



Commercial Combined Policy Wording

In The Event of a Claim

The Insured must not negotiate, deny or admit any claim without our written permission.

When an event happens that is likely to result in a claim, under the policy, the Insured, or any other person covered by the policy must;

- a. take all reasonable precautions to prevent further loss, damage, injury, illness or liability;
- b. inform the police immediately if property is lost, stolen or maliciously damaged;
- c. notify the Insurer immediately of the event by telephoning
 - 02086 807254 for all Employers', Public and Products Liability Claims
 - 08448 562028 for all other claims;
- d. provide the Insurer with full written details of the event within 30 days of learning that the event happened;
- e. supply the Insurer with all information and assistance as we may reasonably require;
- f. allow the Insurer to use any legal rights held by the Insured, or held by any other party covered by the policy
- g. allow the Insurer to negotiate, defend or settle the claim;
 - i. In name of the Insured or on behalf of the Insured;
 - ii. In the name of and on the behalf of any other party covered by the policy;
- h. immediately send the Insurer any claim, writ, summons or other proceedings such as an impending prosecution or inquest the Insured may become aware of;
- i. as far as possible preserve any products, plant, appliances or other items which might prove necessary or necessary as evidence until we have had an opportunity of an inspection

Your Right To Complain

Every effort is made to ensure you receive a high standard of service. If you are not satisfied with the service you have received, you should contact:-

Customer Relations Manager
AIG Europe Limited
2-8 Altyre Road
Croydon
CR9 2LG
Email: uk.customer.relations@aig.com

To help the Insurer to deal with your comments quickly, please quote your Policy/Claim Number and Policyholder/Insured Name. We will do our best to resolve any difficulty directly with you, but if we are unable to do this to your satisfaction you may be entitled to refer any dispute to the Financial Ombudsman Service who will review your case. The address is:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme in the unlikely event that we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Further information is available from the FSCS.

Financial Services Compensation Scheme
7th Floor Lloyds Chambers
Portsoken Street
London E1 8BN
Telephone: 0207892 7300
Fax: 020 7892 7301
E-mail: enquiries@fscs.org.uk

June 2016



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Definitions Applicable to all Sections

Business	means the business set out in the Statement of Fact.
Damage	means physical loss or destruction of, or damage to, tangible property.
Insurer	means AIG Europe Limited.
Insured	means the party referred to in Item 1 of the Schedule.
Insured Person(s)	means any director, partner, or employee of the Insured and, where the Insured is a sole proprietor of the business, the Insured or principal
Period of Insurance	means the period set out in the schedule.
Policy Territory	means: In respect of sections 1, 2 and 4 Great Britain, Northern Ireland, Isle of Man and the Channel Islands. In respect of section 3 Employers Liability Great Britain Northern Ireland, Isle of Man and the Channel Islands. Public and Products Liability anywhere in the world other than a) the United States of America its territories and possessions or Puerto Rico but only in respect of claims arising out of (i) Products exported with the knowledge of the Insured to the United States of America its territories and possessions or Puerto Rico (ii) any operation or premises of the Insured in the United States of America its territories and possessions or Puerto Rico b) Canada but only in respect of claims arising out of any operation or premises of the Insured in Canada c) any country or territory where (i) any government embargo or sanction prohibits the Insured from trading or (ii) any government embargo or sanction prevents the Company from providing insurance or (iii) Legal Proceedings are brought to enforce an award or judgement made in the places specified in a) and c) (i) and (ii) hereof whether by way of reciprocal agreement or otherwise
Premises	means the premises referred to in the Statement of Fact.
Statement of Fact	means the record of information the Insured or their broker have provided to the Insurer and on which this Policy is based. The Insured is not required to sign the Statement of Fact but should read it carefully and verify that all the information contained within it and the Schedule is correct. If any information is incorrect the Insured must notify their broker immediately and obtain a revised Statement of Fact and/or Schedule. It is essential that all information provided by the Insured is accurate and true to the best of the Insured's knowledge and belief. If any of the information is inaccurate or untrue it may entitle the Insurer to avoid the policy, may impact the terms of the cover or may mean that a claim is not paid or is not paid in full. The Insured has a duty to disclose all material information or sufficient information to put a prudent insurer on notice that further enquiries are needed. A material fact is one which will influence the judgement of a prudent insurer in determining whether to take the risk and if so on what terms. If the Insured is in any doubt as to whether information is relevant and should be disclosed they should contact their broker.
The Policy	means the Material Damage, Business Interruption, Employers' Liability, Public and Products Liability, and Management Protector sections contained herein.

The definitions of Insurer, Insured and Period of Insurance for the purposes of Section 4B (Management Protector - Commercial Legal Expenses) are set out in that Section along with additional definitions applying only to that Section.

See also Definitions applicable to individual sections of The Policy.



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SECTION 1

Material Damage (“All Risks”)

Insuring Agreement

In the event of Damage to the Property Insured (or any part thereof) by an Insured Event, the Insurer will by payment or at its option by reinstatement or repair indemnify the Insured for such Damage. The sums insured under this Section include costs and expenses, other than where the costs and expenses arise from pollution of or contamination to the Property Insured. Costs and expenses necessarily incurred by the Insured with the consent of the Insurer in:-

1. removing debris, from the site of such property Damaged and the area immediately adjacent to such site,
2. dismantling and/or demolishing,
3. shoring up or propping,
4. the clearing of drains and sewers,

will be paid as part of the sum insured up to an amount not exceeding 10% of the sum insured.

Money Extension

The Insurer will, subject to the terms, conditions and exclusions to this Extension, and of the Material Damage section and the General Conditions and General Exclusions to the Policy, indemnify the Insured against Damage to

1. Money
2. safes or strong rooms which usually contain Money caused by theft or attempt thereat
3. Money from fixed collection, Limit £500 anyone Period of Insurance

Provided always that the Insured shall keep a complete account of Money in transit and on the Premises.

Definitions in respect of this Extension:

For the Purposes of this extension

1. Money shall mean cash, bank & currency notes, postal orders, cheques, bankers drafts, bills of exchange, unused units in postage stamp franking machines, postage stamps, revenue stamps, National savings certificates, National Insurance stamps, stamped or franked National Insurance Cards, Holiday-with-pay stamps, Premium Savings bonds, luncheon Vouchers, trading stamps, credit card sales vouchers, consumer redemption vouchers, National Health Prescriptions and gift tokens accepted by the Insured and VAT purchase invoices, all pertaining to the business and belonging to the Insured or for which you are responsible
2. Business Hours shall mean any time an Insured Person(s) with responsibility for Money are in the business portion of the Insured's premises for the purposes of the Insured's Business

Special Conditions in respect of this Extension:

It is a condition precedent to liability that

1. in respect of loss of Money from a locked safe or locked strong room that all keys (except those deposited with a bank) for safes and strong rooms containing and notes of combination locks letters and numbers must be held in the personal custody of an authorised key-holder or removed from the premises.
2. Money in transit outside the Premises is to be accompanied by the following number of able bodied adults during transit and until disbursement, except when in bank night safe:

i. up to £2,500	1 able bodied adult
ii. £2,501 and £6,000	2 able bodied adults
iii. £6,001 and £12,500	3 able bodied adults
iv. over £12,500	by a security company approved by the Insurer.

Exclusions in respect of this Extension:

This Extension does not cover

1. Money taken from an unattended vehicle;
2. loss to the Insured due to the use of counterfeit Money;
3. shortage due to error or omission or resulting from a safe or strong room being opened by a key left on the Premises whilst closed for business

Personal Accident (Assault) Extension

If any Insured Person suffers Bodily Harm which results, within two years, in death or Disablement and such Bodily Harm shall have been sustained solely and directly as a result of robbery or hold-up or any attempt thereat while such Insured Person is engaged in the Business the Insurer will subject to the terms, conditions and exclusions to this Extension, and of the Material Damage section and the General Conditions and General Exclusions to the Policy, pay the Benefit stated on the Schedule to the Insured.

Definitions in respect of this Extension:

For the Purposes of this extension

1. Bodily Harm shall mean injury by outward violent and visible means which results in death or Disablement.
2. Disablement shall mean disablement which totally prevents an Insured Person from carrying out all parts of his usual occupation for the Insured. Disablement shall include Loss of Limb and Loss of Eye.
3. Loss of Eye shall mean total and irrecoverable loss of sight.
4. Loss of Limb shall mean permanent total loss of use of an entire hand, arm, foot or leg.



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Special Conditions in respect of this Extension:

It is a condition precedent to liability that

1.
 - i. Benefit shall not be payable in respect of any one Insured Person under more than one of the Benefits a) to c) in connection with the same incident.
 - ii. On the happening of any incident giving rise to a claim under Benefits a) to d) this Extension shall thereafter cease to apply in respect of the Insured Person
 - iii. There shall have been permanent total disablement for 104 weeks before Benefit c) becomes payable.
 - iv. The rate of weekly benefit shall not exceed the rate of the Insured Person's pre-accident weekly earnings.
 - v. No sum payable under this Extension shall carry interest.
 - vi. No Benefit shall be payable due solely to inability to take part in sports or pastimes.
2. All certificates, information and evidence required by the Insurer shall be furnished free of expense to and in the form prescribed by the Insurer. The Insured Person shall as often as required submit to medical examination on behalf of and at the expense of the Insurer in connection with any claim.
3. The Insured or the Insured's personal representatives' receipt shall discharge the Insurer. The Insured Person or the Insured Person's personal representatives shall have no right to claim from or sue the Insurer. If the Insured comprises more than one party having interest in the Insured Person the Benefit shall represent the total amount payable in respect of that Insured Person for all interests covered by this Extension.

Exclusions in respect of this Extension:

This Extension does not cover

1. Bodily Harm or death or Disablement consequent upon or contributed to by:
 - i. the Insured Person having any physical or mental defect or infirmity which was known to the Insured or the Insured Person at the inception of this insurance or prior to the latest renewal thereof and which had not been declared to and accepted in writing by the Insurer.
 - ii. Bodily Harm sustained by any Insured Person before attaining the age of fifteen years or after the expiry of the Period of Insurance during which such person attains the age of seventy years.
 - iii. Money from any amusement gaming machine or vending machine that as not been declared to ourselves prior to inception

Specified Items "All Risks" Extension

The Insurer will, subject to the terms, conditions and exclusions to this Extension, and of the Material Damage section, and General Conditions and General Exclusions to the Policy, indemnify the Insured in the event of Damage occurring world-wide to the Property Insured as specified in the Schedule.

Exclusions in respect of All Risks

This Extension does not cover:

1. Damage resulting from theft or attempted theft from any unattended vehicle owned or operated by the insured unless :
 - i. all doors , windows and other openings are left closed and securely locked and properly fastened
 - ii. entry or access to the vehicle has been effected by forcible and violent means
 - iii. from 9pm to 6am the vehicle is either garaged in a building which is securely closed locked or parked in a compound secured by locked gates, or in a guarded security park.
2. Damage contributed to, caused by or arising from riot, strike or civil commotion occurring outside Great Britain, the Channel Islands and the Isle of Man.

Goods In Transit Extension

The Insurer will, subject to the terms, conditions and exclusions to this Extension, and of the Material Damage section and the General Conditions and General Exclusions to the Policy, indemnify the Insured against the following within the Policy Territory :-

1. Damage to
 - i. Property Insured whilst in or on any road vehicle operated by the Insured or hauliers or by parcel post or by rail;
 - ii. tarpaulins sheets and ropes whilst being carried on any road vehicle operated by the Insured.
2. Expenses reasonably incurred in
 - i. the transfer of Property Insured to another vehicle and the delivery to the original destination within the Policy Territory or return to the place of despatch necessitated by fire, collision or overturning of any road vehicle operated by the Insured;
 - ii. the reloading on to any road vehicle operated by the Insured of any Property Insured which has fallen from such vehicle;
3. Costs reasonably incurred to minimise damage occurring whilst in Transit within the United Kingdom.



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Definitions in respect of this Extension

For the purpose of this Extension

1. Transit shall mean being carried from the time the Property Insured is lifted to the time it is unloaded at its destination including
 - i. loading and unloading;
 - ii. carriage on recognised "roll-on, roll off" vehicle ferries, provided no unloading or reloading of the vehicle is involved;
 - iii. whilst temporarily housed on or off the vehicle (excluding storage at a rental or arrangement for storage and distribution) in the course of the said carriage but excluding any installation, erection or testing.
2. Property Insured shall mean property of
 - i. the Insured; or
 - ii. third parties over which the Insured is exercising a lien; or
 - iii. third parties in which the Insured has some beneficial interest.

Special Conditions in respect of this Extension

It is a condition precedent to liability that

1. The valuation of the Property Insured covered hereunder shall be the actual invoice cost, including prepaid freight, together with such costs and charges since shipment as may have accrued and become legally due thereon and all premium under this Extension shall be paid on this basis. If there is no invoice, the valuation of the Property Insured hereunder shall be the actual cash market value of the Property Insured at the point of destination on the date of the Damage.
2. In case of Damage affecting labels, capsules or wrappers the Insurer if liable therefore under the terms of this Extension shall not be liable for more than an amount sufficient to pay the cost of new labels, capsules or wrappers and the cost of reconditioning the goods but in no event shall the Insurer be liable for more than the insured value of the damaged merchandise.
3. When the Property Insured under this Extension includes a machine consisting when complete for sale or use of several parts then in case of Damage covered by this insurance to any part of such machine the Insurer shall be liable only for the proportion of the said Damage which the insured value of the said part bears to the Insured value of the machine or at the Insurer's option for the cost and expenses, including labour and forwarding charges, of replacing or repairing the Damaged part but in no event shall the Insurer be liable for more than the insured value of the complete machine.
4. This insurance shall not insure directly or indirectly to the benefit of any carrier nor without the affirmative consent of the Insured to the benefit of any other bailee. The Insured may accept, without prejudice to this insurance, the ordinary value of bills of lading of carriers as provided in their tariffs; otherwise the Insured agrees not to enter into any special agreement with carriers or bailees releasing them from their common law or statutory liability. The

Insurer shall not be liable for any Damage which, without its written consent, has been settled or compromised by the Insured.

5. Cancellation of this Section of the Policy shall not prejudice coverage hereunder in respect of Property Insured which is in transit on the effective date of cancellation.
6. The Insurers will not make any payment under this Extension for theft from a vehicle where the vehicle has been removed by the thief unless the Insured proves that the vehicle has been fitted with an immobiliser and /or an alarm in efficient working order and duly operated whenever the vehicle is not attended
7. The Insurer will not make any payment under this Extension for theft from any vehicle not attended unless
 - i. all doors windows and other openings are left closed securely locked and properly fastened and
 - ii. entry or access to the vehicle has been effected by forcible and violent means.
8. The Insurer will not make any payment under this Extension for theft in respect of Property Insured left in or on any unattended vehicle from 9pm to 6am except where such vehicle is protected in accordance with the vehicle security requirements specified under this Extension and is either garaged in a building which is securely closed, locked or parked in a compound secured by locked gates, or in a guarded security park.

Exclusions in respect of this Extension

This Extension does not cover:

1. Damage:
 - i. caused by the Insured's improper packing and/or deliberate rough handling;
 - ii. caused by bending, denting, chipping, marring or scratching unless caused by fire, lightning, windstorm, flood, explosion, collision, derailment or overturning or stranding, burning or sinking of ferry or lighter;
 - iii. of or to export shipments which have been laden on board export conveyance or have come under the protection of marine insurance, whichever first occurs;
 - iv. of or to property carried by or despatched by the Insured for hire or reward;
 - v. due to insufficient labelling or incorrect addressing or failure to make proper and complete declarations required by carriers;
 - vi. to Property Insured in or on open vehicles owned or operated by the Insured caused by atmospheric or climatic conditions unless the Property Insured is protected by vehicle sheets;
 - vii. to Property Insured in any vehicle which is being used outside the normal course of the Business.
 - viii. of or to foodstuffs by tainting



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2.
 - i. loss of profit, loss of use or loss of market however caused;
 - ii. unexplained shortages;
 - iii. theft of portable telephones, computer hardware equipment, or telecommunications equipment whilst not under observation by at least one person, with a reasonable prospect of preventing any unauthorised interference;
 - iv. theft or attempted theft from a soft topped, open or curtain sided vehicle unless the vehicle is stolen at the same time.
- v. any condition or event inside such boilers or equipment; or
- loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such equipment.
If an initial Accident causes other Accidents, all will be considered one Accident. All Accidents that are the result of the same event will be considered one Accident.

Rent Payable Extension

The Insurer will, subject to the terms, conditions and exclusions to this Extension, and the Material Damage section and the General Conditions and General Exclusions to the Policy, indemnify the Insured for Rent where the Premises or any part thereof are unfit for occupation in consequence of:

1. Damage to the Premises, or
2. Damage elsewhere on or about the Premises.

The amount payable shall be the Rent payable during the time the Premises or any part thereof are unfit for occupation.

Definitions in respect of this Extension

For the purpose of this Extension

Rent shall mean periodic payments made by the Insured for the lease of the Premises.

Equipment Breakdown Extension

The Insurer will, subject to the terms, conditions and exclusions to this Extension, and the Material Damage and Business Interruption sections and the General Conditions and General Exclusions to the Policy, indemnify the Insured against loss caused by or resulting from an Accident to Covered Equipment.

Definitions in respect of this Extension

For the purpose of this Extension

1. Accident shall mean direct physical loss as follows:
 - i. electrical or mechanical Breakdown, including rupture or bursting caused by centrifugal force;
 - ii. artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
 - iii. Explosion or Collapse of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machine or apparatus (not being a boiler or economiser on the Premises) in which internal pressure is due to steam only and belonging to or under the control of the Insured;
 - iv. loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such boilers or equipment; or
2. Breakdown shall mean the actual breaking failure distortion or burning out of any part of the Covered Equipment whilst in ordinary use arising from defects in the Covered Equipment causing its sudden stoppage and necessitating repair or replacement before it can resume work; fracturing of any part of the Covered Equipment by frost when such fracture renders the Covered Equipment inoperative, or the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary.
3. Collapse shall mean the sudden and dangerous distortion (whether or not attended by rupture) of any part of the Covered Equipment caused by crushing stress by force of steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents).
4. Computer Equipment shall mean Property Insured that is electronic computer or other data processing equipment, including media and peripherals used in conjunction with such equipment.
5. Covered Equipment shall mean Property Insured built to operate under vacuum or pressure, other than weight of contents, or used for the generation, transmission or utilisation of energy.
None of the following is Covered Equipment:
 - i. structure, foundation, masonry, brickwork, cabinet, compartment or air supported structure or building;
 - ii. insulating or refractory material;
 - iii. sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
 - iv. water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
 - v. vehicle, aircraft, floating vessel or any equipment mounted on such vehicle, aircraft or floating vessel;
 - vi. dragline, excavation or construction equipment;
 - vii. equipment manufactured by the Insured for sale; or
 - viii. tools, dies, cutting edges, crushing surfaces, trailing cables, non metallic linings, driving belts or bands or any part requiring periodic renewal.
6. Explosion shall mean the sudden and violent rending of the Covered Equipment by force of internal steam or action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the Covered Equipment together with forcible ejection of the contents.
7. Media shall mean all forms of electronic, magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment.



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Additional Coverages in respect of this Extension

The following coverages also apply to loss caused by or resulting from an Accident to Covered Equipment. These coverages do not provide additional amounts of insurance.

1. Hazardous Substances

The Insurer shall be liable for the additional cost to repair or replace covered property because of contamination by a hazardous substance. This includes the additional expenses to clean up or dispose of such property. Hazardous substance means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency. Additional costs mean those beyond what would have been required had no hazardous substance been involved.

The Insurer shall not be liable for more than £10,000 for loss or damage under this coverage, including, if shown as covered, actual loss of Business Interruption sustained, and loss under Perishable Goods coverage.

2. Computer Equipment, Reinstatement of Data and Increased Costs of Working

A. The Insurer shall be liable under this extension for loss or damage caused by or resulting from an Accident to Computer Equipment. The liability of The Insurer in any one Period of Insurance shall not exceed £250,000 in respect of damage to Computer Equipment.

B. In addition the Insurer shall be liable for costs incurred in reinstating data lost or damaged in consequence of an Accident to Computer Equipment.

Provided that

- a liability is limited solely to the cost of reinstating data onto Media
- b The Insurer shall not be liable for any losses discovered later than six months after the loss was initiated
- c the liability of The Insurer shall not exceed £25,000 in respect of such costs
- d the Insurer shall not be liable for loss of or damage to software
- e the Insurer shall not be liable under this Additional Coverage for costs more specifically described under The Increased Costs Of Working coverage

C. In addition the insurer will pay reasonable costs necessarily incurred in minimising or preventing the resulting interruption or interference to the computer operations of the Insured. The total liability of The Insurer in any one Period of Insurance shall not exceed £25,000 in respect of such additional costs.

3 Expediting Expenses

With respect to damaged covered property, the Insurer shall be liable for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement. The Insurer shall not be liable for more than £50,000 for loss or damage under this coverage.

4 Deterioration of contents of deep freezers & refrigerators

This Policy covers Damage to goods in refrigeration compartments situated at the Premises by deterioration or putrefaction caused by:

- i. rise or fall in temperature as a result of breakdown, stoppage or failure from any inherent cause of the said appliance.
- ii. action of refrigerant fumes escaping from the said appliance.
- iii. failure of the public supply of electricity and/or gas due to any cause not following the deliberate act of the supply authority or the exercise by such authority of its power to withhold or restrict supply.
- iv. any other extraneous cause happening during the Period of Insurance referred to in the Schedule.

Provided that:

- i. The total liability of the Insurer shall not exceed £15,000 or as detailed in the Schedule whichever is the least
- ii. Any cabinet more than three years old is maintained under a service contract with a recognised refrigeration engineer.
- iii. The Insurer shall not be liable for loss caused by incorrect setting of thermostats or automatic controlling devices.

Special Conditions in respect of this Extension

It is a condition precedent to liability that

- 1. The Insured shall exercise due diligence in ensuring that insured items are properly maintained and used in accordance with manufacturers' recommendations and in taking reasonable precautions to prevent loss or damage.



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Exclusions in respect of this Extension

This Extension does not cover

1. loss or damage caused by or resulting from:
 - i. a hydrostatic, pneumatic, or gas pressure test of any boiler or pressure vessel; or an insulation breakdown test of any type of electrical equipment;
 - ii. any defect, virus, loss of data or other situation within media;
 - iii. lack of power, light, heat, steam or refrigeration that is caused by an Accident to property not at the insured premises, except as provided under Deterioration of contents of deep freezers & refrigerators coverage;
 - iv. depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions. But if loss or damage from an Accident results, the Insurer shall be liable for that resulting loss or damage;
 - v. fire (including fire resulting from an Accident); or water or other means used to extinguish a fire;
 - vi. explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere;
 - vii. any other explosion except as specifically provided in the definition of Accident;
 - viii. lightning; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; or sprinkler leakage;
 - ix. breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse; or molten material;
 - x. water damage (including water damage resulting from an Accident);
 - xi. flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; or
 - xii. any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, mudslide, earth sinking, tsunami or volcanic action.
2. In respect of any Insured whose Computer Equipment has a replacement value greater than £5,000, damage to such Computer Equipment caused by an Accident to that equipment unless the Insured has a maintenance agreement in force with the manufacturer or other approved company providing for:
 - i. free repairs to or replacement of the equipment following an Accident caused by any internal cause other than the negligence of the Insured; and
 - ii. preventive maintenance or adjustment of mechanical or moving parts.
3. loss or damage recoverable under the maintenance agreement or any warranty or guarantee, or which would be recoverable but for breach of the Insured's obligations under the agreement.
4. With respect to Business Interruption, any delay in resuming operations due to the need to reconstruct or re-input data or programs on media.

Definitions – Material Damage (“All Risks”)

1. Property Insured means the real and personal property described in the Schedule unless excluded
2. All Other Contents means:
 - i. documents, manuscripts, plans, designs and business books, but only for the value of the materials as stationery, together with the cost of clerical labour expended in writing up and not for the value to the Insured of the information contained therein;
 - ii. patterns, models and moulds, for an amount not exceeding £250,000;
 - iii. computer system records but only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to the Insured of the information contained therein, for an amount not exceeding £25,000;
 - iv. computer systems records, deeds and other documents (including stamps thereon), manuscripts, plans and writings of every description and books (written and printed) are held to be insured for an amount not exceeding £5,000 whilst temporarily removed to any premises not in the Insured's occupation and whilst in transit by road, rail or inland waterway all in the United Kingdom;
 - v. Prints, paintings, drawings, pieces of tapestry, sculptures, or other works of art for an amount not exceeding £1,000 in respect of anyone article;
 - vi. Personal Possessions of managers' principles' directors' partners' voluntary workers' and employees'. For this purpose “personal possessions” means personal articles worn used or carried about the person including instruments sports and other equipment and tools for use in connection with your business but excluding money securities and stamps, jewellery, articles of precious metal, furs and pedal cycles. For an amount not exceeding £1000 per person
3. Insured Event means any accidental physical cause occurring during the Period of Insurance, at the Premises or as otherwise provided for by Endorsement.
4. Money means money, stamps, cash, bank and currency notes, cheques, bankers' drafts, money orders, postal orders, traveller's cheques, bills of exchange, the prepaid value stored by any franking machine. Money shall also include crossed bankers' drafts, credit card sales vouchers, Premium Savings bonds, National Savings certificates, unused units in postage stamp franking machines, and VAT purchase invoices.

General Conditions – Material Damage (“All Risks”)

1. **Notice** – Notice shall be given by the Insured to the Insurer when any buildings forming part of the Property Insured become unoccupied.



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2. **Day One (Non - Adjustable)** – For the sum insured stated in items 1 & 2 of the Schedule the liability of Insurer shall in no case exceed 115% of the Declared Value in respect of each item. The Insured having stated in writing the Declared Value incorporated in each item to which this condition applies the premium has been calculated accordingly.
- i. “Declared Value” shall mean the Insured's assessment of the Cost of Reinstatement of the Property Insured arrived at in accordance the Reinstatement condition at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with, insofar as the insurance by the item provides due allowance for:-
 - a) the additional cost of reinstatement to comply with Public Authorities' requirements
 - b) Professional Fees
 - c) Debris Removal Costs
 - ii. At the inception of each Period of Insurance the Insured shall notify the Insurers of the Declared Value of the Property Insured by each of the said items. In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance.
 - iii. Special Provision iv of the Reinstatement condition is amended to read:-

Each item insured under this condition is declared to be separately subject to the following Condition of Average namely:-

If at the time of loss destruction or damage the Declared Value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph a] above) at the inception of the Period of Insurance then the Insurer's liability for any loss destruction or damage hereby insured shall be limited to that proportion thereof which the Declared Value bears to such cost of reinstatement
3. **Professional Fees** – The Insurer will meet legal and other professional fees reasonably and necessarily incurred in connection with the reinstatement of the Property Insured for an amount not exceeding 12.5% of the relevant sum insured and not in addition to the sum insured, but not those costs incurred in connection with the making of any claim under this insurance.
4. **Average** – The sums insured as stated in the Schedule are each separately subject to the following condition of average: If such sum shall at the commencement of any Damage be less than the total value of the Property Insured covered within such sum insured, the amount payable by the Insurer in respect of such Damage shall be proportionately reduced.
5. **Reinstatement** – In the event of Damage to buildings or machinery, the amount payable under this policy shall be the cost of reinstatement of the buildings or machinery Damaged, subject to the Special Provisions set out below. Reinstatement shall not include improving upon the condition of any property when new.
- Special Provisions**
- i. The reinstatement or repair shall be undertaken without unreasonable delay.
 - ii. When any buildings or machinery are damaged in part only the liability of the Insurer shall not exceed the sum representing the cost which the Insurer could have been called upon to apply for reinstatement if the said buildings and machinery had been wholly destroyed.
- iii. No payment beyond the amount which would have been payable pursuant to this clause if this condition had not been incorporated therein shall be made until the cost of reinstatement shall have been actually incurred.
 - iv. Each item insured under this condition is declared to be separately subject to the following Condition of Average, namely:-

If at the time of reinstatement the sum representing eight-five per cent of the costs which would have been incurred in reinstatement if the whole of the property by such item had been destroyed exceeds the relevant sum insured thereon at the time of any loss or at the commencement of any Damage to such Property Insured then the Insured shall be considered as being their own insurer for the difference between the relevant sum insured and the sum representing the cost of reinstatement of the whole of the Damaged Property Insured and shall bear a rateable proportion of the loss accordingly.
 - v. No payment which would otherwise be covered by this insurance shall be made if any claim or loss is recoverable under any other insurance unless in excess of the limit of that insurance. Where by reason of the above Special Provisions no payment is to be made beyond the amount which would have been payable pursuant to this clause if this condition had not been incorporated therein the rights and liabilities of the Insurer and the Insured in respect of the Damage shall be subject to the terms and conditions of this clause, including any Condition of Average therein, as if this condition had not been incorporated therein.
6. **Public Authorities** – The Policy covers in respect of buildings and machinery such additional cost of reinstatement of the Damaged property thereby insured as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Act of Parliament or with Bye-Laws of any Municipal or Local Authority, provided that:-
- i. the amount recoverable under this extension shall not include:-
 - a) the costs incurred in complying with any of the aforesaid Regulations or Bye-Laws under which notice has been served upon the Insured prior to the happening of Damage,
 - b) the amount of any rate, tax, duty development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-Laws.

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- ii. the work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve months after the Damage or within such further time as the Insurer may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws so necessitate) subject to the liability of the Insurer not being thereby increased.
 - iii. the total amount recoverable under this clause shall not exceed the relevant sum insured thereby except that for loss under this provision that is covered only by reason of the Equipment Breakdown Extension, the total amount recoverable under this provision shall not exceed £15,000.
7. **Disclosure of Interest** – The nature and extent of any interest of a party supplying property to the Insured under a hiring, leasing, or similar agreement shall be disclosed in the event of Damage.
 8. **Non-Invalidation** – This insurance shall not be invalidated by reason of anything being done or omitted to be done in respect of any portion of the Premises not occupied by the Insured, whether constituting an increase in risk or not, provided that when the Insured immediately they become aware thereof shall inform the Insurer and pay such reasonable additional premium as the Insurer may require.
 9. **Tenants' Improvements** – The insurance by each item covering contents, other than those applying to stock and materials in trade is understood to include tenants' alterations and improvements to landlord's property for which the Insured is responsible.
 10. **Fire Extinguishing Expenses** – This Policy will provide cover for the cost of replenishment and restitution of fire extinguishing appliances and fire detection equipment in whole or in part used in the process of minimising Damage incurred hereby.
 11. **Automatic Reinstatement of Loss** – The sums insured hereby (excluding those in respect of stock) shall be automatically reinstated following Damage by an Insured Event upon the Insured paying an appropriate additional premium provided that the Insurer may exercise its option under General Condition 1 (Cancellation Clause).
 12. **Keys & Locks** – The Insurers will pay all costs reasonably incurred by the Insured in the repair or replacement of mechanical door locks following theft of keys from the Premises, provided that the liability of the Insurer shall not exceed £1,500 for any one Insured Event.
 13. **Metered Water** – This Policy covers the costs for which the Insured is responsible in respect of loss of metered water. The amount payable in respect of any one Premises is limited to such excess water charges demanded by the water authority and resulting from the accidental escape of water from pipes apparatus or tanks. In consequence of an Insured Event and in no case exceeding £10,000.
 14. **Workmen** – Workmen may be contracted for the purpose of minor extensions or alterations, installations, maintenance and the like without affecting this policy.
 15. **Temporary Removal – Cleaning** – Subject to the following provisions, the Property Insured by this Section (other than Stock and materials in trade or merchandise if insured hereby) is covered whilst temporarily removed for cleaning, renovation or repair elsewhere on the same or to any other premises and in transit thereto and therefrom by road, rail or inland waterway in Great Britain and Northern Ireland. The amount recoverable under this extension in respect of each item of the Schedule shall not exceed the amount which would have been recoverable had the loss occurred in that part of the Premises from which the property is temporarily removed, nor, in respect of any loss occurring elsewhere than at the said Premises, 10 per cent of the sum insured or £10,000 whichever is the least, by the item after deducting therefrom the value of any Building (exclusive of fixtures and fittings) and Stock and Materials in Trade insured thereby; This extension does not apply to property if and so far as it is otherwise insured nor, as regards losses occurring elsewhere than at the Premises from which the property is temporarily removed, to:-
 - i. Motor vehicles and motor chassis licensed for normal road use
 - ii. Property held by the Insured in trust, other than machinery and plant.
 16. **Accidental Damage to Glass** – In the event of accidental Damage to fixed glass at the Premises for which the Insured is responsible the Insurers will indemnify the Insured up to a maximum limit of £5,000 for any one occurrence in respect of the cost of:
 - i. replacement of such glass with glass of a similar quality or as otherwise recommended by the current British Standard Code of Practice
 - ii. temporary boarding up necessarily incurred through breakage of the glass
 - iii. Damage to frames and framework of any description, the cost of silvering, embossing, lettering, bending or ornamenting glass, the cost of removing or replacing any Stock or Contents which may have to be removed to replace the glass up to a limit of £500. The Insurer will not make any payment for Accidental Damage:
 - a) to cracked or scratched glass
 - b) Damage resulting from repairs or alterations to the Premises or whilst the Premises are vacant or unoccupied.
 17. **Theft Damage to Buildings** – In respect of any building at the Premises not included in the Property Insured by this section the insurance by this section extends to include Damage sustained to any such building occupied by the Insured during the course of theft or any attempt thereat for which the Insured is liable for an amount not exceeding £10,000.
 18. **Seasonal Increase** – The sums insured under any stock item shown in the schedule are increased by 30% for the months of November, December and January in each year.
 19. **Underground Services** – The insurance by any item on the buildings extends to cover expenses necessarily and reasonably incurred in clearing, cleaning and/or repairing drains, gutters sewers, pipes, cables and telecommunication cables (which are the responsibility of the Insured) in consequence of any event hereby insured against the premises.

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20. **Electronic data processing media valuation** – Should electronic data processing media insured by this policy suffer physical loss or damage insured by this policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the Electronic Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such Electronic Data. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this policy does not insure any amount pertaining to the value of such Electronic Data to the assured or any other party, even if such Electronic Data cannot be recreated, gathered or assembled.
21. **Capital Additions** – The insurance by any item extends to included additions and extensions to the property insured (but not appreciation in value) made after the commencement of each annual period of insurance for an amount not excluding ten per cent of the sum insured or £500,000 whichever is the less on similar property addition under the relative item. It being understood that the value of any such addition will be declared as soon as practical the Insured will pay the appropriate additional premium from inception of the additional cover
22. **Trace and Access** – In the event of Damage resulting from escape of water or oil (following accidental damage to tanks apparatus or pipes) under an Insured Event the insurance extends to include costs necessarily and reasonably incurred in locating the source of the damage in order to effect repairs and the costs of making good. Limit £10,000 in respect of any one claim
23. **Fire Brigade Damage** – In the event of Damage caused by Fire Brigade equipment or personnel in the course of combating fire the insurance extends to include the costs necessarily incurred in reinstating or repairing landscape gardens and grounds. Limit £10,000 in respect of any one claim
24. **Contract Price** – In respect only of goods sold but not delivered for which the Insured is responsible, and with regard to which under the conditions of sale the sale contract is cancelled by reason of an Insured Event, either wholly or to the extent of the Damage, the liability of the Insurer shall be based on the contract price and for the purpose of average the value of goods to which this clause would in the event of Damage be applicable shall be ascertained on the same basis.
25. **Unoccupied premises** – whenever the Premises is not in normal occupation for more than 30 days the Insured must ensure that:
- i. gas, water and electricity mains supplies are disconnected and water heating systems are drained
 - ii. the premises are secured so as to prevent unauthorised entry by means of:
 - a) all locks, bolts and other protective devices being in full operation
 - b) all perimeter fences, walls and gates being kept in good condition
 - c) seal all letter boxes and openings
 - iii. all sources of fuel, waste, combustible materials and gas bottles are removed from both inside and outside the buildings and tanks of combustible liquids are drained
- iv. a representative of the Insured carries out an internal physical check of the premises at least every 7 days and ensures that any deficiencies are made good forthwith. In the event of the premises being unoccupied for more than six months, the Insured must ensure that all ground level windows and doors, save for one door to allow access by the Insured be bricked or boarded-up.
26. **Minimum Security** – The Insured must ensure that
- i. All final exit doors are secured as follows:
 - a) On all timber doors the frames to be at least 45mm thick and to be secured by mortice deadlocks which conform to British Standard 3621 : 1980 Specification for thief resistance locks
 - b) The first closing leaf of double leaf doors to be fitted with bolts top and bottom
 - c) All aluminium framed doors to be fitted with a swing bolt type mortice lock
 - d) Windows - all opening sections of external ground floor windows and all other windows which are accessible from roofs fire escapes or downpipes to be fitted with key operated locks or bars or grilles.

When the premises are closed for business
 - ii. All other external doors and internal doors leading to common areas or other premises, are secured as follows
 - a) by the means set out in 1., or
 - b) by key operated security bolts fitted top and bottom

Any door or window officially designated a fire exit by the fire authority is excluded from this condition.
27. **Flat Roof** – The Insured must ensure that:
- i. any flat felted roof, or part thereof of the premises shall be inspected at least once every two years by a professionally qualified builder or property surveyor and any defect identified by that inspection be repaired immediately.
 - ii. any guttering is checked for blockages or defects by a competent person at inception or renewal and at six monthly intervals thereafter, any remedial action required to be implemented immediately.
 - iii. a record of all inspections shall be made and retained by the insured.
28. **Portable Space Heaters** – The Insured must ensure that any portable space heater:
- i. will not be sited in passageways and other places where they are liable to be overturned or subject to mechanical damage
 - ii. will not be sited in areas where flammable atmospheres are present
 - iii. will not be sited on combustible floors or surfaces
 - iv. will be kept clear of combustible materials and be provided with a guard to maintain a clear space of at least 1 metre.



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Exclusions – Material Damage (“All Risks”)

The Insurer shall not be liable, under this Section, to make any payment in respect of:

1. Consequential loss of any kind or description.
2. Damage:-
 - a. to fences and gates and loose or moveable property stored in the open by theft or any weather condition (other than lightning) or dust, and to stock in the open other than as a result of fire, lightning, aircraft, and explosion.
 - b. to vehicles licensed for road use (including accessories), caravans, trailers, railway locomotives and/or rolling stock, watercraft or aircraft other than mechanically propelled plant whilst at the Premises.
 - c. to any part of the Property Insured which is being worked upon directly resulting therefrom or caused by any testing, repairing, adjusting, servicing or maintenance operation save as specifically covered by the Equipment Breakdown Extension. This exclusion shall not apply to resulting loss or damage to other Property Insured.
 - d. to livestock, growing crops or trees.
 - e. to jewellery, precious stones, precious metals, bullion, furs, curiosities, antiques, rare books or works of art.
 - f. to land, excavations, piers and jetties, bridges, culverts, roads or pavement.
 - g. to property or structures in the course of construction, erection or installation.
 - h. to any portion of electrical apparatus or electrical installation directly caused by a leakage of electricity or excessive pressure therein or by its own short-circuiting or over-running, other than destruction or damage by fire resulting from such causes save as specifically covered by the Equipment Breakdown Extension.
 - i. caused by pollution or contamination but this shall not exclude destruction of or damage to the Property Insured, not otherwise excluded, caused by
 - a) pollution or contamination which itself results from a peril hereby insured against
 - b) any peril hereby insured against which itself results from pollution or contamination.
 - j. to property in transit (save as specifically covered by any extension to this section).
 - k. to money, cheques, stamps, bonds, credit cards, securities of any description (save as specifically covered by any extension to this section).
3. Damage caused by:-
 - a. infidelity or dishonesty of the Insured or any Insured Person or any of his agents or other persons to whom Property Insured hereunder may be entrusted (except loss of Money discovered within 7 days) nor Damage resulting from the Insured voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme, trick, device or false pretence, nor any unexplained loss, mysterious disappearance or loss or shortage disclosed on taking inventory.
 - b. misfiling or misplacing of information.
 - c. explosion occasioned by the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machine or apparatus (not being a boiler or economiser on the Premises) in

which internal pressure is due to steam only and belonging to or under the control of the Insured, save as specifically covered by the Equipment Breakdown Extension; unless Damage by an event not otherwise excluded in this Section ensues and then the Insurer shall be liable only for such ensuing Damage.

- d.
 - a) collapse or cracking of buildings or other structure
 - b) delay, loss of market, gradual deterioration, inherent vice, latent defect, insects of any kind, vermin, marring and scratching, ordinary wear and tear, dampness or dryness of atmosphere, extremes or changes of temperature or humidity, smog, shrinkage, evaporation, loss of weight, rust, wet or dry rot, corrosion, change in colour or texture or flavour or finishbut this shall not exclude Damage if resulting from an event which is not otherwise excluded.
- e. magnetic or electrical injury or disturbance to data processing media or erasure or disturbance of electronic records or distortion or corruption of information on computer systems or other records, programmes or software save as specifically covered by the Equipment Breakdown Extension.
- f. solidification of the contents of molten material holding units, molten material transmission lines and/or appurtenances.
- g. enforcement of any ordinance or law regulating the construction, repair or demolition of the Property Insured except as provided for in the Public Authorities condition attached hereto.
- h. water or other fluids causing damage to stock if such stock is not on racks, shelves, pallets and/or stillages at least four inches above floor level.
- i. cracking, fracturing, collapse or overheating of boilers, economisers, vessels, tubes and pipes, nipple leakage and/or failure of welds or boilers save as specifically covered by the Equipment Breakdown Extension.
- j. bursting, overflowing, discharging or leaking of water tanks, apparatus or pipes (unless the water be turned off at the mains) and malicious damage when the Premises are not in normal occupation for a period of more than 30 days.
- k. faulty or defective design, materials, workmanship or errors or omission in processing or operation.
 - a) mechanical or machinery breakdown or electronic or electrical breakdown or derangement save as specifically covered by the Equipment Breakdown Extension.
 - b) interruption of the power or other utility service supplied to the Premises if such interruption occurs away from the Premises, save as specifically covered by the Equipment Breakdown Extension. Unless Damage by an event not otherwise excluded by this Exclusion 3K ensues and then the Insurer shall be liable only for such ensuing Damage.
- l. changes in the water table level and caused solely by such changes.
- m. subsidence, landslip or heave.



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- n. normal settlement or bedding down of new structures, cracking, shrinkage or expansion of pavements, foundations, walls, floors or ceilings.
- o. theft other than theft involving entry to or exit from the Premises by forcible and violent means or attempt thereat, except to property as covered under any Money, Specified All Risks, or Goods in Transit extensions herein;
 - a) in consequence of assault and / or violence or any threat thereof.
- 4. Damage caused by storm, tempest, flood, burst pipes or malicious acts whenever the Premises are not in normal occupation for a period of more than 30 days.
- 5. Property more specifically insured



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SECTION 2

Business Interruption (“All Risks”)

Insuring Agreement

In the event of the Business carried on by the Insured at the Premises being interrupted or interfered with the Insurer will pay to the Insured in respect of each Item specified in the Schedule the amount of loss resulting from such interruption or interference up to the limits stated in the Schedule provided that at the time of the happening of an Insured Event there shall be in force insurance under Section 1 of this Policy or otherwise and that payment shall have been made (or would have been made apart from the application of any excess or deductible) or liability admitted therefore under such insurance.

Loss of Gross Profit

Notwithstanding anything herein contained to the contrary, the liability of the Insurer shall in no case exceed in respect of Item 1 - Gross Profit - 133.33% of the estimated Gross Profit stated herein

The Insurance under Item no 1 is limited to loss of gross profit due to a) reduction in turnover b) increase in cost of working, and the amount payable as indemnity thereunder shall be:-

- i. in respect of reduction in turnover: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the Damage under Section 1 fall short of the Standard Turnover
- ii. in respect of increase in cost of working: the additional expenditure (subject to the provisions of the Uninsured Standing Charges clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for the expenditure would have taken place during the Indemnity Period in consequence of the Damage under Section 1, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided,

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

In the event of loss arising from an event insured under the Equipment Breakdown Extension of Section 1 the Insurer shall be liable for not more than £50,000 in respect of any one occurrence

Increased Cost of Working

The Insurance under this section is limited to increased cost of working and the amount payable as indemnity thereunder shall be the additional expenditure necessarily and reasonably incurred by the Insured during the Indemnity Period in order to minimise any interruption of or interference with the Business in consequence of the Damage up to the Sum Insured stated in the Statement of fact.

In the event of loss the Insurer shall be liable for not more than one third of the Sum Insured hereunder in respect of such additional expenditure arising in the first quarter of the Maximum Indemnity Period following the date of the Damage nor more than an equal proportion of the balance of the Sum Insured per month in respect of the additional expenditure in the remainder of the Maximum Indemnity Period.

Loss of Rent Receivable

The Insurance under Item No 2 is limited to (a) loss of Rent Receivable and (b) increase in cost of working and the amount payable as indemnity thereunder shall be:-

- i. in respect of loss of Rent Receivable: the amount by which the Rent Receivable during the Indemnity Period shall in consequence of the Damage under Section 1 fall short of the Standard Rent Receivable
- ii. In respect of increase in cost of working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Rent Receivable which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage under Section 1, but not exceeding the amount of the reduction in the Rent Receivable thereby avoided, less any sum saved during the Indemnity Period in respect of such of the expenses and charges of the Business payable out of the Recent Receivable as may cease or be reduced in consequence of the Damage under Section 1 provided that if the sum insured by this item be less than the Annual Rent Receivable (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.



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Loss of Book Debts

If the Insured's books of account or other business books or records at the Premises be subject to Damage under Section 1 and the Insured in consequence thereof be unable to trace or establish the Outstanding Debit Balances in whole or in part then the Insurer will pay to the Insured the amount of loss resulting from such Damage under Section 1 in accordance with the provision herein contained. The insurance by Item 3 of the Schedule in respect of Business Interruption is limited to:

1. outstanding debit balances as set out in the Insured's books of account reduced by the amounts received or traced in respect thereof and bad debts, and further adjusted for
 - i. amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the Insured's books of account at the time of the Damage under Section 1) during the period between the date to which the said last amount declared relates and the date of the Damage under Section 1;
 - ii. any abnormal condition of trade or special circumstances affecting the Business either before or at the time of the Damage under Section 1;
2. the additional expenditure necessarily and reasonably incurred in consequence of the Damage under Section 1 in tracing or establishing debit balances after the Damage under Section 1; provided that if the sum insured by this item be less than the debit balances the amount payable shall be proportionately reduced.

Clauses – Business Interruption (“All Risks”)

1. **Alternative Premises Clause** – If during the Indemnity Period the Business can or shall be conducted elsewhere than at the Premises or if goods can or shall be sold or services can or shall be rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on their behalf the money paid or payable in respect of such other premises or sales or services shall be brought into account in arriving at the Turnover or Gross Profit or Rent Receivable during the Indemnity Period.
2. **Uninsured Standing Charges Clause** – If any standing charges of the Business are not insured by this Section (having been deducted in arriving at the Gross Profit) then in computing the amount recoverable hereunder as increase in cost of working that proportion only of any additional expenditure shall be brought into account which the Gross Profit bears to the sum of the Gross Profit and the uninsured standing charges.

3. Premium Adjustment Clause

- i. Provisional Premium – the first and annual premiums in respect of Gross Profit are provisional and are based on the Estimated Gross Profit.
- ii. Declaration – The Insured shall provide to the Insurer not later than six months after the expiry of each Period of Insurance a declaration certified by the Insured's auditors of the Gross Profit earned during the financial year most nearly concurrent with the Period of Insurance.
- iii. Adjustment – If any Damage shall have occurred giving rise to a claim for loss of Gross Profit the above mentioned declaration shall be increased by the Insurer for the purpose of premium adjustment by the amount by which the Gross Profit was reduced during the financial year solely in consequence of the Damage. If the declaration (adjusted as provided for above and proportionately increased where the Maximum Indemnity Period exceeds 12 months) -
 - a) is less than the Estimated Gross Profit for the relative Period of Insurance the Insurer will allow a pro rata return of the premium paid on the Estimated Gross Profit but not exceed 50% of such premium;
 - b) is greater than the Estimated Gross Profit for the relative Period of Insurance the Insured shall pay a pro rata addition to the premium paid on the Estimated Gross Profit.

4. **Payments on Account Clause** - Payments on account may be made to the Insured during the Indemnity Period at the discretion of the Insurer but in no case shall any payment exceed the Insurer's liability in respect of reduction in Turnover for each Item for the period in respect of which payment is to be made.

5. **Departmental Clause** - If the Business be conducted in departments the independent trading results of which are ascertainable, the provisions of Clauses (a) and (b) of the item on Gross Profit shall apply separately to each department affected by the Damage except that if the sum insured by the said item be less than the aggregate of the sums produced by applying the rate of Gross Profit for each department of the Business (whether affected by the Damage or not) to its relative Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

Extensions – Business Interruption (“All Risks”)

Subject to the terms, conditions and exclusions to this Extension and of the Business Interruption section and the General Conditions and General Exclusions to the Policy, and provided that, after the application of all other terms of this Section 2, the total liability under this extension in respect of any one occurrence shall not exceed the sum insured stated in item 5 of the schedule, cover is extended under Section 2 as follows:



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Loss resulting from interruption of or interference with the Business in consequence of Damage in the undernoted situations or to property as undernoted shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises:

1. **Patterns, Jigs etc...** - Patterns, jigs, models, templates, moulds, dies, tools, plans, drawings and designs, the property of the Insured or held by them in trust for which they are responsible, whilst at the premises of any machinery makers, engineers, founders or other metal workers (excluding any premises wholly or partly occupied by the Insured) or whilst in transit, all in Great Britain or Northern Ireland. The total liability under this extension in respect of any one occurrence shall not exceed the sum insured stated in item 5 of the schedule
2. **Transit** – Property of the Insured whilst in transit in Great Britain or Northern Ireland. The total liability under this extension in respect of any one occurrence shall not exceed the sum insured stated in item 5 of the schedule
3. **Prevention of Access** – Property in the vicinity of the Premises, Damage to which shall prevent or hinder the use of the Premises or access thereto, whether the Premises or property of the Insured therein shall be damaged or not, but excluding Damage to property of any supply undertaking from which the Insured obtains electricity, gas or water or telecommunications services which prevents or hinders the supply of such services, to the Premises. The total liability under this extension in respect of any one occurrence shall not exceed the sum insured stated in item 5 of the schedule
4. **Failure of Public Utilities** – Accidental total or partial failure of water, gas, electricity, telecommunications or data transmission services at the terminal end of the service feed to the Premises of the Insured in consequence of Damage. Provided that the Insurer will not be liable
 - i. where such failure is for a period of less than six hours.
 - ii. as a result of any fault in any part of the installation of the Insured at the Premises
 - iii. for any loss as a result of Damage not within the Territorial Limits
 - iv. for any loss as a result of Damage to or of any satellite or non-land based system
 - v. for any loss sustained after 1 month from the commencement of the failure.
 - vi. The total liability under this extension in respect of any one occurrence shall not exceed the sum insured stated in item 5 of the schedule
5. **Unspecified Customers** – Property at the Premises of any of the Insured's customers situated in Great Britain or Northern Ireland. The total liability under this extension in respect of any one occurrence shall not exceed £100,000
6. **Unspecified Suppliers** – Property at the Premises of any of the Insured's suppliers manufacturers or processors of components, goods or materials but excluding the Premises of any supply undertaking from which the Insured obtains electricity gas or water or telecommunications services all in Great Britain or Northern Ireland. The total liability under this extension in respect of any one occurrence shall not exceed £100,000

7. **Specified Disease Cover** – Notwithstanding the general requirement that payment is made under Section 1 of this Policy (or would have been made apart from the application of any excess or deductible) this Extension (only) provides cover in respect of loss arising from:
 - i. a) any occurrence of a Specified Disease (as defined below) at the Premises or attributable to food or drink supplied from the Premises
 - b) any discovery of an organism at the Premises likely to result in the occurrence of a Specified Disease
 - ii. the discovery of vermin or pests at the Premises
 - iii. any accident causing defects in the drains or other sanitary arrangements at the Premises

which causes restrictions on the use of the Premises on the order or advice of the competent local authority,

OR

- iv. any occurrence of murder or suicide at the Premises.

SPECIAL PROVISIONS

- i. Specified Disease shall mean illness sustained by any person resulting from:

Acute Encephalitis
Anthrax
Chickenpox
Cholera
Diphtheria
Dysentery
Erysipelas
Food or Drink Poisoning
Legionellosis
Leprosy
Leptospirosis
Lyme Disease
Malaria
Measles
Meningococcal Infection
Mumps
Ophthalmia Neonatorum
Paratyphoid Fever
Plague (bubonic, pneumonic, septicaemic)
Poliomyelitis
Puerperal Fever
Rabies
Rubella
Scarlet Fever
Smallpox
Tetanus
Toxoplasmosis
Tuberculosis
Typhoid Fever
Typhus
Viral Haemorrhagic Fever
Viral Hepatitis (types A, B & C)
Whooping Cough
Yellow Fever

- ii.



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For the purpose of this Extension:

Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the occurrence discovery or accident, beginning with the date from which the restrictions on the Premises are applied (or in the case of iv above, the date of the occurrence discovery or accident) and ending not later than the Maximum Indemnity Period thereafter.

Premises shall mean only those Locations specified in the Policy Schedule and situate in Great Britain or Northern Ireland

- iii. The Insurer shall not be liable under this extension for any costs incurred in the cleaning, repair, replacement, recall or checking of property
- iv. The Insurer shall only be liable for loss arising at those Premises which are directly subject to the occurrence discovery or accident
- v. Notwithstanding Special Provision (iii), the insurance by this extension extends to include the costs and expenses necessarily incurred with the consent of the Insurer in

- (a) cleaning and decontamination of property used by the Insured for the purpose of the Business (other than stock in trade),
- (b) removal and disposal of contaminated stock in trade,

at or from the Premises.

- vi. The maximum the Insurer will pay under this extension in respect of the total of all losses occurring during the Period of Insurance is £100,000

8. Exhibition Expenses

The Insurance by this section extends to include the irrecoverable expenses of the Insured in respect of any trade exhibition in the geographical limits following Damage by the insured events occurring

- i. at the exhibition venue
- ii. to your property for use in connection with the exhibition whilst at your premises or whilst in transit by road rail or inland waterway

Subject to the following provisions

- i. in the event of the exhibition not being held (or the Insured being unable to exhibit at all) in consequence of the damage the amount payable shall be limited to the irrecoverable expenses that the Insured has paid or is liable to pay in respect of the exhibition
- ii. if the exhibition does not run (or the Insured is unable to exhibit) for the intended period in consequence of the Damage the amount payable shall be the loss computed in accordance with provision (i) above adjusted for the period that you could not exhibit.

Our liability shall in no case exceed £10,000 any one period of insurance

Definitions – Business Interruption

1. Indemnity Period means the period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence of the Damage.
2. Maximum Indemnity Period means the period specified in the Schedule.
3. Gross Profit means 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 working expenses.
4. Turnover means the money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the Business at the Premises.
5. Rate of Gross Profit means the rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage.
6. Annual Turnover means the Turnover during the twelve months immediately before the date of the Damage.
7. Standard Turnover means the Turnover during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period to which adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.
8. Rent Receivable means the amount of the rent and other income received or receivable from the letting of the Premises and for services rendered thereat.
9. Standard Rent Receivable means the Rent Receivable during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.
10. Annual Rent Receivable means the Rent Receivable during the twelve months immediately before the date of the Damage to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.
11. Outstanding Debit Balances means the amounts owed and unpaid to the Insured by their customers for goods sold and delivered and for services rendered in the course of the Business at the Premises. Outstanding Debit balances shall include Value Added Tax.

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Notes

1. The amounts of the opening and closing stock and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.
2. To the extent that the Insured is accountable to the tax authorities for Value Added Tax all terms in this Section shall be exclusive of such tax.
3. For the purposes of the definitions any adjustment implemented in current cost accounting shall be disregarded.
4. The words and expressions used in this definition (other than wages) shall have the meaning usually attached to them in the books and accounts of the Insured.

General Conditions – Business Interruption (“All Risks”)

1. **Automatic Reinstatement of Sum Insured** – In consideration of the sum insured not being reduced by the amount of any loss the Insured shall pay the appropriate additional premium as requested by the Insurer on the amount of the loss from the date thereof to the date of the expiry of the Period of Insurance.
2. **Accountants** – Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Insurer for the purpose of investigation or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the Insured and their report shall be prima facie evidence of the particulars and details to which such report relates. The Insurer will pay to the Insured the reasonable charges payable by the Insured to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by the Insurer under this Section and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents.
3. **Accumulated Stocks** – In adjusting any loss, account shall be taken and an equitable allowance shall be made if any shortage in Turnover due to the Damage is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of finished goods.
4. **Temporary Removal (Documents)** – Loss as insured by this Section resulting from interruption of or interference with the Business in consequence of Damage to plans, deeds, briefs, manuscripts, books, documents and office records whilst temporarily removed within the United Kingdom shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises, subject to a maximum of £2,500 any one loss and any one Period of Insurance.



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SECTION 3

Employers, Public & Products Liability

Employers Liability

1. The Insurer will indemnify the Insured against
 - i. all sums which the Insured shall become legally liable to pay as damages and claimants' costs and expenses in respect of Bodily Injury sustained by any Employee arising out of and in the course of their employment by the Insured in the Business and caused during the Period of Insurance within the Policy Territory, or to Employees employed in the Policy Territory and temporarily engaged elsewhere. Provided that any action for damages is brought against the Insured in a court of law in Great Britain Northern Ireland the Channel Islands the Isle of Man or elsewhere within the European Union.
 - ii.
 - a) the payment of solicitors fees for the representation at any coroner's inquest or inquiry or proceedings in any court arising out of Bodily Injury which may be the subject of indemnity under this Section
 - b) all other costs and expenses in relation to any matter which may form the subject of a claim under this Section incurred with the Insurer's prior written consent.
2. The liability of the Insurer for all amounts payable under this Section of the Policy (including all Extensions and Endorsements to this Section) shall not exceed the limit of indemnity stated in the Schedule this limit being inclusive of all costs and expenses whether they be claimants' legal costs and expenses which the Insured becomes legally liable to pay or costs and expenses incurred by the Insured with the Insurer's prior written consent.
3. The Insured shall repay to the Insurer all sums that the Insurer would not have had to pay but for the provisions of any law relating to compulsory insurance of liability to employees in Great Britain Northern Ireland the Channel Islands or the Isle of Man or within the Continental Shelf around those countries

Public and Products Liability

1. The Insurer will indemnify the Insured in respect of
 - i. all sums which the Insured shall become legally liable to pay as damages in respect of
 - a) accidental Personal Injury to any person
 - b) accidental Damage
 - c) accidental nuisance accidental trespass or accidental interference with any easement right of air light water or way

which occurs during the Period of Insurance within the Policy Territory and arises from and in the course of the Business

- ii. legal liability for claimants' costs and expenses in connection with i. above
- iii.
 - a) the payment of solicitor's fees for the representation at any coroner's inquest or inquiry or proceedings in any court arising out of a breach or alleged breach of statutory duty resulting in any occurrence specified in 1. above which may be the subject of indemnity under this Section
 - b) all other costs and expenses in relation to any matter which may form the subject of a claim under this Section incurred with the Insurer's prior written consent
2. The liability of the Insurer for all damages payable under this Section 3 Public and Products Liability (including all Extensions and Endorsements) relating to all and any claimants in respect of an Event shall not exceed the limit of indemnity stated in the Schedule.

Extensions - Employers Liability

Each of the following Extensions is subject to its own provisos and to the Exclusions - Employers Liability, the General Conditions in Respect of Employers Liability and Public and Products Liability, and the General Conditions and General Exclusions to the Policy.

1. **Unsatisfied Court Judgements** – The Insurer at the request of the Insured will pay to the Employee or the personal representatives of the Employee the amount of any damages and awarded costs to the extent that they remain unsatisfied in whole or in part six months after the date of a Judgement being obtained within any court in Great Britain Northern Ireland the Channel Islands or the Isle of Man
 - i. by any Employee or the personal representatives of any Employee in respect of Bodily Injury sustained by the Employee arising out of and in the course of their employment by the Insured in the Business and caused during the Period of Insurance, and
 - ii. against any company or individual operating from premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man Provided always that
 - a) there is no appeal outstanding against such Judgement
 - b) if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee shall assign the benefits of such Judgement to the Insurer. The liability of the Insurer for all amounts payable under this Extension relating to any claimant or number of claimants in respect of an Event shall not exceed the limit of indemnity stated in the Schedule



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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 Insured is entitled to indemnity under Section 3 the Insurer will provide compensation to the Insured at the following rates per day for each day on which attendance is required
 - i. any Insured Person, save for an Employee £500
 - ii. any Employee £250.
3. **Health and Safety at Work - Legal Defence Costs** – The Insurer will indemnify the Insured and if the Insured so requests any Insured Person in respect of legal costs and other expenses incurred with the Insurer's prior written consent in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach or alleged breach of the current relevant Health and Safety Regulations in the absence of Bodily Injury Provided always that:
 - i. the proceedings relate to an offence alleged to have been committed during the Period of Insurance and in the course of the Business
 - ii. the proceedings relate to the health safety and welfare of any Employee
 - iii. the indemnity will not apply
 - a) to proceedings consequent upon any deliberate act or omission by or on behalf of the Insured if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission
 - b) to any fines or penalties of any kind
 - c) where indemnity is provided by any other insurance
 - d) to proceedings which arise out of any activity or risk excluded by this Section
 - e) to any Deductible stated in the Schedule

The liability of the Insurer for all amounts payable under this Extension relating to all or any claimant(s) in respect of an Event shall not exceed the limit of indemnity stated in the Schedule.

Extensions – Public and Products Liability

Each of the following Extensions is subject to the provisos and Exclusions - Public and Products Liability, the General Conditions in Respect of Employers Liability and Public and Products Liability, and the General Conditions and General Exclusions to the Policy.

1. **Compensation for Court Attendance** – In the event of any of the undermentioned persons attending court as a witness at the request of the Insurer in connection with a claim in respect of which the Insured is entitled to indemnity under Section 3 Public and Products Liability the Insurer will provide compensation to the Insured at the following rates per day for each day on which attendance is required
 - i. any director or partner of the Insured £500
 - ii. any Employee £250.

2. **Health and Safety at Work - Legal Defence Costs** – The Insurer will indemnify the Insured and if the Insured so requests Insured Person in respect of legal costs and other expenses incurred with the Insurer's prior written consent in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach or alleged breach of the relevant Health and Safety legislation or any similar legislation in the absence of Personal Injury or Damage Provided always that:
 - i. the proceedings relate to an offence alleged to have been committed during the Period of Insurance and in the course of the Business
 - ii. the proceedings relate to the health safety and welfare of any person other than an Employee
 - iii. the indemnity will not apply
 - a) to proceedings consequent upon any deliberate act or omission by or on behalf of the Insured if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission
 - b) to any fines or penalties of any kind
 - c) where indemnity is provided by any other insurance
 - d) to proceedings which arise out of any activity or risk excluded by this Section 3 Public and Products Liability
 - e) to any Deductible stated in the Schedule.

The liability of the Insurer for all amounts payable under this Extension relating to all or any claimants in respect of an Event shall form part of the limit of indemnity stated in the Schedule.

3. **Consumer Protection Act - Legal Defence Costs** – The Insurer will indemnify the Insured and if the Insured so requests any director or partner of the Insured or Employee in respect of legal costs and other expenses incurred with the Insurer's prior written consent in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach or alleged breach of Part II of the Consumer Protection Act 1987 or any similar legislation and the costs of any proceedings awarded against the Insured Provided always that
 - i. the proceedings relate to an offence alleged to have been committed during the Period of Insurance and in the course of the Business
 - ii. the indemnity will not apply
 - a) to proceedings consequent upon any deliberate act or omission by or on behalf of the Insured if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission
 - b) to any fines or penalties of any kind
 - c) where indemnity is provided by any other insurance
 - d) to proceedings which arise out of any activity or risk excluded by this Section
 - e) to any Deductible stated in the Schedule.

The liability of the Insurer for all amounts payable under this Extension relating to all or any claimants in respect of an Event shall form part of the limit of indemnity stated in the Schedule.



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4. **Data Protection Act** – The Insurer will indemnify the Insured in respect of damages and claimants' costs and expenses arising from any claim or claims under the relevant Data Protection legislation first made against the Insured in writing during the Period of Insurance. Provided always that
- the Insured is registered in accordance with the Act
 - the indemnity will not apply
 - to liability caused by or arising from any incident or circumstances known to the Insured at inception or renewal of this Section and which could seriously and reasonably be expected to give rise to a claim
 - to any claim(s) made by or on behalf of any Insured Person in connection with employment in the Business
 - to proceedings consequent upon any deliberate act or omission by or on behalf of the Insured if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission
 - to any fines or penalties of any kind
 - where indemnity is provided by any other insurance
 - to proceedings which arise out of any activity or risk excluded by this Section
 - to any Deductible stated in the Schedule.

The liability of the Insurer for all amounts payable under this Extension relating to all or any claimants in respect of an Event shall form part of the limit of indemnity stated in the Schedule.

5. **Contingent Motor Liability** – Notwithstanding Exclusion 3(i) to Section 3 Public and Products Liability the Insurer will indemnify the Insured and no other party or parties against legal liability arising out of the use by any director or Employee of any private motor vehicle including any trailer or apparatus attached thereto not the property of nor provided by the Insured and being used in the course of the Business. Provided always that indemnity will not apply to liability
- in respect of which the Insured is entitled to indemnity under any other insurance
 - in connection with any private motor vehicle while being used outside Great Britain Northern Ireland the Channel Islands or the Isle of Man
 - in respect of Damage to any such private motor vehicle or its contents.
6. **Defective Premises Act** – The indemnity provided by this Section 3 Public and Products Liability shall include liability attaching to the Insured by virtue of relevant defective premises legislation or similar legislation Provided always that the Insurer shall not indemnify against liability in respect of the cost of remedying any defect or alleged defect of premises disposed of by the Insured.
7. **Overseas Personal Liability** – The Insurer will indemnify the Insured and if the Insured so requests any
- Insured Person
 - spouse partner or dependant of the Insured Person who are accompanying such persons against legal liability in respect of Personal Injury or Property Damage incurred in a personal capacity by such individuals whilst temporarily outside their normal

country of residence in connection with the Business Provided always that indemnity will not apply to liability

- arising out of the ownership or occupation of land or buildings
- where indemnity is provided by any other insurance
- arising out of the ownership possession or use by or on behalf of such individuals of any mechanically propelled vehicle including any trailer or apparatus attached thereto and any vessel or craft made or intended to be airborne or waterborne.

8. **Indemnity to other persons** – The Insurer shall indemnify subject to the terms of the Policy in so far as they can apply any officer director or partner of the Insured at your request in respect of private work undertaken by an employee for such officer director partner or with the Insured's prior consent
9. **Cross Liabilities** – If the Insured comprises more than one party the Company 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 liability of the Company for liability sustained by any or all of the Insured shall not exceed the amount for which the Company would have been liable had such liability been sustained by any one of the Insured

Definitions – Employers, Public & Products Liability

- Bodily Injury shall mean injury sickness or disease or death resulting from such injury sickness or disease and shall include mental injury mental anguish and shock.
- Business shall mean the business of the Insured as described in the Statement of fact and shall also include
 - ownership repair and maintenance of the Premises of the Insured
 - the provision and management of canteen social sports and welfare organisations for the benefit of Employees fire first aid medical security and ambulance services
 - private work carried out with the consent of the Insured for any director partner or senior official of the Insured by an Employee.
 - Participation in any exhibition , trade fair, conference or similar
- Employee shall mean
 - any person under a contract of service or apprenticeship with the Insured
 - any labour master or labour only sub-contractor or person supplied by them
 - any self-employed person
 - any person hired or borrowed by the Insured from another employer under an agreement by which the person is deemed to be employed by the Insured
 - any person under a work experience or similar scheme while engaged and working under the direction and control of the Insured in connection with and in the course of the Business.
 - any voluntary worker
 - Any person on secondment to the Insured from the Insured's subsidiary or associated companies outside

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whilst working for the Insured in connection with the Business

4. Event shall mean the happening of an injury or loss or damage. Any one claim or series of claims against the Insured resulting from one originating cause (including but not limited to continuous or repeated injurious exposure to substantially the same general conditions) shall be regarded as a single Event for the purposes of this Policy.
 5. Financial Loss shall mean a pecuniary or economic loss or expense.
 6. Insured shall mean
 - i. the Insured stated in the Schedule
 - ii. at the request of the Insured and in respect of legal liability for which the Insured would have been entitled to indemnity under this Policy if the claim had been made against the Insured:
 - a) any Insured Person any officer committee member or voluntary helper of the Insured's canteen social sports and welfare organisations first aid medical security fire and ambulance services (but excluding medical practitioners while working in a professional capacity).
 - b) any principal in respect of legal liability arising out of work performed for or on behalf of such principal by the Insured and then only in respect of legal liability for which and only to the extent that the Insured would have been entitled to indemnity under this Policy if the claim had been made against the Insured
 7. Legal Proceedings shall mean litigation arbitration mediation adjudication or any other process of dispute resolution.
 8. Notice of adjudication shall mean any notice issued by a party to a contract to which the Housing Grant Construction and Regeneration Act 1996 applies stating an intention to refer a dispute under the contract to adjudication.
 9. Personal Injury shall include but not by way of limitation Bodily Injury false arrest invasion of the right of privacy detention false imprisonment false eviction discrimination libel slander or defamation of character.
 10. Products shall mean any goods or products. manufactured constructed repaired serviced treated sold supplied or distributed by the Insured after they have ceased to be in the possession or under the control of the Insured including any container thereof or instructions provided therewith.
 11. Offshore Work shall mean embarkation onto a conveyance until disembarkation from such conveyance onto land for the purpose of travel to or from transit between work on any offshore structure platform installation or accommodation vessel.
1. **Reasonable Care** – The Policyholder shall take and/ or cause to be taken all reasonable care
 - i. in the selection and supervision of Employees
 - ii. to make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require
 - iii. to prevent injury or loss or damage.
 2. **Maintenance of Assets** – The Insured shall maintain premises machinery plant equipment vehicles and other business assets in good repair and shall comply with all applicable statutes obligations regulations and requirements imposed by any authority.
 3. **Non-accumulation of Liability** - Regardless of the number of years this Policy may continue in force, and of the number of Premiums which may be payable or paid, or of any other circumstances whatsoever, the aggregate liability of the Insurers under this Policy will not be cumulative from year to year or period to period. When there is more than one Insured, the applicable Limit of Indemnity of the Insurer under this Policy will be in respect of all Insureds
 4. **Burning and Welding** – The Insured must ensure that on each and every occasion when any of the under-mentioned items of equipment are in use by the Insured away from the Premises the following precautions shall be complied with:
 - i. Blowlamps or Blow Torches, Hot Air Guns or Hot Air Strippers –
 - a) The area in which they are to be used is cleared of loose combustible material;
 - b) Lighted blowlamps and / or blow torches are continuously attended;
 - c) Blowlamps and Blow Torches are filled only in the open, and not lit until immediately before use;
 - d) A suitable multi-purpose dry powder fire extinguisher be kept available for immediate use
 - e) A thorough examination is made in and about the working area immediately after each period of work and again between 30 and 60 minutes after termination of such work for the day.
 - ii. Welding or Flame Cutting Equipment –
 - a) The area in which the equipment is to be used is cleared of loose combustible material;
 - b) Other combustible material including floors in the area in which the equipment is to be used is covered with overlapping sheets of incombustible material;
 - c) Before applying heat to metal work built into or projecting through walls, partitions, ceilings or floors examination is to be made to ensure that the other side of the metal work is not in hazardous proximity to combustible material which may be ignited by direct or conducted heat;
 - d) The occupier shall be informed of the proposed safety precautions and asked for specified authority to proceed;
 - e) A suitable multi-purpose dry powder fire extinguisher be kept available for immediate use;
 - f) A responsible Employee of the Insured or of the occupier be made aware of the location of any fire fighting equipment and be appointed to act

General Conditions – Employers, Public and Products Liability

The Insurer will not make any payment under this insurance if the Insured fails to comply with the following Special Conditions or fails to observe the terms of this Policy insofar as they relate to anything to be done or complied with.

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- solely as fire watcher whilst welding or flame cutting is carried out;
- g) A thorough examination is made in and about the working area including behind walls, partitions, ceilings or floors immediately after each period of work and again between 30 and 60 minutes after termination of such work for the day.
 - iii. Vessels for Heating of Bituminous Compounds or Lead –
 - a) Such vessels are continuously attended whilst heating is taking place;
 - b) Such vessels are used only in the open whilst heating is taking place, and if carried out on a roof, the vessel must be placed on a non-combustible heat insulating base.
 - iv. Excess – The insurer will not pay for the first £500 of any claim.
5. **Bona Fide Sub Contractors** – When the insured enters into any form of contract with a Bona-fide Subcontractor, the insured shall:
- i. Obtain written evidence that the Bona-fide Subcontractor has a current Public & Products Liability insurance policy in force with an indemnity limit of not less than £2,000,000
This should include:
 - a) Details of the Insurer providing public liability cover.
 - b) The policy number relating to public liability cover provided by the insurer.
 - c) The Inception and Expiry date of the insurance policy.
 - d) Details of the Public Liability Indemnity Limit provided by this insurance.
 - ii. That the insured retains such written evidence for a period of no less than 5 years

Exclusions – Employers Liability

The following exclusions shall apply in respect of Employers Liability only

The Insurer will not indemnify the Insured in respect of legal liability (or costs and expenses):

1. **Road Traffic Act** – for which with effect from 1 July 1994 compulsory motor insurance or security is required under relevant Road Traffic legislation or any other similar compulsory legislation.
2. **Offshore Work** – In respect of Bodily Injury sustained by any Employee whilst engaged in Offshore Work.

Right of Recovery – Employers' Liability

If the Insurer is obliged to indemnify the Insured as a legal requirement of Compulsory Liability Insurance in circumstances where the Insurer would have been entitled to deny such indemnity the Insured shall immediately indemnify the Insurer in the amount of such claim paid to the Insured

Exclusions – Public and Products Liability

The following exclusions shall apply in respect of Public and Products Liability only

The Insurer will not indemnify the Insured in respect of legal Liability (or costs and expenses):

1. **Employers Liability** – In respect of Personal Injury sustained by an Employee which arises out of and in the course of his employment by the Insured in the Business.
2. **Workmen's Compensation** – In respect of workmen's compensation attaching to the Insured or his insurer under any workmen's compensation unemployment compensation or disability benefits law or under any similar law.
3. **Automobile Liability Marine Liability Aviation Liability** – In respect of the ownership possession or use by or on behalf of the Insured of
 - i. any mechanically propelled vehicle including any trailer or apparatus attached thereto in circumstances where the Insured is responsible for insurance or equivalent security under any legislation governing the use of such vehicle or where indemnity is provided by any other insurance
 - ii. any vessel or craft made or intended to be airborne or waterborne other than
 - a) watercraft not owned by but used by the Insured for Business entertainment unless the Insured is responsible for insurance
 - b) hand propelled or sailing watercraft not exceeding 8 metres in length used in territorial waters.
4. **Advice Design Specification and Professional Duty** – In respect of professional advice design service or specification given for a fee but this exclusion shall not apply to
 - i. claims for Personal Injury or Property Damage or
 - ii. the rendering of or failure to render professional medical advice by any person employed by the Insured to provide first aid or other medical services at the Insured's premises
5. **Care Custody and Control** – for Damage to property belonging to the Insured or in the care custody or control of the Insured or any Employee other than
 - i. personal effects including vehicles and their contents belonging to managers' principles' directors' partners' voluntary workers' and employees' or visitors of the Insured
 - ii. premises including fixtures and fittings leased or rented to the Insured unless liability is assumed under agreement and would not have attached in the absence of such agreement
 - iii. premises and their contents not belonging to or leased or rented to the Insured at which the Insured is undertaking work in connection with the Business.
6. **Property Being Worked Upon** - for Damage to that part of any property upon which the Insured is or has been working if the loss or damage arises from such work.

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7. **Damage to Products** –
 - i. for Damage to Products
 - ii. for any cost or expense incurred in the inspection repair replacement removal or recall of Products if attributable to any defect therein or the harmful nature or unsuitability thereof.
8. **Aviation Products** – In respect of any Products which with the knowledge of the Insured are incorporated into any craft made or intended to be airborne.
9. **Pollution** – In respect of
 - i. pollution directly or indirectly caused by or contributed to by or arising from the discharge dispersal release or escape of smoke vapours soot fumes acids alkalis toxic chemicals liquids or gases waste materials or other irritants contaminants or pollutants into or upon land the atmosphere or any watercourse or body of water
 - ii. the cost of removing nullifying or cleaning up smoke vapours soot fumes acids alkalis toxic chemicals liquids or gases waste materials or other irritants contaminants or pollutants discharged dispersed released or escaped into or upon land the atmosphere or any watercourse or body of water
 - iii. fines penalties punitive exemplary or multiple damages relating to the circumstances detailed in (i) above.

But it is agreed in respect of events other than those happening in the United States of America its territories and possessions or Canada that i. and ii. of this Exclusion do not apply if such discharge dispersal release or escape is sudden unintended and unexpected and arises in its entirety at a specific time and place from one event which would otherwise give rise to liability under this Section

The foregoing shall not extend this Section 3 Public and Products Liability to cover any liability which would not have been covered under the said Section had this Exclusion not been included and for the avoidance of doubt it is expressly stated that it is not the intention of the foregoing or of any other provision of this Section to cover and this section excludes all liability directly or indirectly arising out of legionella, pneumophilia or any similar or other bacterial respiratory illness howsoever where so ever and when so ever arising or contracted Expenses for the prevention of any contamination or pollution as herein described shall also form part of this Exclusion and shall not be recoverable hereunder.

10. **Contractual Liability** – In respect of liability which is assumed by the Insured under a contract or agreement and
 - i. arises under any penalty clause or in respect of fines or liquidated damages, or
 - ii. arises out of the sole negligence of third parties, or
 - iii. relates to a legal liability for which compulsory insurance is required by law from a third party unless such liability would have attached to the Insured in the absence of the contract or agreement.

11. **Libel and Slander** – In respect of a libel or slander
 - i. made prior to the effective date of this insurance
 - ii. made by or at the direction of the Insured with the knowledge of the defamatory character thereof
 - iii. related to advertising broadcasting or telecasting activities including Internet activity other than electronic mail conducted by or on behalf of the Insured.
12. **Financial Loss** – for Financial Loss unless such loss is a direct result of Personal Injury or Damage for which indemnity is provided by this Section 3 Public and Products Liability.
13. **North America** – arising in connection with:
 - i. occurrences in the United States of America or Canada
 - ii. occurrences in respect of which legal action or litigation is brought in a court of law within the countries specified in (a) above or where action or litigation is brought in a court of law outside those countries to enforce a judgement therein whether by way of reciprocal agreement or otherwise.
14. **Asbestos** – directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part by or arising out of the manufacture of mining of use of sale of installation of survey or investigation of management of removal of distribution of existence of or exposure to asbestos products asbestos fibres or asbestos dust or property or materials containing any of the foregoing including without limitation all liability to pay claimants' or the Insured's legal costs and expenses or any other costs and expenses howsoever incurred in the investigation defence and/or settlement of any claim against an Insured or in respect of any other inquest inquiry enforcement action or proceedings in which the Insured may be involved in relation to any of the foregoing
15. **Height Restriction** – for all work undertaken by the insured at heights in excess of 10 metres from the immediate floor or ground below
16. **High Risk Premises** – In respect of any claim arising out of or in connection with any work undertaken on or in the following
 - i. power stations, nuclear installations or establishments
 - ii. refineries, bulk storage or production premises in the oil, gas or chemical industries
 - iii. offshore structures or work underground or underwater
 - iv. computers or computer rooms
 - v. aircraft, hovercraft, aerospace systems or watercraft (other than work on watercraft in docks, harbours, boatyards or inland waterways not involving the use of heat)
 - vi. railways, railway stations or airports



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SECTION 4

Management Protector

Part A: Personal Accident, Directors & Officers Liability and Employee Dishonesty

Insuring Agreement

Subject to all of the terms, conditions and exclusions to this Section, and the General Conditions and General Exclusions to the Policy:

Personal Accident

If an Eligible Person sustains accidental bodily injury whilst on the Premises or undertaking Business within the Policy Territory during the Period of Insurance which within two years solely and independently of any other cause results in death or disablement, the Insurer will pay the Insured the percentage amount appropriate of the Benefit as follows:

Loss of:	% of Benefit Sum Insured:
Life	100%
Both Hands of Both Feet:	100%
Either Hand or Foot and Sight of One Eye	100%
One Hand and One Foot	100%
Sight of Both Eyes	100%
Either Hand or Foot	50%
Sight of One Eye	50%
Thumb and Index Finger of Same Hand	25%

If more than one Loss results from any one accidental bodily injury, only one amount, the largest, will be paid.

The maximum amount the Insurer will pay in the aggregate under this and any other Policy of Personal Accident Insurance issued by the Insurer in the Insured's name in respect of all Eligible Persons suffering bodily injury in the same accident or series of accidents contributed to, caused by, or consequent upon the same original cause, event or circumstance £50,000. If a claim exceeds this amount, the Insurer will pay an amount which is proportionately reduced until the total does not exceed £50,000.

Directors & Officers Liability

The Insurer will pay the Loss of each Insured Director resulting from any Claim first made against them and notified to the Insurer during the Period of Insurance, by reason of any Wrongful Act occurring on or after the Continuity Date, in their capacity as a director or officer of the Insured. This Insurance cover 1 shall not apply to any loss arising out of an Employment Practice Violation.

The Insurer shall advance (subject to the limit of liability and retention) to each Insured Director Defence Costs incurred before the final disposition of the Claim. Such payments shall be repaid to the Insurer by the Insured Directors severally, according to their respective interests and responsibilities, in the event and to the extent that the Claim is ultimately determined not to be covered or is resolved on terms or in a manner which excludes it from cover under The Policy.

Employee Dishonesty

The Insurer shall indemnify the Insured for its direct financial Loss which occurs during the Period of Insurance as a direct result of an act or series of related acts of fraud or dishonesty committed during the Period of Insurance by any identified employee, who is paid wholly or mainly by salary or wages, (acting alone or in collusion with others) with the principal intent to cause the Insured to sustain a loss and to obtain financial benefit for such employee (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) which is First Discovered by the Insured during the Period of Insurance.

Definitions – Personal Accident

- Benefit means the limit of indemnity shown in the schedule in respect of all Eligible Persons.
- Eligible Person means any Insured Person noted in the schedule
- Loss with regard to:
 - hand or foot means actual severance through or above the wrist or ankle joints respectively;
 - eye means entire and irrevocable loss of sight;
 - thumb and index finger means actual severance through or above the joint that meets the hand at the palm.

Loss shall not include any civil or criminal fines or penalties.

Definitions – Director & Officers Liability

- Claim means any demand made by a third party upon an Insured Director for damages.
All Claims arising out of the same set of facts or circumstances shall be deemed to be one Claim made in the Period of Insurance in which the Claim is first made or deemed to be made against the Insured Director.
- Continuity date means the date from which the Insured has maintained uninterrupted Directors & Officers Liability cover with the Insurer.
- Defence costs means any reasonable fees, costs and out of pocket expenses incurred by any Insured Director, with the prior written consent of the Insurer, in the investigation, defence, settlement or appeal of any Claim.
- Eligible Person means any Insured Person referred to in the Statement of fact in respect of Personal Accident.
- Employment practice violation means any actual or alleged;
 - unfair or wrongful dismissal, discharge or termination, either actual or constructive, of an employment relationship or agreement in a manner which is against the law, misleading representation or advertising relating to employment;
 - failure to employ or promote, unfair deprivation of a career opportunity, unfair discipline, failure to grant tenure or negligent employee evaluation;
 - sexual harassment in the workplace or workplace harassment of any kind (including the alleged creation or permission of a harassing workplace environment);



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- iv. employment-related denial of natural justice, invasion of privacy, defamation, wrongful infliction of emotional distress, or discrimination on any legally prohibited basis.
6. Insured Director means any natural person who is a past, present or future director, secretary or executive officer of the Insured. However, it does not include any externally appointed officers such as receivers, managers, liquidators, administrators, mortgagees in possession and the like.
For the avoidance of doubt, Insured Director shall not include external auditors appointed in accordance with Section 384 of the Companies Act 1985 (UK) or any similar legislation in any other jurisdiction.
7. Knowledge, First Discovered or Discovery means that the knowledge or discovery of a Loss occurs when the Insured becomes aware of facts which would cause a reasonable person to believe that a Loss covered by The Policy has been or may be incurred, even though the exact amount or details of the Loss may not then be known. Knowledge possessed or discovery made by any director or officer thereof shall constitute knowledge possessed or discovery made by the Insured.
8. Loss for the purpose of Insurance covers 1 means:
 - i. damages or judgments, but not punitive, aggravated or exemplary damages;
 - ii. legal costs and expenses awarded against any Insured Director in respect of any Claim;
 - iii. Defence costs;
 - iv. settlements negotiated with the Insurer's prior written consent;But shall not include any non compensatory damages, taxes, any amount for which the Insured is not legally liable, or matters which are uninsurable under the law to which The Policy shall be construed.
Loss, damages, judgments, settlements and defence costs incurred in more than one Claim against an Insured Director but resulting from a Single Wrongful act shall constitute a single Loss.
9. Single act or Single wrongful act means an act or any related or continuous or repeated acts, whether committed by an individual or group of individuals, and whether directed to or affecting one or more person or legal entity.
10. Transaction means any of the following events:
 - a) the Insured consolidates with or merges with any other person, entity or group of persons, and/or entities acting in concert; or
 - b) the Insured becomes a subsidiary of another entity by virtue of any applicable law.
11. Wrongful act means any actual or alleged act, error, omission, mis-statement, misleading statement, misleading conduct, neglect or breach of duty (excluding an Employment practice violation) made, committed, by any Insured Director.
All related or continuous or repeated Wrongful acts shall be deemed to be one Wrongful act for the purpose of the cover provided by The Policy

Definitions – Employee Dishonesty

1. Loss for the purpose of this Insurance means direct financial Loss (other than salary or other remuneration) of money, securities or tangible property owned by the Insured, or in the care, custody or control of the Insured and for which the Insured is liable, in connection with any act or series of related acts of fraud or dishonesty. Loss shall not include costs, fees or other expenses incurred in establishing the existence or amount of any Loss.

General Conditions – Personal Accident

1. **Acceptance of Benefit** – If the Insurer has paid a claim under the Personal Accident Section of The Policy and the Insured has accepted payment then the Insurer will not have to make any further payments for the same claim.
2. **Claims Evidence** – The Insured must provide at their own expense any evidence in support of a Loss. An Eligible Person must undergo as many medical examinations in connection with any claim as the Insurer may require at its own expense.
3. **Disappearance** – If an Eligible Person disappears and after a suitable period of time it is reasonable to believe that he has died as a result of accidental bodily injury the benefit will be paid providing the Insured signs an agreement that if it is later found to be wrong, any amount paid will be refunded to the Insurer.
4. **Exposure** – Death or Dismemberment resulting from exposure to the elements will be considered to have been caused by accidental bodily injury.

General Conditions – Directors & Officers Liability:

1. **Defence and Settlement** – In respect of Directors & Officers Liability the Insurer does not assume any duty to defend any Claim brought against an Insured Director that is covered by The Policy. The Insured Director shall defend and contest any Claim made against them, however the Insurer is entitled to effectively associate with the Insured Director and the Insured in defence of any Claim that appears likely to involve them including but not limited to effectively associating in the negotiation of any settlement.
In relation to any Claim for which cover is sought under Directors & Officers Liability the Insured Director shall not incur any Defence costs without the prior written consent of the Insurer. Only those settlements, stipulated judgments and Defence costs which have been consented to by the Insurer shall be recoverable as Loss under the terms of The Policy.
The Insured Director and the Insured shall give the Insurer full co-operation and all information as it may reasonably require as a condition precedent to the Insurer's liability for Loss under The Policy.



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2. **Limit of Liability and retentions** – The Insurer's liability for all Loss sustained by any or all of the Insured Directors or Insured shall not exceed the amount for which the Insurer would be liable had all such loss been sustained by any one of the Insured Directors or Insured. Regardless of the number of years this policy shall continue in force and the number of premiums which shall be payable or paid the limit of liability as specified in the Schedule shall not be cumulative from year to year or Period of Insurance to Period of Insurance. Defence costs are part of and not in addition to these limits of liability.
The Insurer shall only pay for the amount of any loss, fees, costs or expenses which is in excess of the Retention specified in the Schedule as being applicable to the relevant Insurance cover. A single Retention amount shall apply to any Loss or claim arising from an act, series of related acts, Single act, or Claims alleging a Single Wrongful act.
3. **Change in Control of Insured** – If, during the Period of Insurance a Transaction takes place, then the cover provided under Directors & Officers Liability is amended to apply only to Wrongful acts occurring prior to the effective date of the Transaction.
The Insured shall give the Insurer written notice of the Transaction as soon as practicable, but not later than 30 days after the effective date of the Transaction.
- v. Cash in hand and petty cash shall be checked independently of employees responsible at least monthly.
- vi. Monthly reconciliation is performed on all bank accounts and debtors accounts, independently of employees in a position to receive payment of an account.
- vii. Written references are obtained and checked for all new employees (except school-leavers) covering at least the preceding 2 years of continuous employment, where the employee is to be responsible for money, securities, stock or accounts.
4. **Change in Control of Insured** – If, during the Period of Insurance a Transaction takes place, then the cover provided under Employee Dishonesty is amended to apply only acts committed which give rise to a loss occurring prior to the effective date of the Transaction.
The Insured shall give the Insurer written notice of the Transaction as soon as practicable, but not later than 30 days after the effective date of the Transaction.

Exclusions – Personal Accident

Insurance cover Personal Accident does not provide cover for any loss:

General Conditions – Employee Dishonesty

1. **Cancellation as to any Employee** – Insurance cover 2 shall be deemed cancelled in respect of any employee (a) immediately upon discovery by the Insured, or by any director or officer thereof not in collusion with such employee, of any dishonest or fraudulent act on the part of such employee, and further dishonest or fraudulent acts committed by such employee are excluded.
2. **Recoveries** – Under Insurance cover 2 recoveries, less the actual cost of recovery, made after loss will be distributed as follows; first, the Insured shall be reimbursed for Loss exceeding the limit of liability or settlement (whichever is less) and the retention amount (if applicable); second, the Insurer shall be reimbursed for the settlement made; third, the Insured shall be reimbursed for Loss equal to the retention amount.
3. **Management Controls** – It is a condition precedent to the liability of the Insurer under Insurance cover 2 that the Insured shall at all times comply with the following statements, evidence of which must be available at the time of claim:
 - i. The statutory accounts are independently audited.
 - ii. Stock is independently and physically checked, (at least once every six months), by an employee not responsible for daily stock handling or ordering.
 - iii. Cheque requisition/payment instructions and payment authorisation are segregated functions undertaken by separate people.
 - iv. The ordering, certification of receipt, and verification of supporting documentation before cheque or payment instructions are authorised for goods or services are performed by different employees acting independently.
1. caused by intentional self-injury, suicide or attempted suicide, sexually transmitted conditions, mental or nervous disorder, anxiety, stress or depression, AIDS or HIV infection.
2. caused by or arising directly or indirectly from serving in any branch of the Military or Armed Forces.
3. caused by or arising directly or indirectly from being under the influence of drugs, alcohol or other intoxicants.
4. arising directly or indirectly from participation in any crime, riot or civil commotion.
5. caused by flying as a pilot or member of aircrew.
6. caused by flying as a passenger in any aircraft that is not a multi-engined fixed wing aircraft licensed by a Civil Aviation Authority which flies according to a published service frequency and timetable showing departure days and departure and arrival times.
7. caused by or arising directly or indirectly from the dispersal, release, or application of pathogenic or poisonous biological or chemical materials.
8. caused by or arising directly or indirectly from self exposure to needless peril (except in an attempt to save human life).
9. caused by or arising directly or indirectly from participation in winter sports, skydiving / parachuting, hang gliding, bungee jumping, scuba diving, mountain climbing (where ropes or guides are customarily used), riding or driving in races or rallies using a motorized vehicle or bicycle, caving or pot-holing, hunting or equestrian activities, skin diving or other underwater activity, rafting or canoeing involving white water rapids, yachting or boating outside coastal waters (2 miles), participation in any sport which provides the individual's major source of income, any sporting activity not authorized or regulated by the school.



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10. caused by or arising directly or indirectly from sickness or disease (not resulting from accidental bodily injury), any naturally occurring condition or degenerative process, any gradually operating cause, or any physical or medical condition which existed in the 24 months prior to inception of cover.
11. caused by or arising directly or indirectly from medical or surgical treatment except as may be necessary solely as a result of injury.
12. caused by or arising directly or indirectly from any injury which shall result in hernia.
13. of any person after the expiry of the Period of Insurance during which that person reaches age 75 years.

Exclusions – Director & Officers Liability

Insurance cover Directors & Officers Liability does not provide cover for any Loss;

- 1) arising out of, based upon, attributable to, or in any way involving, directly or indirectly;
 - a) the actual, alleged, imminent or threatened discharge, dispersal, seepage, release or escape of pollutants, or
 - b) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise pollutants, nuclear material or nuclear waste.
- 2) arising out of bodily injury, sickness, disease, death or emotional distress of any person, or damage to or destruction of any property, including the loss of use of it.
- 3) arising out of any criminal, dishonest, fraudulent, wilful, intentional or malicious acts or omissions, or any knowing or wilful violation of any statute or regulation, or the gaining in fact of any profit or advantage to which the Insured or Insured Director was not legally entitled; however, this exclusion shall only apply if such conduct has been established by final adjudication to have, in fact, occurred. It is agreed that Defence costs will be provided until such final adjudication but may then be recovered from each Insured Director as a debt by the Insurer if this Exclusion is to apply.
- 4) arising out of or in any way connected to any:
 - a) litigation, material circumstances or other facts disclosed as contingent liabilities in the Report & Accounts of the Insured unless previously agreed in writing by the Insurer
 - b) any alleged facts or circumstances of which notice was given or ought reasonably to have been given under any policy in force prior to the Continuity date; or
 - c) pending or prior litigation or derived from the same or essentially the same facts as might be alleged in such pending or prior litigation, as at the Continuity date; or
 - d) Transaction of which the Insured had Knowledge, or had reason to expect, as at the date of inception of The Policy unless previously agreed in writing by the Insurer

For purposes of this exclusion, the term litigation shall include, but not be limited to, any civil or criminal proceeding as well as any administrative or regulatory proceeding or official investigation or arbitration or adjudication.
- 5) in connection with any Claim made against an Insured Director which is brought by or on behalf of the Insured, or

any other Insured Director; provided however, that this Exclusion shall not apply to:

- a) defence costs;
 - b) any Claim brought or maintained by a liquidator, receiver, administrative receiver derivatively on behalf of the Insured without the solicitation or participation of any Insured Director.
- 6) arising out of any legal action or litigation brought in a court within the USA or Canada or out of any legal action or litigation brought in a court outside of the USA or Canada to enforce a judgment handed down in a court within the USA or Canada whether by way of reciprocal agreement or otherwise.
 - 7) in connection with any Claim made against an Insured Director directly or indirectly arising out of, or in connection with any public or private offering, issue or sale of shares, debentures, promissory notes or any other form of negotiable or non-negotiable security for the raising of capital by equity, debt or any other means.
 - 8) in connection with any Claim made against an Insured Director brought by, at the instigation of, or on behalf of any past or present shareholder or stockholder who had or has direct or indirect ownership of or control over 15% or more of the voting shares or rights of the Insured.
 - 9) in connection with any Claim made against an Insured Director arising out of any Claim or any developments thereof for or in respect of or in any way arising out of a breach of duty owed, or malpractice, in a professional or medical capacity.
 - 10) in a capacity as trustee or fiduciary under law (statutory or non- statutory including common) or administrator of any pension, profit sharing or employee benefits programme.

Exclusions – Employee Dishonesty

Insurance cover Employee Dishonesty does not provide cover for any Loss:

1. that results from the complete or partial non-payment or default under any credit arrangement, loan, lease or rental agreement, invoice, or payments made or withdrawals from any customer's account involving items which are not finally paid for any reason.
2. caused by any employee from and after the time that the Insured or any director or officer thereof shall have Knowledge or information that such employee has committed any dishonest or fraudulent act whether such act be committed before or after the date of employment by the Insured.
3. the proof of which is dependent solely upon a profit and loss computation or comparison of inventory records with an actual physical count.
4. which arises out of the voluntary giving or surrendering of property in exchange or purchase, unless such Loss is caused by an employee, or by forgery, counterfeiting or fraud by any other person whether or not in collusion with an employee.
5. for indirect or consequential loss of any nature.
6. for any costs, fees and other expenses incurred by the Insured in establishing the existence of or amount of Loss.
7. for any costs of defending any legal proceeding brought against the Insured.



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8. caused by any broker, factor, commission, consignee, contractor or any other agent or representative of the same general character.
9. due to loss of and/or damage to proprietary information, trade secrets, confidential processing methods, or other confidential information of any kind.
10. Loss the Insured First Discovered prior to, or subsequent to, the Period of Insurance.
11. arising from any act or any series of related acts committed outside the Policy Territory.
12. in connection with any Loss committed by any employee who at the time of committing the fraudulent or dishonest act owns or controls more than 5% of the issued share capital of the Insured.

Part B: Commercial Legal Expenses

Insuring Agreement

This legal expenses insurance is subject to all of the terms, conditions and exclusions of this Part B of Management Protector ("Part B") and the general exclusions to the Policy. It is underwritten by AIG Europe Limited and managed on their behalf by Qdos Broker & Underwriting Services Limited.

IMPORTANT

This insurance is only available to business organisations whose normal business activities are conducted from Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

You must tell Us about a claim as soon as possible and certainly within 180 days of the Event giving rise to a claim – see condition 2 of "General Conditions in respect of Management Protector (Part B)". You must do this by telephoning the legal helpline on 01455 852053. Delay may also prejudice Your legal position.

We may have the right to choose Your solicitor or tax adviser – see condition 5 of "General Conditions in respect of Management Protector (Part B)". Any legal costs and expenses You incur before Your claim has been accepted by Us will not be covered under this legal expenses insurance – see condition 4 of "General Conditions in respect of Management Protector (Part B)".

Please note that special conditions precedent (dealing with the reporting of claims) apply to claims under the Employment Cover, Statutory Licence Protection Cover and Tax Disputes Cover sections – see sections 1, 8 and 9 of "The Cover (Part B)".

Employment Cover

What is Covered

- a) The Insured's Costs and Attendance expenses of Legal Action to defend a civil claim brought against the Insured by an Employee who alleges that he or she has suffered a breach of his or her rights under the Acts.
- b) Compensation Awards, Reinstatement/Re-engagement Awards and Pay Awards arising from any matter which is covered under 1a. above.
- c) The Insured's Costs and Attendance Expenses of Legal Action to defend a civil claim brought against the Insured by an Employee:
 - I. for wrongful Dismissal; and/or
 - II. who alleges a breach by the Insured of his or her contract of employment.

The Event must happen within the Period of Insurance and the Policy Territory. Where Your claim arises from a series of Events then the first of these must happen within the Period of Insurance and the Policy Territory.

Exclusions in respect of Employment cover

- a) Any claim where the Event happens within 30 days of the start of the First Period of Insurance;



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- b) If an Employee in respect of whom a claim is made under this legal expenses insurance was at the time of an Event subject to disciplinary proceedings or any verbal or written warning, any claim where the Event happens within 180 days of the start of the First Period of Insurance;
- c) Any claim arising from or relating to:
 - i. The Insured deliberately avoiding:
 - a) liability for a redundancy payment; or
 - b) liability for monies or benefits due under a contract of employment;
 - ii. Article 141 EEC Treaty or under the Equal Pay Act 1970 and any amending legislation;
 - iii. the Dismissal of any Employee unless the Dismissal is handled according to the advice provided and procedures laid down by Our legal helpline;
 - iv. a transfer that falls within the Transfer of Undertakings (Protection of Employment) Regulations 1981, as amended;
 - v. any reference given by You regarding an Employee;
 - vi. a restrictive covenant in a contract of employment;
 - vii. personal injury, death and/or loss of or damage to property;
 - viii. Protective awards as defined in section 189(3) Trade Union and Labour Relations (Consolidation) Act 1992 or settlements in respect of such awards;
 - ix. Redundancy payments.

Conditions in respect of Employment Cover

1. Without prejudice to general condition 2 of "General Conditions in respect of Management Protector (Part B)", if You wish to obtain indemnity under this Employment Cover section You must immediately contact the legal helpline on 01455 852053, quoting the Policy number and follow the advice given and procedures laid down by Us where:
 - a) You are contemplating disciplinary action, suspension or a Dismissal;
 - b) You receive a form ET1 (originating application) from an Employment Tribunal. This must be dealt with quickly because of the statutory 21-day time limit for entering a notice of appearance (ET3). The notice of appearance should be left blank for completion by the Professional Adviser;
 - c) an Employee or his or her solicitor requests a written statement of reasons for his or her Dismissal or You receive from an Employee a discrimination questionnaire. In these circumstances You must contact the legal helpline no later than 7 days from the date of the request or receipt of the questionnaire and prior to a statement or reply being given;
 - d) an Employee makes a request for flexible working hours; and/or
 - e) an Employee resigns following a dispute with You, resigns without notice or claims he or she was forced to resign.
- 2) No Employee is to be disciplined, suspended or dismissed without Our prior approval.

Data Protection Cover

What is Covered

The Insured's Costs and Attendance Expenses of Legal Action:

- a) in defending a civil claim brought against the Insured arising from an alleged breach of the Data Protection Act 1998; or
- b) in appealing against an enforcement or other notice under Part 5 of the Data Protection Act 1998 following the Insured's receipt of such a notice.

The Event must happen within the Period of Insurance and the Policy Territory. Where Your claim arises from a series of Events then the first of these must happen within the Period of Insurance and the Policy Territory.

Exclusions in respect of Data Protection Cover

1. Any claim arising from or relating to:
 - i) a failure to register as a data controller;
 - ii) proceedings alleging contempt of the Information Tribunal;
 - iii) a failure to respond to any notice served under the Data Protection Act 1998;
 - iv) a failure to comply with any legislative requirement about the processing of sensitive personal data.

Prosecution Defence for the Insured Cover

What is Covered

The Insured's Costs and Attendance Expenses of Legal Action:

- a) in defending a criminal prosecution against the Insured arising from an alleged act or omission by the Insured in relation to Normal Business Activities; or
- b) in appealing to an Employment Tribunal against the service of improvement and prohibition notices on the Insured under the Health and Safety at Work Act 1974.

The Event must happen within the Period of Insurance and the Policy Territory. Where Your claim arises from a series of Events then the first of these must happen within the Period of Insurance and the Policy Territory.

Exclusions in respect of Prosecution Defence for the Insured Cover

- a) Any claim arising from or relating to:
 - i) the ownership, possession, hire or use of a motor vehicle;
 - ii) a prosecution alleging:
 - (1) intentional obstruction of a person in the execution of a warrant issued under the Data Protection Act 1998; and/or
 - (2) failure to give a person executing such a warrant the assistance that is reasonably required for its execution;
 - iii) a prosecution alleging manslaughter;



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- iv) a prosecution relating to drugs, indecent or obscene materials, or immigration;
- v) tax or National Insurance Contributions.

Employee Protection Cover

An Employee's Costs and the Insured's Attendance Expenses of Legal Action by that Employee to defend a criminal prosecution arising from his or her alleged act or omission in the course of his or her duties as an Employee of the Insured. The Event must happen within the Period of Insurance and the Policy Territory. Where Your claim arises from a series of Events then the first of these must happen within the Period of Insurance and the Policy Territory.

Exclusions in respect of Employee Protection Cover

- 1) Any claim arising from or relating to:
 - a) the ownership, possession, hire or use of a motor vehicle;
 - b) a prosecution alleging:
 - i) intentional obstruction of a person in the execution of a warrant issued under the Data Protection Act 1998; and/or
 - ii) failure to give a person executing such a warrant the assistance that is reasonably required for its execution;
 - c) prosecution of an Employee for matters which do not relate to his or her duties as an Employee;
 - d) a prosecution alleging manslaughter;
 - e) a prosecution relating to drugs, indecent or obscene materials, or immigration.

Contract Cover

What is Covered

The Insured's Costs and Attendance Expenses of civil Legal Action arising from a dispute between the Insured and his or her customer or supplier about an agreement for the supply of goods or services. The agreement for goods or services must be entered into after the start of the First Period of Insurance and the dispute must be such that if proceedings are issued it will not be allocated to the Small Claims Track of the County Court under the Civil Procedure Rules 1998 (as amended from time to time).

The Event must happen within the Period of Insurance and the Policy Territory and at least 90 days after the start of the First Period of Insurance. Where Your claim arises from a series of Events then the first of these must happen within the Period of Insurance and the Policy Territory and at least 90 days after the start of the First Period of Insurance.

Exclusions in respect of Contract Cover

- a) Any claim where the dispute is such that if proceedings are or have been issued it will be allocated to the Small Claims Track of the County Court under the Civil Procedure Rules 1998 (as amended from time to time);
- b) Any claim arising from or relating to:
 - a. the recovery of a debt from a customer or supplier where that customer or supplier does

- not dispute that the money is lawfully owed to the Insured;
- b. a dispute between a landlord and tenant or licensor and licensee;
- c. the defence of Professional Negligence Claims;
- d. the sale, lease, service, repair or test of a motor vehicle;
- e. a contract of employment;
- f. a dispute about securities, bills of exchange, goodwill, credit, guarantees, assignment, agency, franchisement or bailment;
- g. the sale or purchase of real property;
- h. construction contracts as defined by the Housing Grants, Construction and Regeneration Act 1996;
- c) Any dispute arising from an arbitration clause in a contract unless We have agreed in writing to accept such a claim.

Property Protection Cover

What is Covered

The Insured's Costs and Attendance Expenses of Legal Action in pursuing a civil claim against a third party (other than an existing or former Employee, Director or Employee) as a result of an act or omission by that third party in relation to Business Premises and/or goods owned by the Insured which results in, or is likely to result in uninsured financial loss to the Insured arising from physical damage to that property.

The Event must happen within the Period of Insurance and the Policy Territory. Where Your claim arises from a series of Events then the first of these must happen within the Period of Insurance and the Policy Territory.

Exclusions in respect of Property Protection Cover

- a) Any claim arising from or relating to:
 - i. a contract between the Insured and a third party;
 - ii. a lease or licence to occupy land or buildings;
 - iii. a dispute over the possession of or right to occupy land and/or any building thereon;
 - iv. goods in transit;
 - v. goods the Insured has hired from or lent to third parties;
 - vi. goods at premises other than the Insured's Business Premises unless they are to be installed at the premises or to be used in work carried out there by the Insured;
 - vii. a motor vehicle belonging to the Insured or in the Insured's possession except whilst on the Business Premises;
 - viii. any dispute relating to tax, planning or building regulations or decisions or compulsory purchase orders.



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Tenancy Disputes Cover

What is Covered

The Insured's Costs and Attendance Expenses of Legal Action to pursue the Insured's landlord or to defend a claim by the Insured's landlord based on a breach of the terms contained within the lease or tenancy agreement applying to the Insured's Business Premises.

The Event must happen within the Period of Insurance and the Policy Territory. Where Your claim arises from a series of Events then the first of these must happen within the Period of Insurance and the Policy Territory.

Exclusions in respect Property Disputes Cover

- a) Any claim arising from or relating to:
 - i. the amount, payment or non-payment of rent;
 - ii. the renewal of a lease or tenancy agreement.

Statutory Licence Protection Cover

What is Covered

The Insured's Costs and Attendance Expenses of an appeal to a relevant statutory body or court within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man following receipt by the Insured of a notice of suspension, revocation, alteration of the terms of or refusal to renew the Insured's Statutory Licence(s).

The Event must happen within the Period of Insurance and the Policy Territory. Where Your claim arises from a series of Events then the first of these must happen within the Period of Insurance and the Policy Territory.

Exclusions in respect of Statutory Licence Protection Cover

- a) Any claim arising from or relating to:
 - i. an original application for or standard renewal of a licence;
 - ii. an appeal relating to the ownership, driving or use of a motor vehicle;
 - iii. suspension, revocation, alteration of the terms of or refusal to renew a licence where this action is imposed by Act of Parliament;
 - iv. a statutory licence which has not been declared to Your insurance broker.

Condition in respect Statutory Licence Protection Cover

Without prejudice to general condition 2 of "General Conditions in respect of Management Protector (Part B)", if You wish to obtain indemnity under this Statutory Licence Protection Cover section You must immediately contact the legal helpline on 01455 852053, quoting the Policy number and follow the advice given and procedures laid down by Us where you become aware of any threatened suspension, revocation, alteration of the terms of or refusal to renew a Statutory Licence.

Tax Disputes Cover

What is Covered

The Insured's Costs and Attendance Expenses of Legal Action arising directly from:

- a. a VAT Dispute with H M Customs & Excise where there are reasonable prospects of the Insured obtaining a financial benefit and H M Customs & Excise indicates and intention to collect additional amounts of tax. The Event is the earliest of the following:
 - (i) the date on which H M Customs & Excise requests a meeting with the Insured or enters the Insured's premises or expresses dissatisfaction with any of the Insured's VAT returns in writing;
 - (ii) the date on which the Insured or his or her adviser first became aware, or could reasonably have become aware, that a VAT Dispute was likely to arise with H M Customs & Excise; or
 - (iii) the date on which the Insured is served with a notice of assessment;
- b. an Inland Revenue Enquiry into the Insured's business accounts and records. The Event is the Insured's receipt of a notice under Section 9A or Section 12AC of the Taxes Management Act 1970 or under paragraph 24, Schedule 18 to the Finance Act 1998;
- c. a dispute with the Inland Revenue following an Employer Compliance Review. The Event is the earliest of:
 - i) the date on which the Inland Revenue expresses dissatisfaction with the amounts of PAYE or National Insurance Contributions paid by the Insured or his or her returns of expenses payments made;
 - ii) the date on which the Inland Revenue expresses dissatisfaction with the amounts of income tax paid by the Insured in respect of payments to subcontractors not in possession of a CIS5 or CIS6 tax certificate; or
 - iii) the date on which the Inland Revenue starts an investigation into the accuracy of forms P9D or P11D or into the Insured's liability or that of an Employee to pay additional tax because of alleged inaccuracies in such forms;

and indicates an intention to collect additional amounts of tax.

The Event must happen within the Period of Insurance and the Policy Territory. Where Your claim arises from a series of Events then the first of these must happen within the Period of Insurance and the Policy Territory.

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Exclusions in respect of Tax Disputes Cover

- a. Costs:
 - i) incurred in dealing with routine matters (including but not limited to a VAT audit visit);
 - ii) incurred in dealing with VAT investigations by H M Customs & Excise or the National Investigations Service;
- b. In respect of an Inland Revenue Enquiry only:
 - i) Costs arising after the issue of a notice under Sections 28A(5) or 28B(5) of the Taxes Management Act 1970 or under paragraph 32, Schedule 18 to the Finance Act 1998 notifying the Insured that the enquiry has been completed; and/or
 - ii) Costs incurred in respect of an amendment under Section 9(4) of the Taxes Management Act 1970 ("a repair") or under Section 12AB (2) of the Taxes Management Act 1970 or under paragraph 16, Schedule 18 to the Finance Act 1998; and/or
 - iii) costs incurred otherwise than wholly in connection with an Inland Revenue Enquiry into the Insured's business profits. Where appropriate, Professional Adviser's fees will be apportioned;
- c. Any claim where:
 - i) deliberate mis-statements have been made in respect of accounts, returns or any other submissions made to the relevant authorities with intent to deceive;
 - ii) the Insured has failed to notify his or her business status to the relevant authorities within a statutory period;
 - iii) there has been a failure to maintain or submit accurate, truthful and up-to-date records and returns or a failure to observe statutory time limits or requirements;
 - iv) a false representation has been made either knowingly or without belief in its truth and this has resulted in a mis-statement of amounts payable, expenses claimed, income or profits chargeable or losses allowable for tax or contributions purposes or of expenses payments made;
- d. Any claim arising from or relating to:
 - i) an investigation or enquiry by the Special Compliance Office or Costs following the transfer of an enquiry to that office;
 - ii) tax or National Insurance contributions avoidance schemes; and/or
 - iii) VAT refunds in countries outside Great Britain and Northern Ireland or Import VAT.

Conditions in respect of Tax Disputes Cover

Without prejudice to condition 2 of "General Conditions in respect of Management Protector (Part B)", the Insured must contact the tax helpline as soon as possible after an Event on 01455 852053 and comply with the advice given by the tax helpline;

The Insured must have maintained and must continue to maintain accurate, truthful and up to date records and make returns in due time in accordance with statute and accounting conventions acceptable to H M Customs & Excise or the Inland Revenue where applicable and have made all returns and payments except those which are disputed and provided information to relevant authorities in due time;

The Insured and his or her Professional Adviser must provide information to the Inland Revenue and H M Customs & Excise in due time and must comply with any statutory notice requesting information which is not the subject of an appeal;

The Insured or his or her Professional Adviser should notify Us in writing of any invitation by H M Customs & Excise or by the Inland Revenue to make an offer in settlement; and

In respect of Inland Revenue Enquiries the Insured's Professional Adviser must provide copies of relevant correspondence between the Inland Revenue, the Professional Adviser and the Insured (including the notice of enquiry) together with copies of the accounts, tax computations and return giving rise to the enquiry.

Jury Service Cover

What is Covered

The Insured's Attendance Expenses of jury service by any Employee, Partner or Director following receipt by that Employee, Partner or Director of a notice from a court within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man requiring his or her service on a civil or criminal jury at that court.

The Event must happen within the Period of Insurance and the Policy Territory. Where Your claim arises from a series of Events then the first of these must happen within the Period of Insurance and the Policy Territory.

Exclusions to Jury Service Cover

Any claim which is unsupported by documentation from the relevant court evidencing attendance at that court by an Employee, Partner or Director in respect of whom Attendance Expenses are claimed.

Definitions – Commercial Legal Expenses

For the purposes of a claim under Part B the following words or expressions, where they appear with initial capital letters, will have the meaning given to them below. If there is any conflict between a definition in Part B and a definition elsewhere in the Policy, the definition in Part B will apply.

1. Acts – the:
 - Sex Discrimination Acts 1975 and 1986;
 - Health and Safety at Work Act 1974;
 - Race Relations Act 1976;
 - Trade Union and Labour Relations (Consolidation) Act 1992;
 - Fair Employment (Northern Ireland) Acts 1976 and 1989;

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- Disability Discrimination Act 1995;
 - Employment Rights Act 1996;
 - National Minimum Wage Act 1998;
 - Working Time Regulations 1998;
 - Employment Relations Act 1999;
 - Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000; and/or
 - Employment Act 2002; and any amending legislation.
2. Annual Aggregate Limit – £500,000 being the maximum the Insurer will pay for all claims arising under this legal expenses insurance in one Period of Insurance.
3. Attendance Expenses – subject to the Limit of Indemnity and the Annual Aggregate Limit, the salary or wages (paid by the Insured) of any Employee, Partner or Director, for the period he or she is absent from work to attend at any court hearing either:
- as a witness on Your behalf and at the request of the Professional Adviser in respect of a matter involving a claim accepted under Part B;
 - as a party to legal proceedings and at the request of the Professional Adviser in respect of a matter involving a claim accepted under Part B; or
 - as a juror.
- The maximum payable per day shall be £100 per person subject to a limit of £5,000 per Event. This limit is comprised within and not additional to the Limit of Indemnity.
4. Business Premises – the business premises declared by the Insured to the Insurer being premises owned by the Insured (or for which the Insured is legally responsible) and used by the Insured for the purposes of the Normal Business Activities.
5. Compensation Awards – subject to the Limit of Indemnity, basic and compensatory awards made against the Insured under the Acts which the Insured is ordered or agrees to pay with Our prior written consent. This does not include awards made under sections 158 and 173 Employment Rights Act 1996 nor does it include:
- payments made in settlement of proceedings under that Act;
 - Pay Awards;
 - redundancy payments;
 - notice entitlement;
 - pay in lieu of notice; or
 - fines or penalties imposed by a court of criminal jurisdiction.
6. Conditional Fee Agreement – a valid agreement made between You and Your Professional Adviser with Our prior written consent where the Professional Adviser's fees and payments or any part of them are payable by You only if Your claim succeeds.
7. Costs - subject to the Limit of Indemnity and the Annual Aggregate Limit:
- reasonable un-recovered legal fees and disbursements which You are liable to pay to Your Professional Adviser; and
 - reasonable legal fees and disbursements You are ordered to pay or have agreed to pay (with Our prior written consent).
8. Director – a director or other board member of the Insured where the Insured is a limited company.
9. Dismissal - has the meaning given by section 95 of the Employment Rights Act 1996.
10. Employee - an existing or former employee of the Insured. For the avoidance of doubt this does not include a prospective employee.
11. Employer Compliance Review – an inspection of the Insured's PAYE and National Insurance records and returns of expenses payments by the Employer Compliance Unit of the Inland Revenue.
12. Event(s) - the word(s) underlined in "The Cover (Part B)". The Event for the purposes of a claim under section 9 ("Tax Disputes Cover") is defined in that section. For the purposes of the Limit of Indemnity, only one Event will be regarded as having arisen from all causes of action, incidents or events which are related by cause, place or time.
13. Excess - the initial amount of each claim You must bear before the Insurer is obliged to make any payment in respect of any claim, as follows:
- Section 9 (Tax Disputes Cover): The first £250 or the first four hours (whichever is the less) of the Professional Adviser's fees
 - All other sections: Nil.
14. First Period of Insurance - the first Period of Insurance provided that the Insured's legal expenses insurance administered by Us has remained continuously in force since then.
15. Inland Revenue Enquiry - an enquiry into the Insured's returns of income or profit from a trade, profession or business commenced by the Inland Revenue under Sections 9A or 12AC of the Taxes Management Act 1970 or under paragraph 24, Schedule 18 to the Finance Act 1998.
16. Insured – the policyholder declared to and accepted by Us whose registered office or principal trading address is within the Policy Territory.
17. Insurer – AIG Europe Limited, 58 Fenchurch Street, London EC3M 4AB who is authorised and regulated by the Financial Services Authority.
18. Legal Action – steps You need to take to protect Your legal rights through a court, as long as that court is within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
19. Limit of Indemnity – subject to the Annual Aggregate Limit, the maximum sum the Insurer will pay for all claims arising from an Event, as follows:
- Section 9 (Tax Disputes Cover): £25,000
 - Section 10 (Jury Service Cover): £5,000
 - All other sections: £100,000.
20. Normal Business Activities – the Insured's normal business activities as declared by the Insured to the Insurer.
21. Partner – where the Insured is a partnership, any of the partners within that partnership.
22. Pay Awards – subject to the Limit of Indemnity, awards made against the Insured under Section 93 of the Employment Rights Act 1996 when a court declares the "written statement" to have been inadequate or untrue. It does not include awards made when the Insured has unreasonably refused to supply the "written statement".
23. Period of Insurance – the period of no more than 12 calendar months during which this legal expenses



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- insurance is in force and for which the relevant legal expenses premium has been paid.
24. Professional adviser - the solicitor or suitably qualified tax adviser appointed to act for You under this legal expenses insurance.
 25. Professional Negligence Claims – a claim by a third party against the Insured or any Partner, Director or Employee which alleges a negligent act, error or omission of a type which either is, or is normally, covered under a professional indemnity, directors and officers or similar insurance including any insurance provided under any section of this Policy other than Part B.
 26. Prospects of Success – in Our reasonable opinion:
 - a. it is more probable than not that Your claim will succeed assuming that it is determined at a final hearing and You will be able to obtain the compensation or result You are seeking; and
 - b. Your interests cannot be better achieved by other means.
 27. Reinstatement/Re-engagement Awards – subject to the Limit of Indemnity, awards made against the Insured when a court makes an order for reinstatement or re-engagement under section 113 of the Employment Rights Act 1996.
 28. Statutory Licence - a licence which has been issued under statute or statutory instrument or by government or local authority to the Insured where the licence is necessary for the Normal Business Activities.
 29. VAT Dispute - a dispute with H M Customs & Excise regarding the amount of VAT payable by the Insured where there are reasonable grounds for such dispute.
 30. We, Us, Our – Qdos Broker & Underwriting Services Limited, acting on behalf of the Insurer to manage this legal expenses insurance.
 31. You, Your – the Insured and at the request of the Insured, any relevant Employee.

General Conditions – Commercial Legal Expenses

1. Premium

The Insured must have paid the relevant legal expenses premium and have been declared to Us as having done so.

2. Reporting of claims

You must tell Us of Your claim as soon as possible, but no later than 180 days after the date of the Event. Where Your claim arises from more than one Event then the 180-day period starts with the date of the first such Event.

You must notify Us of Your claim by telephoning Us on 01455 852053 and asking to speak to one of our legal advisers.

Delay may prejudice Your legal position. You must follow the advice given.

If You are in any doubt about Your need to notify Us of a claim under this insurance or Your eligibility to make such a claim You should telephone Us and ask to speak to one of Our legal advisers.

We will send You a claim form. You must fill this in fully and truthfully and return it to Us and give Us at your own cost any documentation, evidence, or other information that We may reasonably need in order to assess Your claim including a copy of Your Policy schedule.

3. Observance

The due observance and fulfilment of the terms, conditions and endorsements of this legal expenses insurance insofar as

they relate to anything to be done or complied with by You and the truth of any statements in the Insured's proposal and declaration shall be conditions precedent to any liability of the Insurer to make any payment under this legal expenses insurance.

4. Acceptance of Your claim

The Insurer will pay Costs and Attendance Expenses incurred after We accept Your claim in writing and Your solicitor or tax adviser confirms in writing that he or she will co-operate with You to keep to the terms of this legal expenses insurance. The Insurer will only meet the Costs and Attendance Expenses of Your claim:

- a. which have been agreed in advance by Us as to both amount and purpose; and
- b. as long as there are Prospects of Success.

If at any stage We consider that Your claim does not have Prospects of Success, We will give You an explanation of Our decision in writing. The Insurer will not provide any further cover for Your claim. If You disagree with Our decision, You can refer the matter to an arbitrator under condition 12.

5. Appointment of Professional Adviser

At any time before We agree that legal proceedings need to be issued, We will choose a Professional Adviser to act for You. We reserve the right to require Your Professional Adviser, where chosen by Us, to act for You under a Conditional Fee Agreement.

Only if legal proceedings have been issued, or a conflict of interest arises, can You choose a solicitor.

If You discontinue Your instructions to Your Professional Adviser without Our prior written permission, the Insurer's liability will stop at once and the Insurer may recover any Costs and Attendance Expenses already paid from You.

6. Conduct of Your claim

You must immediately tell Your Professional Adviser to:

- a. provide us, as soon as reasonably possible, with:
 - i. his or her views on the merits of Your claim;
 - ii. his or her hourly rate and estimate of the total costs of pursuing or defending Your claim; and
 - iii. any information, document or file (including Your Professional Adviser's files) relating to Your claim, whether or not privileged, that We may ask for,
- b. keep Us fully updated during Your claim:
 - i. on the progress of Your claim, including any offers to settle;
 - ii. of any change in his or her views on the merits of Your claim; and
 - iii. of any change to his or her estimate of Costs.

We will set spending limits for Your Professional Adviser's fees and payments during Your claim. If a limit is exceeded without Our prior written permission, the Insurer will not pay for any fees and disbursements above the relevant spending limit.

These limits will not affect the Insurer's rights under condition 11.

7. Co-operation with Us and Your Professional Adviser.

You will co-operate with:

- i) Us at all times and reply promptly to any correspondence about Your claim; and
- ii) Your Professional Adviser at all times and give him or her all information that he or she needs and will attend meetings and hearings whenever You are asked to.



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8. Investigation and payment of Your claim.

We, or Our agents, may investigate Your claim. In Our absolute discretion, the Insurer may pay You an amount equal to Our reasonable estimate of the value of Your legal claim, or that made against You, instead of providing cover for Your Costs and Attendance Expenses.

9. Settlement

You or Your Professional Adviser must immediately write to tell Us of any offer made to settle Your claim including offers relating to costs. You must not accept any offers without getting Our permission first. We will not withhold Our consent in relation to an offer that a reasonable solicitor or tax adviser would recommend to a private client who is paying his or her own fees.

If You do not accept an offer We consider to be reasonable, the Insurer will not pay any further Costs and Attendance Expenses.

10. Withdrawing and discontinuing

If You withdraw from or discontinue (stop) Your claim without getting Our permission in writing first then the Insurer will not pay Costs and/or Attendance Expenses and will be entitled to recover from You any fees and payments made or charged before the withdrawal or discontinuance. We will not withhold Our permission in relation to a withdrawal or discontinuance that a reasonable solicitor or tax adviser would recommend to a private client who is paying his or her own fees.

11. Assessment and recovery of costs

You must, if We ask You, tell Your Professional Adviser to send all of his or her files and any bill of costs for assessment by a court or certification by the appropriate professional body or auditing by cost consultants appointed by Us.

You must:

- a) take reasonable steps to recover Costs awarded or agreed to be paid to You; and
- b) immediately pay Us any Costs recovered, or tell Your Professional Adviser to do so.

If You pay or agree to pay costs above the Limit of Indemnity in order to end Your case, any costs awarded or agreed to be paid to You will be divided between the Insurer and You to reflect the proportion of costs that both the Insurer and You have paid or, but for the recovery of costs from Your opponent(s), would be liable to pay. You will pay Us or tell Your Professional Adviser to pay to Us the amount that is due to the Insurer immediately.

12. Disputes

Either You or We may refer any dispute to an arbitrator who will be a solicitor or barrister. If we cannot agree on an arbitrator the Chartered Institute of Arbitrators will choose one. The arbitration will be under the Arbitration Acts in force and will be binding on the parties. If the arbitrator decides that You should pay the costs of the arbitration, the Insurer will not pay these or any Attendance Expenses under this legal expenses insurance.

13. Notification of alteration in risk

The Insured must notify Us immediately of any alteration in risk which materially affects this legal expenses insurance.

14. Insolvency

The Insurer will have the right to withdraw funding for Costs under this legal expenses insurance where either at the commencement of or during a claim under this legal expenses insurance You are made bankrupt or go into liquidation or file a bankruptcy petition or winding up petition or make an arrangement with Your creditors or enter into a deed of arrangement or part or all of Your affairs or property are in the control of a receiver or administrator.

15. Agreement

The Insurer is not bound by any agreement that You or Your Professional Adviser make without Our prior approval or permission.

16. Waiver

If We or the Insurer waive(s) any right or breach of any term of this legal expenses insurance, this will not waive any other right or later breach.

17. Transferring your rights

You cannot transfer Your rights under this legal expenses insurance. A person, partnership (whether limited or not) or company who is not a party to this legal expenses insurance has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

18. Data Protection Statement

The information and data You give to Us will be processed by Us in accordance with the Data Protection Act 1998 to enable Us to manage Your claim.

We will keep Your personal data safe and secure. The information and data will be maintained and used by Us to administer Your claim.

We may pass information and data provided by You to third parties such as Your insurers and any agents appointed to deal with Your claim. Information will continue to be handled in accordance with Our code of good practice.

Unless You notify Us otherwise in writing, We will not discuss Your claim with any other third parties.

If You require further information or clarification of any of the statements made above please contact Us at the following address:

Qdos Broker & Underwriting Services Limited
Windsor House, Troon Way Business Centre,
Humberstone Lane, Thurmaston,
Leicestershire,
LE4 9HA

Telephone: 01455 852053.

General Exclusions – Commercial Legal Expenses

The Insurer will not pay for:

1. the Excess;
2. compensation, interest, penalties or taxes which the Insured or his or her Employees, Partners or Directors are ordered or agree to pay except the compensation provided for in section 1(b) of Employment Cover under Excluded claims;
3. any claim:
 - i. where You do not tell Us of Your claim within 180 days of the Event giving rise to it;



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- ii. arising from an Event which happens, or a series of Events which starts, outside the Policy Territory;
 - iii. arising from an Event which happens, or a series of Events which starts, outside the Period of Insurance;
 - iv. where before the start of the First Period of Insurance in Our reasonable opinion the Insured was aware, or should have been aware, that a claim was likely to be made;
 - v. where You were driving a motor vehicle without a valid licence and/or insurance;
 - vi. more specifically insured or any amount that You cannot recover from a more specific insurance because the insurer refuses the claim;
 - vii. which is false, fraudulent or exaggerated; or,
 - viii. which does not arise from the Normal Business Activities.
4. any claim concerning or arising from:
- i. anything to do with building, rebuilding, converting or extending all or part of a building;
 - ii. a dispute about a licence to occupy property;
 - iii. a tax or levy relating to the Insured's Business Premises;
 - iv. works by or under the order of any government, public or local authority;
 - v. town and country planning laws and regulations;
 - vi. patents, copyrights, trademarks, merchandise marks, service marks, registered designs, intellectual or artistic property, secrecy or confidentiality agreements and passing off;
 - vii. a manufacturer's warranty or guarantee;
 - viii. subsidence, land heave, land slip, mining or quarrying;
 - ix. libel, slander or malicious falsehood; a dispute between You and Us and/or the Insurer about this legal expenses cover;
 - x. an application for judicial review;
 - xi. computer software operating systems and packaged software tailored by a supplier to Your special order;
 - xii. deliberate discrimination amounting to an act of unlawful discrimination; or,
 - xiii. prosecutions which allege dishonesty or intentional violence or any claim arising from any deliberate, criminal or dishonest act or omission by You.
5. any costs or attendance expenses:
- i. associated with an appeal unless:
 - a) the appeal relates to an Event that the Insurer has already covered under this legal expenses insurance; and
 - b) You tell Us in writing that You want to appeal at least six working days before You are required to give notice of appeal; and
 - c) We consider that the appeal has Prospects of Success;
 - ii. of any private prosecution;
 - iii. where the claim falls under section 1 of "The Cover (Part B)" (Employment Cover), of any disciplinary, investigatory or grievance procedure connected with an Employee's contract of employment or the costs associated with any compromise agreement;
 - iv. You pay or agree to pay before We have accepted Your claim in writing and Your solicitor or tax adviser

- confirms in writing that he or she will co-operate with You to keep to the terms of this legal expenses cover;
- v. for more than We have agreed;
- vi. where You have entered into a conditional fee agreement or any other form of alternative funding without obtaining Our permission in writing first;
- vii. arising from Your or Your Professional Adviser's unreasonable behaviour or failing;
- viii. where You do not meet Your duties under this legal expenses insurance or You or Your Professional Adviser are responsible for anything which in Our reasonable opinion prejudices the Insurer's position;
- ix. where You act against or differently from the advice of Your Professional Adviser;
- x. of or relating to any security for costs You are ordered to pay or agree to pay; or,
- xi. incurred in avoidable correspondence.

Business Legal and Tax Helpline

The Insured can contact Our helpline on 01455 852053 for advice on any business legal or tax problem directly affecting the Insured. The legal helpline is available 24 hours a day, 365 days a year. The tax helpline is available between 9am and 5pm Monday to Friday (other than public holidays). The advice available from the helpline is limited to the law and practice of Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, except the tax helpline which is limited to the law and practice of Great Britain and Northern Ireland.

Calls to us are monitored and recorded for training and other lawful purposes.



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General Conditions – All Sections

The following are conditions applicable to all Sections of the Policy:

1. **Cancellation** – The Insurer may cancel the insurance by giving thirty (30) days notice by recorded delivery to the Insured's last known address provided that in the event of no claim having been made in the current Period of Insurance the Insurer shall return to the Insured a proportionate part of any additional premium paid for the unexpired Period of Insurance.
 2. **Statutory Requirements Maintenance and Reasonable Precautions** – The Insured at his own expense shall
 - i. take all reasonable precautions to prevent or diminish loss destruction or Damage or any occurrence or cease any activity which may give rise to liability under this Policy and to maintain all Premises in a good state of repair.
 - ii. exercise care in the selection and supervision of employees
 - iii. as soon as possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require
 - iv. comply with all statutory requirements and other safety regulations imposed by any authority
 - v. keep books with a complete record of purchase and sales
 - vi. bring into full and effective operation all locks bolts alarms and protective devices fitted to the Premises at the inception of this insurance or as subsequently agreed with the Insurer whenever the Premises are closed for business or left unattended Furthermore such protections shall be kept in full and effective working order and shall not be altered or varied without the prior written consent of the Insurer
 3. **Notification and Steps to be taken** – On the discovery of a claim against him or any event which may give rise to a claim by the Insured under any section of the Policy.
 - i. the Insured must as relevant
 - a) notify the Insurer as soon as possible:
 - b) inform the Police immediately if Damage is caused or appears to be caused by thieves, malicious persons or by malicious act:
 - c) send to the Insurer a written claim not later than 30 days (7 days in the case of Damage caused by riot civil commotion strikers locked out workers persons taking part in labour disturbances or malicious persons if insured by this policy) after the Damage has occurred providing at his own expense all the detailed particulars and evidence regarding the cause and the amount of the Damage as the Insurer may reasonably require:
 - d) forward to the Insurer immediately all letters claims writs, summons process, notice of adjudication or other documents served on the insured or their representative and notify the insured of any impending prosecution, inquest, inquiry or proceedings in any court. No admission of liability of promise or payment shall be made without the Insurer's written consent.
 - e) promptly take at his own expense all reasonable steps to prevent other Personal Injury or Damage arising out of the same conditions (such expense shall not be recoverable under this policy)
 - ii. The Insurer will be entitled to
 - a) enter any building where Damage has occurred and take and keep possession of the property:
 - b) deal with the salvage in any reasonable manner provided that under no circumstances can the Insured abandon any property to the Insurer This Policy shall be proof that the Insured has given to the Insurer the license and authority which it may need to exercise its rights under this condition.
4. **Fraudulent Claims** – If any claim under this Policy be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy or if any Damage or legal liability be occasioned by the wilful act or with the connivance of the Insured all benefit under the Policy shall be forfeited.
 5. **Contribution** – If at the time any claim under the Policy arises there be any other insurance effected by or on behalf of the Insured covering such Damage or liability or any part of it the liability of the Insurer hereunder shall be limited to its rateable proportion of such Damage or liability.
 6. **Subrogation** – The Insured shall at the request and at the expense of the Insurer do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Insurer for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Insurer shall be or would become entitled or subrogated upon their making payment in respect of or making good any Damage or liability under this Policy whether such acts and things shall be or become necessary or required before or after the Insured's indemnification by the Insurer.
 7. **Arbitration** – If any difference shall arise 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 in that behalf for the time being in force. Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the Insurer.
 8. **Alterations** – Sections 1, 2 and 3 of The Policy will be avoided by the Insurer if
 - i. the Business is wound up or carried on by a Liquidator or Receiver or permanently discontinued or
 - ii. the Insured's interest ceases otherwise than by death or
 - iii. any alteration is made either in the Business or in the Premises or property therein the occupation of any Insured Person or any other circumstances whereby the risk is increased at any time after the commencement of this insurance unless its continuance be admitted by memorandum signed by or on behalf of the Insurer.



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9. **Settlement** – The Insurer may
- pay any part or all of the deductible amount to effect settlement of any claim or series of claims against the Insured and in such circumstances the Insured shall promptly reimburse the Insurer for the amount of the deductible paid by the Insurer
 - at its discretion pay to the Insured in connection with any claim or series of claims against the Insured the appropriate limit of indemnity (after deducting any sum or sums already paid) or any lesser amount for which such claim or claims can be settled and shall then relinquish the conduct and control and be under no further liability in connection with such claim or claims except for any additional recoverable expenses incurred prior to the date of such payment. In the event of a claim or series of claims resulting in the liability of the Insured to pay a sum in excess of the limit of indemnity for damages the Insurer's liability for costs and expenses where these are payable in addition to the limit of indemnity shall not exceed an amount being in the same proportion as the limit of indemnity bears to the total payment made by or on behalf of the Insured in settlement
10. **Adjustment** – If the premium for this Policy is calculated on estimates provided by the Insured within a reasonable time after expiry of each Period of Insurance the Insured shall supply to the Insurer such information as is required to adjust the deposit premium and the difference shall be payable by or to the Insured subject to any designated minimum premium
11. **Law and Jurisdiction** – The proper law of this Policy shall be English law (or Scottish law where the Insured's Head Office is in Scotland) and the Courts of England (or Scotland where the proper law of the contract is Scottish) shall have exclusive jurisdiction in all disputes connected with this Policy.
12. **Waiver or Change of Policy Terms** – The terms of this Policy shall not be waived or changed except by Endorsement issued and signed by the Insurer to form a part of this Policy.
13. **Survey** – It is a condition precedent to the Insurer's liability that if this policy has been issued prior to the Insurer's survey, the Insured shall comply with any risk improvements required by the Insurer within the time specified. However should the survey show in the Insurer's opinion that the risk or any part of the risk is unacceptable then the Insurer will retain the right to cancel suspend or alter the terms of the insurance provided by any part of the Policy.
14. **Contract (Rights of Third Parties) Act 1999** – It is hereby understood and agreed that Pursuant to Section 1(a) and Section 1(2) of the Contracts (Rights of Third Parties) Act 1999, nothing in The Policy is intended to confer a directly enforceable benefit on any party other than the Insured or the Insurer. General conditions 3,5,7,8,9,12 and 13 shall not apply to Section 4B (Management Protector - Commercial Legal Expenses). Additional conditions specific to that Section are set out in that Section.
15. **Admission of Liability** – The Insured shall not make admission of liability take any action which may be construed as an admission of liability or repudiate or settle any claim or waive any rights of recovery without the prior written consent of the Insurer.
16. **Conduct and Control of Claims** – The Insurer shall have the right to
- defend any claim against the Insured
 - take over and conduct the defence or settlement of any claim
 - prosecute for its own benefit any claim for indemnity or damages or otherwise in the name of the Insured
 - subrogation of all the Insured's rights of recovery whether before or after indemnification by the Insurer
 - exercise full discretion in the conduct of any proceedings and in the settlement of any claim whether before or after indemnification by the Insurer.
17. **Alteration of Risk** – The Insured shall notify the Insurer in writing of any material changes to the Business or risk during the Period of Insurance. The Insurer reserves the right to accept or deny coverage at the time of such notification and to establish a separate rate and premium for any such coverage.



Commercial Combined Policy Wording

General Exclusions – All Sections

This Policy including any Extensions does not cover:-

1. Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss, or any legal liability or any claim under the Policy whatsoever, directly or indirectly caused by or contributed to by or arising from:
 - i. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - ii. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - iii. war, invasion, piracy, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
 - iv. confiscation, detention, destruction, nationalisation, requisition or enforcement by order of any Government, Power, Municipal, Local or Customs Authority;
 - v. pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds
 - vi. mould, mildew, fungus or spores of any type, nature or description
2. It is hereby understood and agreed, that notwithstanding any other war risk or terrorism exclusion that may be in the Policy or any clause limiting or attempting to limit the application of any endorsements to the Policy, this Policy is amended as follows :

This Policy does not cover loss, destruction, Damage to property or any claim caused by, resulting from, contributed to or aggravated by any of the following perils, whether such loss, destruction, Damage or cause of a claim is accidental or intentional, intended or unintended, direct or indirect, proximate or remote or in whole or in part caused by, contributed to or aggravated by any perils insured by the Policy:

 - i. war, hostile or warlike action in time of peace or war (whether or not declared) including action in hindering, combating or defending against an actual, impending or expected attack :
 - a) by government or sovereign power (de jure or de facto) or by any authority maintaining or using military, naval or air forces, or any other armed forces or militia; or
 - b) by military, naval or air forces, or any other armed forces or militia; or
 - c) by an agent of any such government, power, authority or force
 - ii. any weapon of war employing nuclear or radioactive force or contamination whether in time of peace or war (whether or not declared), whether or not its discharge was accidental;
 - iii. insurrection, rebellion, revolution, civil war, usurped power, or action taken by government authority in hindering, combating, or defending against such an occurrence, seizure or destruction;

- iv. any act of one or more persons, whether known or unknown and whether or not agents of a sovereign power, for the purposes of Terrorism;
- v. hijacking or any unlawful seizure or wrongful exercise or control of any mode of transportation, including but not limited to aircraft, watercraft, truck(s), train(s) or automobile(s), including any attempted seizure of control, made by any person or persons
- vi. riot civil commotion in Northern Ireland Such loss, destruction or Damage is excluded regardless of any other cause, event or intervention that contributes concurrently or in any sequence to the loss, destruction or Damage

Solely for the purposes of this Exclusion, Terrorism means the use or threatened use of any unlawful means, including the use of force or violence against any person(s) or property (ies), for the actual or apparent purpose of intimidating, coercing, punishing or affecting society or some portion of society or government

In any action suit or other proceedings where the Insurer alleges that by reason of this definition any loss destruction or Damage is not covered by The Policy the burden of proving that such loss destruction or Damage is covered shall be upon the Insured.
All other terms, conditions and exclusions of the Policy remain unchanged.

However, this Exclusion shall not apply to Section3 Employers Liability, and Products Liability, and Public Liability.

3. The Insurer shall not be deemed to provide cover and the Insurer shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that Insurer, its parent company or its ultimate controlling entity to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.