



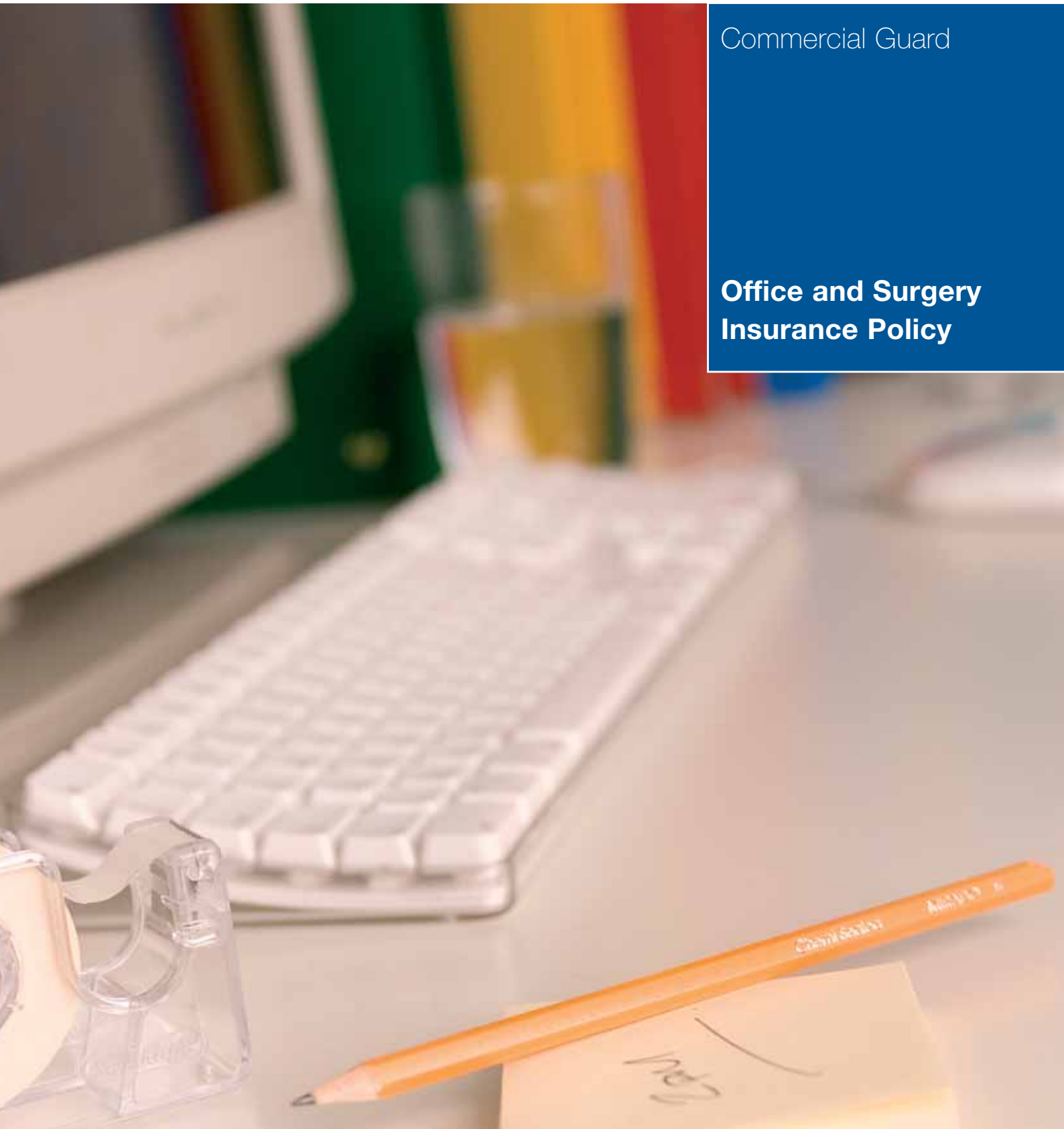
FORTIS

Solid partners, flexible solutions

Peace of mind for your business

Commercial Guard

**Office and Surgery
Insurance Policy**



OFFICE & SURGERY POLICY

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Office & Surgery Policy

This Policy and Schedule shall be read together as one contract.

The **Insured** has applied to the **Company** for this insurance by a proposal and declaration or statement of fact, which shall be the basis of and incorporated in this contract, and in consideration of which a premium has been or will be paid.

As part of this contract the **Company** will provide insurance by any Section or Extension of this Policy made operative as shown on the Schedule for each period of insurance for which payment of premium has been accepted, subject to the terms, conditions and exclusions shown within the Policy and Schedule.

The Policy has been signed for and on behalf of Fortis Insurance Ltd (the **Company**).



B D SMITH
Chief Executive

This Policy forms part of the contract with the **Company** and must be kept safe with all the Schedules and Endorsements.

Please read the Policy and Schedule carefully to ensure it meets your requirements; if it does not, please contact your broker or agent immediately.

Definitions

The following words or expressions shall carry the meaning shown below whenever they appear in **bold** in the Policy, Schedule, Endorsements and the proposal form or statement of fact.

Wherever the defined words are shown in the plural they take the same meaning as shown below, but in the plural.

Note: The definitions for Section 4 Legal Expenses are shown in the separate booklet entitled "Legal Expenses".

Additional Increase in Cost of Working

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Revenue** which but for that expenditure would have taken place during the **Indemnity Period** beyond that recoverable as **Increase in Cost of Working** wherever it is insured in the Policy.

Buildings

The **Buildings** (excluding Glass, Blinds and Signs) at the risk address shown in the Schedule including
outbuildings attached to the main **Building**
detached outbuildings if specified as included on the Schedule
walls gates and fences around the **Buildings** and belonging to them
landlords fixtures and fittings excluding carpets
all belonging to the **Insured** or for which the **Insured** is legally responsible.

Business

The **Business** shown in the Schedule including
the repair and maintenance of the **Premises**
the provision of fire, security and ambulance services at the **Premises**
the provision of first aid but excluding any first aid provided by any qualified medical practitioner or nurse
private work undertaken by the **Insured's Employees** (with the consent of the **Insured**) for any director, partner or senior executive of the **Insured**
the provision and management of canteen, sports, social and welfare organisations by the **Insured** for the benefit of the **Insured's Employees**.

Business Hours

The period during which the **Premises** is actually occupied for **Business** purposes and during which the **Insured** or **Employees** are in the **Premises**.

Business Money

Money held in connection with the **Business** belonging to the **Insured** or for which the **Insured** is legally liable.

Company

Fortis Insurance Ltd.

Computers

All equipment, including interconnected wiring, fixed disks and telecommunications equipment, used at the **Premises**, for the storage and communication of electronically processed data, (but excluding any such equipment controlling any manufacturing process) the **Property** of the **Insured** or leased hired or rented to the **Insured** and for which the **Insured** is legally responsible.

Computer Records

All current and backup **Computer Records** (excluding fixed disks and paper records of any description) incorporating stored programs and information stored on them, the **Property** of the **Insured** or leased, hired or rented to the **Insured** and for which the **Insured** is legally responsible.

Damage

Accidental loss, destruction or damage.

Declared Value

The **Insured's** assessment of the cost of reinstatement of each **Building** (arrived at in accordance with Paragraph (a) of Memorandum 1 to Section 1 Reinstatement) at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently) together with due allowance for

- (a) the additional cost of reinstatement to comply with Public Authority requirements as allowed in Extension 2 of Sub-Section A to Section 1
- (b) professional fees as allowed in the Cover to Section 1
- (c) removal of debris as allowed in Extension 2 to Section 1.

Definitions (continued)

Deferment Period

The initial period following the bodily injury in which no benefit is payable as may be specified on the Schedule or by Endorsement.

Denial of Service Attack

Any actions or instructions constructed or generated with the ability to **Damage**, interfere with or otherwise effect the availability of networks, network services, network connectivity or information systems. **Denial of Service Attacks** include, but are not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Employee

Any: person under a contract of service or apprenticeship with the **Insured**,
labour master (or labour only sub-contractor) or person supplied by the **Insured** or any self employed person for labour only
person hired or borrowed by the **Insured** from another employer subject to any agreement under which the person is considered to be employed by the **Insured**
student or persons undertaking work for the **Insured** under a work experience or similar scheme
whilst engaged by the **Insured** in the course of the **Business**.

Estimated Gross Revenue

The amount of **Gross Revenue** which it is anticipated will be earned by the **Business** during the financial year most nearly concurrent with the Period of Insurance.

Excess

The first part of any agreed claim after the application of Policy limits and Average if appropriate other than any voluntary excess.

Excluded Property

Antiques, furs, suede or leather clothing (other than footwear) jewellery, gold or silver articles, firearms, ammunition, explosives or fireworks.

Gross Revenue

The **Money** paid or payable to the **Insured** for work done and services rendered in the course of the **Business**, less the cost of consumable goods.

Hacking

Unauthorised access to any **Computer** or other equipment or component or system or item which processes, stores or retrieves data, whether the **Property** of the **Insured** or not.

Increase in Cost of Working

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

Indemnity Period

The period beginning with the occurrence of the **Damage** and ending not later than the Maximum Indemnity Period afterwards during which the results of the **Business** shall be affected in consequence of the **Damage**.

Injury

Bodily injury, death, illness or disease.

Insured

The person, persons or company named in the Schedule as The **Insured** and includes subsidiary companies notified to and agreed as accepted by the **Company**.

Insured Person

A person specified by name or included in a group of persons shown on the Schedule.

Intruder Alarm Systems

The component parts of intruder alarm systems including the means of communication used to transmit signals.

Definitions (continued)

Legal Costs

All costs and expenses incurred with the written consent of the **Company** in addition to claimants costs and expenses for which the **Insured** is legally liable.

Loss of Information

Accidental loss, distortion, corruption or erasure of programs or information.

Loss of Limbs or Eyes

Physical Injury, which solely and directly results in:

- (a) loss by physical severance of hand or foot at or above the wrist or ankle or the total and permanent loss of use of an entire hand or arm or an entire foot or leg
- or
- (b) total and irrecoverable loss of all sight in one or both eyes.

Money

Cash, bank currency notes, cheques, postal orders, money orders, unused postage stamps, National Insurance stamps, trading stamps, luncheon vouchers, credit company sales vouchers, Value Added Tax purchase invoices, lottery and other prize scratch cards, utility vouchers, top up cards and mobile phone vouchers.

Outstanding Debit Balances

The total amount of the **Outstanding Debit Balances** in customers credit accounts including hire purchase and credit sales accounts at the date of the **Damage** adjusted for bad debts.

Permanent Total Disablement

Physical Injury not resulting in death or **Loss of Limbs or Eyes**, which solely and directly results in permanent and absolute inability of the **Insured** or **Employee** to attend to any part whatsoever of his occupation or any other occupation for which he is fitted by knowledge or training.

Physical Injury

Bodily Injury by accidental, external, violent and visible means sustained by the **Insured Employee** of the **Insured** in the course of the **Business** where such **Injury** arises directly from assault with the intent of theft of **Trade Contents** or **Business Money**.

Premises

The **Buildings** and the land inside the boundaries at the risk address shown in the Schedule.

Principal

Any person, firm, company, ministry, or authority, for whom the **Insured** is undertaking work

Products Supplied

Any goods (including containers) sold, supplied, erected, repaired, serviced, altered, treated, installed, processed, manufactured or tested by the **Insured** in the course of the **Business**.

Property

Material property.

Rent

The money paid or payable by the **Insured** for accommodation and services provided (including service charges unless excluded by Endorsement) at the **Premises** shown on the Schedule.

Rent Receivable

The money paid or payable to the **Insured** for accommodation and services provided (including service charges unless excluded by Endorsement) at the **Premises** shown on the Schedule.

Solicitors Fees

Solicitors Fees for representation of the **Insured** at any Coroner's Inquest or Fatal Accident Inquiry or at proceedings in any Court of Summary Jurisdiction in respect of any occurrence which may be the subject of indemnity under Section 3.

Stock

Stock, raw materials and materials in trade, work in progress and finished goods, excluding any **Property** included as **Money**, the **Property** of the **Insured**.

Definitions (continued)

Target Stock

Stock in trade or goods in trust comprising cigarettes, cigars, tobaccos, lighters, wines and spirits, clothing, televisions, video and audio recorders, compact discs, **Computers** including software, tapes or cassettes, photographic equipment, mobile phones or non ferrous metals.

Temporary Total Disablement

Physical Injury which solely and directly results in total and absolute inability of the **Insured** or **Employee** to engage in or give attention to a profession, **Business** or gainful occupation of any kind.

Territorial Limits

- (a) Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- (b) A country which is a member of the European Union but only in respect of temporary **Business** carried out by the **Insured** and any **Employee** normally resident in the territories set out in (a) above
- (c) Elsewhere in the World in respect of temporary **Business** journeys which do not involve manual labour or the supervision of manual labour by any person normally resident in the territories set out in (a) above.

Terrorism

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

Trade Contents

The contents of the **Buildings** (other than the residential accommodation) used in connection with the **Business** shown in the Schedule, the **Property** of the **Insured** or for which the **Insured** is legally responsible, including:

- (a) patterns models moulds plans and designs, documents manuscripts and **Business** books for their value as stationery and materials and the cost of labour expended in writing up and/or reinstatement thereof or restoration if more economical
- (b) wines spirits cigarettes and tobacco kept for entertainment purposes up to a limit of £500
- (c) directors partners or **Employees** personal effects clothing pedal cycles and tools unless otherwise insured subject to a limit of £500 per person

but excluding Landlords' fixtures and fittings, Tenants Improvements, Glass Blinds and Signs, **Money**, **Computers** and **Computer Records**, **Stock**, **Target Stock** and any other **Property** more specifically insured.

Unlawful Association

Any organisation which is engaged in **Terrorism** and includes any organisation which at any relevant time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973.

Unoccupied

Empty or not in use for 21 or more consecutive days

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions intentionally constructed with the ability to **Damage**, interfere with or otherwise adversely affect **Computer** programs, data files or operations, whether involving self-replication or not. The definition of **Virus or Similar Mechanism** includes but is not limited to trojan horses worms or logic bombs.

Work Away

Manual work undertaken in connection with the **Business** other than at the **Premises**.

COVER CAUSES

Wherever they are referred to in the Policy wording or Schedule the relevant Cover Causes applicable are as follows:

Cover Cause 1 – Fire

Fire, lightning and explosion but not **Damage** caused by:

- (a) the explosion of any equipment that has to be inspected as part of any Statutory Regulations unless the inspection and maintenance is completed as required by the regulation
- (b) the explosion of any non domestic steam pressure equipment under the **Insured's** control
- (c) earthquake
- (d) subterranean fire, riot, civil commotion, strikers, locked out workers or malicious people
- (e) spontaneous heating or fermentation or from undergoing any process involving the application of heat.

Cover Cause 2 – Perils

A Riot, civil commotion, strikers, locked-out workers or malicious people but not **Damage**:

- (a) caused by theft or attempted theft
- (b) through requisition, confiscation or destruction by order of the Government or other statutory authority
- (c) resulting from the stopping of work
- (d) arising when the **Premises** are **Unoccupied**
- (e) arising from tamper, deliberate erasure, distortion or corruption of information or **Virus or Similar Mechanism, Hacking, or Denial of Service Attack** in respect of **Computers** or other equipment or component or system or item which processes, stores, transmits or receives data or any part of such equipment whether tangible or intangible and **Computer Records**
- (f) to coin operated machines, including coin operated telephones, or their contents unless they are specified as an item on the Schedule.

B Earthquake:

C Explosion of boilers and economisers but not **Damage** from the explosion of any equipment that has to be inspected as part of any Statutory Regulations unless the inspection and maintenance is completed as required by the regulation and adequate insurance is in place for such equipment.

Peril C Explosion of boilers and economisers is only effective for Section 2 Business Interruption of this policy.

D Subterranean fire:

E Impact by:

- (a) aircraft and aerial devices or articles dropped from them
- (b) road vehicles
- (c) animals
- (d) breakage or collapse of radio and television aerials, satellite dishes and other aerial fittings or masts excluding **Damage** arising from erection or maintenance
- (e) falling trees and branches excluding **Damage** from tree felling, lopping or moving.

F Escape of oil from any fixed oil fired heating installation but not **Damage** whilst the **Premises** are **Unoccupied**.

G Storm but not **Damage**:

- (a) due to changes in the water table level
- (b) by lightning, frost, subsidence, ground heave or landslip
- (c) to fences, gates and moveable **Property** in the open or open sided **Buildings**
- (d) to any **Property** in an outbuilding not attached to the main **Buildings** unless specified in the policy Schedule
- (e) caused by Flood.

H Flood caused by the inundation of water from the sea or escape of water from the normal confines of any natural or artificial watercourse, lake, reservoir, canal or dam, but not **Damage**:

- (a) due to changes in the water table level
- (b) by lightning, frost, subsidence, ground heave or landslip
- (c) to fences, gates and moveable **Property** in the open or open sided **Buildings**
- (d) to any **Property** in an outbuilding not attached to the main **Buildings** unless specified in the policy Schedule
- (e) escape of water from any water tank, apparatus or pipes.

Cover Cause 2 – Perils (continued)

- I Escape of water from any tank, apparatus or pipes but not **Damage**:
- (a) from water leaking or discharged from any automatic sprinkler installation
 - (b) to the actual tank, apparatus or pipes from which water escaped unless caused by freezing
 - (c) arising while the **Premises** are **Unoccupied**.
- J Sprinkler installation leakage but not **Damage**:
- (a) caused by heat from fire, explosion, earthquake, or subterranean fire
 - (b) through repairs, alterations or extensions to the sprinkler installation or the **Buildings**
 - (c) to the actual sprinkler installation from which water escaped unless caused by freezing
 - (d) arising while the **Premises** are **Unoccupied**.

Cover Cause 3 – Accidental Damage

Accidental damage but not **Damage**:

- (a) by Causes 1, 2, 4 or 5 or any of their detailed exclusions
- (b) to a building or structure caused by its own collapse or cracking
- (c) resulting from any process of production, packing, treatment, testing, commissioning, maintenance, servicing or repair
- (d) to **Property** or structures in course of construction or erection and materials or supplies connected with them
- (e) caused by
 - (i) inherent vice, latent defect, gradual deterioration, wear and tear, frost, faulty or defective design workmanship or materials, operational error or omission, but not excluding the subsequent **Damage** which itself results from a Cover Cause that is otherwise operative
 - (ii) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, condensation, atmospheric or climatic conditions, dampness, dryness, marring or scratching, vermin or insects
 - (iii) change in temperature, colour, flavour, texture or finish
 - (iv) joint leakage, the failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
 - (v) mechanical or electrical breakdown or derangement in respect of the particular machinery or equipment in which such breakdown or derangement occurs but not excluding the subsequent **Damage** which itself results from a Cover Cause that is otherwise operative
 - (vi) acts of fraud or dishonesty including any collusion
 - (vii) disappearance, unexplained or inventory shortage, misfiling or misplacing of information
 - (viii) freezing when **Unoccupied**
 - (ix) any process of treatment, dyeing, cleaning, alteration, repair, restoration, testing, commissioning, servicing, packing, production
 - (x) or consisting of distortion, erasure or corruption of **Computer Records**
 - (xi) pollution or contamination.

Cover Cause 4 – Theft or attempted theft

Theft or attempted theft but not **Damage**:

- (a) that does not involve entry to or exit from the **Buildings** by forcible and violent means or that does not involve actual or threatened assault or violence or use of force at the **Premises** against the **Insured** or any person legally on the **Premises**
- (b) to any **Property** from any garden, yard, open space or outbuilding not attached to the **Buildings** unless specified as an insured item on the Policy Schedule
- (c) arising while the **Premises** are **Unoccupied**
- (d) to coin operated machines, including coin operated telephones or their contents unless they are specified as an item on the Schedule
- (e) by any **Employee** of the **Insured** or person lawfully on the **Premises**.

Cover Cause 5 – Subsidence, ground heave or landslip

Subsidence, ground heave or landslip but not **Damage**:

- (a) to outbuildings, yards, pipes, cables, wires, ducting, car parks, roads, pavements, walls, gates and fences unless the structure of the main **Building** is also affected
- (b) caused by or consisting of
 - (i) the normal settlement or bedding down of new structures
 - (ii) the settlement or movement of made-up ground
 - (iii) coastal or river erosion
 - (iv) defective design or workmanship or the use of defective materials
- (c) which originated before this Cover Cause was effective on the Schedule
- (d) resulting from
 - (i) demolition, construction, structural alteration or repair of any **Property**
 - (ii) groundwork or excavationat the same **Premises**.

Conditions to Cause 5

- (i) The **Insured** shall notify the **Company** immediately they become aware of any demolition, ground works, excavation or construction being carried out on any adjoining site
- (ii) The **Company** shall then have the right to vary the terms or cancel this cover.

SECTION 1 – MATERIAL DAMAGE

Cover

Sub-Section A – Buildings

(This Sub-Section and the Covers described below are only operative if specified on the schedule)

Buildings

The **Company** will indemnify the **Insured** in respect of **Damage** to the **Buildings** including professional fees necessarily incurred in the reinstatement of the **Buildings** as a consequence of the **Damage** from the Cover Causes shown against each item on the Schedule, but not for preparing any claim. The amount payable for professional fees shall not exceed those authorised under the current scale of the appropriate professional body.

Rent

The **Company** will indemnify the **Insured** in respect of loss of **Rent** as a consequence of **Damage** from the Cover Causes shown against each item on the Schedule, rendering the **Buildings** uninhabitable but only in respect of the period necessary for the reinstatement of the **Buildings** and not for an amount exceeding the sum insured shown on the Schedule.

Sub-Section B – Contents

(This Sub-Section and the Covers described below are only operative if specified on the schedule)

Stock and Target Stock

The **Company** will indemnify the **Insured** in respect of **Damage** from the Cover Causes, shown against each item on the Schedule, to the **Stock** or **Target Stock** at the **Premises**, but not for preparing any claim.

Trade Contents and/or **Computers** and/or all other **Property**, excluding **Stock** and **Target Stock**, as specified on the Schedule
The **Company** will indemnify the **Insured** in respect of **Damage** to the insured **Property** at the **Premises**, including professional fees necessarily incurred in the reinstatement of the **Property**, as a consequence of **Damage** from the Cover Causes, shown in the Schedule, but not for preparing any claim. The amount payable for professional fees shall not exceed those authorised under the current scale of the appropriate professional body.

Sub-Section C – Glass, Blinds and Signs

(This Sub-Section is only operative if specified on the schedule)

The **Company** will indemnify the **Insured** at the **Premises** insured in respect of **Damage** from Cover Causes 1,2,3 and 4, to

- 1 any external glass (including polycarbonate shop fronts) except glass described in the Exclusions to this Sub-Section
- 2 the **Property** of any display windows insured under Section, caused by breakage of any glass
- 3 fixed plate glass (including interior showcases and mirrors) inside the **Premises** up to a value not exceeding £2,500
- 4 external electric signs up to a total value not exceeding £1,500
- 5 sanitary ware, if the cost of replacement has to be borne by the **Insured**, up to a value of £2,500
- 6 external blinds up to a value of £2,500.

The **Company** will also indemnify the **Insured** at the **Premises** insured for

- 1 the reasonable cost of necessary boarding up prior to the replacement of any glass insured by this Sub-Section
- 2 the reasonable cost of reinstating **Intruder Alarm Systems** damaged as a result of glass breakage covered under this Sub-Section.

Cover (continued)

Sub-Section D – Money

(This Sub-Section is only operative if specified on the schedule)

Business Money

The **Company** will indemnify the **Insured** in respect of **Damage** to **Business Money** by Cover Causes 1,2,3 and 4 as detailed below

Safes Strongrooms Tills and Stamp Franking Machines

The **Company** will indemnify the **Insured** in respect of **Damage** to any safe or strongroom or till or any stamp franking machine, the **Property** of the **Insured** or for which the **Insured** is legally responsible, from Cover Cause 4, as detailed below.

Cover description and Locations

Limit of Liability any one loss

1. Business Money – other than crossed cheques, money orders, crossed postal orders, credit company sales vouchers and Value Added Tax purchase invoices	
(A) in the Buildings during Business Hours or whilst in a bank night safe	£3,000
(B) in transit to and from the Premises whilst in the custody of the Insured or an authorised Employee , but this does not cover Business Money whilst in the possession of Employees delivering or collecting Business Money other than to or from the Premises and the Insured's bank unless specified by Endorsement	£3,000
(C) whilst at the private residence of the Insured or any authorised Employee	£500
(D) in the Buildings whilst left unattended or outside Business Hours and not secured in a locked safe	£500
(E) from the Buildings whilst left unattended or outside Business Hours and secured in a locked unspecified safe	£1,000
(F) from the Buildings whilst left unattended or outside Business Hours and secured in a specified safe, if noted on the Schedule	See Schedule
(G) in coin operated machines at the Buildings , if noted on the Schedule	See Schedule
2 Crossed cheques, crossed money orders, crossed postal orders, credit company vouchers and Value Added Tax purchase invoices	£250,000
3 Safes, strongrooms, tills and stamp franking machines	Cost of repair or replacement

Sub-Section E – Malicious Attack

(This Sub-Section is only operative if specified on the schedule)

The **Company** will indemnify the **Insured** or any **Employee** for compensation in accordance with the Schedule of Benefits in respect of **Physical Injury**.

Schedule of Benefits

Compensation

1 Death occurring within 12 calendar months of the happening of the Physical Injury	£10,000
2 Loss of Limbs or Eyes occurring within 12 calendar months of the happening of the Physical Injury	£10,000
3 Permanent Total Disablement occurring within 12 calendar months of the happening of the Physical Injury	£10,000
4 Temporary Total Disablement (payable up to a maximum of 104 weeks)	£100 per week
5 Damage to clothing or personal effects	£500 per person

Sub-Section F – All Risks

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** in respect of **Damage** to the items of **Property** specified on the Schedule, owned by the **Insured** or for which the **Insured** is legally responsible, whilst within the territorial limits specified for each item on the Schedule from Cover Causes 1,2,3 and 4.

Cover (continued)

Sub-Section G – Computer Breakdown

(This Sub-Section and the Covers described below are only operative if specified on the Schedule)

Computers

The **Company** will indemnify the **Insured** in respect of the amount of the **Damage to Computers** at the **Premises** from Cover Causes 1,2,3 and 4, but not for preparing the claim.

Loss of Information stored on Computers

The **Company** will indemnify the **Insured** in respect of the costs necessarily and reasonably incurred in reinstating information on to the **Computers** as a result of **Damage** from Cover Causes 1,2,3 and 4.

The liability of the **Company** under these items shall not exceed in aggregate the sum insured shown for **Computers** in the Schedule.

Computer Records

The **Company** will indemnify the **Insured** in respect of the amount of the **Damage to Computer Records** at the **Premises**, from Cover Causes 1,2,3 and 4.

Loss of Information stored on Computer Records

The **Company** will indemnify the **Insured** in respect of the costs necessarily and reasonably incurred in reinstating information on to the **Computer Records** at the **Premises**, as a result of **Damage**, from Cover Causes 1,2,3 and 4.

The liability of the **Company** under these items shall not exceed in the aggregate the sum insured shown for **Computer Records** in the Schedule.

For the purposes of this Sub-Section only, cover is extended to include mechanical and electrical breakdown or derangement in respect of the **Computers**

Sub-Section H – Deterioration of Stock

(This Sub-Section is only operative if specified on the Schedule)

The **Company** will indemnify the **Insured** against **Damage to Stock** of drugs whilst contained in freezer cabinets or refrigerated cabinets by deterioration or putrefaction resulting from:

- 1 breakdown or failure of the plant due to its own inherent defect, or **Damage** including the non-operation of any thermostatic or automatic device controlling it
- 2 accidental failure of public authorities supply
- 3 escaping refrigerant or refrigerant fumes due to any accidental cause

The liability of the **Company** shall not exceed the limit(s) stated in the Schedule or by additional Endorsement.

Extensions

Extensions to Sub-Section A

Subject to the Exclusions and Conditions of the operative Sub-Section and the Section

1 Contracting Purchaser

Where the **Insured** contracts to sell his interest in a **Building** insured by this Section, the contracting purchaser, who has not, but will complete the purchase, has the benefit of the insurance by this Section up to the date of completion, to the extent that the **Buildings** are not otherwise insured.

Extensions (continued)

Extensions to Sub-Section A (continued)

2 Public Authorities

The **Company** will indemnify the **Insured** for the additional cost of:

- (a) reinstating the damaged parts of the **Buildings**
- (b) upgrading any undamaged parts of the **Buildings** for an amount not exceeding 15% of the amount that would have been payable if the **Buildings** had been totally destroyed

incurred solely by reason of the necessity to comply with any statutory requirements or regulations or public authority by-law, excluding

- (i) any such cost resulting from a notice served on the **Insured** prior to the date of the **Damage**
- (ii) the amount of any rate, tax, duty, development or other charge arising out of capital appreciation which may be payable in respect of the **Buildings**.

The work of reinstatement must be completed within 12 months of the date of the **Damage** or such further period as the **Company** may in writing allow. The liability of the **Company** for **Damage** to such **Property** including such costs and expenses shall not exceed the sum insured shown in the Schedule.

3 Mortgagees

The interest of any mortgagee shall not be prejudiced by any act or neglect of the mortgagor or occupier of any **Buildings** insured by this Policy provided the mortgagee immediately upon becoming aware of such act shall give notice to the **Company** and pay any additional premium required.

4 Underground Services

The **Company** will indemnify the **Insured** for **Damage** to underground water pipes, gas pipes, electricity and telephone cables extending from the public mains to the **Premises** from Cover Causes 1,2,3 and 4.

Extensions to Sub-Sections A B C and G

Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section

Index Linking

The sums insured under Sub-Section A in respect of **Buildings**, Sub-Section B in respect of **Trade Contents** and **Computers** and all other **Property** other than and Sub-Section G in respect of **Computers**, will be adjusted at monthly intervals in accordance with the index drawn up or used by the **Company**, if the **Insured** does not declare revised sums insured at the renewal of each period of insurance.

At each renewal of the Policy, the premium will be adjusted and the **Company** waives all right to additional premium arising out of such adjustments prior to renewal.

Extensions to Sub-Section B

Subject to the Exclusions and Conditions of the operative Sub-Section and the Section

1 Theft of Keys

The **Company** will indemnify the **Insured** for the cost of replacing locks and keys to the **Buildings, Intruder Alarm Systems**, safes, strongrooms or tills up to £750 any one period of insurance provided that

- (a) the original keys were stolen from the **Buildings** or the private residence of the **Insured** or any authorised **Employee**
- (b) keys are not left in the **Buildings** when closed for **Business** nor in an unattended room during **Business Hours**.

2 Theft Damage to Buildings

The **Company** will also indemnify the **Insured** against resultant **Damage** to the **Buildings** for which the **Insured** is legally responsible arising out of theft or attempted theft involving entry to or exit from the **Buildings** by forcible and violent means.

3 Contract Price

In respect of **Stock** sold but not delivered, for which the **Insured** is responsible, subject to a sale contract, which following insured **Damage** is cancelled due to the contract conditions wholly or to the extent of the **Damage**, the **Company's** liability will be based on the contract price.

Extensions (continued)

Extensions to Sub-Section B (continued)

4 Temporary Removal

The **Company** will indemnify the **Insured** for **Damage to Trade Contents** whilst temporarily removed for cleaning, renovation, repair or similar purposes and to documents whilst temporarily removed, elsewhere on the same or other **Premises** and in transit by road, rail or inland waterway in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, from Cover Causes 1,2,3 or 4 up to an amount not exceeding 10% of the sum insured or £100,000 whichever is the lesser shown for **Trade Contents** on the Schedule.

This Extension shall not apply to:

- (a) motor vehicles and motor chassis licensed for normal road use
- (b) **Property** held by the **Insured** in trust other than **Trade Contents**.

5 Exhibitions

The **Company** will indemnify the **Insured** for **Damage to Trade Contents**, from the Cover Causes 1, 2, 3 and 4, whilst in any buildings being used for an exhibition anywhere within the Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, and whilst in transit to and from the exhibition premises but excluding Theft from any unattended vehicles, subject to a maximum limit of £2,500 any one loss. If a greater amount is required Exhibitions must be shown on the Schedule with a sum insured.

Extensions to Sub-Sections D and F

Subject to the Exclusions and Conditions of the operative Sub-Sections and the Section

For the purposes of Sub-Sections D and F Exclusion (a) of Cover Cause 4 is deleted and is of no effect unless specified by Endorsement on the Schedule.

Extensions to Sub-Section F

Subject to the Exclusions and Conditions of the operative Sub-Section and the Section

For the purposes of Sub-Section F Cover Exclusion (b) of Cover Cause 4 is deleted and is of no effect unless specified by Endorsement on the Schedule.

Extensions to Sub-Section G

The **Company** will indemnify the **Insured** in respect of:

- (a) costs necessarily and reasonably incurred with the consent of the **Company** in the removal of the **Computers** in consequence of **Damage** insured by this Extension, subject to a maximum amount of £2,500 in any one period of insurance
- (b) costs necessarily and reasonably incurred in the making of temporary repairs on, or the expediting of the reinstatement or replacement of, the **Computers** in consequence of **Damage** insured by this Extension, subject to a maximum amount of £2,500 in any one period of insurance
- (c) costs of modification of the **Computers** or costs of replacement of **Computer Records** together with reinstatement of programs or information on them, whichever is less, to achieve compatibility in consequence of **Damage to Computers** insured by this Extension having resulted in undamaged **Computer Records** being incompatible with the replacement **Computers**, subject to a maximum amount of £5,000 in any one period of insurance
- (d) additional rental arising out of the replacement of a lease/hire agreement in respect of **Computers** by a new contract for a similar **Computer** in consequence of **Damage** insured by this Extension, subject to a maximum amount of £5,000 in any one period of insurance
- (e) costs (including consulting engineers' fees) incurred with the consent of the **Company** in conducting investigations or tests into possible repair (whether or not successful) replacement or reinstatement following **Damage** insured by this Extension
- (f) costs incurred by the **Insured** in taking reasonable but exceptional measures to avoid or mitigate impending **Damage** insured by this Extension provided that
 - (i) the impending **Damage** does not stem from any reasonably foreseeable cause and that **Damage** would be the natural outcome to be expected in the absence of such measures
 - (ii) the **Company** is satisfied that **Damage** has been avoided or reduced in consequence of the measures taken
 - (iii) the terms Exclusions and Conditions of this Extension and the Policy shall apply as if the **Damage** had occurred
 - (iv) the total liability of the **Company** by this Extension and for any **Damage to Computers** shall not exceed the sum insured shown for **Computers** on the Schedule for any one loss

Extensions (continued)

Extensions to Sub-Section G (continued)

- (g) **Computers** whilst situate
- (i) in the **Buildings**
 - (ii) in the private residence of the **Insured** or any authorised **Employee** of the **Insured**
 - (iii) in the offices or private residence of the **Insured's** professional accountant or auditor
 - (iv) at any supplier's premises
 - (v) in direct transit between premises described in (i) (ii) (iii) and (iv) above other than whilst left in an unattended motor vehicle
- excluding any cover outside Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

Extensions to Section 1

Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section

1 Non Invalidation

The insurance under Section 1 shall not be invalidated by any act or omission or alteration unknown to or beyond the **Insured's** control whereby the risk of **Damage** to insured **Property** is increased as long as immediately the **Insured** becomes aware of the increase in risk they inform the **Company** in writing and pay any appropriate additional premium if required.

2 Removal of Debris

The cost of removal of debris of insured **Property** resulting from insured **Damage**, excluding

- (a) costs incurred in removing debris except from the site of such **Damage** and the area immediately adjacent to such site
- (b) costs arising from pollution or contamination of **Property** not insured by this Section.

3 Subrogation Waiver

In the event of a claim arising under this Section the **Company** agrees to waive any rights, remedies or relief to which they become entitled by subrogation against

- (a) any company standing in the relation of parent or subsidiary to the **Insured** or any company which is a subsidiary of or a parent company of which the **Insured** themselves are subsidiary in each case as defined in current legislation
- (b) a tenant or lessee in respect of **Damage** to the part of the **Buildings** or to common parts of the **Buildings** unless the **Damage** arises out of a criminal, fraudulent or malicious act of the tenant or lessee.

4 Landscaped Gardens

This insurance extends to include costs and expenses incurred by the **Insured** with the consent of the **Company** in repairing, reinstating or making good, **Damage** to landscaped gardens and grounds caused by Fire Brigade equipment and personnel in the course of combating or reducing **Damage** from Cover Causes 1 or 2 at the **Premises** subject to a maximum amount of £5,000 in any one period of insurance.

5 Capital Additions

The insurance under Section 1 shall, subject to the terms and conditions of the Policy be extended to include

- (a) any alterations additions and improvements to **Buildings** and **Trade Contents** excepting any appreciation of the value of the **Property**
- (b) any newly erected or acquired **Buildings** and **Trade Contents**

at the **Premises** or elsewhere within the **Territorial Limits**, from when the **Insured** becomes responsible, subject to:–

- (i) the **Insured** advising the **Company** of the amendments as soon as practicable on becoming aware of the increase in extent of cover required
- (ii) the sum insured for **Buildings** and **Trade Contents** at each location only being increased by the value of the additional **Property** up to no more than 10% of the existing sums insured or £250,000, whichever is the lesser, at any one location
- (iii) the **Insured** paying the appropriate additional premium
- (iv) other specific insurance having not been already arranged.

6 Loss of Metered Water

The **Company** will indemnify the **Insured** for the unit cost of metered water at the current rate per cubic metre consumed as a direct result of **Damage** from Cover Causes 1,2 or 3, to the water apparatus at the point of the service feed to the **Premises** subject to a maximum amount of £2,500 any one loss but excluding any loss occurring when the **Premises** are **Unoccupied** or where **Damage** is undiscovered for a period of 120 days or more.

Extensions (continued)

Extensions to Section 1 (continued)

7 Trace and Access

The **Company** will indemnify the **Insured** for the reasonable costs incurred with the **Company's** consent in locating the source of an escape of water from any fixed pipe or water apparatus on the **Insured's Premises** including the cost of any walls floors or ceilings removed for access subject to a maximum limit of £5,000 any one loss and excluding any cost of repairs to the actual pipes or water apparatus.

8 Clearing of Drains

The **Company** will indemnify the **Insured** for the costs and expenses necessarily and reasonably incurred in cleaning clearing or repairing drains gutters or sewers at the **Premises**, for which the **Insured** are responsible, as a consequence of **Damage** caused from Cover Causes 1 or 2 subject to a maximum limit of £5,000 any one loss.

9 Workmen

Workmen are allowed on the **Premises** for the purpose of effecting repairs and minor structural and other non-structural alterations and also for general maintenance purposes and the like without prejudice to this insurance, but if any more major works are to be undertaken details must be advised to the **Company**, for agreement, prior to commencement of work.

Exclusions

Exclusions to Sub-Section B

The **Company** shall not be liable for **Damage** to glass, china, earthenware, marble or other fragile or brittle objects as a result of Cover Cause 3.

Exclusions to Sub-Section C

The **Company** shall not be liable for:

- (a) breakage or **Damage** arising
 - (i) from repairs or alterations to the **Premises**
 - (ii) in **Unoccupied Premises**
- (b) glass which was in any way defective at the time cover was effected
- (c) breakage or **Damage** to any glass or sanitary ware comprising samples or display materials held in connection with the **Business**
- (d) wear, tear, depreciation, loss of use, scratching, rust or other gradually operating cause, mechanical or electrical breakdown and additionally in respect of electrical signs
 - (i) **Damage** to tubes unless the surrounding glass or perspex is fractured at the same time
 - (ii) **Damage** arising from repair removal or erection
- (e) chipping or cracking of sanitary ware unless there is breakage or complete fracture of such a nature as to render such article totally unserviceable.

Exclusions to Sub-Section D

The **Company** shall not be liable for:

- (a) any loss arising from fraud or dishonesty of the **Insured's Employees**
 - (i) not discovered within seven days of the loss
 - (ii) covered by a policy of fidelity guarantee insurance
- (b) shortage due to error or omission
- (c) loss from an unattended vehicle
- (d) loss from any coin operated machines including coin operated telephones, unless specified as an item on the Schedule.
- (e) loss arising under 1(B) outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Exclusions to Sub-Section E

The **Company** shall not be liable:

- (a) under more than one of the Benefits 1, 2 or 3 in respect of any one person arising out of the same **Physical Injury**
- (b) to any person under 16 or over 65 years of age
- (c) for death or disablement consequent upon any pre-existing physical or mental defect or infirmity or pregnancy or childbirth
- (d) under Benefit 4 until the termination of disablement except by special agreement by the **Company**.

Exclusions (continued)

Exclusions to Sub-Section F

The **Company** shall not be liable for **Damage** to insured **Property** left unattended unless contained in

- (a) a securely locked building or
- (b) a motor vehicle which is closed and locked at all points of access, with all keys removed from the vehicle and any security alarms and immobiliser fitted to the vehicle are set, and **Damage** from Cover Cause 4 is subject to the vehicle being contained in a securely locked building or guarded security park between 21.00hrs and 06.00hrs.

Exclusions to Sub-Section G

The **Company** shall not be liable for:

- (a) **Damage** to any item of **Computers** or **Loss of Information** due to the breakdown or derangement of such item unless, at the time of the **Damage** or **Loss of Information**, it is the subject of a maintenance, rental, hire or lease agreement which must provide a minimum service of on-call remedial or corrective maintenance at inclusive cost
- (b) **Damage** recoverable under any guarantee or maintenance rental hire or lease agreement
- (c) **Damage** caused by or consisting of wear and tear, deterioration due to atmospheric or climatic conditions, rust or corrosion but this Exclusion shall not apply to subsequent **Damage** which itself results from a Cover Cause not otherwise excluded
- (d) the deliberate act of any public supply authority or the exercise by any such authority of its power to withhold or restrict supply other than for the sole purpose of safeguarding life or the authority's **Property** causing failure or fluctuation of the public supply or electricity or telecommunications system
- (e) the inability of any public supply authority or any telecommunications authority to maintain the system due to industrial action by any of its employees
- (f) the use by the **Insured** of machinery or equipment, which is not acceptable to the telecommunications authority as properly installed and compatible with the telecommunications system.
- (g) costs of reinstatement of programs or information on to the **Computer** or **Computer Records**, insured under Section 2.

Exclusions to Sub-Section H

The **Company** shall not be liable for **Damage** as a result of shedding or suspension of public authorities supply.

Exclusions to Section 1

The **Company** shall not be liable for

- (a) The amount of the **Excess** or **Excesses** in the Schedule
- (b) **Damage** to
 - (i) vehicles licensed for road use (including their accessories) caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
 - (ii) **Property** or structures in course of construction or erection and materials or supplies in connection with all such **Property** in course of construction or erection
 - (iii) land, roads, pavements, piers, jetties, bridges, culverts or excavations
 - (iv) animals, growing crops or trees
unless specifically mentioned as insured by this Section or on the Schedule
- (c) **Damage** to **Property** which at the time of the happening of **Damage** is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any **Excess** beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
- (d) **Damage** to any **Property** more specifically insured
- (e) **Damage** caused by an explosion of any vessel, machinery or apparatus, or its contents belonging to or under the control of the **Insured**, which requires to be examined to comply with any Statutory Regulations unless such vessel, machinery or apparatus is the subject of a policy or other contract providing the required inspection service
- (f) reduction in value or consequential loss of any kind
- (g) wear and tear.

Conditions Precedent to Liability

Condition to Sub-Section B

All **Stock** or Customers' Goods contained in any cellar, basement or sub-basement must be kept on racks or shelves at least 30 centimetres above floor level.

Condition to Sub-Sections B and D

All till drawers must be left open outside **Business Hours**.

Condition to Sub-Section D

When the **Buildings** or any room in which **Business Money** is kept is left unattended all keys and duplicate keys of safes, strongrooms, tills and intruder alarms must be held in the personal custody of an authorised person and removed from the unattended **Buildings** or such room.

Conditions to Sub-Section E

- 1 All sums paid under Benefit 4 shall be deducted from any sum which may subsequently be paid under Benefits 1, 2 or 3 in respect of the same **Physical Injury**.
- 2 Upon payment in respect of any the **Insured** or an **Employee** of any claim under Benefits 1, 2 or 3 all further liability of the **Company** shall cease in respect of that person.
- 3 All certificates, information and evidence required by the **Company** shall be provided at the **Insured's** expense and in the form prescribed by the **Company**. The injured person shall as often as required submit to medical examination on behalf of and at the expense of the **Company** in connection with any claim.

Conditions to Sub-Section G

- 1 The **Insured** shall
 - (a) maintain the **Computer** in an efficient condition
 - (b) take all reasonable precautions
 - (i) to prevent **Damage** or **Loss of Information**
 - (ii) in storing **Computer Records** and maintaining backup programs and information, which must be done at least once a day and copies of the backup information must be stored in a secure area off site.
- 2 The **Company** shall waive any rights of subrogation against any user of the **Computer** provided that
 - (a) such user has the authority of the **Insured** to use the **Computer** and
 - (b) such user shall, as if they were the **Insured**, observe, fulfil and be subject to the terms, Exclusions and Conditions of this Extension.

Conditions to Sub-Section H

- 1 The plant must not be more than eight years old at the date of any loss for cover to apply
- 2 The **Insured** shall take all reasonable precautions to minimise any loss and shall provide all such proofs and information with respect to the claim as may be reasonably required
- 3 The basis of settlement for any claim falling under this Extension shall be the cost price of the goods

Conditions to Section 1

Minimum Requirements

The following minimum requirements must be complied with

- (a) All external doors to the **Buildings** must be secured by either a 5 lever mortice deadlock conforming to BS3621 or locking bars with 5 lever close shackle padlock or other security devices if agreed with the **Company** in writing.
- (b) All windows and skylights accessible from the ground, adjoining roofs, porches or downpipes must be fitted with key operated locks.
- (c) The glass in any louvre windows must be fixed to its metal runners with contact adhesive.
- (d) A 2 or 3kg CO2 or dry powder fire extinguisher, which must be the subject of an annual maintenance contract, installed at the **Premises**.

Condition

Condition to Section 1

Average

If the **Property** covered by this Section shall at the time of the **Damage** be collectively of greater value than the sums insured then the **Insured** shall be considered as being his own Insurer for the difference and shall bear a rateable share of the **Damage** accordingly.

This Condition does not apply to Sub-Sections D and E.

Memoranda Applicable to Section 1

1 Reinstatement

The basis of settlement of any claim under Sub-Section A, B, C and F, except in respect of **Stock, Target Stock**, customers goods and specified items on an agreed value basis of settlement, shall be the full cost of replacement as new which requires the carrying out of the following work:

- (a) where **Property** is destroyed, damaged or lost, its replacement by similar **Property** in a condition equal to but not better or more extensive than its condition when new
- (b) where **Property** is damaged, the repair of the **Damage** and the restoration of the damaged portion of the **Property** to a condition substantially the same but not better or more extensive than its condition when new.

The basis of settlement of any claim under Sub-Section B or G, in respect of **Computers**, shall be the full cost of replacement as new which requires the carrying out of the following work:

- (a) where **Computers** are destroyed, damaged or lost, their replacement by similar **Computers** of equal performance and capacity or if that is impossible, replacement by new **Computers** having the nearest higher performance and capacity to the item destroyed, damaged or lost.
- (b) where **Computers** are damaged, the repair of the **Damage** and the restoration of the damaged portion of the **Computers** to a working condition, substantially the same but not better or more extensive than its condition when new.

2 Special Provisions

- (i) The replacement must be carried out without undue delay and in any case must be completed within twelve months of the **Damage** occurring or such further time as the **Company** may (during the twelve months) in writing allow otherwise the basis of settlement will revert to Indemnity
- (ii) When any **Property** insured under this Memorandum is damaged in part only the liability of the **Company** shall not exceed the sum representing the cost which the **Company** could have been called upon to pay for the replacement if such **Property** had been wholly destroyed
- (iii) No payment beyond Indemnity shall be made until the cost of replacement shall have been actually incurred
- (iv) For the purpose of all **Property** insured on this basis of settlement Condition to Section 1 Average is cancelled and replaced by the following:

If at the time of replacement of any item the sum representing 85% of the cost which would have been incurred in replacement if the whole of the **Property** covered by such item had been destroyed exceeds the sum insured on that item at the time of the **Damage** the **Insured** shall be considered as being his own insurer for the difference between the sum insured and the sum representing the cost of reinstatement (or replacement) of the whole of the **Property** and shall bear a rateable proportion of the loss accordingly.

3 Indemnity

The cost of repair or replacement (less a reduction for wear, tear and depreciation) up to the value of the item in a condition substantially the same as, but not better or more extensive than its condition immediately prior to the **Damage**.

4 Day One Basis (applicable to each insured item where a declared value is shown on the schedule)

- (a) The **Insured** has stated in writing, and will at the inception of each period of insurance state, the **Declared Value** of each item of **Property**, shown on the Schedule
- (b) Each insured item is separately subject to the following Condition of Average: –
If at the time of the **Damage**, the **Declared Value** of the insured item be less than the cost of reinstatement (arrived at in accordance with Paragraph (a) of Memorandum 1 to Section 1 – Reinstatement) at the inception of the period of insurance, then the **Company's** liability shall be limited to the proportion which the **Declared Value** bears to the cost of reinstatement.
- (c) Where the basis of settlement of a claim reverts to Indemnity due to the application of the Special Provisions under Memorandum 1 to Section 1, Reinstatement, the liability of the **Company** shall be limited to the sum insured in the Schedule or Specification.

Memoranda Applicable to Section 1 (continued)

5 Designation

For the purpose of determining where necessary the item under which any **Property** is insured the **Company** agrees to accept the designation under which such **Property** has been entered in the **Insured's** books.

6 Business Books

The basis of settlement of any claim for business books shall be their value as stationery together with the cost of clerical labour expended in their reproduction

SECTION 2 – BUSINESS INTERRUPTION

Cover

Sub-Section A – Income/Costs

(This Sub-Section and the Covers described below are only operative if specified on the schedule)

1 Gross Revenue

The **Company** will indemnify the **Insured** for loss of **Gross Revenue** as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of **Damage to Property** insured by Section 1 for which the **Company** has admitted liability.

The **Company** will calculate the loss of **Gross Revenue** as follows:

- (a) the amount by which the **Gross Revenue** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the Standard **Gross Revenue**
- and
- (b) **Increase in Cost of Working** but not exceeding the amount of reduction in **Gross Revenue** avoided less any sum saved during the **Indemnity Period** in respect of the charges and expenses of the **Business** payable out of **Gross Revenue** as may cease or be reduced in consequence of the **Damage**.

For the purposes of this Cover the following additional definition applies

Standard Gross Revenue

The **Gross Revenue** during the 12 month period immediately before the date of the **Damage** which corresponds with the **Indemnity Period** adjusted to provide for trends, variations or special circumstances affecting the **Business** either before or after the occurrence of **Damage** or which would have affected the **Business** had the **Damage** not occurred, so that the figure represents as near as practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

2 Rent Receivable

The **Company** will indemnify the **Insured** for loss of **Rent Receivable** in consequence of **Damage to Buildings** insured by Section 1 for which the **Company** has admitted liability.

The **Company** will calculate the loss of **Rent Receivable** as follows:

- (a) the amount by which **Rent Receivable** during the **Indemnity Period** shall in consequence of the **Damage** fall short of the amount that should have been received
- and
- (b) **Increase in Cost of Working** but not exceeding the reduction of **Rent Receivable** avoided less any sum saved during the **Indemnity Period** in respect of the charges and expenses of the **Business** payable out of **Rent Receivable** as may cease or be reduced in consequence of the **Damage**.

3 Increase in Cost of Working

The **Company** will indemnify the **Insured** for **Increase in Cost of Working** as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of **Damage to Property** insured by Section 1 for which the **Company** has admitted liability.

4 Additional Increase in Cost of Working

The **Company** will indemnify the **Insured** for **Additional Increase in Cost of Working** as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of **Damage to Property** insured by Section 1 for which the **Company** has admitted liability.

Sub-Section B – Computers

(This Sub-Section is only operative if specified on the schedule)

Computers - Increase in Cost of Working

The **Company** will indemnify the **Insured** for **Increase in Cost of Working** as a result of interruption of or interference with the **Business** carried on at the **Premises** in consequence of **Damage to Computers** or **Loss of Information** from **Computers** insured by Section 1 for which the **Company** has admitted liability.

Extensions

Extensions to Sub-Sections A and B

The following Extensions only apply if shown as operative on the Schedule and are subject to the Limits shown in the Schedule, and the Exclusions and Conditions of the operative Sub-Section(s) and the Section

1 Denial of Access

The **Company** will indemnify the **Insured** in respect of loss resulting from interruption of or interference with the **Business** in consequence of **Damage** from Cover Causes 1,2,3 and 4 to **Property** in the vicinity of the **Premises** which shall prevent or hinder the use of or access to the **Insured's Premises**, whether or not there has been **Damage** to the **Premises** or **Property** of the **Insured**.

2 Public Utilities

The **Company** will indemnify the **Insured** in respect of loss resulting from the interruption of or interference with the **Business** in consequence of accidental failure at the terminal ends of the public supply undertaking's feed to the **Premises** of water, electric, gas or telecommunication services as a direct result of **Damage** by Cover Causes 1 and 2 excluding atmospheric, solar, or lunar conditions causing temporary interference with transmission to or from any satellite.

3 Loss of Book Debts

The **Company** will indemnify the **Insured** in respect of loss in consequence of the **Insured** being unable to trace or establish the **Outstanding Debit Balances** as a result of **Damage**, as insured by Section 1 and for which the **Company** has admitted liability, to the **Insured's** books of account or other business books or records at the **Premises** or whilst temporarily removed elsewhere within Great Britain or Northern Ireland, the Channel Islands or the Isle of Man.

The **Company** will pay to the **Insured** the amount of loss resulting from such **Damage** but not exceeding:

- (a) the difference between the **Outstanding Debit Balances** and the total of the amounts received or traced and
- (b) the additional expenditure incurred with the previous consent of the **Company** in tracing and establishing the **Outstanding Debit Balances** after the **Damage**

subject to the limit shown in the Schedule.

Excluding loss resulting from:

- (a) books or records being mislaid or misfiled
- (b) erasure or distortion of information on **Computer Records** or other records
 - (i) due to the presence of magnetic flux unless such flux results from lightning
 - (ii) whilst mounted in or on any machine or data processing apparatus unless caused by **Damage** to the machine or apparatus
 - (iii) due to defects in such records
- (c) deliberate falsification of business records.

Extensions to Section 2

Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section

1 Accountants and Auditors Charges

The **Company** will pay to the **Insured** the reasonable charges payable by the **Insured** to their professional accountants and auditors for producing any particulars or details or any other proofs, information or evidence as may be required by the **Company** under the terms of this Section and reporting that such particulars or details are in accordance with the **Insured's** books or documents.

2 Documents

The **Company** shall indemnify the **Insured** in respect of loss resulting from interruption of or interference with the **Business** in consequence of **Damage** to documents belonging to or held in trust by the **Insured** whilst temporarily at premises not in the occupation of the **Insured** or whilst in transit by road, rail or inland waterway in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Exclusions

Exclusions to Sub-Section B

The **Company** will not be liable for:

Increase in Cost of Working due to

- (a) failure of any satellite prior to its obtaining its full operating function or while in or beyond the final year of its design life.
- (b) atmospheric, solar or lunar conditions causing temporary interference with transmission to or from any satellite.

Condition

Condition to Section 1

Average

Gross Revenue - if the sum insured is less than the **Gross Revenue** for the 12 months immediately prior to the occurrence of the **Damage** the amount payable shall be proportionately reduced after due provision has been made to provide for the trend or variation in or other circumstances affecting or which would have affected the **Business** either before or after the **Damage**.

Rent Receivable - if the sum insured is less than the **Rent Receivable** (excluding the allowance for review) for the 12 months immediately prior to the occurrence of the **Damage** the amount shall be proportionately reduced, after due provision has been made to provide for the trend or variation in or other circumstances affecting or which would have affected the **Business** either before or after the **Damage**.

Memoranda Applicable to Section 2

1 Limit

The **Company's** liability under Section 2 shall not exceed in any one period of insurance the sums insured and limits shown in the Schedule.

2 VAT

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 Current Cost Accounting

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

4 Alternative Trading

If during the **Indemnity Period** work is done or services rendered elsewhere than at the **Premises** for the benefit of the **Business** either by the **Insured** or by others on behalf of the **Insured** the **Money** paid or payable in respect of such work or services will be accounted for in arriving at the **Gross Revenue** during the **Indemnity Period**.

5 Miscellaneous Extensions

For other miscellaneous extensions included on the Schedule the wording will appear on the Schedule as an endorsement.

6 New Business

For the purpose of a new business that has not yet been trading 12 months the Standard **Gross Revenue** is restated as follows: Standard **Gross Revenue** is the proportional equivalent for a period equal to the **Indemnity Period** of the **Income** realised during the period between the commencement of the **Business** and the date of the **Damage**.

7 Declaration Linked

When **Estimated Gross Revenue** is shown on the Schedule the **Insured** has elected to have the basis of settlement amended to Declaration Linked. For this purpose Memoranda 1 Limit is amended to read as follows:

The **Company's** liability under Section 2 shall not exceed in any one period of insurance 133.3% of the sum insured shown on the Schedule for **Estimated Gross Revenue**.

In addition wherever **Gross Revenue** is shown in the policy it should be read as **Estimated Gross Revenue** as defined.

For this purpose:

- (a) the first and annual premiums are provisional based on the **Estimated Gross Revenue** and the **Insured** must produce to the **Company** not later than 6 months after the expiry of each period of insurance a declaration confirmed by the **Insured's** auditors of the **Gross Revenue** earned during the financial year most nearly concurrent with the period of insurance.
- (b) Condition 1 Average is not operative.

SECTION 3 – LIABILITY

Cover

Sub-Section A – Employers Liability

In the event of accidental **Injury** sustained by any **Employee** of the **Insured** caused during the period of insurance and arising out of and in the course of their employment by the **Insured** for the purposes of the **Business**, within the **Territorial Limits**, the **Company** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimants costs and expenses, for such **Injury**.

The **Company** will also pay **Legal Costs** and **Solicitors Fees**.

The indemnity granted by this Sub-Section shall be interpreted as being in accordance with 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 but the **Insured** shall repay to the **Company** all sums paid by the **Company** which the **Company** would not have been liable to pay but for the provisions of such law.

Limit of Indemnity

The liability of the **Company** under this Sub-Section for compensation and claimants costs and expenses in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause (inclusive of **Legal Costs** and **Solicitors Fees**) shall not exceed the Limit of Indemnity stated in the Schedule.

Sub-Section B – Public Liability

In the event of accidental

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

occurring during the period of insurance and arising out of ownership of the **Premises** or in the course of the **Business**, within the **Territorial Limits**, the **Company** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimants costs and expenses, in respect of **Injury**, **Damage to Property**, obstruction, trespass, nuisance, or interference with any right of way, light, air, water.

The **Company** will also pay **Legal Costs** and **Solicitors Fees**.

Limit of Indemnity

The liability of the **Company** under this Sub-Section for compensation in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity stated in the Schedule.

Sub-Section D – Work Away

Sub-Section A Employers Liability is extended to include cover for Employers Liability **Work Away** as follows:

In the event of accidental **Injury** sustained by any **Employee** of the **Insured** caused during the period of insurance and arising out of and in the course of doing **Work Away**, within the **Territorial Limits**, as part of their employment by the **Insured** for the **Business**, the **Company** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimants costs and expenses, in respect of such **Injury**.

The **Company** will also pay **Legal Costs** and **Solicitors Fees**.

The indemnity granted by this Sub-Section shall be interpreted as being in accordance with 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 but the **Insured** shall repay to the **Company** all sums paid by the **Company** which the **Company** would not have been liable to pay but for the provisions of such law.

Limit of Indemnity

The liability of the **Company** under this Sub-Section for Employers Liability **Work Away** for compensation and claimants costs and expenses in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause (inclusive of **Legal Costs** and **Solicitors Fees**) shall not exceed the Limit of Indemnity under Sub-Section A in the Schedule.

Cover (continued)

Sub-Section D – Work Away

Sub-Section B Public Liability is extended to include Public Liability **Work Away** as follows:

In the event of accidental

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

occurring during the period of insurance and arising out of **Work Away**, within the **Territorial Limits**, in the course of the **Business** the **Company** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimants costs and expenses, in respect of such **Injury**, **Damage to Property**, obstruction, trespass, nuisance, or interference with any right of way, light, air, water.

The **Company** will also pay **Legal Costs** and **Solicitors Fees**.

Limit of Indemnity

The liability of the **Company** under this Sub-Section for Public Liability **Work Away** for compensation in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity under Sub-Section B in the Schedule.

Extensions

Extensions to Cover for Sub-Sections A B and D

Subject to the Limits of Indemnity, Exclusions and Conditions of the operative Sub-Section(s) and the Section

Indemnity to Principal

As far as is necessary to meet the requirements of any contract or agreement entered into by the **Insured** for the performance of work for any **Principal** or Public Authority the **Company** will at the request of the **Insured** treat the **Principal** or Public Authority as though they were also the **Insured** in respect of **Injury** or **Damage** arising out of the performance of such work by the **Insured** provided that the **Principal** shall observe, fulfill and be subject to the terms, Conditions and Exclusions of this Policy in so far as they can apply.

Extension to Cover for Sub-Sections B and D Public Liability Work Away

Subject to the Limits of Indemnity, Exclusions and Conditions of the operative Sub-Section(s) and the Section

Cross Liabilities

This Section shall, if applicable, apply separately to each of the **Insured** named in the Schedule of the Policy in the same manner as if a separate section had been issued to each **Insured** provided that the aggregate of the liabilities arising from any separate application of this Section shall not exceed in total the Limit of Indemnity shown in the Schedule.

Extensions to Cover for Section 3

1 Leased Hired or Rented Premises

The **Company** will indemnify the **Insured** in respect of the **Insured's** legal liability as tenant of a **Premises** leased, rented or hired in the course of the **Business** for

- (i) **Damage** to the **Premises** including any landlords fixtures and fittings caused by any of Cover Causes 1,2 or 4
- (ii) reinstatement or repair of **Damage** to the underground water pipes, gas pipes, electricity and telephone cables extending from the public mains to the **Premises** but excluding consequential loss of any kind or description.

The **Company** will not indemnify the **Insured** for:

- (i) the first £250 of **Damage**
- (ii) liability attaching to the **Insured** solely by the terms of the tenancy or any other agreement.

2 Defective Premises Act 1972

The **Company** will indemnify the **Insured** in respect of any legal liability incurred by the **Insured** during the period of insurance under the terms of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with **Premises**, which have been disposed of by the **Insured**.

Provided that the **Company** shall not be liable for:

- (i) the cost of remedying any defect or alleged defect in the **Premises** disposed of
- (ii) liability if the **Insured** is entitled to indemnity from any other source.

Extensions (continued)

Extensions to Cover for Section 3 (continued)

- 3 Health and Safety at Work Act 1974 – Legal Defence Costs
The **Company** will at the request of the **Insured** indemnify any director, partner or **Employee** of the **Insured** in respect of **Legal Costs** and **Solicitors Fees** incurred in the defence of a prosecution including an appeal against any conviction resulting from a prosecution brought for a breach of
- (i) the Health and Safety at Work Act 1974
 - (ii) the Health and Safety at Work (Northern Ireland) Order 1978
- committed in the course of the **Business** during the period of insurance.
Provided that the **Company** shall not be liable for:
- (i) the payment of fines or penalties
 - (ii) liability unless each director, partner or **Employee** shall be subject to the terms, Exclusions and Conditions of this Policy in so far as they can apply
 - (iii) a breach that was as a result of an intentional or deliberate act
 - (iv) any liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
- 4 Consumer Protection Act 1987 – Legal Defence Costs
The **Company** will indemnify the **Insured** for all **Legal Costs** and expenses incurred with the written consent of the **Company** in respect of the defence of a prosecution or in connection with an appeal against conviction under the provisions of Part II of the Consumer Protection Act 1987 provided the alleged offence has occurred during the Period of Insurance in connection with the **Business**.
Provided that the **Company** shall not be liable for:
- (i) any fines or penalties
 - (ii) liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
- 5 Data Protection Act 1998
The **Company** will indemnify the **Insured** against legal liability to pay compensation for damage or distress under the provisions of Section 13, and defence costs in respect of a prosecution under Section 60, of the Data Protection Act 1998 subject to the act or omission from which the legal liability arises occurring during the Period of Insurance and the **Insured** being registered in accordance with the requirements of the Data Protection Act 1984.
Provided that the **Company** shall not be liable for:
- (i) any fines or penalties
 - (ii) any amount in excess of the Limit of Indemnity stated on the schedule for Sub-Section B
 - (iii) liability arising from recording, processing or provision of data for reward or determining the financial status of a person or any deliberate act or omission by the **Insured** from which liability could have reasonably expected to attach by the **Insured** or from an agreement which would not have attached in absence of such agreement
 - (iv) the cost of rectifying, replacing, reinstating or removing any data
 - (v) liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
- 6 Motor Contingent Liability
The **Company** will indemnify the **Insured** against legal liability for **Injury** or **Damage to Property** arising out of the use of any motor vehicle in connection with the **Business**.
Provided that the **Company** shall not be liable for:
- (i) any vehicle owned or provided by the **Insured** or any **Principal** for whom the **Insured** is working or any sub-contractor acting for or on behalf of the **Insured**
 - (ii) **Damage** to such vehicle or to goods conveyed in or on it
 - (iii) any vehicle being driven by the **Insured** or by any person who to the knowledge of the **Insured** or of the **Insured's** representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
 - (iv) liability if the **Insured** is entitled to indemnity under any other insurance
 - (v) liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
- 7 Wrongful Arrest
The **Company** will indemnify the **Insured** in respect of all sums which the **Insured** shall become legally liable to pay in respect of damages and costs and expenses awarded against the **Insured** as the result of charges of wrongful arrest or malicious prosecution being made against the **Insured** arising out of any allegation of shoplifting or other improper conduct at the **Premises** by any customer or customers or any other person or persons (other than an **Employee** of the **Insured**) during the period of insurance of the Policy.
Provided that the liability of the **Company** shall not exceed £2,500 in respect of any one occurrence or £25,000 in respect of any one period of insurance.

Extensions (continued)

Extensions to Cover for Section 3 (continued)

8 Court Attendance

The **Company** will indemnify the **Insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the **Company's** agreement up to a maximum of £250 per day per person.

Exclusions

Exclusions to Sub-Sections A and B

Sub-Sections A and B do not cover liability arising from **Work Away** other than

- (a) delivery or collection of goods messages or **Money** to or from the **Premises**
- (b) private work undertaken by the **Insured's Employees** (with the consent of the **Insured**) for any director, partner or senior executive of the **Insured**

Exclusions to Sub-Sections A B and D

Sub-Sections A B and D do not cover liability arising

- (a) from or in connection with any work in or on
 - (i) towers, steeples, chimney shafts, blast furnaces, dams, canals, viaducts, bridges, tunnels, or public highways
 - (ii) aircraft, airports, railways, ships, docks, piers, wharves, breakwaters, or sea walls
 - (iii) collieries, mines, chemical works, gas works, oil refineries, power stations, nuclear installations or establishments
 - (iv) computer suites or rooms used exclusively for computer operations.
- (b) on any offshore installation or any support vessel for any offshore installation or whilst in transit to and from any offshore installation or support vessel.

Exclusions to Sub-Sections A and D

Sub-Section A and Sub-section D Employers Liability **Work Away** do not cover liability arising out of the ownership, possession or use of any self propelled vehicle (or machinery or plant) in respect of the use of which the Road Traffic Act 1988 (as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992) requires that there shall be in force a policy of insurance or other security.

Exclusions to Sub-Sections B and D

Sub-Sections B and Sub-Section D Public Liability **Work Away** do not cover:

- (a) liability for **Injury** sustained by any **Employee** of the **Insured**.
- (b) liability arising directly or indirectly by, through or in connection with the ownership, possession or use by or on behalf of the **Insured**, of any
 - (i) mechanically propelled vehicle or mobile plant for which insurance is required under any legislation governing the use of such vehicle or which is licensed for road use, provided that if no indemnity is afforded by any other policy this Exclusion shall not apply to the bringing to or taking away of the load from any vehicle in connection with the loading or unloading of such vehicle
 - (ii) aircraft, hovercraft, drilling platform or rig and other offshore platforms or watercraft (other than hand-propelled watercraft), railways, railway locomotives or carriages
 - (iii) pressure vessel, lifting apparatus or other item of plant owned by the **Insured** or the maintenance for which the **Insured** is responsible
 - (iv) firearms
- (c) liability which attaches because of an agreement but which would not have attached in the absence of such agreement
- (d) liability arising out of pollution or contamination unless caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the period of insurance, provided that:
 - (i) all pollution or contamination arising out of one incident shall be deemed to have occurred at the time such incident takes place
 - (ii) the liability of the **Company** for all damages payable arising out of all pollution or contamination which is deemed to have occurred during any one period of insurance shall not exceed £1,000,000 in aggregate

Exclusions (continued)

Exclusions to Sub-Sections B and D (continued)

For the purpose of this exclusion pollution or contamination shall be deemed to mean

- (i) all pollution or contamination of buildings or other structures or of water or land or the atmosphere, and
 - (ii) all **Damage** or **Injury** directly or indirectly caused by such pollution or contamination
- (e) the cost of making good, replacement or reinstatement of defective work carried out by or on behalf of the **Insured**
- (f) liability arising:
- (i) out of technical professional or remedial instruction and advice given for a fee or for which a fee would normally be charged
 - (ii) out of treatment given or administered by the **Insured** or **Employees** or any failure to give advice or treatment or any lack of professional skill
 - (iii) arising from errors in connection with the sale supply making up or prescribing or dispensing of any drug medicine medical cosmetic or toilet preparation
- (g) **Damage** to:
- (i) **Property** belonging to the **Insured**
 - (ii) **Property** held in trust or in the custody or control of the **Insured** or of an **Employee** but this Exclusion shall not apply to any personal **Property** (including motor vehicles) of directors, **Employees** or visitors of the **Insured**
- (h) claims made in any country outside the European Union
- (i) **Property** belonging to or in the custody or control of the **Insured**
- (j) liability for **Property** being worked upon where the **Damage** is as a direct result of the work undertaken
- (k) liquidated damages, fines, penalties, exemplary, punitive or multiplied damages
- (l) the amount of the **Excess** shown in the schedule
- (m) occurring through any **Products Supplied** other than food and drink supplied socially as part of the **Business**.

Conditions

Conditions to Section 3

- 1 The **Company** may at any time, pay to the **Insured**, in connection with any claim or series of claims
- (a) the amount of the Limit of Indemnity
 - or
 - (b) any lesser amount for which such claim or claims can be settled
- in either case, less any sum or sums already paid as compensation, claimant's costs and expenses, **Legal Costs** and **Solicitors Fees** recoverable prior to the date of such payment.
- On payment, the **Company** shall relinquish the conduct and control of, and be under no further liability in connection with such claim or claims except for the payment of costs and expenses incurred prior to the date of such payment.
- Where the **Company** has not exercised its rights under this Condition, and compensation exceeding the Limit of Indemnity has to be paid, the liability of the **Company** to pay costs and expenses shall be limited to such proportion of the costs and expenses as the Limit of Indemnity bears to the amount paid to dispose of the claim or series of claims.
- 2 If any claim under this Section is also covered in whole or in part by any other existing insurance or by an indemnity from any other source the liability of the **Company** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected.
- 3 In the event of any occurrence which may give rise to a claim for indemnity:
- (a) every letter, writ, summons or other document must be forwarded to the **Company** immediately on receipt and notice in writing given to the **Company** of any impending prosecution, Coroner's Inquest or Fatal Accident Inquiry
 - (b) no admission of liability or promise of payment may be made without the written consent of the **Company**.

SECTION 4 – LEGAL EXPENSES

See separate booklet entitled 'Legal Expenses' for the full policy wording.

SECTION 5 – PERSONAL ACCIDENT

Cover

Sub-Section A Personal Accident Individual (Occupational only)

In the event of any **Insured Person**, as specified on the Schedule, sustaining bodily injury, as described in Insured Events 1, 2, 3 and 4 and Extensions 1 and 2 of this Section, caused by accidental external violent and visible means occurring in the course of the **Insured Person's** employment for the purpose of the **Insured's Business** during the period of insurance, the **Company** will, subject to the terms conditions and exclusions, pay compensation to the **Insured**.

The compensation will be the amount of either

- (a) the Capital Benefit shown on the Schedule for Insured Events 1 2 or 3, for the benefit period shown after any **Deferment Period**
- or
- (b) the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any **Deferment Period**.

Sub-Section B Personal Accident Individual (24 Hour)

In the event of any **Insured Person**, as specified on the Schedule, sustaining bodily injury, as described in Insured Events 1,2 3 and 4 and Extensions 1 and 2 of this Section, caused by accidental external violent and visible means during the period of insurance, the **Company** will, subject to the terms conditions and exclusions, pay compensation to the **Insured**.

The compensation will be the amount of either

- (a) the Capital Benefit shown on the Schedule for Insured Events 1 2 or 3, for the benefit period shown after any **Deferment Period**
- or
- (b) the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any **Deferment Period**.

Sub-Section C Personal Accident Group (Occupational only)

In the event of any **Insured Person** sustaining bodily injury, as described in Insured Events 1, 2, 3 or 4 and Extensions 1 and 2 of this Section, caused by accidental external violent and visible means occurring in the course of the **Insured Person's** employment for the purposes of the **Insured's Business** during the period of insurance, the **Company** will, subject to the terms conditions and exclusions, pay compensation to the **Insured**.

The compensation will be the amount of either

- (a) the Capital Benefit shown on the Schedule for Insured Events 1 2 or 3, for the benefit period shown after any **Deferment Period**
- or
- (b) the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any **Deferment Period**.

Sub-Section D Personal Accident Group (24 Hour)

In the event of any **Insured Person** sustaining bodily injury, as described in Insured Events 1, 2, 3 or 4 and Extensions 1 and 2 of this Section, caused by accidental external violent and visible means during the period of insurance, the **Company** will, subject to the terms conditions and exclusions, pay compensation to the **Insured**.

Cover (continued)

Sub-Section D Personal Accident Group (24 Hour) (continued)

The compensation will be the amount of either

- (a) the Capital Benefit shown on the Schedule for Insured Events 1, 2 or 3, for the benefit period shown after any **Deferment Period**
- or
- (b) the Weekly Benefit shown on the Schedule for Insured Event 4, for the benefit period shown after any **Deferment Period**.

Insured Events for which Benefit is Payable

Capital Benefits

- 1 Death
Bodily injury which solely and directly within twelve calendar months from the date of the accident results in death.
- 2 Loss of limbs or eyes
Bodily injury which solely and directly within twelve calendar months of the date of the accident results in
 - (a) loss by physical severance of hand or foot at or above the wrist or ankle or the total and permanent loss of use of an entire hand or arm or of an entire foot or leg or
 - (b) total and irrecoverable loss of all sight in one or both eyes.
- 3 Permanent total disablement
Bodily injury other than death loss of limbs or eyes as defined above which solely and directly results within twelve calendar months of the date of the accident in permanent and absolute inability of the **Insured Person** to attend to any part whatsoever of their occupation or any other occupation for which the **Insured Person** is fitted by knowledge or training.

Weekly Benefits

- 4 Temporary total disablement
Bodily injury which solely and directly within twelve calendar months of the date of the accident results in total and absolute inability of the **Insured Person** to engage in or give attention to their usual profession or occupation.

Extensions

Subject to the Exclusions and Conditions of the operative Sub-Section(s) and the Section

- 1 Exposure
The **Company** will pay to the **Insured** compensation for the Capital Benefit or Weekly Benefit as appropriate if during the period of insurance an **Insured Person** suffers from exposure to the elements which results within twelve calendar months of the date of such exposure in bodily injury as described in the Insured Events.
- 2 Disappearance
The **Company** will pay to the **Insured** compensation for the Capital Benefit for Insured Event 1 if during the period of insurance an **Insured Person** disappears.
Provided that
 - (a) the **Insured** shall produce sufficient evidence within twelve calendar months of the date of such disappearance that leads the **Company** inevitably to the conclusion that the **Insured Person** has suffered an accident resulting in bodily injury as described in Insured Event 1
 - (b) the **Company** shall be entitled to a reasonably sufficient period of time to examine and obtain all the evidence available from whatever source
 - (c) if the **Insured Person** is found to be living at any time after payment has been made by the **Company** such payment shall be refunded to the **Company**.

Extensions (continued)

3 Medical Expenses

The **Company** will also pay for medical expenses necessarily incurred and arising from treatment following bodily injury from accidental external violent and visible means to an **Insured Person** up to

- (a) 5% of the total amount paid for the Capital Benefit for Insured Event 1, 2 or 3
- (b) 15% of the total amount paid as the Weekly Benefit for Insured Event 4

Conditions

Conditions to Sub-Section C and D

The **Insured** must declare all **Insured Person's** and details of their dates of birth within 14 days of each new period of insurance in order that a complete list of **Insured Person's** be maintained by the **Company**. Any changes to the list of **Insured Persons** must be advised to the **Company** in 3 monthly intervals from the inception date of any one period of insurance. In absence of any such declaration from the **Insured** the **Company** will note that there is no change to the list of **Insured Persons**.

Conditions to Section 4

- 1 In the event of an **Insured Person** sustaining bodily injury which may result in a claim under this Section such **Insured Person** shall consult a duly qualified medical practitioner and follow any medical advice, which is given
- 2 All certificates information and evidence required by the **Company** shall be provided at the **Insured's** expense and in the form prescribed by the **Company**. The **Insured Person** shall as often as required submit to medical examination on behalf of and at the expense of the **Company** in connection with any claim
- 3 In the event of death immediate notice shall be given to the **Company**, which shall be entitled to have a post mortem examination at its own expense
- 4 The insurance by this Section in respect of any **Insured Person** will terminate at the end of the period of insurance in which such **Insured Person** attains the age of 70 years in respect of Insured Events 1–4
- 5 The receipt of the **Insured** or any of his personal representatives for any compensation payable shall in all cases be effectual discharge to the **Company**
- 6 No compensation shall be payable
 - (a) under more than one of the Insured Events 1 2 and 3 or Extensions 1 & 2 and on payment of a claim under any one of these Insured Events in respect of any one **Insured Person** all further liability under this Section in respect of that person shall cease
 - (b) under Insured Event 4 in respect of any one **Insured Person** for a period exceeding 104 weeks from the commencement of disablement for any one accident or series of accidents occurring in any one period of insurance
- 7 Compensation under Insured Event 4 shall be payable when the total amount has been agreed or, at the request of the **Insured** and subject to the **Company's** agreement at intervals of four weeks in arrears
- 8 Any sums paid under Insured Events 4 shall be deducted from any sum becoming payable under Insured Events 1 2 or 3 in respect of the same accident.

Exclusions

Exclusions to Section 5

The **Company** shall not be liable for

- (a) interest on any benefit
- (b) compensation payable in respect of any bodily injury caused by or resulting from
 - (i) the occupational use of fixed power driven woodworking machinery
 - (ii) suicide attempted suicide or intentional self injury venereal disease insanity or being under the influence of alcohol or drugs (unless administered under medical supervision other than for the treatment of drug addiction)
 - (iii) pregnancy or childbirth or any consequence of pregnancy or childbirth
 - (iv) any physical defect infirmity, medical condition or chronic or recurring illness for which the **Insured Person** has received medical treatment in the twelve months prior to the commencement of disablement
 - (v) sickness or disease or any naturally occurring condition or degenerative process or gradually operating cause
 - (vi) service in the armed forces or reserve armed forces
 - (vii) from any other health problem which ought reasonably to have been within the knowledge of the **Insured Person** at the inception of each period of insurance but has not been declared to the **Company**
 - (viii) any accident occurring outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man unless in additional territories specified by Endorsement on the Schedule

Exclusions (continued)

- (ix) the **Insured Person** engaging in or practicing or training for:
 - sport involving financial gain or payment other than for reimbursement of reasonable travel and out of pocket expenses
 - boxing, wrestling or other forms of unarmed or armed combat
 - mountaineering, rock or cliff climbing, coasteering or abseiling
 - sports or activities involving freefalling or requiring the use of elastic ropes
 - ice hockey or winter sports other than ice-skating and curling
 - pot holing or similar underground activities
 - racing (other than on foot), hunting, hunter trials or similar, showjumping or steeplechasing
 - sailing or yachting outside British Coastal Waters, power boating, water ski jumping, jet skiing, canoeing, white water rafting, water sledging or other water activities that require the use of underwater breathing equipment
 - any type of football (other than amateur Association Football)
 - motor cycling (as driver or passenger)
 - flying or any aerial activity (other than as a passenger in any fully licensed passenger carrying aircraft but not as a member of the crew and not for the purpose of undertaking any trade or technical operation in or on the aircraft)

GENERAL CONDITIONS AND EXCLUSIONS

(Applicable to the whole Policy except where stated)

1 General Exclusions

This Policy does not cover

- (a) **Damage** to any **Property** whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused 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) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
 - (iv) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- (b) **Damage** to any **Property** in Northern Ireland resulting from caused by or happening through or in consequence of:
- (i) civil commotion
 - (ii) any unlawful wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any **Unlawful Association**
- (c) **Damage** to any **Property** whatsoever or any loss or expense whatsoever resulting or arising from, or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused or contributed to by or arising from **Terrorism** except for
- (i) **Damage to Property** in the United Kingdom (other than in Northern Ireland) occasioned by or happening through or in consequence directly or indirectly of **Terrorism** up to a maximum of
 - £100,000 per occurrence in respect of **Buildings**
 - £100,000 per occurrence in respect of **Trade Contents, Computers and Stock**
 - £100,000 per occurrence in respect of business interruptionfor Commercial **Premises**
or
any limit of liability or sum insured stated on the Schedule or Endorsement as applying to that **Premises** whichever is the lower
 - (ii) accidental **Injury** sustained by any **Employee** of the **Insured** during the period of insurance and arising out of and in the course of his employment by the **Insured** in the **Business** described in the Schedule and occasioned by or happening through or in consequence directly or indirectly of **Terrorism** up to a maximum of £5,000,000 for compensation and claimants costs and expenses in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause (inclusive of **Legal Costs** and **Solicitors Fees**) for which the **Insured** is legally liable
- In any action, suit or other proceedings, where the **Company** alleges that by reason of the provisions of this Condition any loss **Damage** or legal liability is not covered by this Policy, the burden of proving that such loss **Damage** or legal liability is covered shall be upon the **Insured**
- (d) **Damage** or **Injury** occurring outside the **Territorial Limits** (unless specifically insured)
- (e) **Damage** caused by pollution or contamination except (unless otherwise excluded) loss or **Damage** to the **Property** insured caused by:
- (i) pollution or contamination which itself results from any one of Cover Causes 1 or 2
 - (ii) any one of Cover Causes 1 or 2 which itself results from pollution or contamination
 - (iii) any cover given under Section 3 of the Policy where the **Damage** is shown to come within the exception to Exclusion (d) of Exclusions to Sub-Section B and D of Section 3
- (f) **Damage** or consequential loss of whatsoever nature and/or liability for damages attaching to the **Insured** or any associated costs relating thereto arising directly or indirectly from or consisting of the failure or inability of any
- (i) computer, data processing equipment, electronic circuit, embedded system firmware, hardware, integrated circuit, interface, microchip, microprocessor, program, software, telecommunication equipment or systems and any similar device
 - (ii) media or systems used in connection with any of the above

1 General Exclusions (continued)

whether the **Property** of the **Insured** or not

- (a) to correctly recognise, use or adopt any date, day of the week or period of time as the true or correct date, day of the week or period of time
- (b) to capture, save, retain, restore and/or correctly manipulate, interpret, calculate, return, transmit or process any data or information, command logic or instruction as a result of treating any date, day of the week or period of time otherwise than as, or other than, its true or correct date, day of the week or period of time

but

- (i) this shall not exclude a first party claim by the **Insured** in respect of such loss destruction or **Damage** not otherwise excluded which itself results from one of Cover Causes 1, 2 or 4
- (ii) this exclusion shall not apply in respect of Section 3, Sub-Section A – Employers Liability nor Employers Liability **Work Away** of Sub-Section D.

2 Notice of Unoccupancy/Occupancy

The **Insured** must advise the **Company** as soon as the **Insured** is aware that:

- (a) the **Premises** or a **Building** or portion of a **Building** has become **Unoccupied**
- (b) an **Unoccupied Premises** or **Building** or portion of a **Building** is again tenanted

If this Condition is not complied with the Policy will not cover the **Premises** or **Building** concerned unless the **Company** has agreed in writing that cover will remain operative, for **Unoccupied Premises, Buildings** or portions of **Buildings** without the requirement for referral to the **Company** beforehand.

3 Precedents to Liability

Liability under this Policy is conditional:

- (a) on the truth and accuracy of the declarations contained in the proposal form or statement of fact if accepted instead of a proposal form
- (b) on the observance and fulfilment of the terms and conditions of this Policy
- (c) on all reasonable precautions being taken
 - (i) for the safety of the **Property** insured
 - (ii) to prevent accidents or disease
 - (iii) to comply with all statutory obligations and regulations imposed by any authority

4 Precedents to Liability (Applicable to Sections 1 & 2 only)

Liability under this Policy is conditional

- (a) on the **Insured**
 - (i) complying with the Minimum Requirements as stated in Section 1
 - (ii) keeping in working order and bringing into full operation all locks bolts **Intruder Alarm Systems** and other protective devices under the **Insured's** control outside **Business Hours**
 - (iii) removing all **Excluded Property** and **Intruder Alarm Systems** from the **Premises** outside **Business Hours**
 - (iv) not keeping **Target Stock** unless described in the Schedule or elsewhere by Endorsement
- (b) on the **Premises** being protected by an **Intruder Alarm Systems** approved by the **Company** if indicated on the Schedule

5 Claims Procedure

The **Insured's** duties

- (a) on discovery of any **Damage** by theft or attempted theft or by malicious persons or loss of **Money** immediate notice must be given to the Police and all practical steps taken to discover the guilty persons and recover **Property** lost
- (b) any incident that may result in any **Damage** or **Injury** must be reported to the **Company** and full written particulars of such **Damage** or **Injury** supplied as soon as possible after the event at the expense of the **Insured**
- (c) in the event of any occurrence which may give rise to a claim for indemnity:
 - (i) every letter, writ, summons or other document must be forwarded to the **Company** immediately on receipt and notice in writing given to the **Company** of any impending prosecution, Coroner's Inquest or Fatal Accident Inquiry
 - (ii) no admission of liability or promise of payment may be made without the written consent of the **Company**.
- (d) immediate action must be taken to minimise loss and avoid interruption or interference with the **Business** and to prevent further **Damage** or **Injury**
- (e) all information and assistance as the **Company** may require must be supplied by the **Insured** at the **Insured's** own expense.

6 Claims Procedure (except as otherwise provided for by Memorandum 2 of Section 1)

The **Company's** rights

The **Company** shall:

- (a) at its option indemnify the **Insured** by payment, reinstatement, replacement or repair of any **Property** but it shall not be bound to reinstate exactly or completely but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one item more than the sum insured on that item
- (b) be allowed by the **Insured** to enter the **Insured's Premises** where **Damage** has occurred and take and keep possession of any of the **Property** insured and deal with such **Property** in any reasonable manner. No **Property** may be abandoned to the **Company**
- (c) at its expense be entitled to conduct in the **Insured's** name any settlement or defence of any claim or to prosecute for its own benefit any claim for indemnity or compensation or otherwise and have full discretion in the conduct of any proceedings and in settlement of any claim.

7 Contribution (not applicable to Section 3)

If at the time of any **Damage** or liability resulting in a claim under this Policy there is any other insurance effected by or on behalf of the **Insured** covering such loss, **Damage** or liability or any part of it the liability of the **Company** shall be limited to its rateable proportion of such loss, **Damage** or liability.

8 Arbitration (not applicable to Section 3)

If any difference shall arise as to the amount to be paid under any Section of 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 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 **Company**.

9 Alteration

The Policy shall be void if at any time:

- (a) the **Business** be wound up or carried on by a Liquidator or Receiver or permanently discontinued
- (b) the **Insured's** interest ceases except by will or operation of law
- (c) the risk of loss, **Damage** or **Injury** is increased unless the **Company** agrees in writing to continue the insurance.

10 Misrepresentation

This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure of any material fact.

11 Fraud

If any claim under this Policy shall be in any respect fraudulent or if any fraudulent means or devices are used by the **Insured** or anyone acting on behalf of the **Insured** to obtain any benefit under this Policy all benefit shall be forfeited.

12 Automatic Re-Instatement of Sums Insured

(Applicable only to Sub-Sections A B C F G H of Section 1, and Section 2)

In the absence of written notice by the **Insured** or the **Company** to the contrary upon notification of a claim to the **Company** the sums insured shall be deemed to be reinstated to their full amount provided that

- (a) where the extent of the insured loss exceeds £500 the **Insured** shall pay the appropriate additional premium from the date of the loss to the expiry of the period of insurance, once the full extent of the loss is known
- (b) the aggregate of the amounts reinstated shall not exceed the amount of the sums insured stated in the Schedule.

13 Adjustment of Premium

If the premium or any part is calculated on estimates furnished by the **Insured** they shall supply within 30 days to the **Company** at the end of each period of insurance such information necessary for the adjustment of the premium and should such information differ from the estimates on which the premium has been paid the difference in premium shall be met by a further payment or refund, subject to any Section and deposit minimum premiums or Policy minimum premium.

14 Subject to Survey

If any insurance by this Policy has been granted subject to survey, then continuance of cover after the survey by the **Company** Risk Surveyor shall be subject to the **Insured** complying with the **Company's** acceptance criteria and the completion of any risk improvements required within the timeframe agreed with the **Company**, otherwise the **Company** may, at its option, invoke the Cancellation Condition.

15 Warranties

This Policy shall be void in the event of non-compliance during the period of insurance with any Warranty set out in the Schedule.

16 Premium Payment by Instalments

If the premium for this Policy is payable by instalments it is then a condition precedent to the **Company's** liability that each instalment shall be paid when due. If a payment is not made the Policy shall be cancelled from the date when such instalment was due.

17 Cancellation

The **Company** shall not be bound to renew this Policy or to send any notice of renewal and may terminate the Policy at any other time upon giving seven days notice to the **Insured** by registered letter or recorded delivery at his address as last known to the **Company** or as provided for under 16 Premium Payment by Instalments. In the event of such cancellation the **Insured** shall be entitled to the return of a proportionate part of the last premium paid in respect of the un-expired part of the insurance.

18 Law Applicable to the Contract

Both parties to this Contract of insurance have a choice as to which law should be applied, but in the absence of agreement to the contrary, English law will apply.

19 Legal Representatives

In the event of the death of the **Insured** the **Company** will indemnify the **Insured's** legal personal representatives in respect of liability at law previously incurred by the **Insured** provided they observe fulfil and be subject to the terms Conditions and limitations of the Policy to the extent that they can apply.

20 Fortis Logo

The Fortis logo must not be reproduced in any form on your own business documentation without the express permission of Fortis Insurance Ltd.

What to do if you have a complaint

If you have experienced a problem with any part of our service, we will sort this out as quickly and fairly as possible.

What you should do first

- If your complaint is about the way your policy was sold to you, contact your insurance adviser to report your complaint.
- If you have a complaint about a claim, call your claims handler first. You will find the claims handler's name and phone number on any letters they have sent you.

If your problem has still not been sorted out

Step 1

Contact our Customer Service Adviser who will make sure that your complaint is dealt with at a senior level. You can write to us at the address below or e-mail us through our website at www.fortisinsurance.co.uk/complaints (please include your policy number and claim number if appropriate).

**Customer Services Adviser
Fortis Insurance Limited
Fortis House
Tollgate
Eastleigh
Hampshire
SO53 3YA**

Step 2

If this matter has still not been sorted out, you can write to Barry Smith, Chief Executive at the same address.

Step 3

If you have a Turnover less than £1,000,000 and you are not satisfied with our final decision, you can write to:
Financial Ombudsman Service
South Quay Plaza 2
183 Marsh Wall
London
E14 9SR.

Service standards

We will reply to any letter you send us within two working days of receiving it. In our letter we will tell you who will be dealing with your complaint and when you should expect a reply.

Making a claim

If anything happens which may result in a claim being made:

Make Safe and Secure

Prevent further **Damage** and arrange for emergency repairs. For example, if you have frozen pipes, you should turn off the water supply and if necessary call out a 24 hour plumber.

Remember, if you do not have your own contractor, Business Assistance can arrange for an approved contractor to effect repairs, anytime of the day or night. Please refer to your schedule for details of the telephone number and reference number (which you will need to quote).

Tell the Police

Advise them immediately of any **Damage** caused by theft, attempted theft, malicious persons, or any loss of **Property**. Take all practical steps to discover the guilty persons and recover the **Property** lost or stolen.

Tell Us

Contact us, or your intermediary as soon as possible, quoting your policy number in full (including any letters before and after the numbers). Refer to your Schedule for details of the 24 hour telephone number for claims reporting.

For loss or **Damage**: obtain 2 estimates for repairs or replacement (as appropriate).

Do not delay sending in the claim form until you get the estimates – simply tell us on the form that they are being obtained, and send them to us when you have them.

For incidents involving **Damage** to other peoples' **Property** or **Injury** to others; do not admit liability or offer any payments. Send us written details of the incident along with the names and addresses of any witnesses immediately. Send us every letter or other documents alleging liability or negligence, unanswered. It is very important that these are dealt with, by us, immediately.

Keep Evidence

Keep all damaged **Property** and other evidence for inspection until you are advised by the police and us that you may dispose of it.



Solid partners, flexible solutions

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