount of rent receivable such adjustments shall be made, if necessary, to provide for any trends, variations or other relevant circumstances occurring either before or after the Damage; so that the figures thus adjusted shall represent as nearly as reasonably practicable the rent which but for the Damage would have been obtained during the relative period after the Damage.

If following Damage the amount of rent receivable is maintained by the provision of alternative accommodation by the Policyholder such rent shall be taken into account in calculating the amount payable.

- 2 if the loss relates to **rent payable** by the Policyholder:

the amount of rent which continues to be payable by the Policyholder in respect of the Building or portions of the Building whilst unfit for occupation in consequence of the Damage for a period not exceeding the number of months stated in the item description in the Schedule.

### Underinsurance in respect of Rent

If at the time of Damage the Sum Insured is less than the Insurable Amount the amount otherwise payable shall be proportionately reduced.

Insurable Amount shall mean the annual rent receivable (or in the case of B the annual rent payable) at the commencement of the Period of Insurance, such amount to be proportionately increased to correspond with the period of rent insured where that period exceeds twelve months.

## Business Interruption Insurance – The Insurance Provided

### Item on Gross Profit

(unless shown as Not Insured in the Schedule)

Subject to the special provisions below the Insurer will pay as indemnity:

- 1 In respect of **Reduction in Turnover**

the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period falls short of the Standard Turnover in consequence of the Damage.
- 2 In respect of **Increase in Cost of Working**

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage

but not exceeding the total of:

  - the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided

Plus

  - 5% of the Sum Insured by the item (but not more than £250,000).

### Item on Gross Revenue

(unless shown as Not Insured in the Schedule)

Subject to the special provisions below the Insurer will pay as indemnity:

- 1 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 Damage.
- 2 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 Damage

but not exceeding the total of:

  - the amount of the reduction in Gross Revenue thereby avoided

Plus

  - 5% of the Sum Insured by the item (but not more than £250,000).



## Special Provisions

### 1 Alternative Trading

If during the Indemnity Period goods are sold or services rendered other than at the Premises, for the benefit of the Business, either by the Policyholder or by others on the Policyholder's behalf, the money paid or payable in respect of such sales or services shall be taken into account in arriving at the:

A) Turnover (for Item on Gross Profit)

or

B) Gross Revenue

during the Indemnity Period.

### 2 Savings

If any of the charges or expenses of the Business payable out of Gross Profit or Gross Revenue cease or reduce in consequence of the Damage the amount of such savings during the Indemnity Period shall be deducted from the amount payable.

### 3 Professional Accountants' Charges

The Insurer will pay the reasonable charges payable by the Policyholder to their professional accountants for producing information required by the Insurer under the terms of the Claims Conditions and for reporting that such information is in accordance with the Policyholder's accounts.

### 4 Accumulated Stocks

In adjusting any loss account shall be taken and an equitable allowance made if any shortage in Turnover resulting from the Damage is postponed due to the Turnover being temporarily maintained from accumulated stocks of finished goods.

### 5 Payments on Account

Payments on account may be made during the Indemnity Period if desired.

## Extensions

This Insurance section extends to include Damage and the amount of loss resulting from interruption or interference to the Policyholder's Business caused by the Damage in respect of the following additional Property, Premises and costs.

The Insurer's liability in respect of each and every extension shall not exceed the corresponding limit shown in the Schedule or as stated below.

### 1 Additional Metered Utility Charges

Any additional metered utility charges that are incurred by the Policyholder, solely as a result of Damage insured by this Policy, except for those in respect of any loss which has not been discovered and remedial action has been taken within 30 days of the Damage occurring.

The amount payable by the Insurer shall be determined by comparing charges made by the suppliers on the Policyholder's account during the period in which the loss occurred, with the normal charge (as may be adjusted to take into account any relevant factors affecting the Policyholder's liability for metered charges during such period). The Limit of Liability being £25,000.

### 2 Automatic Reinstatement after a Loss

In the absence of written notice by the Policyholder or the Insurer to the contrary, within 30 days of the occurrence of any Damage, the Insurer's liability shall not be reduced by the amount of any loss and the Policyholder shall pay the appropriate additional premium for such automatic reinstatement of cover.

### 3 Branded Goods

In the event of Damage to branded or labelled goods or merchandise, any salvage will not be disposed of by sale, without the consent of the Policyholder. If such salvage is not disposed of by sale then the Damage shall be assessed at the value agreed between the Policyholder and the Insurer and be taken into consideration in the settlement of the claim.

### 4 Buildings and General Contents – Alterations and Additions

If, during the Period of Insurance, alterations or additions are made to any Buildings insured or Buildings or General Contents are acquired or constructed, at any Premises, covered by this insurance, or elsewhere in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man and such additional Property is not otherwise insured, it will be held covered under the relative items of this Policy, from the time the Policyholder became responsible for it until the next renewal of the Policy, when specific insurance shall be effected.

The Sum Insured (and Declared Value) by each item shall be deemed to be increased for that period only, by the value of the additional Property Insured, under the item, but by no more than 10% and subject to the Insurer's liability not exceeding £1,000,000 in respect of additional Property at any one Premises.

### 5 Claims Preparation Costs

The exceptional costs, not otherwise covered, necessarily and reasonably incurred by the Policyholder with the prior consent of the Insurer, in producing and certifying any particulars or details required by the Insurer in respect of a claim, in accordance with the Claims Conditions admitted under this Policy.

These costs shall not include the costs of negotiation with the Insurer or its representatives.

The Insurer shall not be liable for more than the percentage amount in respect of any one settlement stated below or the Limit of Liability, whichever is the lower amount.

Total Loss Settlement	Percentage of Loss Settlement
Amounts up to £100,000	2.0%
Amounts between £100,000 and £2,000,000	1.5%
Amounts above £2,000,000	1.0%
The Limit of Liability being £25,000.	

### 6 Clearance of Drains

The costs necessarily incurred in cleaning and repairing drains, gutters and sewers for which the Policyholder is responsible in consequence of Damage to the Property. The Limit of Liability being £25,000.

## 7 Fire Extinguishment, Accidental Gas Discharge and Alarm Resetting Expenses

Any reasonable costs incurred by the Policyholder:

- A) in refilling fire extinguishing appliances and replacing used sprinkler heads,
- B) in recharging gas flooding systems installed for the protection of the Property insured,
- C) in resetting fire and intruder alarms,
- D) of fire brigade charges,

all solely in consequence of insured Damage to the Property insured or in respect of B) arising out of the accidental discharge thereof. The Limit of Liability being £25,000.

## 8 Inadvertent Errors and Omissions

The Policyholder, having notified the Insurer of their intention to insure all Property within Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, in which they are interested and it being their belief that all such Property is insured, if subsequently any such Property shall be found to have been inadvertently omitted or there has been an accidental or inadvertent error by the Policyholder within the Sums Insured declared, the Insurer will deem such Property to be insured appropriately within the terms of this Policy, provided that the Policyholder shall notify the Insurer as soon as any inadvertent error or omission comes to their knowledge in order to effect the appropriate additional insurance retrospective to the date during the Period of Insurance when insurance for the property became necessary or the incorrect sum insured was declared and to pay the appropriate additional premium. The Limit of Liability being £500,000.

## 9 Involuntary Betterment

The costs described below in the event that Property insured suffers Damage to the extent that it cannot be economically repaired and replacement property of like kind and quality is not obtainable:

- A) New Property that is as similar as possible to that suffering Damage and that 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 Policyholder.
- B) The Insurer will also pay the cost of purchasing and installing technologically current equipment, which is necessitated by incompatibility between new equipment installed to replace equipment suffering Damage and undamaged existing equipment at the same or an Inter-dependent location.

Provided that the Insurer shall:

- 1) be liable only for the amount sufficient to enable the Policyholder to resume operations in substantially the same manner as before the Damage,
- 2) be liable only for the difference between the highest sales value of the undamaged existing equipment at the same or interdependent location and the installed cost of the technologically current equipment. The Limit of Liability being £50,000.

## 10 Landscaped Grounds

The reasonable costs incurred by the Policyholder in consequence of Damage to Property insured at the Premises in restoring landscaped grounds (including trees, plants and turf forming part thereof) to their original appearance when first laid out and planted, but excluding any cost arising from the failure of trees, plants and turf to germinate or become established.

The Limit of Liability being £25,000.

## 11 Loss Reduction Expenses and Temporary Repairs

The costs and expenses reasonably incurred by the Policyholder in:

- A) preventing or reducing losses in the event of imminent Damage which would have been insured under this Policy,
- B) reducing losses as a result of Damage insured under this Policy,
- C) undertaking temporary repairs upon or expediting the permanent repair or replacement of Property Insured that has suffered Damage.

Provided that in respect of A) and B):

- i) the impending Damage was not reasonably foreseeable earlier and would be the natural outcome if such costs and expenses were not incurred,
- ii) the costs and expenses incurred did avoid or mitigate the Damage,
- iii) the Insurer's liability shall not exceed the amount of Damage thereby avoided.

The Limit of Liability being £25,000.

## 12 Mitigation of Environmental Impact

Any reasonable costs incurred by the Policyholder, if in consequence of Damage, the Policyholder elects (with the prior agreement of the Insurer) to reinstate Buildings and/or General Contents in a manner that aims to reduce the impact on the environment but which increases the cost of reinstatement, then this Policy extends to include the reasonable additional costs incurred by the Policyholder for such purposes and this shall not be considered as betterment to the Policyholder.

Provided that:

- A) such reasonable additional costs shall include but not be limited to costs incurred in:
  - i) using sustainable construction materials,
  - ii) modifying design or materials in order to reduce carbon emissions or atmospheric pollution or to improve energy efficiencies.
- B) this Extension includes the reasonable additional cost of reinstatement in respect of undamaged portions of Property provided that the Insurer shall not be liable for such additional cost in respect of any Building or item of contents that has not sustained Damage,
- C) such costs shall exclude those associated with removing debris,

- D) the Insurer shall not be liable for:
- i) such additional costs for work already planned by the Policyholder prior to the Damage,
  - ii) more than the Limit of Liability. The Limit of Liability being £50,000 or 5% of the total loss, whichever is the lesser amount.

### 13 Mortgagees and Lessors

Any increase in the risk of Damage resulting from any act or neglect of any mortgagor, lessee or freeholder of any Buildings insured by this Policy will not prejudice the interest of any mortgagee, lessor or freeholder provided such increase in risk is without knowledge or authority and the Insurer is notified immediately they become aware of such increase in risk and pay an additional premium if required.

### 14 Motor Vehicles

Stationary motor vehicles licensed for road use owned or leased by the Policyholder whilst situated at the Premises, but only to the extent that they are not otherwise insured. The Limit of Liability being £50,000.

### 15 Non-Invalidation

The insurance in respect of Buildings or parts of Buildings not occupied by the Policyholder shall not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased, unknown to or beyond the control of the Policyholder, provided that immediately they become aware thereof they shall give notice to the Insurer and pay an additional premium if required.

### 16 Other Interests

It is agreed that the various parties may have a legal interest in part of the Property insured by this Policy and the Policyholder undertakes to declare the names, nature and extent of any interest of any such parties at the time of Damage.

### 17 Property at Other Locations

Property insured whilst removed from the Premises as indicated below except that:

- A) this extension applies only in so far as the Property is not otherwise insured,
- B) this extension applies only to Damage occurring within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man,
- C) the Insurer's liability for any one loss shall not exceed the Limit of Liability stated below;

Limit of Liability for any one loss:

- i) Documents, manuscripts and business books at any location and whilst in transit – the limit stated in the General Contents definition.
- ii) Stock (excluding goods held in trust) at any location used by the Policyholder for storage – 10% of the relative Sum Insured but in no case exceeding £250,000.
- iii) Other Property (excluding vehicles licensed for road use) at any location to which the Property has been temporarily removed for cleaning, renovation, repair or other similar purposes – 10% of the relative Sum Insured but in no case exceeding £250,000.

### 18 Property Temporarily Removed

Any Premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man not occupied by the Policyholder but used by the Policyholder:

- A) to store records,
- or
- B) for the cleaning, renovation, repair or other similar purposes of machinery and plant (but not motor vehicles) whilst temporarily removed from the Premises and in transit by road, rail, air or inland waterway to and from the Premises all in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man. The Limit of Liability being £250,000.

### 19 Reinstatement

The work of reinstatement may be carried out at another site and in any manner suitable to the requirements of the Policyholder provided that it does not increase the Insurer's liability.

The Insurer may reinstate or replace any Property Damaged without being bound to reinstate exactly or completely but only as circumstances permit and without detriment to the Policyholder. The Policyholder shall, at their expense, provide the Insurer with all such plans, documents, books and information as the Insurer may reasonably require.

### 20 Salvage Sales

If, following Damage giving rise to a claim under this Policy, the Policyholder holds a salvage sale during the Indemnity Period, clause A of the insurance provided in respect of any Business Interruption item shall read as follows:

- A) In respect of Reduction in Turnover

The sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) falls short of the Standard Turnover in consequence of the Damage from which the amount shall be deducted the Gross Profit actually earned during the period of the salvage sale.

### 21 Sprinkler Upgrading Costs

The additional costs incurred by the Policyholder in upgrading any existing automatic sprinkler installation to conform to the current Loss Prevention Council (LPC) rules solely as imposed upon the Policyholder by the Insurer following insured Damage.

Provided that at the time of Damage the sprinkler installation conformed to the LPC rules current at the time of installation but did not conform to subsequent amendments to those rules. The Limit of Liability being £100,000.

### 22 Theft cover Extension

Any cover granted under this insurance in respect of Theft includes:

- A) the cost of repairing Damage to the Buildings (whether or not the Buildings are insured by this Policy) if the Policyholder is responsible for the repairs and the Damage is not otherwise insured,
- B) the reasonable expenses (not exceeding £5,000) incurred in necessarily replacing locks to the Buildings or safes or strong-rooms therein consequent upon the Theft (as insured) of keys from such building or from the residence of any of the authorised key- holding directors partners or employees of the Policyholder.

## 23 Trace and Access

The costs necessarily and reasonably incurred by the Policyholder, in the event of Damage, resulting from escape of water or oil as covered by the Policy in locating the cause of such Damage and subsequently making good. The Limit of Liability being £25,000.

## 24 Unauthorised Use of Water, Gas, Electricity and Oil

The costs of metered water, gas, electricity and oil for which the Policyholder is legally responsible arising from its unauthorised use by persons taking possession of or occupying the Premises without the consent of the Policyholder. The Limit of Liability being £25,000.

## 25 Undamaged Stock

The insurance in respect of Stock extends to include undamaged Stock that deteriorates, is condemned or otherwise becomes unusable resulting solely from Damage as insured to other Property insured. The Limit of Liability being £25,000.

## 26 Workmen

Workmen are allowed in and about the Premises for the purpose of carrying out minor alterations, repairs, decoration and general maintenance and the like without prejudice to the terms of the Policy.

## Exclusions

Exclusions applicable to Property Damage and Business Interruption Insurances.

This Policy does not cover:

### 1 Intruder Alarm

Damage by Cover 8 Theft at any Premises where the Policyholder has knowingly and wilfully failed to maintain the Intruder Alarm protection,

or

all of the following apply

- A) An intruder alarm is a requirement of cover and is shown in the Schedule
- B) The Premises are unattended
- C) The maintenance and efficacy of the Intruder alarm are the Policyholder's responsibility
- D) The failure of the Intruder Alarm is a major contributor to Damage
- E) The Insurer has not been informed of the absence of alarm protection.

### 2 Electronic Risk

- A) Damage to Data which shall include but shall not be limited to:
  - i) Damage to or corruption of Data whether in whole or in part,
  - ii) unauthorised appropriation of, use of, access to or modification of Data,
  - iii) unauthorised transmission of Data to any third parties,
  - iv) Damage arising out of any misinterpretation, use or misuse of Data,

- v) Damage arising out of any operator error in respect of Data.
- B) Damage to the Property Insured arising directly or indirectly from:
- i) the transmission or impact of any Virus,
  - ii) unauthorised access to a System,
  - iii) interruption of or interference with electronic means of communication, used in the conduct of the Policyholder's Business, including but not limited to, any diminution in the performance of any website or electronic means of communication,
  - iv) Failure of a System,
  - v) anything described in A) above

but in respect of B)i), B)ii), B)iii) and B)iv) this shall not exclude subsequent Damage which itself results from any of the Covers insured provided that such Damage does not arise by reason of any malicious act or omission.

## 3 Marine

Damage to property which at the time of the happening of the Damage is insured by or would but for the existence of this insurance 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.

## 4 Policyholder's Contribution

The Policyholder's Contribution, as specified in the Schedule, being the first part of each and every loss to be borne by the Policyholder, at each separate Premises, as ascertained after the application of all other terms and conditions of this Policy including the Underinsurance provision.

Damage caused by Covers 2 (Earthquake) and 4 (Storm or Flood) occurring continuously or intermittently within any period of 72 consecutive hours shall be deemed to constitute one loss, provided that, in the event of expiry or cancellation of this Policy any such period may not end later than the termination of the Period of Insurance, such period shall be deemed to have commenced on the first happening of such Damage.

## 5 Pollution and Contamination

Damage to any property and any loss or expense or liability resulting or arising there from caused by pollution or contamination except (unless otherwise excluded) destruction of or damage to the Property Insured caused by:

- A) pollution or contamination which itself results from any Cover insured (other than Cover 10),
- B) any Cover insured (other than Cover 10) which itself results from pollution or contamination.

## 6 Property Excluded

Damage to Property which is more specifically insured, Property in transit, vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft and aircraft, land, piers, jetties, bridges, culverts and excavations, livestock, growing crops and trees, Property or structures in course of construction or erection and materials or supplies in connection with all such Property in course of construction or erection or overhead transmission lines.

## 7 Sprinkler Protections

Damage by Cover 1A) Fire at any Premises where sprinkler protection is a requirement of cover and is shown in the Schedule if:

- A) The Policyholder has knowingly and wilfully failed to maintain the system,
- or
- B) All of the following apply:
- i) The maintenance and efficacy of the system are the Policyholder's responsibility.
  - ii) The failure of the sprinkler protection is a major contributor to Damage.
  - iii) The Insurer has not been informed of the absence of sprinkler protection.

## 8 Terrorism

Damage occasioned by or happening through or in consequence directly or indirectly of:

- A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss,

and

- B) in Northern Ireland civil commotion.

This Policy also excludes Damage or loss resulting from Damage directly or indirectly caused by, resulting from or in connection with any action aimed at controlling, preventing, suppressing or in any way relating to an act of Terrorism.

In Great Britain and Northern Ireland Terrorism means:

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

In so far that the insurance by this Policy is extended to include any situation elsewhere than in Great Britain and Northern Ireland Terrorism means:

any act including but not limited to the use of force or violence or the threat 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:

- 1) influence any government or any international governmental organisation or
- 2) put the public or any section of the public in fear.

In any action, suit or other proceedings where the Insurer alleges that by reason of this Exclusion any Damage or loss resulting from Damage is not covered by this Policy the burden of proving that such Damage or loss is covered shall be upon the Policyholder.

## Definitions

### Property Damage Definitions

#### Designation of Property

Where necessary the item heading under which any property is insured shall be determined by the designation under which such Property appears in the Policyholder's books.

#### Property Insured

Buildings, General Contents, Stock, other property or interests all as defined below at the Premises as described in the Schedule and all being the property of the Policyholder or for which they are responsible.

#### Buildings

Landlord's fixtures and fittings in and on the buildings, small outside buildings, extensions, annexes, gangways, walls, gates, fences, yards, car parks, roads, pavements, forecourts, paved areas, solar panels, wind turbines attached to the buildings, fixed signage, canopies, street furniture, building management security systems, landscaping, recreational features, foundations, glass, telephone, gas and water mains, electrical instruments, meters, piping, cabling and the accessories thereon extending from the buildings to the perimeter of the Premises or to the public mains (including those underground).

#### General Contents

Machinery, plant, fixtures, fittings and other trade equipment, all office equipment and other contents, patterns, models, moulds, plans and designs, documents, manuscripts and business books (excluding computer systems records) for an amount not exceeding £25,000 in respect of any one loss, tenants' improvements, alterations and decorations in so far as they are not otherwise insured, directors', partners' and employees' personal effects including clothing, pedal cycles, tools and instruments for an amount not exceeding £2,500 per person, Money and securities of any description for an amount not exceeding £1,000 in total and subject to any specific exclusions in this insurance, wines, spirits, cigarettes and tobacco held for entertainment purposes for an amount not exceeding £500 in total in respect of Damage by Theft (if insured), to the extent that they are not otherwise insured motor vehicles, motor chassis and their contents.

#### Money

Cash, bank notes, currency notes, cheques, bankers drafts, postal orders, money orders, current postage stamps and revenue stamps, credit company sales vouchers, VAT purchase invoices, Premium Bonds, bills of exchange, gift tokens, trading stamps, unused units in franking machines, consumer redemption vouchers and credit cards.

#### Stock

Stock and materials in trade, work in progress and finished goods.

#### Glass

Normal fat annealed glass including toughened and laminated glass unless otherwise shown in the Schedule.

## **Business Interruption Definitions**

### **Indemnity Period**

The period beginning when the Damage occurs, ending when the results of the Business cease to be affected by the Damage, but not exceeding the Maximum Indemnity Period (as shown in the Schedule).

### **Turnover**

The money paid or payable to the Policyholder for work done and services rendered in course of the Business, at the Premises.

### **Gross Profit**

The amount by which the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed the sum of the amounts of the opening stock and work in progress and the amount of the Uninsured Variable Costs.

### **Notes**

- 1 The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the Policyholder's normal accountancy methods, due provision being made for depreciation.
- 2 The Uninsured Variable Costs shall have the meaning usually attached to them in the Policyholder's accounts.

### **Uninsured Variable Costs**

Those costs that vary directly with the output or the sales revenue of a company and shall mean:

- A) Purchases and related discounts,
- B) Bad debts

unless otherwise stated in the Schedule.

### **Gross Revenue**

The money paid or payable to the Policyholder for work done and services rendered, in course of the Business, at the Premises.

### **Estimated Gross Profit or Estimated Gross Revenue**

The amount declared by the Policyholder to the Insurer, as representing not less than the Gross Profit or Gross Revenue which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (subject to the provision of Insurable Amount B) below).

### **Rate of Gross Profit**

The rate which Gross Profit would have borne to Turnover, during the Indemnity Period, if the Damage had not occurred and allowing for trends of the Business or circumstances which would have affected the Business irrespective of the Damage occurring.

### **Standard Turnover or Standard Gross Revenue**

The Turnover or Gross Revenue which would have been obtained during the Indemnity Period, if the Damage had not occurred and allowing for trends of the Business or circumstances which would have affected the Business irrespective of the Damage occurring.

## **Insurable Amount**

The Gross Profit or Gross Revenue which would have been earned in the twelve months immediately following the date of Damage, if the Damage had not occurred and allowing for trends of the Business or circumstances which would have affected the Business irrespective of the Damage occurring.

The following notes refer to the Business Interruption Definitions stated above:

- A) To the extent that the Policyholder is accountable to the tax authorities for Value Added Tax all terms in this insurance shall be exclusive of such tax.
- B) In the definitions of:
  - i) Estimated Gross Profit and Insurable Amount,
  - or
  - ii) Estimated Gross Revenue and Insurable Amount,

the amount of Gross Profit or Gross Revenue shall be proportionately increased to correspond with the Maximum Indemnity Period where it exceeds twelve months.

# Money Insurance

**THIS INSURANCE DOES NOT APPLY IF SHOWN AS NOT INSURED IN THE SCHEDULE**

## Section 1 – Money

The Insurer will indemnify the Policyholder up to the Limit of Liability shown in the Schedule or as stated below for any Damage to Money and property described in items 1A), 1B), 1C) and 2 below occurring during the Period of Insurance.

### The Insurance Provided

Item	Limit of Liability any one loss
1 A) Money in the Policyholder's Premises during Working Hours or in transit or in a bank night safe until at the bank's risk or at any of the Policyholder's contract sites during Working Hours.	as shown in the Schedule
B) Money in the Policyholder's Premises out of Working Hours:	
1) in specified locked safes or strong-rooms	as shown in the Schedule
2) in all other locked safes or strong-rooms	as shown in the Schedule
3) not in a locked safe or strong-room	£250
C) Money in the Policyholder's residence or that of any of the Policyholder's directors, partners or employees, the Limits of Liability being:	
1) while in a locked safe or while an adult is in the residence	£250
2) otherwise	£100
2 Non-negotiable Money	£250,000

### Exclusions

The Insurer shall not be liable for:

#### 1 Discovery Period

Loss by theft by any director, partner or employee of the Policyholder not discovered within seven working days of the occurrence.

#### 2 Error or Omission

Shortage due to error or omission.

#### 3 Unattended Vehicle

Loss from an Unattended Vehicle.

#### 4 Counterfeit Money

Loss due to the use of counterfeit Money.

#### 5 Northern Ireland

Loss or damage arising from riot or civil commotion in Northern Ireland.

#### 6 Outside the United Kingdom

Loss or damage not within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

#### 7 Physical Security

Loss whenever the Business Premises are left unattended if all locks, bolts and other protective devices are not in full and effective operation.

#### 8 Removal of Keys

Loss whenever the Business Premises are left unattended if all keys (including those relating to any part of the Intruder Alarm system) are not removed from the Business Premises.

#### 9 Safe Keys and Combinations

Loss in respect of Items 1B1) and 1B2) out of Working Hours if all keys and notes of combination lock letters and numbers of safes and strong-rooms containing Money are not removed from the Business Premises.

#### 10 Intruder Alarm

Loss at any Premises where:

- A) the Policyholder has knowingly and wilfully failed to maintain the Intruder Alarm protection,
- or
- B) all of the following apply
  - i) An intruder alarm is a requirement of cover and is shown in the Schedule
  - ii) The Premises are unattended
  - iii) The maintenance and efficacy of the Intruder alarm are the Policyholder's responsibility
  - iv) The failure of the Intruder Alarm is a major contributor to Damage
  - v) The Insurer has not been informed of the absence of alarm protection.

#### 11 Terrorism

Damage occasioned by or happening through or in consequence directly or indirectly of:

- A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss,
- and
- B) in Northern Ireland civil commotion.

This Policy also excludes Damage or loss resulting from Damage directly or indirectly caused by, resulting from or in connection with any action aimed at controlling, preventing, suppressing or in any way relating to an act of Terrorism.

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

In any action, suit or other proceedings where the Insurer alleges that by reason of this Exclusion any Damage or loss resulting from Damage is not covered by this Policy the burden of proving that such Damage or loss is covered shall be upon the Policyholder.

## Section 2 – Personal Injury (Robbery)

### The Insurance Provided

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death, Disablement or the incurring of Medical Expenses for which the Benefit is claimed, the Insurer will pay the appropriate Benefit to the Policyholder in respect of the number of Units of Cover as shown in the Schedule.

Number of Units 1 shall mean:

#### Benefit

1	Death	£5,000
2	Loss of one or more Limbs	£5,000
3	Loss of one or both Eyes	£5,000
4	Permanent Total Disablement from any gainful employment for which the Insured Person is fitted by way of training education or experience	£5,000
5	Temporary Total Disablement from the Insured Person's usual occupation in the Business	£150 per week, or 1/52nd of the Insured Person's Annual Salary, whichever is the lesser.
6	Medical Expenses shall be reimbursement up to 15% of any amount payable under Benefits 1 to 5 in respect of Medical Expenses necessarily incurred in the treatment of the Insured Person.	

### Conditions

#### 1 Application of Benefits

- A) The Insurer will not pay in respect of any one Insured Person in connection with the same Accident more than one of Benefits 1 to 4.
- B) Any disablement under Benefits 2 to 4 must be proved to the reasonable satisfaction of the Insurer to be permanent and without expectation of recovery before the Insurer will pay the Benefit.
- C) The Insurer will pay any amount claimed for Benefit 5 in addition to any amount claimed under Benefits 1 to 4 in connection with the same Accident, but, any payment under Benefit 5 will cease as soon as any Benefit is paid under Benefits 1 to 4.
- D) The amount payable per week under Benefit 5 will not exceed 1/52nd of the Insured Person's Annual Salary.

#### 2 Assignment

The Insurer will not be bound to accept or be affected by any trust charge lien assignment or other dealing with or relating to this Policy.

#### 3 Disappearance

In the event of the disappearance of an Insured Person if after a suitable period of time it is reasonable to believe that Death has occurred as a result of bodily injury following an Accident, Benefit 1 shall become payable, subject to a signed undertaking by the Policyholder that if the belief is subsequently found to be wrong such amount shall be refunded to the Insurer.

#### 4 Evidence Required

In connection with any claim:

- A) all medical certificates, reports, information and evidence required by the Insurer to substantiate that claim must be supplied at the Insured Person's own expense and in such form as the Insurer may reasonably require;
- B) the Insured Person must undergo a medical examination and provide medical evidence to the Insurer (at the Insurer's expense) as often as the Insurer may reasonably require following receipt of that claim; and
- C) no benefit shall be payable in respect of that claim where the Insured Person fails to undergo such medical examination or provide such medical evidence as referred to in (b) above.

#### 5 Exposure

If an Insured Person suffers Death or Disablement as a result of exposure to the elements the Insurer will consider that as having been caused by bodily injury following an Accident.

#### 6 Interest

No sum payable shall carry interest.

### Exclusions

The Insurer will not pay any Benefit where bodily injury following an Accident is the result of or is contributed to by:

- 1 illness or disease (not resulting from bodily injury following an Accident),
- 2 any naturally occurring condition or degenerative process,
- 3 any gradually operating process,
- 4 post traumatic stress disorder or any psychological or psychiatric condition (not resulting from bodily injury following an Accident).

The Insurer will not pay the Benefit if:

- 5 bodily injury is sustained by any person before such person attains the age of sixteen years or after the expiry of the Period of Insurance during which such person attains the age of eighty years.



# Definitions

## Applicable to Section 1 – Money and Section 2 – Personal Injury (Robbery)

### 1 Accident

Accident shall mean;

- A) a sudden and
- B) unexpected or unforeseen and
- C) identifiable incident.

### 2 Annual Salary

Annual Salary shall mean the Insured Person's total annual remuneration excluding payments for overtime commission or bonus (unless otherwise agreed in writing) payable by the Policyholder to the Insured Person at the date bodily injury following an Accident is sustained.

### 3 Benefit and Units of Cover

Benefit and Units of Cover shall mean;

- 1 Death, or
- 2 Loss of one or more Limbs, or
- 3 Loss of one or both Eyes, or
- 4 Permanent Total Disablement from any gainful employment for which the Insured Person is fitted by way of training education or experience

In respect of Benefits 1 to 4, the 3 Units of Cover shown in the Schedule equate to £15,000.

- 5 Temporary Total Disablement from the Insured Person's usual occupation in the Business for the amount shown in the Schedule.

In respect of Benefit 5, the 3 Units of Cover shown in the Schedule equate to £150 per week, which will be payable per week for a maximum of 104 weeks in all, not necessarily consecutive. See also Special Condition 4.

### 4 Disablement

Disablement shall mean Benefits 2 to 5.

### 5 Money

Cash, bank notes, currency notes, uncrossed cheques, travellers cheques (but excluding pre-signed blank cheques), uncrossed bankers' drafts, uncrossed postal orders, uncrossed money orders, current postage and revenue stamps, bills of exchange, consumer redemption vouchers, gift tokens and trading stamps.

### 6 Non-negotiable Money

Crossed cheques (but excluding pre-signed blank cheques), crossed bankers' drafts, crossed postal orders, crossed money orders, unused units in franking machines, National Savings Certificates, Premium Bonds, credit company sales vouchers and VAT purchase invoices belonging to the Policyholder or for which the Policyholder is responsible and pertaining to the Business.

### 7 Operative Time

Operative Time shall mean while the Insured Person is engaged upon duties incidental to the Business and as a direct result of attempted robbery or actual robbery.

### 8 Working Hours

The period during which the Premises are actually occupied for Business purposes and during which the Policyholder or those of the Policyholder's employees who are entrusted with Money are in the Premises or on the Policyholder's contract sites.

### 9 Insured Person

Insured Person shall mean the Policyholder or any director, partner or Employee of the Policyholder.

### 10 Loss of Limb

Shall mean

- A) in the case of a leg loss by physical severance at or above the ankle or permanent total loss of use of a complete foot or leg, or
- B) in the case of an arm loss by physical severance of the entire four fingers through or above the metacarpophalangeal joints (where the fingers join the palm of the hand) or permanent total loss of use of a complete arm or hand.

### 11 Loss of Eye

Shall mean permanent and total loss of sight which will be considered as having occurred

- A) in both eyes if the Insured Person's name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist, or
- B) in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Insured Person should see at 60 feet).

### 12 Medical Expenses

Shall mean the cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital, nursing home and ambulance charges.

# Liability Insurance

**THIS INSURANCE DOES NOT APPLY IF SHOWN AS NOT INSURED IN THE SCHEDULE**

## Section 1 – Employers' Liability

**THIS SECTION DOES NOT APPLY IF SHOWN AS NOT INSURED IN THE SCHEDULE**

The insurance provided by Section 1 is on a costs inclusive basis whereby the costs and expenses of the claimant and the costs and expenses (incurred by the Insurer or with the Insurer's written approval) of any Person Entitled to Indemnity are included within the Limit of Indemnity stated in the Schedule.

### The Insurance Provided

The Insurer will provide indemnity to any Person Entitled to Indemnity:

- 1 against legal liability for damages in respect of Injury of any Person Employed caused during the Period of Insurance:
  - A) in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man,or
  - B) while temporarily outside these territories, arising out of and in the course of employment by the Policyholder in the Business.
- 2 in respect of:
  - A) claimants' costs and expenses which the Policyholder is legally liable to pay in connection with any claim,
  - B) the costs of legal representation at any coroner's inquest or inquiry in respect of any death.
  - C)
    - i) costs of legal representation at proceedings in any court arising out of any alleged breach of statutory duty, resulting in Injury which may be subject of indemnity under this Section including the defence of any criminal proceedings brought against the Policyholder, director or partner or Employee of the Policyholder for an offence of corporate manslaughter or corporate homicide or a breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.
    - ii) costs and expenses of legal representation at any appeal against conviction if in the opinion of counsel (appointed by mutual consent) such appeal could be contested with the probability of success.
  - D) all other legal costs and legal expenses in relation to any matter which may form the subject of a claim for indemnity under this Section of the Policy, incurred with the Insurer's prior written approval.

### General Provisions

Provided that in respect of any one Event:

- 1 the total amount payable under this section of the Policy (including all Extensions, Clauses and Endorsements) shall not exceed the Limit of Indemnity,
- 2 the Insurer may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any less amount for which, at the absolute discretion of the Insurer, the claims arising out of such Event can be settled. The Insurer will then relinquish control of such claims and be under no further liability in respect thereof,
- 3 Where the Insurer is liable to indemnify more than one person the total amount payable in respect of damages, costs and expenses shall not exceed the Limit of Indemnity.

### Extensions to Section 1

(each of which is subject otherwise to the terms of this Policy)

#### 1 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 Injury of the Employee caused during any Period of Insurance and arising out of and in the course of employment by the Policyholder 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 the territories specified in B) above and
- C) remaining unsatisfied in whole or in part six months after the date of such judgment,

at the request of the Policyholder the Insurer will pay to the Employee or the personal representatives of the Employee the amount of any such damages and any awarded costs to the extent that they remain unsatisfied.

Provided that:

- 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 judgment to the Insurer.

#### 2 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 Policyholder is entitled to indemnity under this Section the Insurer will provide compensation to the Policyholder at the following rates per day for each day on which attendance is required:

- |  |      |
|--|------|
| A) any director or partner of the Policyholder | £500 |
| B) any Employee                                | £250 |

### 3 Automatic Acquisitions

The indemnity provided by this Section of the Policy shall apply in respect of any new or acquired company within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands from the date of creation or acquisition.

Provided that:

- A) the activity of such company falls within the Business definition,
- B) the new acquisition does not have an annual turnover in excess of 10% of the Policyholder's annual turnover as declared to the Insurer at the beginning of the Period of Insurance or £10,000,000 whichever is the lesser,
- C) the Policyholder shall submit full claims and underwriting information to the Insurer within 60 days of the acquisition or commencement of the new company,
- D) the Insurer shall have the right to make any additional charges or changes in terms in respect of such new or acquired Insurer.

## Exclusions to Section 1

The indemnity will not apply to legal liability:

### 1 Radioactive Contamination

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

- A) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel,
- B) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof,

where such legal liability is:

- 1) that of any principal
- 2) accepted under agreement and would not have attached in the absence of such agreement.

### 2 Road Traffic Legislation

in respect of Injury for which the Policyholder is required to arrange motor insurance or security in accordance with any road traffic legislation within the European Union.

### 3 Fines or Penalties

for:

- A) fines or penalties:
- B) the costs of appeal against any improvement or prohibition notices,
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012,
- D) compensation ordered or awarded by a Court of Criminal Jurisdiction.

## Section 2 – Public/Products Liability

**THIS SECTION DOES NOT APPLY IF SHOWN AS NOT INSURED IN THE SCHEDULE**

### The Insurance Provided

The Insurer will provide indemnity to any Person Entitled to Indemnity:

- 1 up to the Limit of Indemnity against legal liability for damages in respect of:
  - A) accidental Injury of any person,
  - B) accidental loss of or damage to Property,
  - C) nuisance, trespass to land or trespass to goods or interference with any easement, right of air, light, water or way other than legal liability for damages which result from a deliberate act or omission of the Policyholder or which is a natural consequence of the ordinary conduct of the Business and which could reasonably have been expected by the Policyholder, having regard to the nature and circumstances of such act or omission,
  - D) wrongful arrest or false imprisonment, happening during the Period of Insurance in connection with the Business.
- 2 in respect of:
  - A) claimant's costs and expenses which the Policyholder is legally liable to pay in connection with any claim,
  - B) the costs of legal representation at any coroner's inquest or inquiry in respect of any death,
  - C)
    - i) costs of legal representation at proceedings in any court arising out of any alleged breach of statutory duty resulting in Injury which may be subject of indemnity under this Section including the defence of any criminal proceedings brought against the Policyholder, director, partner or Employee of the Policyholder for an offence of corporate manslaughter or corporate homicide or a breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978,
    - ii) costs and expenses of legal representation at any appeal against conviction if in the opinion of counsel (appointed by mutual consent) such appeal could be contested with the probability of success,
  - D) all other legal costs and legal expenses in relation to any matter which may form the subject of a claim for indemnity under this Section of Policy, incurred with the Insurer's prior written approval.

### General Provisions

Provided that in respect of:

- A) any one Event,
- B) all Events happening during any Period of Insurance in respect of products supplied,
- C) all incidents considered by the Insurer to have occurred during any Period of Insurance in respect of pollution or contamination of buildings or other structures or of water or land or of the atmosphere,

the following shall apply:

- 1) the total amount payable by the Insurer in respect of 1 above and all Extensions, Clauses and Endorsements shall not exceed the Limit of Indemnity.
- 2) the Policyholder's Contribution will be payable before the Insurer shall be liable to make any payment.
- 3) the Insurer may at any time pay the Limit of Indemnity (less any sums already paid as damages) or any lesser amount for which, at the absolute discretion of the Insurer, the claims arising out of such Event can be settled. The Insurer will then relinquish control of such claims and be under no further liability in respect thereof except for costs and expenses for which the Insurer may be responsible prior to the date of such payment.
- 4) where the Insurer is liable to indemnify more than one person the total amount of indemnity in respect of damages shall not exceed the Limit of Indemnity.
- 5) in respect of claims happening or where a claim is brought in North America, all costs and expenses of the claimant and the costs and expenses (incurred by the Insurer or with the Insurer's written consent) of any Person Entitled to Indemnity are included within the Limit of Indemnity stated in the Schedule.

### Extensions to Section 2

**(each of which is subject otherwise to the terms of this Policy)**

#### 1 Cross Liabilities

If the Policyholder comprises more than one party the Insurer will provide indemnity to each in the same manner and to the same extent as if a separate Policy had been issued to each:

Provided that the total amount payable in respect of damages shall not exceed the Limit of Indemnity.

#### 2 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 Policyholder is entitled to indemnity under this Section the Insurer will provide compensation to the Policyholder at the following rates per day for each day on which attendance is required:

- |  |      |
|--|------|
| A) any director or partner of the Policyholder | £500 |
| B) any Employee                                | £250 |

### 3 Contingent Motor Liability

Notwithstanding Exclusion 1A) the Insurer will provide indemnity to the Policyholder against legal liability arising out of the use in the course of the Business by any Employee of any mechanically propelled vehicle not the property of nor provided by the Policyholder.

The indemnity will not apply to legal liability:

- A) in respect of loss of or damage to such vehicle or to property conveyed therein,
- B) arising while such vehicle is being driven by the Policyholder,
- C) in respect of which the Policyholder or Employee is entitled to indemnity under any other insurance,
- D) arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

### 4 Overseas Personal Liability

The Insurer will provide indemnity to the Policyholder and if the Policyholder so requests, any Employee or director or partner of the Policyholder against legal liability incurred in a personal capacity while temporarily outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man in connection with the Business.

The indemnity will not apply:

- A) to legal liability arising out of the ownership or occupation of land or buildings,
- B) where indemnity is provided by any other insurance.

### 5 Data Protection Act 1998

The Business shall include the provision of any reciprocal arrangement for the storage or processing of computer data or for use of computer facilities;

Provided that the indemnity will not apply to legal liability in respect of any loss or damage sustained by any party to such an arrangement.

The Insurer will also provide an indemnity to the Policyholder and if the Policyholder so requests any Employee or director or partner of the Policyholder against legal liability to pay damages and claimant's costs and expenses for damage or distress as described in Section 13 of the Data Protection Act 1998.

Provided that the Policyholder is registered in accordance with the terms of the Act or has applied for such registration which has not been refused or withdrawn and has taken all reasonable care to comply with the requirements of the Data Protection Act 1998.

This Extension shall not apply in respect of:

- A) the payment of fines or penalties,
- B) the costs of replacing, reinstating, rectifying, erasing, blocking or destroying any personal data,
- C) liability arising from or caused by a deliberate or intentional act by or omission of any person eligible for indemnity by this Extension, if the result thereof could reasonably have been expected by the Policyholder or any other person having regard to the nature and circumstances of such act or omission,

- D) claims which arise out of circumstances notified to previous insurers or known to the Policyholder at inception of this Extension,
- E) legal liability where indemnity is provided by any other insurance.

### 6 Defective Premises Act

This Section of the Policy will include an indemnity to the Policyholder in respect of Injury or damage to Property incurred under the provisions of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975.

### 7 Clean Up Costs

Notwithstanding Exclusion 4 (Pollution or Contamination) in the event of a Sudden Pollution or Contamination Incident the Insurer will provide indemnity to any Person Entitled to Indemnity in respect of:

- A) Clean up costs arising solely under a statutory provision that operates in any part of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man,
- B) costs of expenses in relation to any matter which may form the subject of indemnity under this extension incurred with the Insurer's prior written approval,
- C) costs and expenses incurred with the Insurer's prior written approval in any appeal against any statutory notice served or to be served upon the Policyholder by any enforcing authority for any enforcement action which would be the subject of indemnity under this Extension.

The indemnity provided by this Extension will not apply to costs (including Clean up Costs):

- A) incurred in achieving any improvement, betterment or alteration in any original property,
- B) for remedial action carried out or in relation to property which at the time of the Sudden Pollution or Contamination Incident giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Policyholder,
- C) incurred in relation to the reinstatement, reintroduction or provision of any living organism or natural habitat,
- D) arising out of a genetically modified organism,
- E) comprising the first 10% of any one Sudden Pollution or Contamination Incident subject to a minimum contribution by the Policyholder of £2,500 and a maximum contribution of £25,000,
- F) arising solely from the Policyholder's liability under legislation operating in any part of Great Britain or Northern Ireland which implements Directive 2004/35/EC on environmental liability with regard to the prevention and remedying of environmental damage including the Environmental Damage (Prevention and Remediation) Regulations 2009,
- G) for incidents happening in North America or where a claim is brought in a court of law in North America.

Provided that:

- 1) all pollution or contamination which arises out of one Sudden Pollution or Contamination Incident shall be considered by the Insurer for the purposes of this Section of the Policy to have occurred at the time such incident takes place,

- 2) all costs covered under this Extension will form part of and not exceed the Limit of Indemnity shown in the Schedule for all incidents considered by the Insurer to have occurred during the Period of Insurance in respect of pollution or contamination of buildings or other structures or of water or land or the atmosphere,
- 3) the total amount payable under this Extension shall not exceed £250,000 in respect of all damages and legal costs for all incidents.

**8 Automatic Acquisitions**

The indemnity provided by this Section of the Policy shall apply in respect of any new or acquired company within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands from the date of creation or acquisition.

Provided that:

- A) the activity of such company falls within the Business definition,
- B) the new acquisition does not have an annual turnover in excess of 10% of the Policyholder's annual turnover as declared to the Insurer at the beginning of the Period of Insurance or £10,000,000, whichever is the lesser,
- C) the Policyholder shall submit full claims and underwriting information to the Insurer within 60 days of the acquisition or commencement of the new company,
- D) the Insurer shall have the right to make any additional charges or changes in terms in respect of such new or acquired company.

**Exclusions to Section 2**

The indemnity will not apply to legal liability:

**1 Mechanical Vehicles**

arising from or out of the ownership, possession or use by or on behalf of the Policyholder or any Person Entitled to Indemnity of any:

- A) mechanically propelled vehicle other than legal liability arising out of:
  - i) the use of plant as a tool of trade on site,
  - ii) the use of plant at the premises of the Policyholder,
  - iii) the loading or unloading of any vehicle, except where indemnity is provided by any motor insurance contract or where insurance or security is required by law.
- B) aircraft or other aerial device,
- C) aero-spatial device,
- D) hovercraft,
- E) water-borne craft (other than hand-propelled or sailing craft in inland or territorial waters).

**2 Employers' Liability**

for bodily injury or mental injury to or death, disease or illness of any Person Employed arising out of and in the course of employment by the Policyholder in the Business.

**3 Property in the Policyholder's Custody or Control**

for or arising from damage to any Property, which at the time of the Event giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Policyholder other than:

- A) Employees', directors', partners' or visitors' personal effects including vehicles and their contents,
- B) premises and their contents not owned by or leased or rented to the Policyholder at which the Policyholder is undertaking work in connection with the Business,
- C) premises and their fixtures and fittings leased or rented to the Policyholder unless such legal liability:
  - i) has been accepted by agreement in which case the indemnity will only be provided to the extent that such liability would have attached in the absence of such agreement,
  - ii) arises from an agreement to maintain in force insurance in respect of loss of or damage to such premises and their fixtures and fittings.

**4 Pollution or Contamination**

caused by or arising out of pollution or contamination of buildings or other structures or of water or land or the atmosphere:

- A) happening in North America or where a claim is brought in a court of law in North America,
- B) happening anywhere in the world other than North America unless the pollution or contamination is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety in a specific moment in time and place during the Period of Insurance.

Provided that all pollution or contamination which arises out of one incident shall be considered by the Insurer for the purposes of this Section of the Policy to have occurred at the time such incident takes place.

**5 Product Defects and Recall**

- A) in respect of loss of or damage to any:
  - i) product supplied
  - ii) contract work executed
 } by the Policyholder  
 caused by any defect therein or the unsuitability thereof for its intended purpose.
- B) for the costs of recall, removal, repair, alteration, replacement or reinstatement of any:
  - i) product supplied
  - ii) contract work executed
 } by the Policyholder  
 necessitated by any defect therein or the unsuitability thereof for its intended purpose.

**6 Professional Risks**

arising from or in connection with:

- A) advice
  - B) design
  - C) specification
- } by the Policyholder

**7 Contractual Liability**

arising from or in connection with any:

- A) product supplied
  - B) contract work executed
- } by the Policyholder

where such legal liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement.

**8 Disposed Premises**

for the costs of remedying:

- A) any defect or alleged defect,
- B) the presence of Asbestos, Asbestos Dust or Asbestos Containing Materials,

in premises disposed of by the Policyholder.

**9 Fines or Penalties**

for:

- A) fines or penalties,
- B) the costs of appeal against any improvement or prohibition notices,
- C) fees for intervention payable under the Health and Safety Fees (Regulations) 2012,
- D) compensation ordered or awarded by a Court of Criminal Jurisdiction,
- E) aggravated exemplary or punitive damages awarded by any court outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

**10 Fear of Asbestos**

for mental injury or fear of suffering bodily injury, death, disease or illness arising out of actual or suspected exposure to Asbestos, Asbestos Dust or Asbestos Containing Materials.

**11 Asbestos Removal Costs**

for the costs of management (including those of any persons under any statutory duty to manage), removal, repair, alteration, recall, replacement or reinstatement of any property or part thereof arising out of the presence of Asbestos, Asbestos Dust or Asbestos Containing Materials.

**12 Asbestos in North America**

arising directly or indirectly caused or contributed to or occurring by the presence of Asbestos, Asbestos Containing Materials or Asbestos Dust or the release of Asbestos Dust happening in North America or where a claim is brought in a court of law in North America.

**13 Aircraft Products**

arising from Aircraft Products.

**14 Abuse**

The indemnity provided by Section 2 will not apply to legal liability arising from Abuse Abuse shall mean

- A) acts of hurting or injuring mentally or physically by maltreatment or ill-use or
- B) acts of forcing sexual activity rape or molestation or
- C) repeated or continuing contemptuous coarse or insulting words or behaviours.

## Section 3 – Legal Defence Costs

### THIS SECTION DOES NOT APPLY IF SHOWN AS NOT INSURED IN THE SCHEDULE

Where Injury of any person or loss of or damage to Property has not occurred the Insurer will provide indemnity to the Policyholder and if the Policyholder so requests any Employee or director or partner of the Policyholder up to the Limit of Indemnity in respect of:

- 1 legal costs and other expenses incurred with the Insurer's prior written approval,
- 2 costs awarded against the Policyholder or any director, partner or Person Employed,

in connection with the defence of criminal proceedings brought or in appeal against a conviction, arising from such proceedings, relating to an offence alleged to have been committed during the Period of Insurance, in the course of the Business but only in respect of proceedings brought as stated in **Part A** and **B** below.

### The Insurance Provided

#### Part A

In respect of a breach of:

- 1 the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978, where the proceedings relate to the health, safety and welfare of any Person Employed, director or partner of the Policyholder.

#### Part B

In respect of a breach of:

- 1 the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978, where the proceedings relate to the health, safety and welfare of any person other than a Person Employed, director or partner of the Policyholder,
- 2 Part II of the Consumer Protection Act 1987,
- 3 Part II of the Food Safety Act 1990.

### General Provisions

Provided that in respect of **Part A** and **B**:

- 1 the indemnity will not apply:
  - A) to fines or penalties of any kind,
  - B) to the costs of appeal against any improvement or prohibition notices,
  - C) to fees for intervention payable under the Health and Safety Fees (Regulations) 2012,
  - D) where indemnity is provided by any other insurance,
  - E) to proceedings consequent upon any deliberate act or omission by:
    - i) the Policyholder,
    - ii) any partner or director of the Policyholder,
    - iii) any Employee with any specific responsibility for compliance with the legislation specified in this Section, which could reasonably have been expected to constitute a breach of the legislation specified in this Section.
  - F) to any costs or expenses incurred arising out of or in connection with criminal proceedings relating in any way to Asbestos, Asbestos Dust or Asbestos Containing Materials.
- 2 the Insurer may at any time pay the Limit of Indemnity (less any sums already paid) or any less amount for which, at the absolute discretion of the Insurer, the claims arising can be settled but including any amount for which the Insurer may be responsible prior to the date of such payment.

The Insurer will then relinquish control of such claims and be under no further liability in respect thereof.
- 3 where the Insurer is liable to indemnify more than one person the total amount of indemnity shall not exceed the Limit of Indemnity.

### Special Provision

The Insurer shall pass notification to an independent third party service provider with whom the Insurer has an agreement which shall thereafter administer claims settlement on the Insurer's behalf.



# Definitions

## Applicable to Liability Insurance (Sections 1–3).

### 1 Aircraft Products

Aircraft or any aerial device (including missiles or spacecraft) and any other goods or products manufactured, sold, handled or distributed or services provided or recommended by the Policyholder or by others trading under their name for use in the manufacture, repair, operation, maintenance or use of any aircraft or aerial device.

### 2 Asbestos

Crocidolite, amosite chrysotile, fibrous actinolite, fibrous anthophyllite, or fibrous tremolite or any mixture containing any of those minerals.

### 3 Asbestos Containing Materials

Any material containing Asbestos or Asbestos Dust.

### 4 Asbestos Dust

Fibres or particles of Asbestos.

### 5 Business

That which is specified in the Schedule and conducted solely from premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man and shall include:

- A) ownership, repair and maintenance of the Policyholder's own property,
- B) provision and management of canteen, social, sports and welfare organisations and first aid, ambulance and medical services for the benefit of any Person Employed,
- C) fire and security services maintained solely for the protection of premises owned or occupied by the Policyholder,
- D) private work undertaken by any Person Employed for any director or partner of the Policyholder or Employee with the prior consent of the Policyholder,
- E) attendance at or participation in trade fairs, shows and exhibitions by any Employee or director in connection with their employment,
- F) the sponsorship of events and sponsorship of individuals, but in respect of Section 1 shall not include any work undertaken Offshore.

### 6 Clean Up Costs

The costs reasonably incurred by:

- A) a government agency or regulatory body,
- B) the Policyholder with the written consent of the Insurer where a government agency or regulatory body would have required remediation, in each case in carrying out action to curtail or minimise or remediate a Sudden Pollution or Contamination Incident in respect of which the Policyholder is legally responsible.

### 7 Employee

any individual under a contract of service or apprenticeship with the Policyholder.

### 8 Employment-Related Practices

Any error, misstatement, misleading statement, act, omission, neglect or breach of duty actually or allegedly committed or attempted by the Policyholder in connection with any actual or alleged:

- A) unlawful or unfair dismissal, discharge or termination of employment,
- B) breach of any written or oral employment contract or quasi-employment contract,
- C) employment-related misrepresentation,
- D) violation of employment discrimination laws (including sexual or other workplace harassment and discrimination on the grounds of racial or national origin, sex, sexual orientation, religion, maternity, pregnancy, age and disability),
- E) violation of or non-compliance with legislation regulating working hours,
- F) failure to employ or promote,
- G) demotion,
- H) discipline,
- I) deprivation of a career opportunity,
- J) failure to grant tenure,
- K) failure to adopt adequate workplace or employment policies and procedures,
- L) retaliatory treatment of whistleblowers and others,
- M) negligent evaluation,
- N) employment-related invasion of privacy,
- O) employment-related breach of data protection legislation,
- P) employment-related libel, slander, humiliation and defamation,
- Q) failure to furnish job references or accurate job references,
- R) employment-related infliction of mental anguish or emotional distress.

### 9 Injury

#### Sections 1 and 3 (Part A)

bodily injury, death, disease or illness.

#### Sections 2 and 3 (Part B)

bodily injury, mental injury, death, disease or illness.

### 10 Intellectual Property Rights

Any patent, trade mark, copyright registered, design, technical, or commercial information or other intellectual property.

### 11 North America

The United States of America or Canada or any other territory within the jurisdiction of either such country.

### 12 Offshore

Embarkation onto a vessel or aircraft for conveyance to an offshore rig or platform until disembarkation from the conveyance onto land upon return from such offshore rig or platform.

### 13 Person Employed

Any:

- A) Employee
  - B) labour master and individuals supplied by him
  - C) individual employed by labour only sub-contractors
  - D) self-employed individual (not being in partnership with the Policyholder)
  - E) individual hired to or borrowed by the Policyholder
  - F) individual undertaking study or work experience.
- while under the supervision of the Policyholder

### 14 Person Entitled to Indemnity

- A) the Policyholder,
- B) the personal representatives of the Policyholder in respect of legal liability incurred by the Policyholder,
- C) at the request of the Policyholder:
  - i) any principal,
  - ii) any director or partner of the Policyholder,
  - iii) any Person Employed,

against legal liability in respect of which the Policyholder would have been entitled to indemnity under this Section of the Policy if the claim had been made against the Policyholder,

- iv) the officers, committees and members of the Policyholder's canteen, social, sports and welfare organisations and first aid, fire, ambulance, medical and security services in their respective capacities as such but this shall not include medical or dental practitioners in relation to medical services provided,
- v) any director or partner of the Policyholder or Employee in respect of private work undertaken by any Person Employed for such director, partner or Employee with the prior consent of the Policyholder, each of whom shall as though the Policyholder be subject to the terms of this Section of the Policy so far as they can apply.

### 15 Policyholder's Contribution

The amount or amounts specified in the Schedule which the Policyholder agrees to pay in respect of:

- A) the claimant's damages,

- B) the claimant's costs and expenses.

### 16 Property

Material property but shall not include Data.

### 17 Sudden Pollution or Contamination Incident

Pollution or contamination of buildings or other structures or of water or land or of the atmosphere caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific moment in time and place in Great Britain, Northern Ireland and the Channel Islands or the Isle of Man during the Period of Insurance.

### 18 Terrorism

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

# Professional Indemnity Insurance

**THIS INSURANCE DOES NOT APPLY IF SHOWN AS NOT INSURED IN THE SCHEDULE**

**THIS SECTION COVERS CLAIMS FIRST MADE AGAINST THE INSURED (AND, IN RELATION TO INSURANCE CLAUSE 3, LOSS OR DAMAGE OCCURRING) AND NOTIFIED TO THE INSURER DURING THE PERIOD OF INSURANCE. PLEASE READ THE POLICY WORDING CAREFULLY.**

## Interpretation

In this Insurance

- 1 the singular includes the plural and vice versa.
- 2 the male gender includes the female and neutral genders.
- 3 references to any Act or law include any rule order regulation or other similar instrument made thereunder and shall include any amendment replacement consolidation or re-enactment of such Act or law.
- 4 any legal references within this Insurance shall include any equivalent legal provision in the jurisdiction of ordinary residence of the Policyholder or location of the risk insured provided that such jurisdiction falls within the territorial scope of this Insurance.
- 5 the use of headings and sub-headings is for ease of reference only and is not intended to be construed as an aid to interpretation.
- 6 any sentence commencing with the terms "including" or "includes" or any similar expression is intended to be construed as illustrative and not as exhaustive.

## Insurance Clauses

### 1 Civil Liability

The Insurer will indemnify the Insured up to the Limit of Indemnity specified in the Schedule in respect of Claims first made against the Insured and notified to the Insurer during the Period of Insurance in respect of civil liability (including liability for claimant's costs and expenses) incurred in connection with the conduct of Professional Business.

The Insurer will in addition pay Defence Costs incurred by the Insurer or by the Insured with the Insurer's written consent provided that the Insurer's liability for Defence Costs in relation to any Claim disposed of for an amount which exceeds the available Limit of Indemnity shall be limited to the proportion that the available Limit of Indemnity bears to the amount payable to dispose of such Claim.

### 2 Awards by Ombudsmen

The Insurer will indemnify the Policyholder in accordance with the recommendation of any ombudsman under any recognised ombudsman scheme in respect of

- A) any amount paid or payable
- B) any Defence Costs incurred in taking any steps which the Policyholder is directed to take by the ombudsman in relation to a claimant

to the same extent as the Insurer is obliged to indemnify the Policyholder in respect of any civil liability covered under Insurance Clause 1 (Civil Liability).

### 3 Loss of or Damage to Documents

The Insurer will in the event of loss of or damage to Documents occurring in the conduct of the Professional Business and advised to the Insurer during the Period of Insurance indemnify the Policyholder in respect of all costs and expenses reasonably incurred by the Policyholder in replacing or restoring Documents up to a maximum of £100,000 during the Period of Insurance.

Provided that

- A) such loss or damage is sustained while the Documents are either in transit or in the custody of the Policyholder or of any person to whom the Policyholder has entrusted them
- B) where the Documents are in electronic format the Policyholder can demonstrate to the reasonable satisfaction of the Insurer that the Policyholder had in place sufficient and proper procedures for the security and the daily back-up of Documents
- C) the Insurer shall not be liable for loss of or damage to Documents arising directly or indirectly from
  - 1) the transmission or impact of any Virus
  - 2) unauthorised access to a System.

### 4 Compensation for Court Attendance

In the event of

- A) the legal advisers acting on behalf of the Policyholder with the consent of the Insurer requiring any principal partner Member director or Employee of the Policyholder to attend any court tribunal arbitration adjudication mediation or other hearing as a witness or
- B) the Insurer requesting the attendance of any principal partner Member director or Employee as an interested party at any mediation

in connection with a Claim made against the Policyholder and notified under this Insurance the Insurer will provide compensation to the Policyholder at the following rates for each day on which attendance is required

- |   |      |
|---|------|
| A) Any principal partner Member or director of the Policyholder | £500 |
| B) Any Employee   | £250 |

## Limits of Indemnity

- 1 The liability of the Insurer shall not exceed the Limit of Indemnity specified in the Schedule.
- 2 Where the Insurer is liable to indemnify more than one person firm company or body the total amount of indemnity payable under this Insurance shall not exceed the Limit of Indemnity.
- 3 All Claims attributable to the same act error or omission or series of acts errors or omissions consequent upon or attributable to the same original cause or source will be regarded as one Claim.

## Exclusions

The Insurer shall not be liable in respect of

### 1 Adjudication and Arbitration

any Claim arising out of or related to any

- A) decision made against the Policyholder by an adjudicator who was not independent of the parties to the dispute
- B) adjudication arising from an adjudication clause in a contract which contains timetable provisions for adjudication which are more onerous to the Policyholder than those contained in the Scheme for Construction Contracts referred to in the Housing Grants Construction and Regeneration Act 1996
- C) arbitration award made in respect of any Claim or counterclaim where the seat of the arbitration was located outside England Wales Scotland or Northern Ireland unless that seat was agreed to by the Insurer.

### 2 Asbestos Risks

any liability based upon or arising out of or relating directly or indirectly to or in consequence of or in any way involving Asbestos Risks.

### 3 Bodily Injury to Employees

any liability arising out of Bodily Injury to an Employee arising out of and in the course of his employment for or on behalf of the Policyholder.

### 4 Bodily Injury to Others or Damage to Property

any liability arising out of Bodily Injury to any other person or loss of or damage to property.

### 5 Contractual Liabilities and Guarantees

any Claim arising from any contractual agreement in respect of

- A) any express guarantee given by the Policyholder or
- B) any express contractual penalty made between the Policyholder and a third party or
- C) any acceptance by the Policyholder of liability for liquidated damages

in so far as liability assumed by the Policyholder exceeds the amount of the Policyholder's liability in the absence of such agreement.

### 6 Controlling Interest

any Claim made against the Policyholder by

- A) any entity in which the Policyholder or any partner Member or director or any combination of partners Members or directors of the Policyholder exercises or has exercised a controlling interest
- B) any entity exercising a controlling interest over the Policyholder by virtue of their having a financial or executive interest in the operation of the Policyholder unless such Claim emanates from an independent third party.

### 7 Defective Workmanship

any claim arising from

- A) Defects in computers hardware or peripheral equipment and wiring
- B) Defective workmanship in the installation repair or maintenance of computers and ancillary equipment other than software.

### 8 Directors' and Officers' Liability

any Claim against any Policyholder in their capacity as a director officer or trustee in respect of the performance or non-performance of their duties as a director officer or trustee.

### 9 Dishonesty

any dishonest or fraudulent act or omission committed by any person after there is reasonable cause for suspicion of fraud or dishonesty in relation to such person.

Furthermore no indemnity shall be given to any person committing condoning or knowingly participating in any way in any act or omission of a fraudulent or dishonest nature.

### 10 Domain Name Registration

any Claim arising out of domain name registration and web hosting.

### 11 Employment

any Claim arising from any liability to any Employee former employee or prospective employee in respect of employment related libel slander humiliation or defamation wrongful dismissal repudiation or breach of any employment contract or arrangement termination of a training contract or contract of apprenticeship harassment discrimination or like conduct.

### 12 Email and Bulletin Boards

Any claim or costs or expenses arising from third party material contributed by e-mail or to bulletin boards interactive consumer forum or new groups available as a service via the Policyholder's internet site unless such contributions comply with the Policyholder's Internet Code of Practice.

Use of the internet by students is further subject to such use being authorised by the Policyholder.

**13 Fines Penalties and Punitive Damages etc**

any fines penalties punitive exemplary or aggravated damages where such damages have been identified separately within any award of a court or the multiple portion of any multiplied damage award.

**14 Full Time Employment**

any Claim arising out of full time employment outside of the Professional Business.

**15 Goods and Services**

- A) any Claim arising out of the supply of any goods by or on behalf of the Policyholder or products manufactured constructed altered repaired treated sold supplied or distributed by or on behalf of the Policyholder
- B) any Claim brought by any supplier or prospective supplier arising from or in connection with the actual or prospective supply to or use by the Policyholder of goods or services.

**16 Insolvency of the Policyholder**

any Claim arising out of or relating to the insolvency or bankruptcy of the Policyholder

Provided that this Exclusion shall not apply to any Claim

- A) in respect of monies held on behalf of third parties or
- B) for which the Policyholder would otherwise be indemnified by this Insurance but for the insolvency or bankruptcy of the Policyholder.

**17 Policyholder's Contribution**

the Policyholder's Contribution.

**18 North American Jurisdiction and Operations**

- A) damages or other monetary awards judgments or negotiated settlements claimant's costs and expenses and Defence Costs connected with or arising out of any North American Claim
- B) the enforcement upholding or registration against the Policyholder by any arbitrator tribunal or court outside North America of any damages or other monetary awards judgments or negotiated settlements claimant's costs and expenses and Defence Costs connected with or arising out of any North American Claim
- C) the operations of the Policyholder or any principal partner Member director Employee agent branch subsidiary or parent company of the Policyholder in North America.

**19 Nuclear**

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

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

**20 Offshore Work**

any Claim arising out of offshore work.

**21 Pension and Benefit Schemes**

any Claim arising from any plan programme or scheme providing benefits to the Policyholder or any Employees.

**22 Pollution**

any Claim or Claims based upon or arising out of or relating directly or indirectly to or in consequence of or in any way involving seepage pollution or contamination of any kind.

**23 Previous Claims or Circumstances**

- A) the consequence of any circumstance
  - 1) notified under any insurance which was in force prior to the inception of this Insurance
  - 2) known to the Policyholder or which should have been known to the Policyholder at the inception of this Insurance which might reasonably be expected to produce a Claim
- B) any Claim made against the Policyholder prior to the Period of Insurance.

**24 Printing and Advertising Agent**

any Claim arising out of

- A) sub-contract printing and direct printing work work as an advertising agent.

**25 Retroactive Date**

any claim or loss otherwise eligible for indemnity under this Insurance where the cause of such Claim or loss occurred or was alleged to have occurred more than three years prior to the inception of this policy or any previous Professional Indemnity Insurance held by the Policyholder.

**26 Spite or Reckless Behaviour**

any Claim arising from personal spite or ill will towards any claimant or arising from reckless behaviour.

**27 Trading Losses**

any Claim arising out of or in connection with any trading losses or liabilities incurred by the Policyholder or any business managed by or carried on by the Policyholder.

**28 Transportation or Property**

the ownership use occupation or leasing of mobile or immobile goods or property by or on behalf of the Policyholder.

**29 War and Terrorism**

any Claim arising directly or indirectly out of War and Allied Risks or Terrorism.

## General Conditions applicable to Professional Indemnity Insurance only

### 1 Other Insurance

If at the time any claim arises under this Insurance the Policyholder is or would but for the existence of this Insurance be entitled to indemnity under any other policy or policies the Insurer shall not be liable except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this Insurance not been effected.

### 2 Choice of Law

Under the laws of the United Kingdom (England Scotland Wales and Northern Ireland) both parties may choose the law which applies to this contract to the extent permitted by those laws Unless the parties agree otherwise in writing the Insurer has agreed with the Policyholder that the law which applies to this contract is the law which applies to the part of the United Kingdom in which the Policyholder is based or if the Policyholder is based in the Channel Islands or the Isle of Man the law of whichever of those two places in which the Policyholder is based.

The parties have agreed that any legal proceedings between them in connection with this contract will only take place in the courts of the part of the United Kingdom in which the Policyholder is based or if the Policyholder is based in either the Channel Islands or the Isle of Man the courts of whichever of those two places in which the Policyholder is based.

### 3 Rights of Third Parties

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

### 4 Consumer Credit Termination Clause

The Insurer reserves the right to terminate the Policy in the event that there is a default in instalment payments under any linked loan agreement.

### 5 International Sanctions

The Insurer shall not provide coverage or be liable to provide any indemnity or payment or other benefit under this Policy if and to the extent that doing so would breach any prohibition or restriction imposed by law or regulation If any such prohibition or restriction takes effect during the Policy period the Policyholder or the Insurer may cancel that part of this Policy which is prohibited or restricted with immediate effect by giving written notice to the other (at their last known registered address) After such cancellation the Insurer shall subject to any applicable minimum premium payment requirements refund a proportionate amount of the premium for the unexpired Period of Insurance provided that

- A) no circumstances that might reasonably be expected to produce a claim under the Policy have been notified to the Insurer by the Policyholder and
- B) no claims have been paid by the Insurer or have been notified by the Policyholder and are outstanding prior to the date on which such prohibition or restriction took effect.

## Claims Conditions

### 1 Claims Notification

If during the Period of Insurance the Policyholder receives any Claim the Policyholder shall give written notice of such Claim to the Insurer as soon as reasonably possible All Claims must be notified to the Insurer prior to the expiry of the Period of Insurance.

If during the Period of Insurance the Policyholder becomes aware of any circumstance which might reasonably be expected to produce a Claim against the Policyholder the Policyholder shall give written notice of such circumstance to the Insurer as soon as reasonably possible irrespective of either the Policyholder's views as to whether such Claim will succeed or as to whether the amount of the Claim will exceed the Policyholder's Contribution All circumstances must be notified to the Insurer prior to the expiry of the Period of Insurance Any Claim arising from any circumstance notified to the Insurer in accordance with this Condition shall be deemed to have been made in the Period of Insurance.

### 2 Notification of Adjudications

The Policyholder shall as a condition precedent to its right to indemnity in respect of any adjudication for which indemnity is available under Insurance Clause 1 (Civil Liability)

- A) notify the Insurer within 2 working days of receipt of any notice of intention to adjudicate notice of adjudication referral notice or any adjudication notice pursuant to contract
- B) not serve any of the notices referred to in Claims Condition 2A) without the prior written consent of the Insurer unless in the Policyholder's reasonable opinion service of those notices will not give rise to a Claim against the Policyholder

The Insurer will have no liability under Insurance Clause 1 in respect of any matter which the Policyholder does not notify to the Insurer in accordance with the requirements of this Condition.

### 3 Notification of Reviews by an Ombudsman

The Policyholder shall as a condition precedent to its right to indemnity under Insurance Clause 2 (Awards by Ombudsmen) give notice to the Insurer in writing within ten working days of it becoming aware that any ombudsman is or will be reviewing a case directly affecting the Policyholder.

The Insurer will have no liability under Insurance Clause 2 in respect of any matter which the Policyholder does not notify to the Insurer in accordance with the requirements of this Condition.

### 4 Supporting Documentation and Admissions

All documents supporting any Claim shall be forwarded to the Insurer immediately on receipt No admission offer promise payment or indemnity shall be made or given by or on behalf of the Policyholder without the written consent of the Insurer.

### 5 Conduct of Claims

The Policyholder shall give all such assistance as the Insurer may require The Insurer shall be entitled to take over and conduct in the name of the Policyholder the defence or settlement of any Claim or to prosecute in the name of the Policyholder for its own benefit any Claim and shall have full discretion in the conduct of any proceedings and in the settlement of any Claim.

## 6 Queen's Counsel Clause

The Policyholder shall not be required to contest any legal proceedings unless a Queen's Counsel (or by mutual agreement between the Policyholder and the Insurer a similar authority) shall advise that such proceedings could be contested with the probability of success.

## 7 Disposal of Claims

In connection with any Claim against the Policyholder the Insurer may at any time pay to the Policyholder the Limit of Indemnity (after deduction of any sums already paid as damages or claimant's costs and expenses in respect of such Claim) or any less amount for which such Claim can be settled and thereupon the Insurer shall relinquish the control of such Claim and be under no further liability in connection therewith except for Defence Costs for which the Insurer may be responsible under this Insurance in respect of matters prior to the date of such payment.

## 8 Dishonesty and Fraud

In respect of any claim made in accordance with this policy arising out of any dishonest or fraudulent act or omission

- A) the Policyholder must immediately take all reasonable steps to prevent further loss
- B) if the Insurer so requests the Policyholder shall take all reasonable steps to effect recovery from the person committing or condoning or knowingly participating in such dishonest or fraudulent act or omission or from the personal representatives of such person
- C) any monies recovered following action as described in 8B) above will be deducted from any amount payable under this Insurance.

## Special Benefits applying to Professional Indemnity Insurance only

- 1 In the event of the Insurer being entitled to avoid this Insurance from inception or from the time of any variation in cover (including at renewal) the Insurer may at its discretion maintain this Insurance in full force but exclude the consequences of any matter which ought to have been disclosed at inception or at the time of any variation in cover (including at renewal).
- 2 In the event of non-disclosure or misrepresentation at any renewal the Insurer will waive its rights to avoid this Insurance provided that
  - A) the Policyholder is able to establish to the satisfaction of the Insurer that such non-disclosure or misrepresentation was innocent and free from any fraudulent conduct or intent to deceive
  - B) the Premium and terms shall be adjusted at the discretion of the Insurer to those which would have applied had such circumstances been disclosed
  - C) where the Policyholder should have notified during a preceding Period of Insurance either a Claim made against the Policyholder or circumstances which could give rise to a Claim and the indemnity or cover to which the Policyholder would have been entitled was in any way more restricted than that provided at the date of notification the Insurer shall be liable only to the extent applicable during such preceding Period of Insurance

For the purposes of this Special Benefit this Insurance shall be deemed to be a renewal of any immediately preceding Professional Indemnity policy issued by the Insurer under which the Policyholder was entitled to indemnity.

## Renewal Procedure

Prior to expiry of the Period of Insurance each year the Insurer may request the Policyholder to complete a renewal declaration form.

The renewal premium (and if applicable any adjustment of premium for the past year) will be calculated on the information provided by the Policyholder.

Renewal will not be invited unless a satisfactory declaration is received by the Insurer when requested prior to expiry of the Period of Insurance Failure to submit a renewal declaration form prior to expiry of the Period of Insurance will cause this Insurance to be lapsed from the expiry date.

## Definitions

### Applicable to Professional Indemnity Insurance

For the purposes of Professional Indemnity Insurance

#### 1 Asbestos Risks means

- A) the presence of Asbestos Asbestos Dust or Asbestos Containing Materials
- B) the release of Asbestos Dust
- C) the exposure of persons buildings or property to Asbestos Dust or Asbestos Containing Materials.

#### 2 Asbestos means

crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those minerals.

#### 3 Asbestos Dust means

fibres or particles of Asbestos.

#### 4 Asbestos Containing Materials means

any material containing Asbestos or Asbestos Dust.

#### 5 Bodily Injury means

death disease illness or bodily or mental injury.

#### 6 Claim means

- A) service of a Claim Form Counterclaim Other Additional Claim Application Notice Notice of Appeal Witness Summons or similar legal document including an application for any related injunction or
- B) a reference to or notification of intention to commence or the commencement of proceedings of any kind including arbitration proceedings or a complaint to an ombudsman or
- C) a written communication including electronic communications (whether or not containing a demand for compensation or damages) asserting a legal liability on the part of the Policyholder or
- D) any communication in whatsoever form invoking any Pre-Action Protocols contained in the Civil Procedure Rules.

**7 Defence Costs** means

all costs and expenses (other than costs incurred in connection with Claims Condition 8B) Dishonesty and Fraud) which are incurred by the Insurer or by the Policyholder with the Insurer's written consent in connection with the defence investigation or settlement of any Claim made against the Policyholder and notified under this Insurance and in connection with any circumstances which might give rise to a Claim.

The Insurer shall not unreasonably withhold its consent to the incurring of Defence Costs.

**8 Documents** means

all

- A) documents (excluding bearer bonds coupons bank or currency notes or other negotiable instruments)
- B) computer systems records the property of the Policyholder or for which the Policyholder is responsible.

**9 Employee** means

any person including any trainee or consultant under a contract of service with the Insured or the Predecessors at the time of any conduct giving rise to a Claim against the Insured or at the time of any other occurrence which may be the subject of indemnity under this Insurance.

**10 Endorsement** means

an amendment to the Policy Terms and Conditions including amendments described as Memoranda in the Schedule.

**11 The Policyholder** means

the Policyholder as named in the Schedule Each of the following parties will in addition be deemed the Policyholder in respect of Claims arising out of the conduct of the Professional Business provided that each shall be subject to the terms of this Insurance to the extent such terms can apply

- A) any partner director or Member or former partner director or Member of the Insured or if deceased incapacitated insolvent or bankrupt the legal representatives thereof in respect of civil liability incurred by such partner director or Member or former partner director or Member
- B) at the Policyholder's request any Employee or if deceased incapacitated insolvent or bankrupt the legal representatives thereof in respect of civil liability incurred by such Employee.

**12 Policyholder's Contribution** means

the amount for which the Policyholder is responsible under Insurance Clauses 1 (Civil Liability) and 2 (Awards by Ombudsmen) of this Insurance in respect of any one Claim.

The Policyholder's Contribution shall not apply to Defence Costs.

All Claims attributable to the same act error or omission or series of acts errors or omissions consequent upon or attributable to the same original cause or source will be regarded as one Claim.

**13 Member** means

a member of a limited liability partnership as defined under the Limited Liability Partnership Act 2000.

**14 North America** means

the United States of America and Canada and in each case its territories and possessions and any state or political subdivision thereof.

**15 North American Claim** means

each and every Claim brought against the Policyholder in North America or which is instituted or pursued before an arbitrator or tribunal or in courts in North America (whether for enforcement of judgment or otherwise) or in which it is contended that the laws of any country state or political subdivision in North America should apply.

**16 Predecessors** means

any person practice or other firm to which the Policyholder has succeeded.

**17 Professional Business** means

professional services undertaken by or on behalf of the Policyholder or the Predecessors in connection with the Business defined in the Schedule.

**18 Terrorism** means

an act of any person acting on behalf of or in connection with any individual or 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 government whether legally established or not.



# Personal Accident Insurance

## THIS INSURANCE DOES NOT APPLY IF SHOWN AS NOT INSURED IN THE SCHEDULE

### The Insurance Provided

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death or Disablement the Insurer will pay to the Policyholder the appropriate Benefit shown in the Schedule subject to the Maximum Incident Limit (and inner limits where applicable) as detailed below.

### Maximum Incident Limit

The maximum amount the Insurer will pay under this section of the Policy and any other policy of Personal Accident Insurance issued by the Insurer in the Policyholder's name in respect of all losses and in respect of all Insured Persons arising out of one and the same Incident shall not exceed the Maximum Incident Limit of £5,000,000 subject to the following inner limits:

- |   |   |            |
|---|---|------------|
| 1 | Aircraft Accumulation   |            |
|   | A) Multi-engined aircraft                                       | £2,500,000 |
|   | B) Any other aircraft or airship                                | £1,000,000 |
| 2 | Terrorism<br>(other than Nuclear, Chemical or Biological Cause) | £2,500,000 |

#### 3 Limit per Person

In connection with any Accident the maximum payable for any one Insured Person including any amount payable under the Extensions to this section will be:

- |    |   |          |
|----|---|----------|
| A) | under Benefits 1 to 4                         | £500,000 |
| B) | under Benefit 5<br>and subject to Condition 4 | £1,000   |
| C) | under Benefit 6<br>and subject to Condition 4 | £400     |

The duration of any one Incident shall be limited to 72 consecutive hours and no loss which occurs outside this period shall be included in that Incident.

### Benefits

- 1 Death
- 2 Loss of two or more Limbs or Loss of both Eyes or one of each
- 3
  - A) Loss of one Limb or Loss of one Eye
  - B) Permanent total loss of speech
  - C) Permanent total loss of hearing:
    - i) in both ears
    - ii) in one ear 25% of Benefit 3C)i)
- 4 Permanent Total Disablement from the Insured Person's usual occupation in the Business
- 5 Temporary Total Disablement from the Insured Person's usual occupation in the Business

- 6 Temporary Partial Disablement from at least 50% of the Insured Person's usual occupation in the Business
- 7 Medical Expenses necessarily incurred in the treatment of the Insured Person.

### Payment Period for Benefits 5 and 6

Benefits 5 and 6 are payable per week for a maximum of 104 weeks in all not necessarily consecutive.

### Deferral Period for Benefits 5 and 6

Benefits 5 and 6 are not payable for the first seven days of any Period of Disablement.

### Disablement Benefits 2 to 6 Operative Time

The Operative Time shown in the Schedule shall have the meanings as shown in the Definitions of Operative Times.

### Conditions

#### 1 Application of Benefits

- A) The Insurer will not pay in respect of any one Insured Person in connection with the same Accident:
  - i) more than one of Benefits 1 to 4 and then,
  - ii) not more than the Limit per Person in respect of any claim payable under any of Benefits 1 to 6 and the Extensions to the Personal Accident Section.
- B) No claim for Disablement shall be payable under Benefits 2 to 4 of this Policy until such time as reasonable evidence has been provided to the Insurer to show that such Disablement is permanent and that there is no reasonable expectation of recovery.
- C) The Insurer will pay any amount claimed for Benefits 5 or 6 in addition to any amount claimed under Benefits 1 to 4 in connection with the same Accident.
- D) Where Benefits 5 and 6, or Benefits 5 or 6 are claimed the amount payable per week will not exceed:
  - i) under Benefit 5 1/52nd of the Insured Person's Annual Salary; and
  - ii) under Benefit 6 40% of 1/52nd of the Insured Person's Annual Salary, regardless of the level of cover purchased.
- E)
  - i) If Benefit 1 is not included for an Insured Person the Insurer will not pay for Loss of Limb or Eye or speech or hearing until at least thirteen weeks after the date of the Accident and the Insurer will only then pay if the Insured Person has not in the meantime died as a result of the Accident.
  - ii) If Benefit 1 is included but the amount payable thereunder is less than the amount for Loss of Limb or Eye or speech or hearing the Insurer will not pay more than the amount for Benefit 1 until at least thirteen weeks after the date of the Accident and the Insurer will only then pay the balance if the Insured Person has not died in the meantime as a result of the Accident.

## 2 Assignment

The Insurer will not be bound to accept or be affected by any trust charge lien assignment or other dealing with or relating to this Policy.

## 3 Disappearance

In the event of the disappearance of an Insured Person if after a suitable period of time it is reasonable to believe that death has occurred as a result of bodily injury following an Accident Benefit 1 shall become payable subject to a signed undertaking by the Policyholder that if the belief is subsequently found to be wrong such amount shall be refunded to the Insurer.

## 4 Evidence Required

In connection with any claim:

- A) all medical certificates, reports, information and evidence required by the Insurer to substantiate that claim must be supplied at the Insured Person's own expense and in such form as the Insurer may reasonably require;
- B) the Insured Person must undergo a medical examination and provide medical evidence to the Insurer (at the Insurer's expense) as often as the Insurer may reasonably require following receipt of that claim; and
- C) no benefit shall be payable in respect of that claim where the Insured Person fails to undergo such medical examination or provide such medical evidence as referred to in (b) above.

## 5 Exposure

If an Insured Person suffers Death or Disablement as a result of exposure to the elements the Insurer will consider that as having been caused by bodily injury following an Accident.

## 6 Minors

If the Insured Person is under the age of 16, or aged 16 or 17 and is not one of the Insured's Employees:

- A) The amount for Benefit 1 will be limited to £10,000.
- B) Benefit 4 shall read Permanent Total Disablement from gainful employment of any and every kind.
- C) No amount will be payable under Benefit 5 or 6.

## 7 Non-Employees

If the Insured Person is not a Director or Employee of the Policyholder Benefit 4 shall read Permanent Total Disablement from any gainful employment for which the Insured Person is fitted by way of training, education or experience.

## Extensions

The following extensions shall be payable in addition to any benefit paid under the Personal Accident Benefits 1 to 7 of the section of this Policy, subject to the Maximum Incident limit (and inner limits where applicable) as detailed in this section of the Policy.

### 1 Coma Benefit

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within 90 days is the sole and independent cause of the Insured Person being in a continuous unconscious state the Insurer will pay £50 per full 24 hours up to a maximum of 52 weeks for any one Insured Person while they remain in a continuous unconscious state.

### 2 Commuting Expenses

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of the Insured Person sustaining disablement from at least 50% of the Insured Person's usual occupation in the Business, the Insurer will pay necessary expenses for additional commuting costs necessitated to aid the Insured Person's return to work at the Policyholder's request up to £50 per week up to a maximum £250 for any one Insured Person.

### 3 Dependants Benefit

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death for which Benefit 1 is paid the Insurer will pay an additional 2% per Child up to a maximum 10% of Benefit 1.

### 4 Disability Assistance

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Disablement for which Benefit 2, 3 or 4 is paid, the Insurer will pay necessary expenses incurred with the Insurer's prior written consent to make alterations to the Insured Person's home, car or usual place of work as a direct and necessary result of the Disablement suffered up to a maximum of £5,000.

### 5 Funeral Expenses

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death, the Insurer will pay the necessary costs incurred with the Insurer's prior written consent for funeral expenses up to a maximum of £5,000 for any one Insured Person.

### 6 Hospitalisation

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of the Insured Person being admitted to Hospital on the recommendation of a Medical Practitioner, the Insurer will pay £50 per full 24 hours up to a maximum of 52 weeks for any one Insured Person while they are a Hospital in-patient.

### 7 Paralysis

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of the Insured Person suffering paralysis the Insurer will pay the following benefit:

- A) total loss of use of all four limbs, bladder and rectum – an additional 20% of the amount paid under Benefit 2 or 4,
- B) total loss of use of two legs, bladder and rectum – an additional 10% of the amount paid under Benefit 2 or 4, In respect of this Extension, Benefit 2 or 4 must be paid at 100% of the Benefit shown in the Schedule.

## 8 Relocation Expenses

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Disablement for which Benefit 2, 3 or 4 is paid, the Insurer will pay necessary expenses incurred with the Insurer's prior written consent for stamp duty payments, solicitors' and estate agents' fees and removal costs necessitated as a direct and necessary result of the Insured Person having to relocate as a direct result of the Disablement suffered up to a maximum of £5,000 for any one Insured Person subject to there not being any claim paid under the Disability Assistance Extension.

## 9 Retraining

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of the Insured Person suffering Permanent Total Disablement from the Insured Person's usual occupation in the Business for which the benefit is paid, the Insurer will pay reasonable expenses incurred in retraining the Insured Person for an alternative occupation with the Policyholder up to a maximum of £5,000.

## Exclusions

The Insurer will not pay any Benefit or amount under the Extensions to this section where bodily injury following an Accident is the result of or is contributed to by:

- 1 the Insured Person committing or attempting to commit suicide or as a result of self-inflicted injury,
- 2
  - A) illness or disease (not resulting from bodily injury following an Accident),
  - B) any naturally occurring condition or degenerative process,
  - C) any gradually operating process,
  - D) post traumatic stress disorder or any psychological or psychiatric condition (not resulting from bodily injury following an Accident),
- 3 radioactive contamination (not resulting from bodily injury following an Accident),
- 4 the Insured Person engaging in flying of any kind other than as a passenger,
- 5 War,
- 6 Terrorism occasioned by any Nuclear, Chemical or Biological Cause,

The Insurer will not pay any claim after the expiry of the Period Of Insurance in which the Insured Person attains the age of 80 years.

## Definitions

### 1 Accident

Accident shall mean:

- A) a sudden and
- B) unexpected or unforeseen and
- C) identifiable incident.

### 2 Aircraft Accumulation

All Insured Persons travelling in any aircraft or airship.

### 3 Annual Salary

the Insured Person's total annual remuneration excluding payments for overtime commission or bonus (unless otherwise agreed in writing) payable by the Policyholder to the Insured Person at the date bodily injury following an Accident is sustained.

### 4 Assault

While the Insured Person is engaged upon duties incidental to the Business and as a direct result of assault other than by the explosion of any bomb or explosive device. Cover will also apply where the assault is a direct consequence of the Insured Person's employment with the Policyholder.

### 5 Britain

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

### 6 Child

Any person who is:

- A) unmarried and dependent and
- B) under 18 years of age or under 25 years of age if in full-time education.

### 7 Commuting

While in the course of daily travel directly between residence (normal or temporary) and place of Business (normal or temporary).

### 8 Deferment Period

The period of time at the commencement of a period of Temporary Total Disablement or Temporary Partial Disablement when no benefit is payable.

### 9 Director (including Partners and Members)

- A) A serving director (other than a non-executive director) of the Policyholder:
  - i) whose details have been notified to Companies House in accordance with Section 288 of the Companies Act 1985 or any statutory amendment, modification or re-enactment of such Act or Regulations where the Policyholder is a company registered in the United Kingdom,
  - ii) who sits on the Insured's Board of Directors where the Policyholder is a company registered outside of the United Kingdom,
- B) a member of a limited liability partnership as defined under the Limited Liability Partnership Act 2000
- C) any person who has signed the partnership deed of the Policyholder.

### 10 Disablement

Benefits 2 to 6.

### 11 Employee

Any person under a contract of service or apprenticeship with the Policyholder excluding any Director.

### 12 Hospital

Any institution which meets fully every one of the following criteria:

- A) maintains permanent and full time facilities for the care of 12 overnight resident patients and
- B) has diagnostic and therapeutic facilities for the surgical and medical diagnosis, treatment and care of injured and sick persons by or under the supervision of a staff of Medical Practitioners and
- C) continuously provides a 24 hours a day nursing service supervised by state registered nurses or by persons with equivalent qualifications and
- D) is not other than incidentally an institution which provides full time facilities for:
  - i) mentally ill or mentally handicapped persons
  - ii) nursing or convalescing
  - iii) persons aged 70 years or more
  - iv) drug addicts
  - v) alcoholics.

### 13 Incident

All individual losses arising out of and directly occasioned by one sudden unexpected specific event occurring at an identifiable time and place.

### 14 Insured Person

Any Director or Employee who is detailed in the Schedule and resident in Britain. Cover applies until the expiry of the Period of Insurance in which the Insured Person attains the age of 80 years,

or

any other persons stated in the Schedule.

### 15 Loss of Eye

Permanent and total loss of sight which will be considered as having occurred:

- A) in both eyes if the Insured Person's name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist
- B) in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Insured Person should see at 60 feet).

### 16 Loss of Limb

- A) in the case of a leg loss by permanent physical severance at or above the ankle or permanent and total loss of use of a complete foot or leg
- B) in the case of an arm loss by permanent physical severance of the four fingers at or above the metacarpophalangeal joints (where the fingers join the palm of the hand) or permanent and total loss of use of a complete arm or hand.

### 17 Medical Expenses

The cost of medical, surgical or other remedial attention, treatment or appliances given or prescribed by a Medical Practitioner and all Hospital, nursing home and ambulance charges.

### 18 Medical Practitioner

Any legally qualified medical practitioner other than:

- A) an Insured Person,
- B) a member of the immediate family of an Insured Person,
- C) an Employee of the Policyholder.

### 19 Nuclear, Chemical or Biological Cause

Use of any nuclear weapon or device or the deliberate emission, discharge, dispersal, release or escape of any solid, liquid or gaseous chemical agent and/or Biological agent.

Biological agent shall mean any pathogenic micro-organism and/or biologically produced toxin(s) including genetically modified organisms and chemically synthesised toxins.

### 20 Payment Period

The maximum amount of weeks in all for which Benefit 5 Temporary Total Disablement and Benefit 6 Temporary Partial Disablement are payable after the expiry of the Deferment Period, but not necessarily consecutive.

### 21 Period of Disablement

The number of weeks (not necessarily consecutive) Benefit 5 Temporary Total Disablement and Benefit 6 Temporary Partial Disablement are payable as a result of one Accident occurrence.

### 22 Operative Times

The Operative Time as shown in the Schedule shall mean:

#### 24 Hour Cover

At any time,

Or

#### Occupational Accidents Only

- A) while engaged on the Insured Person's occupation in the Business or
- B) as a result of Assault or
- C) at any time while travelling on the Business of the Policyholder.

Insurance operates from the departure of the Insured Person from their residence or normal place of Business (whichever occurs first) until arrival back at such residence or normal place of Business (whichever occurs last) at the end of the journey excluding Commuting,

or

#### Occupational Accidents and Commuting Cover

- A) While engaged on the Insured Person's occupation in the Business or
- B) as a result of Assault or

- C) at any time while travelling on the Business of the Policyholder.

Insurance operates from the departure of the Insured Person from their residence or normal place of Business (whichever occurs first) until arrival back at such residence or normal place of Business (whichever occurs last) at the end of the journey including Commuting.

## 23 Terrorism

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

## 24 Units of Cover

Units of Cover shall mean

For Fixed Benefits Cover the following represent one unit of cover:

Benefit 1	£5,000
Benefit 2	£5,000
Benefit 3	£5,000
Benefit 4	£5,000
Benefit 5	£50 per week
Benefit 6	£20 per week
Benefit 7	£2,500

Under Benefit 7 the maximum amount payable for each Insured Person shall be £2500 irrespective of the number of Units of Cover purchased.

For Salary related Benefits:

Benefits 1 2 3 and 4 will be the multiple of Annual Salary stated in the Schedule

Benefit 5	the percentage of weekly wage stated in the Schedule
Benefit 6	the percentage of weekly wage stated in the Schedule
Benefit 7	£2,500 irrespective of the multiplier of Annual Salary purchased.

## 25 War

War, invasion, act of foreign enemy hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

# Complaints Procedure

## Our commitment to customer service

At RSA we are committed to going the extra mile for our customers. If you believe that we have not delivered the service you expected, we want to hear from you so that we can try to put things right. We take all complaints seriously and following the steps below will help us understand your concerns and give you a fair response.

### Step 1

If your complaint relates to your Policy then please contact the sales and service team in the office which issued the Policy. If your complaint relates to a claim then please call the claims helpline number shown in your Policy booklet.

We aim to resolve your concerns by close of the next business day. Experience tells us that most difficulties can be sorted out within this time.

### Step 2

In the unlikely event that your concerns have not been resolved within this time, your complaint will be referred to our Customer Relations Team who will arrange for an investigation on behalf of our Chief Executive. Their contact details are as follows:

**Post:** RSA  
Customer Relations Team  
PO Box 255  
Wyndham NR18 8DP

**Email:** [crt.halifax@uk.rsagroup.com](mailto:crt.halifax@uk.rsagroup.com)

### Our promise to you

We will:

- Acknowledge all complaints promptly
- Investigate quickly and thoroughly
- Keep you informed of progress
- Do everything possible to resolve your complaint
- Use the information from your complaint to proactively improve our service in the future.

Once we have reviewed your complaint we will issue our final decision in writing within 8 weeks of the date we received your complaint.

## If you are still not happy

If you are still unhappy after our review, or you have not received a written offer of resolution within 8 weeks of the date we received your complaint, you may be eligible to refer your case to the Financial Ombudsman Service. The Financial Ombudsman Service is an independent body that arbitrates on complaints. They can be contacted at:

**Post:** Financial Ombudsman  
Service Exchange Tower  
Harbour Exchange Square  
London E14 9SR

**Telephone:** 0800 0234567 (for landline users)  
0300 1239123 (for mobile users)

**Email:** [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
**Website:** [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

You have six months from the date of our final response to refer your complaints to the Financial Ombudsman Service. This does not affect your right to take legal action; however, the Financial Ombudsman Service will not adjudicate on any case where litigation has commenced.

## Thank you for your feedback

We value your feedback and at the heart of our brand we remain dedicated to treating our customers as individuals and giving them the best possible service at all times. If we have fallen short of this promise, we apologise and aim to do everything possible to put things right.

# Fair Processing Notice

## How we use your information

Please read the following carefully as it contains important information relating to the details that you have given us. You should show this notice to any other party related to this insurance.

## Who we are

This product is underwritten by Royal & Sun Alliance Insurance plc.

You are giving your information to Royal & Sun Alliance Insurance plc, which is a member of the RSA Group of companies (the Group). In this information statement 'we', 'us' and 'our' refers to the Group unless otherwise stated.

## How your information will be used and who we share it with

Your information comprises all the details we hold about you and your transactions and includes information obtained from third parties.

If you contact us electronically, we may collect your information identifier, e.g. Internet Protocol (IP) Address or telephone number supplied by your Service Provider.

We may use and share your information with other members of the Group to help us and them:

- Assess financial and insurance risks;
- Recover debt;
- Prevent and detect crime;
- Develop our services, systems and relationships with you;
- Understand our customers' requirements;
- Develop and test products and services.

We do not disclose your information to anyone outside the Group except:

- Where we have your permission;
- Where we are required or permitted to do so by law;
- To credit reference and fraud prevention agencies and other companies that provide a service to us, our partners or you; or
- Where we may transfer rights and obligations under this agreement.

We may transfer your information to other countries on the basis that anyone we pass it to provides an adequate level of protection. In such cases, the Group will ensure it is kept securely and used only for the purpose for which you provided it. Details of the companies and countries involved can be provided on request.

From time to time we may change the way we use your information. Where we believe you may not reasonably expect such a change we shall write to you. If you do not object, you will consent to that change.

We will not keep your information for longer than is necessary.

## Sensitive information

Some of the information we ask you for may be sensitive personal data, as defined by the Data Protection Act 1998 (such as information about health or criminal convictions). We will not use such sensitive personal data about you or others except for the specific purpose for which you provide it and to carry out the services described in your policy documents. Please ensure that you only provide us with sensitive information about other people with their agreement.

## How to contact us

On payment of a small fee, you are entitled to receive a copy of the information we hold about you. If you have any questions, or you would like to find out more about this notice you can write to:

Data Protection Liaison Officer,  
Customer Relations Office,  
RSA,  
Bowling Mill,  
Dean Clough Industrial Estate,  
Halifax, HX3 5WA.

## Employers Liability Tracing Office

Certain information relating to your insurance policy including, without limitation, the policy number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers (if relevant), will be provided to the Employers' Liability Tracing Office (the 'ELTO') and added to an electronic database (the 'Database').

This information will be made available in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure By Insurers Instrument 2010. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on, or who carried on, business in the UK and who are covered by the employers' liability insurance of their employers (the 'Claimants'):

- to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and
- to identify the relevant employers' liability insurance policies.

The Database will be managed by the ELTO.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

By entering into this insurance policy you will be deemed to specifically consent to the use of your insurance policy data in this way and for these purposes.







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**Underwritten by: AmTrust**

**The Coverholder, Composite Legal Expenses Ltd, Suffolk House, Trade Street, Cardiff CF10 5DT**

Policy No:

Date of issue:

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**Important Notice**

All potential claims must initially be reported to the Commercial Legal Helpline Service, which operates 24 hours a day, 365 days a year. **You must call the helpline before taking any action that may give rise to a claim under this policy, particularly if you are considering disciplinary action or redundancy. Failure to do so will result in any subsequent claim being declined.** The 24 hour helpline is there to provide support. In addition the Commercial Legal Helpline also provides initial advice on any legal problem, whether covered under this policy or not.

**Telephone 0871 423 5244.** (Calls from BT landlines cost 10p per minute at all times. Mobiles and other networks may cost more).

This is a 'Claims Made' Policy. It only covers claims notified to the coverholder during the Period of Insurance. You must notify us within 30 days of any circumstance which may give rise to any claim. Failure to do so could lead us to decline a claim for indemnity arising from such circumstances.

**1. Consideration and insurance**

1.1 The Insured named in the schedule ('the Insured') having made to the Insurers the proposal and declaration which shall be the basis of this contract and be deemed to be incorporated in this policy and having paid or agreed to pay the premium stated in the schedule the Insurer will, subject to the terms, limits and conditions of the policy (compliance with such conditions being deemed a condition precedent to the liability of the Insurer), indemnify the Insured up to the Limit of Indemnity in respect of any Insured Event occurring within the Territorial Limits set out in the schedule during the Period of Insurance in connection with the business and in respect of which legal proceedings are conducted within the Territorial Limits.

1.2 The sections which apply to this policy are those specified as being operative in the schedule.

**Section 1 – Legal costs incurred in disputes with employees**

**2. Limit of cover under Section 1**

Legal Advice, Legal Costs and Expenses (as defined in clause 26.1) incurred by the Insured in respect of any dispute with:

an employee or ex-employee, which arises out of or relates to his contract of employment with the Insured; or  
a prospective employee, leading to civil or criminal proceedings under the Race Relations Act 1976 or the Sex Discrimination Act 1975 or any Acts amending or replacing the same in defending civil or criminal proceedings, or appealing or defending an appeal against judgement, conviction or sentence by the relevant court, tribunal or arbitrator provided that the total Legal Costs and Expenses payable by the Insurer in any one Period of

Insurance shall not exceed the annual Limit of Indemnity stated in the Schedule or in respect of any period of insurance which is less than one year the pro rata proportion of such annual limit.

**3. Exclusions applicable to Section 1**

The Insurer shall not be liable for any claim for indemnity in respect of or arising from or relating to:

- 3.1 a dispute of which the Time of Occurrence (as defined in clause 26.2) was within the first 90 days of the first Period of Insurance in the case of an employee who was subject to a written or verbal warning or involved in a dispute arising from his employment within the 6 months immediately preceding such period; or
- 3.2 a claim against the Insured in respect of damages for personal injuries to the claimant and/or loss of or damage to his property.
- 3.3 The Insured's failure to follow the advice given by the Commercial Legal Helpline.
- 3.4 A dispute where the Insured has failed to consult the Commercial Legal Helpline immediately upon the Insured becoming aware of the dispute or potential dispute or where the Insured has failed to heed the written advice of a Panel Solicitor.
- 3.5 The pursuit or defence of enforcement proceedings arising out of a restrictive covenant clause contained within the employment contract, either verbal or in writing, of an employee or ex employee.

**Section 2 – Compensation and damages for dismissal of employees**

**4. Limit of cover under Section 2**

The cover under Section 2 is limited to compensation or damages payable by the Insured to an employee arising from the judgment of a court or tribunal or from a settlement agreed by the Insurer (but not from a judgment by default) in any dispute accepted by the Insurer as covered by Section 1 above, provided that the total of the compensation awards paid by the Insurer in any one Period of Insurance shall not exceed the annual limit for compensation awards stated in the schedule or in respect of a Period of Insurance which is less than one year the pro-rata proportion of such annual limit.

**5. Exclusions applicable to Section 2**

The Insurer shall not be liable for any claim for indemnity under Section 2 where:

- 5.1 The dismissal in question was not carried out in accordance with the guide laid down in the current edition of The Code of Practice 1 as prepared by the Advisory Conciliation and Arbitration Service (ACAS).
- 5.2 The Insured has incurred a compensation award by non-payment of money due under the relevant contract of employment or statutory provision relating thereto.

- 5.3 The award is in respect of a redundancy.  
 5.4 The award is in respect of the breach by the Insured of a fixed term contract.  
 5.5 The dismissal is of the type described in the Employment Rights Act 1996 Sections 96(1), 99 or 117(6) or any amending legislation.  
 5.6 The award is payable under the Employment Rights Act 1996 Sections 93 (1-2) or 117 (3-5) or any amending legislation.

#### **Section 4 – Criminal proceedings defence cover**

##### **8. Limit of cover under Section 4**

The cover under Section 4 is limited to Legal Costs and Expenses incurred by the Insured in respect of any act or omission or alleged act or omission of the Insured, or of the proprietors, directors, partners and all other employees of the Insured either arising out of and in the course of their employment with the Insured, or as a trustee of a pension fund set up for the benefit of the Insured's employees which leads to:

- 8.1 prosecution in a court of criminal jurisdiction; or  
 8.2 the serving of an improvement notice or a prohibition notice on the Insured under the Health and Safety at Work etc. Act 1974; or  
 8.3 civil proceedings being taken against an insured person other than the Insured as such trustee of a pension fund;  
 In defending civil or criminal proceedings, or appealing or defending an appeal against either conviction, sentence or judgment of the relevant court, tribunal or arbitrator, or the imposition or terms of a notice specified in clause 8.3 above. In so far as proceedings under the Health and Safety at Work etc. Act 1974 are concerned the Territorial Limit shall be any place where the Act applies provided that the total Legal Costs and Expenses payable by the Insurer in any one Period of Insurance shall not exceed the annual limit of indemnity stated in the Schedule or in respect of any Period of Insurance which is less than one year the pro rata proportion of such annual limit.

##### **9. Exclusions applicable to Section 4**

The Insurer shall not be liable for any claim or indemnity under Section 4 in circumstances where:

- 9.1 prosecutions are deliberately or intentionally solicited by the Insured; or  
 9.2 an alleged offence involves dishonesty or intentional threatened or actual violence to the person of another by the Insured unless he is subsequently acquitted of such offence.  
 9.3 The Insured has pleaded guilty and/or admitted liability.

#### **Section 5 – Protection of licences**

##### **10. Limit of cover under Section 5**

10.1 The Cover under Section 5 is limited to Legal Costs and Expenses incurred by the Insured in relation to an appeal to the relevant statutory body Court or tribunal where the relevant Authority suspend revoke alter the terms of or refuse to renew the Insured's licence(s) provided that the amount payable by the Insurer under Section 5 in any one Period of Insurance shall not exceed the annual Limit of Indemnity stated in the Schedule or in respect of any Period of Insurance which is less than one year the pro rata proportion of such limit.

10.2 In Section 5 a licence means a licence issued under statute or statutory instrument or by the Government or Local Authority to the Insured where such licence is necessary to engage in the business or trade.

#### **Section 6 – Property legal protection**

##### **11. Limit of cover under Section 6**

The cover under Section 6 is limited to Legal Costs and Expenses incurred by the Insured in pursuing or defending the Insured's legal rights appealing or defending an appeal against judgement of the relevant Court, Tribunal or Arbitrator in respect of:

- 11.1 any negligent act or omission of a third party, or  
 11.2 any nuisance, trespass or criminal damage by a third party, or  
 11.3 a tort committed by a third party under the rule in Rylands v Fletcher which results or could result in physical damage to the Insured's Property and/or pecuniary loss to the Insured in relation to property owned by the Insured or for which the Insured is legally responsible provided that the amount payable by the Insurer under Section 6 in any one Period of Insurance shall not exceed the annual limit of indemnity stated in the

Schedule or in respect of any Period of Insurance which is greater or less than one year the pro rata proportion of such limit.

##### **12. Exclusions applicable to Section 6**

The Insurer shall not be liable for any claim for indemnity under Section 6 in respect of or arising from or relating to:

- 12.1 a contract made between the Insured and the third party;  
 12.2 goods in transit or goods lent or hired to third parties;  
 12.3 goods at premises other than those occupied by the Insured unless they are at such premises for the purpose of installation or use in work to be carried out by the Insured; or  
 12.4 mining subsidence

#### **Section 7 - Tax, VAT, PAYE and NIC Investigations**

##### **13. Limit of cover under Section 7**

The cover under Section 7 is limited to Professional Fees incurred by the Insured in respect of disputes with the Inland Revenue / HMRC arising from:

- Comprehensive Enquiries or In-Depth Investigations arising out of the Insured's tax affairs
- VAT Disputes
- PAYE Disputes
- NIC Disputes

##### **24. Exclusions applicable to Section 7:**

The Insurer shall not be liable for any claims for Indemnity under section 7 in respect of or arising out of :-

- 14.1 Aspect Enquiries less than £100 or in excess of £1000  
 14.2 Professional Fees in any claim involving criminal proceedings or alleged fraudulent evasion of tax, and any case dealt with by a Special Compliance Office, Boards Investigations Unit or any other special office of the Inland Revenue.  
 14.3 Claims which originate from any matter which existed before the Period of Insurance.  
 14.4 Disputes where the prospect of success is remote.  
 14.5 The costs of making good any deficiencies in books, records, accounts or returns including the costs of repairing a return.  
 14.6 Costs of appeals which have not been approved by the Insurer.  
 14.7 Any claim which occurs during the first 60 days of the first Period of Insurance.  
 14.8 Fees and Disbursements payable to an Accountant, firm of Accountants or person not approved of in writing by the Insurer.  
 14.9 Technical or routine treatment of matters not connected with or arising out of an expression of dissatisfaction of the Insured's affairs.  
 14.10 Pre notification costs

##### **15. Definitions for 7**

###### **15.1 Professional Fees**

Reasonable fees and disbursements incurred with the approval of the Insurer by the accountant, firm of accountants or other appropriately qualified person appointed and approved by the Insurer to act for the Insured.

Professional fees will include VAT where it cannot be recovered.

###### **15.2 Comprehensive Enquiry**

A comprehensive Enquiry is an extensive examination which considers all aspects of the self-assessment tax return. It will involve a comprehensive review by the Inspector of Taxes of all books and records underlying the entries made on the return.

###### **15.3 Aspect Enquiry**

An Aspect Enquiry is where the Inspector of Taxes enquires into one or more aspects of the self-assessment tax return which may involve clarification of particular entries, to detailed consideration of whether those entries have been treated correctly for tax purposes. It may involve a check on the records upon which the particular entries were based.

###### **15.4 In-Depth Investigations**

An In-Depth Investigation into a limited company is a fundamental review of the accounts and the underlying records as signalled by the issue of the form IR72 or otherwise stated.

### 15.5 VAT Dispute

A VAT dispute is a challenge by HM Customs & Excise of the accuracy or completeness of returns submitted.

### 15.6 PAYE Dispute

A PAYE dispute is a challenge by the Inland Revenue of the accuracy or completeness of returns submitted in accordance with Pay As You Earn regulations.

### 15.7 NIC Dispute

A NIC dispute is a challenge by the Contributions Agency of the accuracy or completeness of returns submitted in accordance with Social Security regulations.

## 16. Policy Definitions

### 16.1 Legal Costs and Expenses

'Legal Costs and Expenses' means the legal fees and costs and disbursements reasonably and properly incurred by the solicitor appointed by the Insurer under this policy, plus the legal costs awarded or otherwise payable by the Insured to the other party for a dispute accepted by the Insurer to be the subject of a claim under any operative section of this policy. Where the insured is registered for VAT, the policy will not pay the VAT element of the Legal Costs and Expenses. Payment of the VAT will be the responsibility of the Insured.

### 16.2 Time of Occurrence

'Time of Occurrence' means:

- a) in civil cases the time at which the cause of action occurred or commenced, whichever is the earlier in time; and
- b) in criminal cases the time at which the Insured or any other person insured under this policy commenced or is alleged to have commenced to violate the criminal law in question.

### 16.3 Insured Event

'Insured Event' means:

an event, act or omission giving rise to a claim for indemnity against the Insurer or entitling the Insured to a service from the Coverholder.

### 16.4 Period of Insurance

'Period of Insurance' means:

the Period of time specified on the schedule during which this Policy shall remain in force.

### 16.5 Limit of Indemnity

'Limit of Indemnity' means:

the annual limit of indemnity specified in the Schedule or where the Period of Insurance is less than one year the pro rata proportion of such limit.

### 16.6 Territorial Limits

'Territorial Limits' means the limits specified in the Schedule.

### 16.7 Building & Allied Trades

Businesses directly involved in or associated with the field of building and construction.

## Policy exclusions

### 17. General exclusions

The Insurer shall not be liable for any claim for indemnity in respect of or arising from or relating to:

17.1 an Insured Event reported to the Insurer more than 30 days after its Time of Occurrence unless the claim is in respect of a criminal prosecution;

17.2 an Insured Event reported to the Insurer outside the Period of Insurance

17.3 fees, costs and disbursements incurred prior to the written acceptance of a claim by the Insurer;

17.4 fines, penalties, compensation or damages which the Insured or any other person insured under this policy is ordered to pay by the relevant court, tribunal or arbitrator except as covered under Section 2 above;

17.5 any prosecution, contract, act or omission which arises from or relates to the ownership, hiring or use of a motor vehicle by the Insured or any other person insured under this policy;

17.6 any contract where the cause of action arises within the first 90 days of the first Period of Insurance under the relevant section of this policy;

17.7 a shareholding or partnership share in any company insured by this policy, unless such shareholding or partnership share was acquired under a scheme open to all employees of the Insured or a substantial number of them of a certain minimum grade, other than the directors or partners of the Insured;

17.8 patents, copyrights, trademarks, merchandise marks registered designs, intellectual property, secrecy and confidentiality agreements.

17.9 a) ionising radiations or contamination by radioactivity from an irradiated nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

b) any radioactive toxic explosive or other hazardous properties of any nuclear assembly of component thereof

c) riot civil commotion war invasion acts of foreign enemies hostilities (whether war be declared or not) civil war rebellion revolution insurrection military or usurped power or confiscation nationalisation requisition destruction or damage to property by or under the order of any government.

### 18. Delay and improper instructions

The Insurers shall not be liable for any claims for indemnity where the Insured or any person insured under this policy:

18.1 pursues or defends a case without the Insurer's consent or contrary to or in a different manner from that advised by the appointed solicitor; or

18.2 fails to give proper instructions in due time to the appointed solicitor or counsel appointed by him; or

18.3 is responsible for delay which in the Insurer's reasonable opinion is prejudicial to his case.

### 19. Bankruptcy of the Insured

The Insurer shall not be liable for any claim for indemnity when the

Insured is bankrupt, or has made an arrangement with his creditors, or has entered into a deed of arrangement or, is in liquidation or part or all of the Insured's affairs or property are in the care or control of a receiver.

## Conditions

### 20. Presentation of claim

When presenting a claim under this policy the Insured must give the Insurers full written details of the Insured Event and provide such proofs, supporting evidence and other information as the Insurer may require.

### 21. Prospects of success

The Insurer shall accept a civil claim if it is covered under this policy provided that it offers reasonable prospects for the recovery of damages or other remedy or for a successful defence and that the costs of pursuing the action do not exceed the value of the claim. The Insurer may discontinue indemnity if during the course of the claim it considers that such prospects no longer exist. If the Insurer either refuses to accept or discontinue a claim it shall inform the Insured of its reasons which, shall be final.

### 22. Representation

22.1 The Insurer reserves the right through its agents or solicitors to take over and conduct in the name of the Insured the prosecution, pursuit or defence or settlement of any claim or proceedings save in the event of any conflict of interest arising between the interests of the Insurer and the Insured in which event the Insured shall be free to choose a lawyer to serve his interests.

22.2 When presenting a claim the Insured should notify the Insurer of the solicitor whom he wishes to act for him.

22.3 The Insured may in any event request the Insurer to nominate a solicitor to act for him and the Insured and/or any other person insured by this policy.

22.4 Prior to the Insurer's acceptance of the Insured's nomination of a solicitor, the Insurer shall be entitled but not bound to instruct a solicitor, or if the Insured fails to nominate a solicitor, the Insurer shall be entitled but not bound to instruct a solicitor on behalf of the Insured and/or any other person insured by the policy if it considers this necessary to safeguard the Insured and/or such other person's immediate interests.

22.5 If the Insured wishes to appoint their own solicitor then the solicitor nominated must agree to our terms and conditions, which will be provided at the time of nomination.

22.6 The appointment of a solicitor nominated by the Insured will only be approved in the event that court proceedings have been commenced and the Insured has complied with the policy terms and conditions.

22.7 The appointment of a solicitor nominated by the Insured will incur an excess of £500. This excess is in addition to any other excess payments due under the policy.

### 23. Control of claim

23.1 The Insurer shall have direct access to the appointed solicitor or accountant at all times and the Insured shall co-operate fully with the Insurer in all respects and shall keep the Insurer fully and continually informed of all material developments in the legal representation or proceedings. At the Insurer's request the Insured shall instruct the appointed solicitor or accountant to produce to the Insurer immediately any documents, information or advice in his possession, and further shall give him such other instructions in relation to the conduct of his claim as the Insurer may require.

23.2 Legal Costs and Expenses relating to an expert witness called on behalf of the Insured will be covered by the Insurer only if it has given prior written approval of the appointment of such witness.

23.3 The appointed solicitor or the Insured shall inform the Insurer immediately in writing of any offer or payment into court made with a view to settling the claim. No agreement to settle which may result in a claim for indemnity under this policy is to be made without the Insurer's prior approval. If any offer or payment into court is not accepted by the Insured but the amount thereof is equal to or in excess of the total damages eventually recovered by him the Insurer shall have no liability in respect of any further Legal Costs and Expenses or attendance expenses unless upon being notified of the offer or payment into court the Insurer agreed to the continuation of the proceedings.

23.4 If in any proceedings the Insured is not successful in his claim or defence no appeal or other proceedings will be covered unless the Insurer is notified in writing of the intention to appeal no later than 6 clear days before the time for making an appeal expires and the Insurer considers that there are reasonable prospects of such appeal succeeding.

23.5 At the Insurer's request the Insured shall require the appointed solicitor to have the Legal Costs and Expenses taxed, assessed or audited by the relevant court or tribunal.

23.6 If for any reason the appointed solicitor or accountant refuses to act for the Insured or if the Insured withdraws his claim from the appointed solicitor or accountant, then the Insurer's liability will cease forthwith unless in its absolute discretion it agrees to the appointment of another solicitor or accountant to continue with the claim.

23.7 If the Insured withdraws from the claim without the prior agreement of the Insurer then the Legal Costs and Expenses and attendance expenses will become the responsibility of the Insured, and the Insurer will be entitled to be reimbursed by the Insured for any costs paid or incurred during the course of the claim including any Legal Expenses and attendance expenses the Insurer considers it is obliged to pay on the Insured withdrawing from the claim.

### 24. Arbitration

In the event of any dispute arising the Insured may ask for the dispute to be considered by an independent arbitrator agreed upon by both parties or failing agreement one who is nominated by the President of the local Law Society or appropriate professional body. All costs of the arbitration shall be met in full by the party against whom the decision is made.

### 25. Payment of costs

All accounts for Legal Costs and Expenses and attendance expenses payable under this policy shall be submitted to the Insurer immediately.

### 26. Recovery

The Insured shall take, at the Insurer's expense, every available step to recover from third parties Legal Costs and Expenses payable under this policy and such Legal Costs and Expenses shall be paid to the Insurer.

### 27. Alteration of risk

The Insured shall notify the Insurer immediately of any alteration in risk which materially affects this insurance.

### 28. Contribution

If at the time of any occurrence or claim there is or but for the existence of this policy would be any other policy of indemnity or insurance in favour of or effected by or on behalf of the Insured applicable to such occurrence or claim the Insurer shall not be liable under this policy to indemnify the Insured in respect of such occurrence or claim except in respect of any excess beyond the amount which would be payable under such indemnity or insurance had this policy not been effected.

### 29. Cancellation

We hope you are happy with the cover this policy provides. However, You have the right to cancel it within 14 days of inception of the policy, without giving any reasons. Cancellation must be in writing to us at Composite Legal Expenses, Suffolk House, Trade Street, Cardiff CF10 5DT. The Insurer may cancel the policy at any time by sending 30 days written notice by recorded delivery post and in such event the Insured shall be entitled to a return of a proportionate part of the premium corresponding to the unexpired Period of Insurance.

Such cancellation shall not prejudice the rights of the Insured, or any other person insured by this policy, in respect of any Insured Event occurring prior to the date of cancellation.

### 30. Adjustment of provisional premium

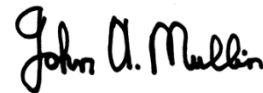
30.1 If the premium has been calculated on estimates given by the Insured, the Insured shall keep an accurate record containing all relevant particulars which shall be available to the Insurer for inspection.

30.2 Within one month of expiry of each Period of Insurance the Insured shall supply to the Insurer an accurate statement in the form required so that the premium for that period can be calculated and the difference paid by or allowed to the Insured subject to the Insurers retaining any minimum premium specified in the policy.

30.3 Should the Insured fail to supply such a statement within one month of the expiry of the Period of Insurance the Insurer shall be entitled if it so wishes to charge an additional premium in respect of that Period of Insurance.

### 31. The Law

The Law applicable to this policy shall be English Law and the parties hereby agree to submit to the jurisdiction of the Courts of England and Wales.



Signed by:

Managing Director

Composite Legal Expenses Limited

### Complaints Procedure

AmTrust are committed to providing You with a first class service at all times. If, however, You are not happy with any part of the service You have received then You should initially contact the Coverholder at the address below.

The Managing Director, Composite Legal Expenses Ltd, Suffolk House, Trade Street, Cardiff CF10 5DT.

Finally, if the matter still remains unresolved once the above have been contacted, you can, subject to qualifying criteria, approach The Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR. Tel: 0845 0801800.

AmTrust is authorised and regulated by the Financial Services Authority and is a member of the Association of British Insurers (ABI). You may be entitled to compensation from the Financial Services Compensation Scheme in the event that the insurer is unable to meet its liabilities.