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# PREAMBLE

Underwriters having received a Proposal which shall form the basis of and be incorporated in this contract and in consideration of the Premium having been paid to Underwriters, We agree to pay or indemnify to the extent and in the manner herein provided subject to the terms, limitations, exclusions and conditions of this Policy.

An Insuring Clause is only operative if stated as such in the Schedule.

The headings of each Insuring Clause, Addendum, Exclusion or Condition are for ease of identification only.

The General Definitions, General Exclusions, Claims Conditions and General Conditions of the Policy apply to all Insuring Clauses in addition to the Definitions, Exclusions and Conditions applicable under each individual Insuring Clause, unless endorsed hereon to the contrary.

# GENERAL DEFINITIONS (Applicable to the Policy as a whole)

**“Activities”** shall mean the activities, profession or occupation declared to and accepted by Underwriters.

**“Buildings”** shall mean, for the purposes of Insuring Clause 6 (Property Damage), Insuring Clause 8 (Business Interruption) and General Condition 14 (Security Protections), the buildings at the Premises owned or occupied solely or in part by You in connection with Your Activities and/or as a private dwelling or offices which shall unless stated otherwise be constructed of brick, stone or concrete and roofed with slates, tiles, metal, concrete, asphalt, asbestos or other non-combustible materials.

Furthermore such buildings shall include landlord's fixtures and fittings in or on the buildings and, other than for the application of Exclusions 8(a) and 18 of Insuring Clause 6 (Property Damage),

- (i) walls, gates and fences, car parks, yards, private roads, pavements and paths all on the same Premises.
- (ii) small outside buildings, annexes, loading bays, conveniences, external fire escapes, staircases, gangways and pedestrian ways attaching or belonging to the buildings.
- (iii) services, which shall mean lowering and loading apparatus, water and fuel tanks and ancillary equipment, service pipes, trunking, piping, ducting, cables, wires and their associated control gear and accessories extending from the buildings to the public mains all for which You are responsible and so far as they are not otherwise insured.

**“Claim”** shall mean

- (i) any claim form, writ or summons or other application of any description whatsoever or counter claim issued against or served upon You, or
- (ii) any communication or allegation communicated to You

which might result in a Loss.

**“Computer Equipment”** shall mean any computer or other electronic data processing device, equipment or system, any hardware, software programme instruction, data or component utilised or intended to be utilised in/or by any such item.

**“Computer Virus”** shall mean a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagates themselves through a computer system or network of whatsoever nature including (but not limited to) 'Trojan Horses', 'worms' and 'time or logic bombs'.

**“Contamination”** shall mean the contamination, poisoning or preventing and/or limitation of use of objects due to the effects of chemical and/or biological substances.

**“Costs and Expenses”** shall mean all legal costs and expenses reasonably incurred by Us or by You with Our written consent other than

- (i) damages and costs awarded against You
- (ii) remuneration of whatsoever nature due to You.

**“Electronic Data”** shall mean facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

**“Insured/You/Your/Yours”** shall (for the purpose of the General Exclusions, Claims Conditions, General Conditions and all other General Definitions) have the same meaning as that given in the applicable Insuring Clause under which payment or indemnity is being sought.

**“Mould”** shall mean any permanent or transient fungus (not being “dry rot”), mould, mildew or mycotoxin, or any of the spores, scents or by-products resulting therefrom that exist, emanate from or move anywhere indoors or outdoors, regardless of whether they are proved to cause disease, injury or damage.

**“Mould Event”** shall mean any actual, alleged or threat of contact with, exposure to, or inhalation, ingestion, absorption, discharge, dispersal, seepage, migration, release, escape, presence, growth or reproduction of Mould.

**“Our / Us / We”** shall mean the Underwriters.

**“Policyholder”** shall mean the person named in the Schedule.

**“Pollution”** shall mean the discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant including (but not limited to) smoke, vapours, soot, fumes, acids, alkalis, chemicals and waste (including, but not limited to, material to be recycled, reconditioned or reclaimed).

**“Premises”** shall mean the premises stated in the Schedule.

**“Premium”** shall mean the amount stated in the Schedule

**“Proposal”** shall mean all information supplied to Us (whether by written, electronic or any other means) for the purpose of effecting this contract of insurance.

**“Terrorism”** shall mean any act of terrorism, including but not limited to the use or threat of force or violence, of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political,

religious, ideological or similar purposes including the intention to influence or overthrow any government de jure or de facto and/or put the public or any section of the public in fear.

**"United Kingdom"** shall mean England, Scotland, Wales, Northern Ireland, the Isle of Man and the Channel Islands.

**"Unlawful Association"** shall mean 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 Terrorism Act 2000 or any amendment or re-enactment thereof.

**"War"** shall mean war, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, mutiny or usurped power.

# INSURING CLAUSE 1 – PUBLIC LIABILITY/PRODUCTS LIABILITY

## (a) PUBLIC LIABILITY

We agree to indemnify You against Loss arising from any Claim in respect of a Wrongful Act happening in connection with Your Activities and occurring during the Period of Insurance within the European Union other than any Loss caused by or through or in connection with any Product.

## (b) PRODUCTS LIABILITY

We agree to indemnify You against Loss arising from any Claim in respect of a Wrongful Act happening in connection with Your Activities and occurring during the Period of Insurance anywhere in the world, caused by or through or in connection with any Product initially sold or supplied by You from within the United Kingdom.

## LIMIT AND EXCESS

Our liability under Insuring Clause 1(a) (Public Liability) for Loss (other than Costs and Expenses) shall not exceed the Limit of Indemnity.

Our total aggregate liability under Insuring Clause 1(b) (Products Liability) in the Period of Insurance in respect of all Loss (other than Costs and Expenses) shall not exceed the Limit of Indemnity.

In the event that Loss (other than Costs and Expenses) exceeds the Limit of Indemnity, Our liability for such Costs and Expenses shall not exceed the proportion of such Loss (exclusive of such Costs and Expenses) as is represented by the Limit of Indemnity.

Under Insuring Clause 1(a) (Public Liability) We shall only be liable for that part of each Loss resulting from loss of or damage to Property which exceeds the Excess.

## ADDENDA APPLICABLE TO INSURING CLAUSE 1

### (1) Public Relations Crisis Management

In the event of a Crisis occurring during the Period of Insurance We shall, at Your request and subject to Our prior agreement, pay

- (a) costs incurred by You in utilising the services of the Crisis Response Service
- (b) other related and reasonable costs agreed by Us

For the purpose of this Addendum:

- (i) "Crisis" shall mean
  - (a) any incident, or alleged incident of abuse, maltreatment or molestation
  - (b) the death or injury
  - (c) the disappearance, misplacing or abduction

of any person in the Policyholder's care which could result in a Loss under Insuring Clause 1 (Public Liability/Products Liability) and where in Our opinion there is a risk to Your Activities as a consequence of adverse press, publicity or media attention

- (ii) "Crisis Response Services" shall mean public relations specialist services provided by Us or on Our behalf
- (iii) "You" shall mean the Policyholder

Provided always that

1. the total amount payable under this Addendum shall not exceed £25,000 in any one Period of Insurance, which amount shall be in addition to the Limit of Indemnity.
2. You shall immediately notify Us of any event or circumstance which might result in You seeking payment or indemnity under this Addendum and comply with Our recommendations or the recommendations of Our public relations specialist as directed.
3. You take all reasonable and practical measures to avoid or mitigate costs relating to the Crisis.

### (2) Compensation for Court Attendance

In the event of any director or partner of Yours or any Employee attending court at Our request as a witness in connection with any claim in respect of which You are entitled to indemnity under this Insuring Clause We will provide compensation to You at the following rates for each day on which attendance is required

- (a) any director or partner      £500 per day
- (b) any Employee                      £250 per day

**(3) Health and Safety at Work**

The indemnity provided by this Insuring Clause is extended to include Costs and Expenses in the defence of any criminal proceedings (including a charge of manslaughter) brought for a breach of the Health and Safety at Work Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or any amendment or re-enactment thereof, committed or alleged to have been committed in the course of Your Activities during the Period of Insurance, including Costs and Expenses in an appeal against conviction and/or prosecution costs awarded against You arising from such proceedings.

Provided always that

- (a) the proceedings relate to the health, safety and welfare of any person other than an Employee.
- (b) The total amount payable under this Addendum shall not exceed £500,000 in any one Period of Insurance.

**(4) Consumer Protection and Food Safety**

The indemnity provided by Insuring Clause 1(b) (Products Liability) is extended to include Costs and Expenses in the defence of any Claim brought for a breach of

- (a) Part II of the Consumer Protection Act 1987 or any amendment or re-enactment thereof, or
- (b) Section(s) 7, 8, 14 and/or 15 of the Food Safety Act 1990 or any amendment or re-enactment thereof

committed or alleged to have been committed in the course of Your Activities during the Period of Insurance including Costs and Expenses in an appeal against conviction arising from such proceedings.

Provided always that We shall not be liable to pay or indemnify You where the Claim arises out of Your wanton, wilful, reckless or intentional disregard of Your duties under these Acts.

**(5) Damage to Hired or Rented Premises**

Notwithstanding Exclusion 3(b) of this Insuring Clause the indemnity provided by Insuring Clause 1(a) (Public Liability) is extended to include Loss arising from loss of or damage to premises (and/or fixtures and fittings of such premises) hired or rented by You for the purposes of Your Activities.

Provided always that We shall not be liable to pay or indemnify You

- (a) against Loss resulting from any tenancy or other agreement entered into by You in so far as liability under such agreement exceeds that which would have attached to You in the absence of such agreement
- (b) for the first £100 of such Loss unless the loss or damage results from fire or explosion.

**(6) Defective Premises Act 1972**

The indemnity provided by Insuring Clause 1(a) (Public Liability) is extended to include Loss arising from any Claim made against You by reason of breach of Section 3 of the Defective Premises Act 1972 or any amendment or re-enactment thereof or Section 5 of the Defective Premises (Northern Ireland) Order 1975 or any amendment or re-enactment thereof in connection with premises which have been disposed of by You.

Provided always that We shall not be liable to pay or indemnify You for the cost of rectifying any damage or defect in the premises disposed of.

**(7) Motor Contingent Liability**

Notwithstanding Exclusion 4(a) of this Insuring Clause, the indemnity provided by Insuring Clause 1(a) (Public Liability) is extended to include Loss arising out of the use of any motor vehicle which is not Your property nor provided by You being used for the purposes of Your Activities.

Provided always that We shall not be liable to pay or indemnify You

- (a) for loss of or damage to any such vehicle or to the property therein.
- (b) against Loss which results from such vehicle being driven by the Insured other than an Employee.
- (c) against Loss arising from the use of such vehicle outside the United Kingdom.

**(8) Product to Product Liability**

Notwithstanding Exclusion 11 (Products) of this Insuring Clause, the indemnity provided by Insuring Clause 1(b) (Products Liability) is extended to include Loss arising from loss or damage to a Product after it has left Your charge or control

- (a) caused by another Product supplied, installed or fitted by You or on Your behalf under a separate contract or
- (b) when You are engaged in any operation not connected with the supply, installation or fitting of the original Product.

**(9) Overseas Liability**

The indemnity provided by Insuring Clause 1(a) (Public Liability) is extended to include Loss incurred by You

- (a) elsewhere in the world in respect of non-manual work

- (b) in a personal capacity whilst temporarily outside the United Kingdom in connection with Your Activities by reason of Injury to any person and/or loss of or damage to Property.

Provided always that

- (i) notwithstanding Exclusion 9 of this Insuring Clause, where action for damages is brought in a court of law within the jurisdiction of the United States of America or Canada Our liability for such Loss (including Costs and Expenses) shall not exceed the Limit of Indemnity.
- (ii) We shall not be liable to pay or indemnify You against Loss arising out of the ownership of any land or building(s).

#### (10) **Cross Liabilities**

If the Insured comprise more than one party, Insuring Clause 1(a)(Public Liability) shall be construed as though separate Policies had been issued to each.

Provided always that nothing in this Addendum will operate to increase Our liability beyond the amount for which We would have been liable had this Addendum not applied.

#### (11) **Member to Member Liability**

In respect of members of Your canteen, social, sports welfare, first aid, fire, medical and security activities, if any action for damages is brought against any such member by any other member and the action is such that if it were brought against You, You would be entitled to indemnity under Insuring Clause 1(a) (Public Liability) We will indemnify such member in like manner to You.

Provided always that

- (a) We shall not be liable to pay or indemnify such member against Loss in respect of which such member is entitled to indemnity under any other insurance
- (b) such member shall, as though he were the Insured, observe, fulfil and be subject to the terms, conditions, limitations and exclusions of this Policy so far as they can apply.
- (c) for the purpose of this Addendum, guests and voluntary helpers shall be deemed to be members.

#### (12) **Data Protection Act**

The indemnity provided by Insuring Clause 1(a) (Public Liability) is extended to include Loss arising from any Claim made against You by reason of breach of Section 13 of the Data Protection Act 1998 or any amendment or re-enactment thereof arising in connection with Your Activities during the Period of Insurance.

Provided always that

- (a) You have been accepted and remain registered by the Data Protection Registrar.
- (b) Your Activities are not those of a computer bureau.
- (c) We shall not be liable to pay or indemnify such member against Loss
  - (i) which results from any deliberate act or omission by You the result of which could reasonably have been anticipated having regard to the nature and circumstances of such act or omission.
  - (ii) which results from any act of fraud or dishonesty.
  - (iii) to the extent of any costs and expenses of rectifying, rewriting or erasing data.
  - (iv) arising from the recording, processing or provision of data for reward or to determine the financial status of any person.

## **DEFINITIONS APPLICABLE TO INSURING CLAUSE 1**

“**Activities**” shall, in addition to the meaning given in General Definitions, include the following

- (i) Your ownership, occupation and maintenance of land or buildings
- (ii) the provision and management of canteen, social, sports, welfare and other facilities and organisations, including (but not limited to) first aid and medical services for the benefit of Employees
- (iii) the provision and operation of fire and security services for the protection of premises owned or occupied by You.
- (iv) private duties undertaken by an Employee for You or, with Your consent, for any director or partner of Yours or any Employee.
- (v) your own Fundraising Events

“**Continuous Abuse**” shall mean continuous, repeated or intermittent abuse, maltreatment, molestation or harassment which does not arise from a sudden identifiable and unexpected event that occurs in its entirety at a specific time and place.

“**Employee**” shall mean any person, other than a director of Yours, who was or is or may hereafter be

- (i) under a contract of service or apprenticeship with You, or
- (ii) under a work experience or similar scheme, or
- (iii) supplied to or hired in or borrowed by You, or



(iv) volunteers, or

(v) self-employed persons

working for You and under Your direct control in connection with Your Activities and normally resident in the United Kingdom.

“**Excess**” shall mean, in respect of Insuring Clause 1(a) (Public Liability), £100.

“**Excluded Activity**” shall mean

- (i) adventure activities or outward bound courses not undertaken at activity centres registered with and licensed by the Adventure Activities Licensing Authority
- (ii) other than when undertaken at activity centres registered with and licensed by the Adventure Activities Licensing Authority,
  - (a) abseiling, rappelling
  - (b) assault courses
  - (c) dirt, vert, park, street, flatland and BMX freestyle disciplines of BMX cycling; cross country, trail riding, all mountain, downhill, freeride, slopestyle dirt jumping and trials disciplines of mountain biking
  - (d) mountaineering, cliff or rock climbing without the use of ropes
  - (e) winter sports (other than curling or skating)
- (iii) barmy jumping, parkour, “street running”, “B.A.S.E.” jumping, pole climbing, elastic rope sports or activities
- (iv) contact sports other than association football as an amateur
- (v) driving of a motor vehicle by anyone not licensed to drive such a vehicle on a public road (irrespective of whether or not the vehicle is being driven on a public road)
- (vi) hang gliding, flying (other than as a commercial fare-paying passenger)
- (vii) horse-riding (including, but not limited to, pony trekking and equestrian sports) or other animal rides (other than when undertaken at an accredited British Horse Society stable)
- (viii) jet-skiing, water-skiing, sub-aqua diving
- (ix) martial arts (other than tai chi)
- (x) motor sports including motorcycles and quad bikes
- (xi) paintballing
- (xii) raft racing, white water rafting
- (xii) road rallies, air displays
- (xiv) use of fireworks, firework displays or bonfires organised by You
- (xv) shooting (other than clay-pigeon shooting).

“**Fundraising Events**” shall mean

- (i) anniversary parties/birthday parties
- (ii) baby show competitions,
- (iii) bazaars,
- (iv) charity auctions,
- (v) coffee mornings,
- (vi) collections,
- (vii) conferences/seminars,
- (viii) craft fairs,
- (ix) dances,
- (x) exhibitions/displays/flower shows,
- (xi) fun runs and walks (other than those which require Local Authority and/or Police approval),
- (xii) garden parties/street parties/barbecues (other than those which require Local Authority and/or Police approval),
- (xiii) golf days,
- (xiv) jumble sales/bring and buy sales/car boot sales

- (xv) training courses
- (xvi) village hall/local theatre promotions, recitals or concerts

where

- (a) attendance does not exceed 500 persons
  - (b) the event does not involve the use of fireworks, firework displays or bonfires organised by You
  - (c) alcohol or other such intoxicating substances are neither sold nor provided by You or on Your behalf
- or,
- (d) those events declared to and accepted by Underwriters in writing

**“Injury”** shall mean bodily injury, mental injury, emotional distress, shock, sickness, disease or death.

**“Insured/You/Your/Yours”** shall mean

- (i) the person, persons, firm and all partners and former partners (or in the event of the death, incompetency, incapacity, bankruptcy or insolvency of any of the foregoing, their estate, heirs, legal representatives or assigns), limited liability partnership, trust or company named as the Policyholder in the Schedule.
- (ii) and, in respect of Insuring Clause 1(a)(Public Liability) any principal to whom an indemnity is required to be provided under a contract for the performance of work by You in connection with Your Activities but only to the extent required by such contract.

In addition, if You so require, We will indemnify

- (iii) any governor, director, council member, member, officer or trustee of Yours or any Employee in like manner to You,
- (iv) in respect of Insuring Clause 1(a) (Public Liability), any officer or member of Your canteen, social, sports or welfare and other facilities and organisations or ambulance, first aid, fire, medical or security services in their respective capacity as such.

Provided always that such persons shall, as though they were the Insured, observe, fulfil and be subject to the terms, conditions and exclusions of this Policy in so far as they can apply.

**“Jurisdiction”** shall mean the United Kingdom.

**“Limit of Indemnity”** shall mean the amount stated in the Schedule in respect of this Insuring Clause.

**“Loss”** shall mean

- (i) Your legal liability for damages and costs awarded against You,
- (ii) Costs and Expenses
- (iii) costs of legal representation at
  - (a) any coroner’s inquest or fatal injury inquiry
  - (b) proceedings in any court of summary jurisdiction arising out of any alleged breach of statutory dutyreasonably incurred with Our written consent in connection with any matter which may be the subject of indemnity under this Insuring Clause

resulting from or attributable to the same originating cause.

**“Period of Insurance”** shall mean the period stated in the Schedule.

**“Product”** shall mean any goods or products (including their containers, labelling and instructions provided in connection therewith), sold, supplied, processed, installed, serviced, repaired, altered, treated or renovated by You or any person, firm, limited liability partnership or company acting on Your behalf.

**“Professional Services”** shall mean the provision by You or on Your behalf of

- (i) advocacy
- (ii) assessments
- (iii) consultancy work
- (iv) counselling
- (v) design and implementation of care programmes
- (vi) diagnosis
- (vii) education, teaching and training
- (viii) investigations
- (ix) publishing
- (x) remedial treatment
- (xi) research

in connection with Your Activities.

“**Property**” shall mean material and tangible property.

“**Regulatory Body**” shall mean

- (i) the Adventure Activities Licensing Authority
- (ii) the Amateur Swimming Association
- (iii) the British Association of Snowsport Instructors
- (iv) the British Balloon and Airship Club
- (v) the British Canoe Union
- (vi) the British Gliding Association
- (vii) the British Parachuting Association
- (viii) the British Mountaineering Council
- (ix) the Civil Aviation Authority
- (x) the Clay Pigeon Shooting Association
- (xi) the Grand National Archery Society
- (xii) the Maritime and Coastguard Agency
- (xiii) the Mountain Leader Training Board
- (xiv) the National Caving Association
- (xv) the Royal Yachting Association
- (xvi) Snowsport England

as appropriate to the Specified Activity.

“**Specified Activities**” shall mean

- (i) adventure activities or outward bound courses undertaken at activity centres registered with and licensed by the Adventure Activities Licensing Authority.
- (ii) archery
- (iii) ballooning
- (iv) clay-pigeon shooting
- (v) dry slope skiing
- (vi) gliding
- (vii) mountaineering, cliff or rock climbing (including indoor climbing) with the use of ropes
- (viii) parachuting
- (ix) pot-holing or any subterranean activities
- (x) sailing or canoeing
- (xi) swimming or diving (other than at a sports or leisure centre whilst undertaken under the supervision of suitably qualified lifeguards).

“**Vessel or Craft**” shall mean any vessel or craft or object made or intended to float on or in or travel on or through water or air.

“**Wrongful Act**” shall mean

- (i) Injury to any person
  - (ii) loss of or damage to Property
- and, in respect of Insuring Clause 1(a) (Public Liability)
- (iii) libel, slander or defamation
  - (iv) wrongful arrest, imprisonment or eviction of any person or wrongful accusation of shoplifting
  - (v) trespass, nuisance or any interference with right of way, by foot, air or water.

## **EXCLUSIONS APPLICABLE TO INSURING CLAUSE 1**

We shall not be liable to pay or indemnify You against Loss

### **(1) EMPLOYERS LIABILITY**

which results

- (a) directly or indirectly from Injury sustained by any Employee arising out of and in the course of their employment by You.
- (b) from any breach of any obligation owed by You as an employer to any Employee or prospective Employee.

**(2) OTHER INSURANCE**

in respect of which You are entitled to indemnity under any other insurance other than Insuring Clause 4 (Management Liability) of this Policy of Insurance.

Notwithstanding the above, this Insuring Clause shall contribute in excess of such other insurance, provided always that if such other insurance is also provided by Us the Limit of Indemnity under this Insuring Clause shall be deemed reduced by any amount payable under such other insurance.

**(3) PROPERTY DAMAGE**

which results directly or indirectly from loss of or damage to Property

- (a) belonging to You
- (b) in Your charge, custody or control or in the charge, custody or control of any Employee, other than
  - (i) personal property (including motor vehicles) of Your directors, partners, visitors or Employees
  - (ii) premises (including fixtures, fittings and contents) not owned, hired or rented by You but temporarily occupied by You for the purpose of Your Activities
- (c) or to that part of any Property on which You or Your agent are or have been working where the loss or damage occurs as a direct result of such work.

**(4) MOTOR VEHICLES OR VESSELS**

which results directly or indirectly from the ownership, possession or use by You or on Your behalf of

- (a) any mechanically propelled vehicle for which insurance or security is required under road traffic legislation but this exclusion shall not apply
  - (i) while such vehicle is being used as a tool of trade (other than in respect of liability which is compulsorily insurable under road traffic legislation).
  - (ii) in respect of the loading or unloading of such vehicle or the delivery or collection of goods to or from such vehicle.
  - (iii) in respect of the movement of any such vehicle not belonging to You which is interfering with the performance of Your Activities except where more specifically insured in whole or in part by any other insurance policy or certificate.
- (b) any Vessel or Craft, other than hand propelled watercraft not exceeding 8 metres in length and in use on inland waters.

**(5) PROFESSIONAL SERVICES**

arising from

- (a) the provision of, or failure to provide, Professional Services
- (b) any breach of a professional duty.

**(6) 21.2.1. INSURANCE**

resulting from loss of or damage to Property in respect of which You are required to effect insurance under the terms of clause 21.2.1 of the 1980 edition of the Joint Contracts Tribunal conditions of contract (or any subsequent revision or substitution) or under the terms of any other contract requiring insurance of like kind.

**(7) POLLUTION**

directly or indirectly caused by Pollution including the cost of removing or nullifying or cleaning up the Pollution

- (a) occurring in Canada and/or the United States of America or any dependency or trust territory
- (b) occurring elsewhere in the world 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 always that
  - (i) all Pollution which arises out of such incident shall be deemed to have occurred at the time such incident takes place and shall be deemed to be one incident irrespective of the number of Periods of Insurance over which such Pollution occurs
  - (ii) Our liability for all damages payable arising out of all Pollution which is deemed to have occurred during any one Period of Insurance shall not exceed in the aggregate the Limit of Indemnity.

**(8) ASBESTOS**

resulting directly from, in consequence of or in any way involving the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or materials or products containing asbestos.

**(9) LEGAL ACTION**

- (a) where the Claim is brought in a court of law outside the Jurisdiction, and/or
- (b) where action is brought in a court of law within the Jurisdiction to enforce a foreign judgment, whether by way or reciprocal agreement or otherwise.

**(10) CONSORTIA AND JOINT VENTURES**

resulting from Your association with others whilst acting in consortia or joint ventures, other than in respect of Loss arising from Your own acts or omissions.

**(11) PRODUCTS**

under Insuring Clause 1(b) (Products Liability)

- (a) arising from any Claim for the cost of repair, alteration, removal, recall or replacement of any Product or for the cost of or reduction in the contract value of any Product.
- (b) arising out of any Product which with Your knowledge is
  - (i) incorporated in any aircraft or aerial device and which could affect the safety, navigation or propulsion of such aircraft or aerial device.
  - (ii) used in the petrochemical industry in direct connection with manufacture, processing or storage.
  - (iii) exported to Canada or the United States of America or any dependency or trust territory.
- (c) arising directly or indirectly from the sale, supply, processing, installation, servicing, repairing, altering, treating or renovation of second hand
  - (i) electrical goods or products
  - (ii) gas appliances
  - (iii) appliances containing or using flammable liquids.

**(12) CONTRACTUAL LIABILITY**

- (a) under Insuring Clause 1(a) (Public Liability) resulting from any agreement entered into by You unless the conduct and control of Claims is vested in Us
  - (b) under Insuring Clause 1(b) (Products Liability) resulting from any agreement entered into by You, other than liability arising out of a condition of warranty of goods implied by law
- in so far as liability under such agreement exceeds that which would be implied by statute or common law.

**(13) EXCLUDED ACTIVITIES**

arising directly or indirectly from an Excluded Activity.

**(14) PLAY INFLATABLES**

arising directly or indirectly from the use of any play inflatable, ball pool or the like owned, operated or hired by You.

Provided always that this exclusion shall not apply in respect of play inflatables having a current PIPA test certificate which are

- (a) used in accordance with manufacturer's recommendations
- (b) supervised by a responsible adult when in use.

**(15) FAIRGROUND RIDES AND AMUSEMENTS**

arising directly or indirectly from the use of mechanical fairground amusements and/or rides owned, operated or hired by You.

Provided always that this exclusion shall not apply in respect of any fairground equipment and/or rides which are owned and operated by a third party who is a current member of the Showman's Guild.

**CONDITIONS APPLICABLE TO INSURING CLAUSE 1**

**(1) CONTINUED, REPEATED OR INTERMITTENT ABUSE ETC**

In respect of any Claim resulting from or involving Continuous Abuse

- (a) such Continuous Abuse shall be deemed as one originating cause
- (b) subject to the clause headed "Limit and Excess" of this Insuring Clause, Our liability for Loss in any one Period of Insurance arising from any Claim or relating to any person who has suffered Continuous Abuse shall be that proportion of the total Loss which the Period of Insurance bears to the total period of such Continuous Abuse.

**(2) SPECIFIED ACTIVITIES**

As a condition precedent to Your right to Payment or Indemnity under this Insuring Clause You shall ensure that whenever Specified Activities are undertaken

- (a) such Specified Activities are undertaken
  - (i) under the supervision and control of a suitably qualified instructor authorised by and registered with the Regulatory Body

- (ii) under the aegis of a club which is an authorised member of the Regulatory Body
- (iii) in accordance with any code of practice or recommendations issued by the Regulatory Body.

(b) You maintain all Your rights and remedies against such instructor and/or club.

**(3) PLAYGROUND EQUIPMENT**

As a condition precedent to Your right to payment or indemnity under this Insuring Clause You shall ensure that all fixed playground equipment owned by and/or operated by You

(a) shall be inspected by You at least once a month and maintained in good condition, and

(b) (i) shall be inspected annually, and

(ii) in respect of new equipment, a post installation inspection is undertaken

by a member of Register of Play Inspectors International Ltd (RPII) and all subsequent recommendations implemented.

**(4) TRAMPOLINES AND THE LIKE**

As a condition precedent to Your right to payment or Indemnity under this Insuring Clause You shall ensure that in respect of the use of trampolines and the like

(i) only one person is on the trampoline at any one time and each such person is supervised on a one to one basis by a responsible adult

(ii) the trampoline is erected, maintained and used in accordance with manufacturer's recommendations

(iii) the trampoline is put away after use or made inaccessible

# INSURING CLAUSE 2 – EMPLOYERS LIABILITY

*The indemnity provided by this Insuring Clause is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in the United Kingdom*

We agree to indemnify You against Loss arising from any Claim made against You by reason of Injury sustained by any Employee while employed in or temporarily outside the United Kingdom caused during the Period of Insurance and arising out of and in the course of their employment by You in Your Activities.

Provided always that an action for damages is brought against You under the Jurisdiction of a court within the United Kingdom.

## LIMIT

Our liability under this Insuring Clause for Loss shall not exceed the Limit of Indemnity.

## ADDENDA APPLICABLE TO INSURING CLAUSE 2

### (1) Compensation for Court Attendance

In the event of any director or partner of Yours or any Employee attending court at Our request as a witness in connection with any claim in respect of which You are entitled to indemnity under this Insuring Clause, We will provide compensation to You at the following rates for each day on which attendance is required

- (a) any director or partner      £250 per day
- (b) any Employee                      £150 per day

### (2) Health and Safety at Work

The indemnity provided by this Insuring Clause is extended to include Costs and Expenses in the defence of any criminal proceedings (including a charge of manslaughter) brought for a breach of the Health and Safety at Work Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 or any amendment or re-enactment thereof, committed or alleged to have been committed in the course of Your Activities during the Period of Insurance, including Costs and Expenses in an appeal against conviction and/or prosecution costs awarded against You arising from such proceedings.

Provided always that

- (a) the proceedings relate to the health, safety and welfare of Employees.
- (b) the total amount payable under this Addendum shall not exceed £250,000 in any one Period of Insurance.

### (3) Unsatisfied Court Judgments

In the event of a judgment for damages being obtained in any court in the United Kingdom

- (a) by an Employee or the personal representatives of such Employee, in respect of Injury to the Employee caused during the Period of Insurance and arising out of and in the course of employment by You in Your Activities, against any company or person operating from premises within the United Kingdom and
- (b) remaining unsatisfied in whole or in part six months after the date of such judgment

We will, at Your request, pay to the Employee or the personal representatives of the Employee the amount of such damages and awarded costs to the extent that they remain unsatisfied.

Provided always that

- (i) there is no appeal outstanding.
- (ii) the Employee or personal representatives of the Employee shall assign the judgment to Us in the event of any payment being made under the terms of this Addendum.

## DEFINITIONS APPLICABLE TO INSURING CLAUSE 2

“Activities” shall, in addition to the General Definition of “Activities”, include

- (i) Your ownership, occupation and maintenance of land or buildings
- (ii) the provision and management of canteen, social, sports, welfare and other facilities and organisations for the benefit of Employees
- (iii) the provision and operation of first aid, fire, medical and security services
- (iv) private duties undertaken by an Employee for You or, with Your consent, for any director or partner of Yours or any Employee.

**“Employee”** shall mean any person who was or is or may hereafter be

- (i) under a contract of service or apprenticeship with You, or
- (ii) under a work experience or similar scheme, or
- (iii) supplied to or hired in or borrowed by You, or
- (iv) volunteers, or
- (v) self-employed persons

working for You under Your direct control in connection with Your Activities and normally resident in the United Kingdom.

**“Injury”** shall mean bodily injury, mental injury, emotional distress, shock, sickness, disease or death.

**“Insured/You/Your/Yours”** shall mean

- (i) the person, persons, firm and all partners and former partners in the firm (or in the event of the death, incompetency, incapacity, bankruptcy or insolvency of any of the foregoing, their estate, heirs, legal representatives or assigns), limited liability partnership, trust or company named as the Policyholder in the Schedule.
- (ii) any principal to whom an indemnity is required to be provided under a contract for the performance of work by You in connection with Your Activities but only to the extent required by such contract.

In addition, if You so require, we will indemnify

- (iii) any governor, director, council member, member, officer or trustee of Yours or any Employee in like manner to You.
- (iv) any officer or member of Your canteen, social, sports or welfare and other facilities and organisations or ambulance, first aid, fire, medical or security services in their respective capacity as such.

Provided always that such persons shall, as though they were the Insured, observe, fulfil and be subject to the terms, conditions and exclusions of this Policy in so far as they can apply.

**“Loss”** shall mean

- (i) Your legal liability for damages and costs awarded against You,
- (ii) Costs and Expenses
- (iii) costs of legal representation at
  - (a) any coroner’s inquest or fatal injury inquiry
  - (b) proceedings in any court of summary jurisdiction arising out of any alleged breach of statutory dutyreasonably incurred with Our written consent in connection with any matter which may be the subject of indemnity under this Insuring Clause

resulting from or attributable to the same originating cause.

**“Limit of Indemnity”** shall mean £10,000,000.

**“Period of Insurance”** shall mean the period stated in the Schedule.

## **EXCLUSIONS APPLICABLE TO INSURING CLAUSE 2**

We shall not be liable to pay or indemnify You against Loss

### **(1) OFFSHORE**

for Injury from the time of embarkation by the Employee upon a conveyance at the point of final departure to an offshore rig or offshore platform until disembarkation from the conveyance onto land upon their return from such offshore rig or platform.

### **(2) OTHER INSURANCE**

in respect of which You are entitled to indemnity under any other insurance.

Notwithstanding the above, this Insuring Clause shall contribute in excess of such other insurance, provided always that if such other insurance is also provided by Us the Limit of Indemnity under this Insuring Clause shall be deemed reduced by any amount payable under such other insurance.

## **CONDITIONS APPLICABLE TO INSURING CLAUSE 2**

### **(1) CERTIFICATE OF EMPLOYERS LIABILITY**

If the insurance cover provided by this Insuring Clause is cancelled by You or Us, any certificate of Employers Liability insurance issued hereunder is similarly cancelled from the same date.



# INSURING CLAUSE 3 – PROFESSIONAL LIABILITY

*N.B. This Insuring Clause is on a 'claims made' basis which provides cover for claims which are **made and notified to Us during the Period of Insurance***

We agree to indemnify You against Loss arising from any Claim made against You during the Period of Insurance in respect of a Wrongful Act in or about the conduct of the Professional Services.

## LIMIT AND EXCESS

Our total aggregate liability under this Insuring Clause in the Period of Insurance in respect of all Loss shall not exceed the Limit of Indemnity.

We shall only be liable for that part of each Loss in respect of loss or damage to Property which exceeds the Excess.

## ADDENDA APPLICABLE TO INSURING CLAUSE 3

### (1) Public Relations Crisis Management

In the event of a Crisis occurring during the Period of Insurance We shall, at Your request and subject to Our prior agreement, pay

- (a) costs incurred by You in utilising the services of the Crisis Response Service.
- (b) other related and reasonable costs agreed by Us.

For the purpose of this Addendum:

- (i) "Crisis" shall mean
  - (a) any incident, or alleged incident of abuse, maltreatment or molestation
  - (b) the death or injury
  - (c) the disappearance, misplacing or abduction of any person in the Policyholder's care which could result in a Loss under Insuring Clause 3 (Professional Liability) and where in Our opinion there is a risk to Your Activities as a consequence of adverse press, publicity or media attention.
- (ii) "Crisis Response Services" shall mean public relations specialist services provided by Us or on Our behalf.
- (iii) "You" shall mean the Policyholder.

Provided always that

1. the total amount payable under this Addendum shall not exceed £25,000 in any one Period of Insurance, which amount shall be in addition to the Limit of Indemnity.
2. You shall immediately notify Us of any event or circumstance which might result in You seeking payment or indemnity under this Addendum and comply with Our recommendations or the recommendations of Our public relations specialist as directed.
3. You take all reasonable and practical measures to avoid or mitigate costs relating to the Crisis.

### (2) Compensation for Court Attendance

In the event of any director or partner of Yours or any Employee attending court at Our request as a witness in connection with any claim in respect of which You are entitled to indemnity under this Insuring Clause We will provide compensation to You at the following rates for each day on which attendance is required

- (a) any director or partner      £250 per day
- (b) any Employee                      £150 per day

## DEFINITIONS APPLICABLE TO INSURING CLAUSE 3

"Employee" shall mean any person, other than a director of Yours, who was or is or may hereafter be

- (i) under a contract of service or apprenticeship with You, or
- (ii) under a work experience or similar scheme, or
- (iii) supplied to or hired in or borrowed by You, or
- (iv) volunteers, or
- (v) self-employed persons

working for You under Your direct control in connection with Your Activities and normally resident in the United Kingdom.

**“Excess”** shall mean £100.

**“Injury”** shall mean bodily injury, mental injury, emotional distress, shock, sickness, disease or death.

**“Insured/You/Your/Yours”** shall mean the person, persons, firm and all partners and former partners in the firm (or in the event of the death, incompetency, incapacity, bankruptcy or insolvency of any of the foregoing, their estate, heirs, legal representatives or assigns), limited liability partnership, trust or company named as the Policyholder in the Schedule.

In addition, if You so require, We will indemnify any governor, director, council member, member, officer or trustee of Yours or any Employee in like manner to You, provided always that such persons shall, as though they were the Insured, observe, fulfil and be subject to the terms, conditions and exclusions of this Policy in so far as they can apply.

**“Jurisdiction”** shall mean the United Kingdom.

**“Limit of Indemnity”** shall mean the amount stated in the Schedule in respect of this Insuring Clause.

**“Loss”** shall mean

- (i) Your legal liability for damages and costs awarded against You,
- (ii) Costs and Expenses
- (iii) costs of legal representation at
  - (a) any coroner’s inquest or fatal injury inquiry
  - (b) proceedings in any court of summary jurisdiction arising out of any alleged breach of statutory duty reasonably incurred with Our written consent in connection with any matter which may be the subject of indemnity under this Insuring Clause

resulting from or attributable to the same originating cause.

**“Period of Insurance”** shall mean the period stated in the Schedule and in the event that

- (i) We refuse to renew the cover afforded by this Insuring Clause for reasons other than non-payment of premium to Us or Your failure to comply with or observe the terms, provisions and Conditions of this Policy, or
- (ii) You and/or any natural person with effective control of the Insured decline to accept the renewal terms offered by Us in so far as they relate to this Insuring Clause

a further single period of thirty days from the expiry date of the period stated in the Schedule but only in respect of Loss arising from a Wrongful Act committed or allegedly committed prior to the expiry of the period stated in the Schedule.

The further period referred to in this Definition is not applicable to the extent that other insurance policies have been purchased with the intention of providing equivalent cover for any part of such period.

**“Product”** shall mean any goods or products (including their containers, labelling and instructions provided in connection therewith), sold, supplied, processed, installed, serviced, repaired, altered, treated or renovated by You or any person, firm, limited liability partnership or company acting on Your behalf.

**“Professional Services”** shall mean the provision by You or on Your behalf of

- (i) advocacy
- (ii) assessments
- (iii) consultancy work
- (iv) counselling
- (v) design and implementation of care programmes
- (vi) diagnosis
- (vii) education, teaching and training
- (viii) investigations
- (ix) publishing
- (x) remedial treatment
- (xi) research

in connection with Your Activities which have been declared to and accepted by Us.

**“Retroactive Date”** shall mean the date which this Insuring Clause was first inceptioned, or where equivalent cover to that provided under this Insuring Clause has continuously been maintained in full force and effect immediately prior to the inception of this Insuring Clause, the date which applied to such equivalent cover.

**“Wrongful Act”** shall mean any actual or alleged wrongful act or omission resulting in a civil liability.

## **EXCLUSIONS APPLICABLE TO INSURING CLAUSE 3**

We shall not be liable to pay or indemnify You against Loss

### **(1) OTHER INSURANCE**

in respect of which You are entitled to indemnity under any other insurance.

Notwithstanding the above, this Insuring Clause shall contribute in excess of such other insurance, provided always that if such other insurance is also provided by Us the Limit of Indemnity under this Insuring Clause shall be deemed reduced by any amount payable under such other insurance.

### **(2) LEGAL ACTION**

- (a) where the Claim is brought in a court of law outside the Jurisdiction, and/or
- (b) where action is brought in a court of law within the Jurisdiction to enforce a foreign judgment, whether by way of reciprocal agreement or otherwise.

### **(3) EMPLOYERS LIABILITY**

which results

- (a) directly or indirectly from Injury sustained by any Employee arising out of and in the course of his/her employment by You, or
- (b) for any breach of any obligation owed by You as an employer to any Employee or prospective Employee.

### **(4) PROPERTY**

which results directly or indirectly from the ownership, possession or use by You or on Your behalf of any land, buildings, aircraft, watercraft, vessel or mechanically propelled vehicle.

### **(5) DISHONEST, FRAUDULENT, CRIMINAL AND MALICIOUS ACTS**

which result from any dishonest, fraudulent, criminal or malicious act or omission committed by any person after the discovery of reasonable cause for suspicion of such act or omission in relation to that person

Furthermore,

- (i) no person shall be entitled to payment or indemnity under this Policy in respect of any Loss resulting from their dishonest, fraudulent, criminal or malicious act or omission or from condoning such an act or omission
- (ii) the following shall be deducted from any amount payable by Us
  - (a) any monies which but for such act would be due from You to the person committing or condoning such act
  - (b) any monies held by You and belonging to such person
  - (c) any monies recovered following action in accordance with General Condition 2 (Subrogation) of this Policy.

### **(6) CONTRACTUAL LIABILITY**

resulting from any agreement entered into by You to pay penalties or liquidated damages in so far as liability under such agreement exceeds that which would be implied by statute or common law.

### **(7) CONSORTIA AND JOINT VENTURES**

resulting from Your association with others whilst acting in consortia or joint ventures, other than in respect of Loss arising from Your own acts or omissions.

### **(8) CIRCUMSTANCES KNOWN AT INCEPTION**

brought about by, or contributed to, or consequent upon any circumstances existing prior to the date when this Insuring Clause became operative and which You ought reasonably to have known might give rise to a Loss.

### **(9) RETROACTIVE DATE**

arising from the carrying out of Your Professional Services, prior to the Retroactive Date.

### **(10) POLLUTION**

based upon, arising out of or relating directly or indirectly from, in consequence of or in any way involving Pollution.

### **(11) INJURY/PROPERTY DAMAGE**

arising from any Claim

- (a) for Injury sustained by any person (other than emotional distress arising from any libel, slander or defamation)
- (b) for any loss, damage or destruction of property including loss of use thereof

unless the basis of such Claim is a Wrongful Act in the provision of Professional Services.

### **(12) PRODUCTS**

arising from any Claim caused by or through or in connection with any Product unless the basis of such Claim is a Wrongful Act in the provision of Professional Services.

**(13) INSOLVENCY/BANKRUPTCY**

as a result of or relating directly or indirectly from Your insolvency or bankruptcy.

**(14) FINANCIAL INTEREST**

arising from any Claim made against You by

- (a) any parent company, ultimate holding company or subsidiary company, or
- (b) any person or entity having a financial, executive or controlling interest in Your operation, or
- (c) any company or entity in which You or any director, member or partner of Yours has a financial, executive or controlling interest,

unless such Claim is for an indemnity or contribution in respect of a Claim made by an independent third party against such company, person or entity.

**(15) TRADING LOSSES**

as a result of, or in connection with, any trading losses or liabilities or any debts incurred by any Activities managed by or carried on by You.

**(16) FUNDING EXCLUSION**

which result directly or indirectly from any dispute between You and any provider of finance or funds in relation to Your legal entitlement to, or procurement of, such finance or funds.

Provided always that this Exclusion shall only apply where such provider of finance or funds is

- (a) a non-departmental public body, or a government-owned corporation, state-owned enterprise, or government business enterprise, or a government agency, or
- (b) a local authority or local authority agency, or
- (c) a European Union funding agency.

**(17) HEALTHCARE PROFESSIONAL**

in respect of a Wrongful Act committed by You in Your professional capacity as a doctor, surgeon, physician, nurse, midwife (other than when acting in a nursing capacity only), dentist or anaesthetist.

**(18) ASBESTOS**

resulting directly from, in consequence of or in any way involving the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or materials or products containing asbestos.

**(19) INTELLECTUAL PROPERTY RIGHTS**

arising from any Claim alleging infringement of copyright, patent, registered design, trade mark or passing off and/or any other intellectual property rights (other than unintentional breach of confidentiality and/or unintentional breach of copyright).

## **CONDITIONS APPLICABLE TO INSURING CLAUSE 3**

**(1) MEDICAL MALPRACTICE**

As a condition precedent to your right to payment or indemnity under this Insuring Clause You shall ensure that any doctor, surgeon, physician, midwife, nurse practitioner (other than when acting in a nursing capacity only), dentist or anaesthetist who is employed by You or contracted to provide services for You

- (a) shall be a current member of their recognised UK governing professional body or association
- (b) are indemnified or insured against their professional errors, omissions, negligence or malpractice under their own insurance, indemnity or mutual defence arrangements or similar.

# INSURING CLAUSE 4 – MANAGEMENT LIABILITY

*N.B. This Insuring Clause is on a 'claims made' basis which provides cover for claims which are **made and notified to us during the Period of Insurance***

## (a) OFFICERS LIABILITY

We agree to pay on Your behalf and as incurred Loss arising from

- (i) any Claim made against You during the Period of Insurance by reason of a Wrongful Act committed by You in Your capacity of an Officer
  - (a) of the Organisation, or
  - (b) of any Associated Company or Other Concern when You hold such position at the request, order or direction of the Organisation
- (ii)
  - (a) Disqualification Proceedings which are first ordered or commissioned during the Period of Insurance
  - (b) Your attendance at an Investigation which is first ordered or commissioned during the Period of Insurance
  - (c) Your attendance at any Environmental Proceedings which are first ordered or commissioned during the Period of Insurance within the United Kingdom
  - (d) Extradition Proceedings

except to the extent that such Loss is recoverable by You from the Organisation under Insuring Clause 4(b) (Reimbursement).

## (b) REIMBURSEMENT

We agree to pay on behalf of the Organisation and as incurred Loss arising from

- (i) any Claim made against You during the Period of Insurance by reason of a Wrongful Act committed by You in Your capacity of an Officer of the Organisation
- (ii)
  - (a) Disqualification Proceedings which are first ordered or commissioned during the Period of Insurance
  - (b) Your attendance at an Investigation which is first ordered or commissioned during the Period of Insurance
  - (c) Your attendance at any Environmental Proceedings which are first ordered or commissioned during the Period of Insurance within the United Kingdom

but only if and to the extent that the Organisation shall be required or permitted to indemnify You pursuant to the law or by reason of any indemnity clause in the Memorandum or Articles of Association, trust deed, constitution or charter of the Organisation.

## LIMIT

Our total aggregate liability under this Insuring Clause in the Period of Insurance in respect of all Loss shall not exceed the Limit of Indemnity.

## ADDENDA APPLICABLE TO INSURING CLAUSE 4

### (1) Public Relations Crisis Management

In the event of a Crisis occurring during the Period of Insurance We shall, at Your request and subject to Our prior agreement, pay

- (a) costs incurred by You in utilising the services of the Crisis Response Service
- (b) other related and reasonable costs agreed with Us

For the Purpose of this Addendum

- (i) "Crisis" shall mean
  - (a) the allegation of a Wrongful Act committed by You during the Period of Insurance
  - (b) the successful defence of an allegation of a Wrongful Act originally alleged to have been committed by You during the Period of Insurance

where, in Our opinion, there is a risk to You livelihood as a consequence of adverse press, publicity or media attention.

- (ii) "Crisis Response Services" shall mean public relations specialist services provided by Us or on Our behalf.

Provided always that

1. the total amount payable under this Addendum shall not exceed £25,000 in any one Period of Insurance

2. You shall immediately notify Us of any event or circumstance which might result in You seeking payment of indemnity under this Addendum and comply with Our recommendations or the recommendations of Our public relations specialist as directed.
3. You take all reasonable and practical measures to avoid or mitigate costs relating to the Crisis
4. such alleged Wrongful Act is neither admitted by You nor established in a judgment or other final adjudication.

## DEFINITIONS APPLICABLE TO INSURING CLAUSE 4

**“Associated Company”** shall mean any body corporate which

- (i) at the time of the Wrongful Act which gives rise to the claim, or
- (ii) at the time of the receipt by the Officer of any intention to instigate Disqualification Proceedings, an Investigation or Environmental Proceedings

is not a Subsidiary Company domiciled, registered or incorporated in the United States of America.

**“Claim”** shall, in addition to the meaning given in General Definitions, include criminal proceedings which might result in a Loss.

**“Disqualification Proceedings”** shall mean legal action against You pursuant to which You are liable to be disqualified from continuing to be a director or officer of the Organisation.

**“Employee”** shall mean any person other than an independent agent, consultant, sub-contractor or professional advisor who was or is

- (i) under a contract of service or apprenticeship with the Organisation, or
- (ii) under a work experience or similar scheme, or
- (iii) supplied to or hired or borrowed by the Organisation, or
- (iv) volunteers

whilst employed or engaged by and under the direct control of the Organisation in connection with the Activities.

**“Employment Wrongful Act”** shall mean any actual or alleged

- (i) act or omission resulting in a dispute concerning the employment of an Employee or any prospective Employee, or
- (ii) Retaliatory Treatment

committed or allegedly committed or attempted by You.

**“Environmental Proceedings”** shall mean any prosecution, official investigation, examination, inquiry or other proceedings by any official body or institution that is empowered to investigate the affairs of the Organisation and/or the Associated Company or Other Concern, arising from any actual or alleged Pollution.

**“Extradition Proceedings”** shall mean proceedings brought against You under the Extradition Act 2003, or any amendment or re-enactment thereof, including any appeal relating thereto.

**“Injury”** shall mean bodily injury, mental injury, emotional distress, shock, sickness, disease or death.

**“Insured/You/Your/Yours”** shall mean the Officer.

**“Investigation”** shall mean any official investigation or examination (not being a statutory inspection), inquiry or other proceedings, other than when arising from any actual or alleged Pollution, by any official body or institution that is empowered to investigate the affairs of the Organisation and/or the Associated Company or Other Concern.

**“Jurisdiction”** shall mean the United Kingdom.

**“Limit of Indemnity”** shall mean the amount stated in the Schedule in respect of this Insuring Clause.

**“Loss”** shall mean

- (i) for the purpose of Insuring Clauses 4(a)(i) and 4(b)(i),
  - (a) Your legal liability for damages, legal costs, charges or expenses awarded against You
  - (b) Costs and Expenses, it being understood that in the event of a Claim being made against both You and the Organisation by reason of the same Wrongful Act, and such Wrongful Act not being an Employment Wrongful Act committed in the United States of America, We will pay the Costs and Expenses on Your behalf in full irrespective of whether such Costs and Expenses incidentally benefit the Organisation
  - (c) punitive or exemplary damages awarded against You for which indemnity can be lawfully provided under this Policy,
  - (d) the premium paid by You or on Your behalf for insurance instruments or bonds which, in certain jurisdictions, are required in order to institute an appeal,
- (ii) for the purpose of Insuring Clauses 4(a)(ii) and 4(b)(ii), Costs and Expenses

resulting from or attributable to the same originating cause.

**“Officer”** shall mean any natural person who was or is or may hereafter be

- (i) a governor, director, council member, officer or trustee of the Organisation
  - (ii) acting at the request, order or direction of the Organisation as a governor, director, council member, officer or trustee of the Associated Company or Other Concern, or
  - (iii) a Shadow Director, or
  - (iv) an Employee
    - (a) acting in a managerial or supervisory capacity in the Organisation, or
    - (b) against whom a Claim is made based upon or arising out of any Employment Wrongful Act, or
    - (c) named in a Claim as a co-defendant with an Officer as defined in (i) to (iii) above,
- (other than in any capacity as external auditor, liquidator, receiver, administrator or administrative receiver), or
- (v) the lawful spouse or civil partner of any person defined in (i) to (iv) above but only in respect of Loss payable under this Insuring Clause in relation to such person which is by operation of law imputed or transferred to that spouse, or
  - (vi) the estate, heirs, legal representatives or assigns of any of the foregoing in the event of death, incompetency, incapacity, bankruptcy or insolvency of that person.

**“Organisation”** shall mean the limited liability partnership, company, charity or association named as the Policyholder in the Schedule and the Subsidiary Company.

**“Other Concern”** shall mean

- (i) any registered charity and/or not for profit organisation, not domiciled, registered or incorporated in the United States of America.
- (ii) any profit-sharing or share option committee, sports, social or similar association or organisation, (whether incorporated or not), established or conducted for Your or Your family’s and dependant’s benefit or the benefit of any Employee and their families and dependants.

**“Period of Insurance”** shall mean the period stated in the Schedule and in the event that

- (i) We refuse to renew the cover afforded by this Insuring Clause for reasons other than non-payment of premium to Us or the failure by You or the Organisation to comply with or observe the terms, provisions and Conditions of this Policy, or
- (ii) You and the Organisation and/or any natural person with effective control of the Organisation decline to accept the renewal terms offered by Us in so far as they relate to this Insuring Clause.

You and/or the Organisation shall have the right to a further single period of six calendar months from the expiry date of the period stated in the Schedule but only in respect of Loss arising from

- (iii) a Wrongful Act committed or allegedly committed, and/or
- (iv) Disqualification Proceedings which are first ordered or commissioned, and/or
- (v) an Investigation which is first ordered or commissioned, and/or
- (vi) Environmental Proceedings which are first ordered or commissioned
- (vii) Extradition Proceedings which are first ordered or commissioned

prior to the expiry of the period stated in the Schedule.

The further period referred to in this Definition is not applicable to the extent that other insurance policies have been purchased with the intention of providing equivalent cover for any part of such period.

**“Retaliatory Treatment”** shall mean action taken against an Employee on account of such Employee exercising or attempting to exercise his or her rights under law.

**“Shadow Director”** shall mean a person who is deemed to be a shadow director (within the meaning given by section 741(2) of the Companies Act 1985 (UK) or any amendment or re-enactment thereof) of any company solely by reason of any activity of the Organisation.

**“Subsidiary Company”** shall mean any body corporate in respect of which the Organisation or any other subsidiary company of the Organisation controls, at the time of the Wrongful Act which gives rise to the Claim or at the time of the receipt by the Officer concerned of notice of any intention to institute, request, order, commission or bring, Disqualification Proceedings, an Investigation or Environmental Proceedings

- (i) the composition of the board of directors, or
- (ii) more than half of the voting power, or
- (iii) more than half of the voting issued share capital

other than a body corporate (unless agreed by Us in writing) acquired or created subsequent to the inception date of this Policy which is domiciled, registered or incorporated in the United States of America.

**“Wrongful Act”** shall mean any actual or alleged wrongful act committed or attempted by You or any matter claimed against You solely by reason of You serving in the capacity of Officer.

Related or continuous or repeated or causally connected Wrongful Acts shall constitute a single Wrongful Act.

## **EXCLUSIONS APPLICABLE TO INSURING CLAUSE 4**

We shall not be liable to pay or indemnify You or the Organisation against Loss

### **(1) OTHER INSURANCE**

in respect of which You are entitled to indemnity under any other insurance.

Notwithstanding the above this Policy shall contribute in excess of such other insurance, provided always that if such other insurance is also provided by Us the Limit of Indemnity under this Insuring Clause shall be deemed reduced by any amount payable under such other insurance.

### **(2) LEGAL ACTION**

- (a) where the Claim is brought in a court of law outside the Jurisdiction, and/or
- (b) where action is brought in a court of law within the Jurisdiction to enforce a foreign judgment, whether by way or reciprocal agreement or otherwise, and/or
- (c) where Disqualification Proceedings, Investigation or Environmental Proceedings are ordered or commissioned outside the Jurisdiction.

### **(3) EMPLOYMENT DISPUTES**

resulting from

- (a) an Employment Wrongful Act
- (b) an Investigation in respect of
  - (i) employment discrimination
  - (ii) health and safety

if the Organisation is an unincorporated body.

### **(4) DISHONEST AND MALICIOUS ACTS**

arising out of any actual dishonesty, fraud or malicious conduct of Yours,

Provided always that

- (a) such dishonest, fraudulent or malicious conduct is either admitted by You or established in a judgment or other final adjudication,
- (b) this Exclusion shall not apply to any Loss resulting from any Claim brought by any shareholder or bondholder of the Organisation, (which are made without any solicitation by, or assistance or participation of any Officer), due solely to any actual or alleged loss in value of the share capital of the Organisation consequent upon the foregoing.

### **(5) REMUNERATION**

to the extent of remuneration of whatsoever nature due to You or any Employee.

### **(6) PRIOR AND PENDING LITIGATION**

based upon, arising out of or resulting directly or indirectly from

- (a) any claim form, writ, demand, suit or other proceeding pending, or order, decree or judgment entered against You prior to the date when this Insuring Clause became operative, or the same or any substantially similar fact, circumstance or situation underlying or alleged in such pending or prior proceeding, or
- (b) any Claim or circumstance which have been reported or notified under any contract of insurance which this Insuring Clause renews or replaces.

### **(7) POLLUTION**

other than in respect of Insuring Clauses 4(a)(ii)(c) and 4(b)(ii)(c), based upon, arising out of or resulting directly or indirectly from, in consequence of or in any way involving Pollution provided, however, this Exclusion shall not apply to any Loss resulting from any Claim brought by any shareholder or bondholder of the Organisation, (which are made without any solicitation by, or assistance or participation of any Officer), due solely to any actual or alleged loss in value of the share capital of the Organisation consequent upon Pollution.

### **(8) INJURY/PROPERTY DAMAGE**

arising from any Claim

- (a) for Injury sustained by any person, other than
  - (i) emotional distress arising from
    - (a) any libel, slander, defamation, or
    - (b) Employment Wrongful Act,
  - (ii) Your criminal prosecution for manslaughter in relation to the activities of the Organisation
- (b) for any loss, damage or destruction of property, including loss of use thereof.



Provided always that this Exclusion shall not apply to any Loss resulting from any Claim brought by any shareholder or bondholder of the Organisation, (which are made without any solicitation by, or assistance or participation of any Officer), due solely to any actual or alleged loss in value of the share capital of the Organisation consequent upon the foregoing.

**(9) PENSION FUNDS**

resulting directly from You acting in the capacity as trustee or administrator of any pension, retirement or superannuation scheme or programme created for Your benefit or the benefit of any Employee.

**(10) TAKEOVER OR MERGER**

resulting from

(a) any Wrongful Act of Yours occurring

(b) any Disqualification Proceedings, Investigation or Environmental Proceedings instigated

subsequent to the effective date of the takeover or merger of the Organisation by or with any other person.

**(11) PROFESSIONAL DUTY TO THIRD PARTIES**

arising from any Claim made by any third party for any breach of any professional duty owed to such third party, provided, however, this Exclusion shall not apply to any Loss resulting from any Claim brought by any shareholder or bondholder of the Organisation, (which are made without any solicitation by, or assistance or participation of any Officer), due solely to any actual or alleged loss in value of the share capital of the Organisation consequent upon such breach.

**(12) ASSOCIATED COMPANY v. INSURED**

arising from any Claim made against You by or on behalf of

(a) any Associated Company or Other Concern and/or any other director, officer or trustee of such Associated Company or Other Concern

provided, however, that We shall pay

(i) Loss arising from any Claim in respect of any Employment Wrongful Act concerning the employment of the director, officer or trustee by the Associated Company or Other Concern

(ii) Loss resulting from any Claim brought by any shareholder or bondholder of any Associated Company or Other Concern, (which are made without the solicitation by, or assistance or participation of any director, officer or trustee), due solely to any actual or alleged loss in value of the share capital of the Associated Company or Other Concern

(iii) Costs and Expenses incurred by or on Your behalf in the defence of such Claim

(iv) Loss arising from any Claim brought or maintained by any director, officer or trustee for contribution or indemnity if such Claim directly results from the payment of any other Loss under this Policy

(v) Loss arising from any Claim brought or maintained by a person who is no longer a director or officer of the Associated Company or Other Concern

(vi) Loss arising from any Claim brought or maintained by or on behalf of a liquidator, receiver or administrative receiver due to the insolvency of the Associated Company or Other Concern.

(b) any person who controls more than 15% of the issued share capital of any Associated Company or Other Concern.

**(13) PUNITIVE AND EXEMPLARY DAMAGES (EMPLOYMENT)**

to the extent of any punitive or exemplary damages awarded in relation to any Claim based upon or arising out of any Employment Wrongful Act (other than exemplary damages in respect of employment related libel, slander or defamation).

**(14) CHARITIES**

arising from

(a) any Wrongful Act which You knew to be a breach of duty or which was committed by You in reckless disregard of whether it was a breach of trust or breach of duty or not

(b) the unsuccessful defence to a criminal prosecution brought against You in Your capacity of Officer of the Organisation or Associated Company or Other Concern.

Provided always that this Exclusion shall only apply where the Organisation, Associated Company or Other Concern is a registered charity.

**(15) FUNDING EXCLUSION**

which result directly or indirectly from any dispute between You or the Organisation and any provider of finance or funds in relation to the Organisation's legal entitlement to, or procurement of, such finance or funds for the Organisation.

Provided always that this Exclusion shall only apply where such provider of finance or funds is

(a) a non-departmental public body, or a government-owned corporation, state-owned enterprise, or government business enterprise, or a government agency, or

(b) a local authority or local authority agency, or

(c) a European Union funding agency.

## **CONDITIONS APPLICABLE TO INSURING CLAUSE 4**

### **(1) UNINTENTIONAL NON-DISCLOSURE CLAUSE**

- (a) In the event of non-disclosure or misrepresentation of information to Us, We will waive Our rights to avoid Insuring Clause 4 (Management Liability), provided that
- (i) You are able to establish to Our satisfaction that such non-disclosure or misrepresentation was innocent and free from any fraudulent conduct or intent to deceive.
  - (ii) the Premium and terms and conditions shall be adjusted at Our discretion to those which would have applied had such information been disclosed.
  - (iii) where You or the Organisation should have notified during a preceding Period of Insurance a Claim or the Instigation of Disqualification Proceedings, an Investigation, Environmental Proceedings or Extradition Proceedings and the cover to which You or the Organisation would have been entitled was in any way more restrictive than that provided at the date of notification We shall only be liable to the extent available during such preceding Period of Insurance.
  - (iv) where You or the Organisation have prejudiced the handling or settlement of any Loss, Disqualification Proceedings, an Investigation, Environmental Proceedings or Extradition Proceedings the amount payable in respect of such Loss, Disqualification Proceedings, Investigation, Environmental Proceedings or Extradition Proceedings shall be reduced to such sum as in Our opinion would have been payable in the absence of such prejudice
- (b) We shall not deny payment or indemnity on the grounds of the breach of Claims Conditions (1) (Notification of Claims) or (2) (General Claims Handling) of this Policy subject to provisos (a)(iii) and (a)(iv) of this clause.

### **(2) INSTRUCTIONS**

Neither You nor the Organisation shall have any right to require cancellation of Insuring Clause 4 (Management Liability) or any material reduction in the cover afforded hereunder, and any such cancellation or reduction sought shall be granted only at and to the extent of Our absolute discretion and shall not be effected unless and until We are reasonably satisfied that such cancellation or reduction has been sanctioned by all Officers whose rights under this Insuring Clause at that time are or may be affected thereby.

### **(3) OFFERING**

If during the Period of Insurance the Organisation decides to make a public or private offering of its shares or other equity or controlling interest, the Organisation shall provide Us with any prospectus, offering statement or other relevant information to enable Us to amend the terms, limitations, exclusions and/or conditions of this Insuring Clause and/or charge an additional premium, if so required.

### **(4) SEVERABILITY**

Nothing in the Proposal or otherwise known or done by any Officer shall be imputed to any other person in determining any right or obligation of the Officer or Organisation under this Insuring Clause. In no case shall an Officer be prevented from pursuing any point in his or her defence only because it is inimical to the interests of any other Officer.

# INSURING CLAUSE 5 – ENTITY DEFENCE

*N.B. This Insuring Clause is on a 'claims made' basis which provides cover for claims which are **made and notified to us during the Period of Insurance***

## (a) PUBLIC RELATIONS CRISIS MANAGEMENT

We agree to indemnify You against Loss arising from a Crisis occurring during the Period of Insurance.

## (b) IDENTITY FRAUD

We agree to indemnify You against Loss arising from Identity Fraud first discovered during the Period of Insurance.

## (c) INVESTIGATIONS

We agree to indemnify You against Loss arising from an Investigation first ordered or commissioned during the Period of Insurance.

## (d) CORPORATE MANSLAUGHTER

We agree to indemnify You against Loss arising from Your prosecution during the Period of Insurance under the Corporate Manslaughter and Corporate Homicide Act 2007 or any amendment or re-enactment thereof.

## (e) BREACH OF CONTRACT

We agree to indemnify You against Loss arising from any Claim made against You during the Period of Insurance in respect of alleged breach of Contract.

## (f) POLLUTION

We agree to indemnify You against Loss arising from

- (i) a Claim made against You during the Period of Insurance by reason of a Wrongful Act committed by an Officer, in or about the conduct of Your Activities, which results in Pollution
- (ii) Environmental Proceedings first ordered or commissioned during the Period of Insurance.

## (g) TAXATION

We agree to indemnify You against Loss arising from a Tax Investigation by HM Revenue and Customs Instigated during the Period of Insurance.

## (h) DATA PROTECTION

We agree to indemnify You against Loss arising from any Claim made against You during the Period of Insurance by reason of a breach or alleged breach of the Data Protection Act 1998 or any amendment or re-enactment thereof in connection with Your Activities.

## LIMIT AND EXCESS

Our total aggregate liability under this Insuring Clause in the Period of Insurance shall not exceed the Limit of Indemnity.

We shall only be liable for that part of each Loss under Insuring Clause 5(c) (Investigations) which exceeds the Excess.

## DEFINITIONS APPLICABLE TO INSURING CLAUSE 5

“**Appeal**” shall mean,

- (i) in respect of Insuring Clause 5(g) (Taxation), appeal proceedings
  - (a) in respect of a Full Enquiry, and/or
  - (b) in a dispute concerning Your compliance with Pay As You Earn or Social Security Regulations, and/or
  - (c) following an assessment for Value Added Tax due
- (ii) in respect of Insuring Clause 5(h) (Data Protection), an appeal against
  - (a) the refusal of Your application for registration by the Data Protection Commissioner
  - (b) the refusal of an application for alteration of registered particulars by the Data Protection Commissioner
  - (c) an enforcement notice
  - (d) a de-registration notice
  - (e) a transfer prohibition notice.

“**Aspect Enquiry**” shall mean an examination by HM Revenue & Customs which considers one or more specific aspects of Your self assessment and/or corporation tax return.

**“Contract”** shall mean any express written contract or agreement between You and Your customer for the provision of goods or services in connection with Your Activities.

**“Crisis”** shall mean

- (i) allegations of fraud or corruption
- (ii) serious injury to Employees or members of the public
- (iii) dismissal or resignation of members of Your main board of directors, trustees, governors or council members
- (iv) investigation by any official body or institution that is empowered to investigate Your affairs

where in Our opinion there is a risk to Your Activities as a consequence of adverse press, publicity or media attention within the United Kingdom.

**“Crisis Response Service”** shall mean public relations specialist services provided by Us or on Our behalf.

**“Employee”** shall mean any person other than an independent agent, consultant, sub-contractor or professional advisor who was or is

- (i) under a contract of service or apprenticeship with You, or
- (ii) under a work experience or similar scheme, or
- (iii) supplied to or hired or borrowed by You,

whilst employed or engaged by and under Your direct control in connection with Your Activities.

**“Environmental Proceedings”** shall mean any prosecution, official investigation, examination, inquiry or other proceedings by any official body or institution that is empowered to investigate Your affairs within the United Kingdom arising from any actual or alleged Pollution.

**“Excess”** shall mean £1,000.

**“Full Enquiry”** shall mean a fundamental challenge to and an extensive examination of Your tax affairs by HM Revenue & Customs

**“Identity Fraud”** shall mean an agreement with a third party entered into by anyone (other than an Officer) who fraudulently represents themselves as You.

Provided always that such representation

- (i) is in connection with Your Activities, and
- (ii) is made within the United Kingdom.

**“Instigated”** shall mean

- (i) in respect of a Full Enquiry, the date HM Revenue & Customs first notifies You in writing of their intention to make enquiries.
- (ii) in respect of disputes concerning Your compliance with Pay As You Earn or Social Security Regulations or Your liability to pay Value Added Tax, the date when HM Revenue & Customs sends You an assessment or written decision.

**“Insured/You/Your/Yours”** shall mean the Organisation.

**“Investigation”** shall mean any official investigation, examination, inquiry or other proceedings instigated against You by any official body or institution, other than HM Revenue & Customs, that is empowered to investigate Your affairs within the United Kingdom.

**“Limit of Indemnity”** shall mean £100,000.

**“Loss”** shall mean

- (i) in respect of Insuring Clause 5(a), (Public Relations Crisis Management)
  - (a) costs incurred by You in utilising the services of the Crisis Response Service
  - (b) other related and reasonable costs agreed by Us
- (ii) in respect of Insuring Clause 5(b) (Identity Fraud), Costs and Expenses in establishing that Identity Fraud has occurred following the attempted enforcement within the United Kingdom of an agreement by a third party
- (iii) in respect of Insuring Clause 5(c) (Investigations), Costs and Expenses
- (iv) in respect of Insuring Clause 5(d) (Corporate Manslaughter), Costs and Expenses
- (v) in respect of Insuring Clause 5(e) (Breach of Contract), Costs and Expenses in defending a Claim
- (vi) (a) in respect of Insuring Clause 5(f) (i) (Pollution), Costs and Expenses in defending a Claim
  - (b) in respect of Insuring Clause 5(f) (ii) (Pollution), Costs and Expenses
- (vii) in respect of Insuring Clause 5(g) (Taxation), Costs and Expenses in negotiating on Your behalf and in an Appeal
- (viii) in respect of Insuring Clause 5(h) (Data Protection), Costs and Expenses in defending a Claim and in an Appeal resulting from or attributable to the same originating cause

**“Officer”** shall mean any natural person who was or is or may hereafter be

- (i) a governor, director, council member, officer or trustee of Yours, or
- (ii) an Employee
- (iii) a Shadow Director.

**“Organisation”** shall mean the person stated in the Schedule as the Policyholder and any Subsidiary Company.

**“Period of Insurance”** shall mean the period stated in the Schedule and in the event that

- (i) We refuse to renew the cover afforded by this Insuring Clause for reasons other than non-payment of premium to Us or Your failure to comply with or observe the terms, provisions and Conditions of this Policy, or
- (ii) You and/or any natural person with effective control of the Insured decline to accept the renewal terms offered by Us in so far as they relate to this Insuring Clause

a further single period of thirty days from the expiry date of the period stated in the Schedule but only in respect of

- (a) a Crisis occurring, or
- (b) Identity Fraud committed, or
- (c) a Health and Safety Investigation, Environmental Proceedings or Tax Investigation Instigated, ordered or commissioned, or
- (d) Corporate Manslaughter proceedings brought, or
- (e) a breach of Contract occurring, or
- (f) a Wrongful Act committed or allegedly committed, or
- (g) a breach or alleged breach of the Data Protection Act occurring

prior to the expiry of the period stated in the Schedule.

The further period referred to in this Definition is not applicable to the extent that other insurance policies have been purchased with the intention of providing equivalent cover for any part of such period.

**“Shadow Director”** shall mean a person who is deemed to be a shadow director (within the meaning given by section 741(2) of the Companies Act 1985 (UK) or any amendment or re-enactment thereof) of any company solely by reason of any activity of Yours.

**“Subsidiary Company”** shall mean any body corporate in respect of which the Organisation or any other subsidiary company of the Organisation controls

- (i) at the time of the Crisis occurring, or
- (ii) at the time Identity Fraud is first discovered, or
- (iii) at the time of receipt of notice of any intention to Instigate, order or commission an Investigation, Environmental Proceedings or a Tax Investigation, or
- (iv) at the time Corporate Manslaughter proceedings are brought, or
- (v) at the time of the alleged breach of Contract, or
- (vi) at the time of the Wrongful Act which gives rise to a Claim, or
- (vii) at the time of the breach or alleged breach of the Data Protection Act

either

- (a) the composition of the board of directors, or
- (b) more than half of the voting power, or
- (c) more than half of the voting issued share capital

other than a body corporate (unless agreed by Us in writing) acquired or created subsequent to the inception date of this Policy which is domiciled, registered or incorporated in the United States of America.

**“Tax Investigation”** shall mean

- (i) a Full Enquiry, and/or
- (ii) a dispute concerning Your compliance with Pay as You Earn or Social Security Regulations, and/or
- (iii) a dispute concerning Your liability for Value Added Tax

following a review or assessment by HM Revenue & Customs.

**“Wrongful Act”** shall mean any actual or alleged wrongful act committed or attempted by You, or any matter claimed against You solely by reason of You serving in the capacity of an Officer.

Related or continuous or repeated or causally connected Wrongful Acts shall constitute a single Wrongful Act.

## EXCLUSIONS APPLICABLE TO INSURING CLAUSE 5

We shall not be liable to pay or indemnify You

### (1) OTHER INSURANCE

against Loss in respect of which You are entitled to indemnity under any other insurance.

Notwithstanding the above this Policy shall contribute in excess of such other insurance, provided always that if such other insurance is also provided by Us the Limit of Indemnity under this Insuring Clause shall be deemed reduced by any amount payable under such other insurance.

### (2) CIRCUMSTANCES KNOWN AT INCEPTION

against Loss brought about by, or contributed to, or consequent upon any circumstances existing prior to the date when this Insuring Clause became operative and which You ought reasonably to have known might give rise to a Loss.

### (3) DISHONEST AND MALICIOUS ACTS

for Loss arising out of Your dishonest, fraudulent or malicious conduct

Provided always that such conduct, breach, gain, profit or advantage is either admitted by You or established in a judgment or other final adjudication.

### (4) KNOWN ACTS

for Loss arising from something You did knowing it to be wrongful or ignoring that possibility.

### (5) DISPUTES BETWEEN INSURED

for Loss arising out of any dispute between You and any other Insured in relation to Your common partnership, trust or committee.

### (6) TAKEOVER OR MERGER

for Loss resulting from

- (a) any Crisis occurring
  - (b) any Identity Fraud discovered
  - (c) any Investigation, Tax Investigation or Environmental Proceedings instigated
  - (d) Corporate Manslaughter proceedings brought, or
  - (e) any Claim made against You
  - (f) an Appeal made
- subsequent to
- (i) the effective date of Your takeover or merger by or with any other person
  - (ii) the appointment of a liquidator, trustee, receiver or any other similar official.

### (7) CONTRACT

under Insuring Clause 5(e) (Breach of Contract), for Loss arising from any Claim

- (a) where the Organisation, or the Organisation's parent or ultimate holding company, is
  - (i) a non-departmental public body, or
  - (ii) a government-owned corporation, state-owned enterprise, or governmental business enterprise.or where Government or any government agency is a majority shareholder in the Organisation or the Organisation's parent or ultimate holding company.
- (b) alleging infringement of copyright, patent, registered design, trademark, merchandise marks or any other intellectual property rights
- (c) alleging breach of any secrecy and/or confidentiality agreements
- (d) relating to any licence or franchise agreements
- (e) involving an Employment Wrongful Act
- (f) involving the ownership, possession, hiring or use of a motor vehicle, aircraft or water craft.
- (g) (i) involving the ownership, occupation or use of any land or building
  - (ii) relating to the tenancy or letting of property
  - (iii) relating to the construction, extension, alteration, demolition, repair, renovation or refurbishment of any property
- (h) involving the provision of insurance
- (i) relating to modified proprietary and/or bespoke software and/or hardware/hardware systems

(j) involving an amount less than £5,000.

**(8) TAXATION**

under Insuring Clause 5(g) (Taxation)

- (a) for Loss resulting from an Aspect Enquiry
- (b) in respect of any Tax Investigation arising from a tax avoidance scheme
- (c) in respect of any Tax Investigation caused by Your failure to register for Value Added Tax
- (d) for any Loss after a Tax Investigation first becomes referred to or dealt with by Special Civil Investigations or Civil Investigations of Fraud Units of HM Revenue & Customs
- (e) in respect of any Tax Investigation or enquiry into alleged dishonesty or alleged criminal offences
- (f) in respect of an application for judicial review
- (g) to the extent of the cost of undertaking anything which You would necessarily deal with in the absence of a Tax Investigation.

**(9) LEGAL ACTION**

against Loss

- (a) where the Claim is brought in a court of law outside the jurisdiction of the United Kingdom, and/or
- (b) where action is brought in a court of law within the jurisdiction of the United Kingdom to enforce a foreign judgement whether by way of reciprocal agreement or otherwise.

# INSURING CLAUSE 6 – PROPERTY DAMAGE

If the Property, or any part of such Property, shall sustain Damage during the Period of Insurance We agree to pay You the value of the Property at the time of Damage or, at Our option, repair, reinstate or replace the Property or any part of such Property

## LIMIT AND EXCESS

Our total liability under this Insuring Clause in the Period of Insurance shall not exceed

- (a) in respect of Property, the Sum Insured for such Property.
- (b) in respect of all Damage, the Overall Total Sums Insured.

We shall only be liable for that part of each and every occurrence of Damage at each separate Premises which exceeds the Excess.

## ADDENDA APPLICABLE TO INSURING CLAUSE 6

### (1) Designation Clause

For the purpose of determining, where necessary, the heading under which any Property is insured, We agree to accept the designation under which the Property has been entered in Your books.

### (2) Professional Fees

Unless more specifically insured the indemnity provided by this Insuring Clause in respect of Buildings and General Contents includes an amount for architects', surveyors', consulting engineers', legal and other professional fees necessarily and reasonably incurred in the reinstatement of the Property consequent upon Damage but not for preparing any request for payment or indemnity.

### (3) Inflationary Increases

Notwithstanding the "Limit and Excess" clause and/or Condition 1 (Average), the indemnity provided by this Insuring Clause extends to include inflationary increases in the value of the Property.

Provided always that

- (a) the Sum Insured of the Property at the commencement of the Period of Insurance is not less than the value of the Property
- (b) the total amount payable under this Addendum during the Period of Insurance in respect of Computer Equipment shall not exceed £5,000.

### (4) Grounds of the Premises

The indemnity provided by this Insuring Clause extends to include, with Our consent, the costs incurred in making good the grounds of the Premises damaged by the fire brigade or any other emergency service(s) following Damage to the Property

Provided always that

- (a) payment shall have been made or liability admitted by Us for the Damage under this Insuring Clause or would have been but for the operation of the Excess
- (b) the total amount payable under this Addendum during the Period of Insurance shall not exceed £5,000.

### (5) Non-Invalidation

The indemnity provided by this Insuring Clause shall not be invalidated by reason of anything being done or omitted to be done in respect of any portion of the Premises not occupied by You, whether constituting an increase in risk or not, provided that immediately You become aware thereof You inform Us of such alteration or omission and pay the reasonable additional premium We may

### (6) Debris removal

Unless more specifically insured, the indemnity provided by this Insuring Clause in respect of Buildings and General Contents includes costs and expenses necessarily incurred by You with Our consent, in

- (a) removing debris
- (b) the dismantling and/or demolishing
- (c) shoring up or propping

of the portion(s) of the Property (other than Stock) sustaining Damage not herein excluded other than costs or expenses

- (i) incurred in removing debris other than from the site of such Property and the area immediately adjacent thereto
- (ii) arising from Pollution or contamination of property not insured by this Insuring Clause.



**(7) Reinstatement of Loss**

Notwithstanding the clause headed "Limit and Excess", in the event of Damage insured by this Insuring Clause, the Sum(s) Insured will be automatically reinstated in full from the date of such Damage provided that You

- (a) pay any additional premium We may require
- (b) comply with any reasonable recommendations We may make to prevent further Damage.

**(8) Temporary Removal**

The indemnity provided by this Insuring Clause is extended to include Property whilst temporarily removed for cleaning, renovation, repair or other similar purposes

- (a) elsewhere on the same Premises
- (b) to any other location not occupied by You and whilst in transit to and from such location by road, rail or inland waterway in the United Kingdom.

Provided always that

- (i) in the event of Damage occurring elsewhere than the Premises the amount payable under this Addendum shall not exceed 15% of the Sum Insured
- (ii) We shall not be liable to pay or indemnify You for Damage to Property in the open or in transit caused by storm or flood.

**(9) Temporary Removal of Computer System Records**

The indemnity provided by this Insuring Clause extends to include computer system records for an amount not exceeding £1,000 whilst temporarily removed to any other location not occupied by You and whilst in transit to or from such location by road, rail or inland waterway in the United Kingdom.

Provided always that We shall not be liable to pay or indemnify You for Damage to property in the open or in transit caused by storm or flood.

**(10) Interested Parties**

The interest of Mortgagors of the Buildings or those supplying Property to You under a hiring, leasing or similar agreement is noted, provided always that in the event of Damage to such Property You will disclose to Us the nature and extent of such interest.

**(11) Public Authorities**

The indemnity provided by this Insuring Clause in respect of Buildings and General Contents extends to include such additional cost of reinstatement of the Damaged Property as may be incurred solely by reason of the necessity to comply with statutory regulations or local authority bye-laws;

Provided always that

- (a) this Addendum does not provide an indemnity for
  - (i) the cost incurred in complying with any statutory regulations or bye-laws
    - (1) notice of which has been served upon You prior to the happening of the Damage
    - (2) in respect of undamaged Property or undamaged portions of Property other than foundations (unless foundations are specifically excluded from the insurance by this Insuring Clause)
  - (ii) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the Property or by the owner thereof by reason of compliance with any of the statutory regulations or bye-laws.
- (b) The work of reinstatement must be commenced and carried out with reasonable despatch and in any case completed within 12 months after the Damage or within such further time as We may agree in writing.
- (c) The work of reinstatement may be carried out wholly or partially upon another site (if the statutory regulations or bye-laws so necessitate) subject to Our liability under this Addenda not being increased.

**(12) Computer Breakdown**

Notwithstanding Exclusion (5)(b)(ii) of this Insuring Clause, the indemnity provided by this Insuring Clause extends to include breakdown of Your Computer Equipment for an amount not exceeding £2,500, provided always that

- (a) such Computer Equipment is subject to a manufacturer's guarantee and/or a maintenance contract providing free parts and labour in the event of breakdown
- (b) We will not be liable to pay or indemnify You for
  - (i) gradual deterioration, wear and tear or inherent defect
  - (ii) Computer Equipment that is more than 10 years old from the date of manufacture.

**(13) Replacement Of Locks**

Notwithstanding Exclusion 8 (Theft) of this Insuring Clause, the indemnity provided by this Insuring Clause extends to include the costs incurred in necessarily replacing locks of the Building following theft of keys from

- (a) the Building, or
- (b) Your home, or
- (c) the home of any director or partner of Yours or of any Employee

Provided always that

- (i) the amount payable under this Addendum shall not exceed £1,000 in respect of any one occurrence of theft of such keys
- (ii) notwithstanding the definition of "Excess" We shall only be liable for that part of such costs which exceed £25.

## DEFINITIONS APPLICABLE TO INSURING CLAUSE 6

**"Damage"** shall mean accidental loss, destruction or damage.

**"Defined Peril(s)"** shall mean fire, lightning, explosion, earthquake, subterranean fire, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons (other than thieves), aircraft or other aerial devices or articles dropped therefrom, storm, flood, escape of water from any tank, apparatus or pipe and impact by any road vehicle or animal.

**"Employee"** shall mean any person, other than a director of Yours, who was or is or may hereafter be

- (i) under a contract of service or apprenticeship with You, or
- (ii) under a work experience or similar scheme, or
- (iii) supplied to or hired in or borrowed by You, or
- (iv) volunteers, or
- (v) self-employed persons

working for You under Your direct control in connection with Your Activities and normally resident in the United Kingdom.

**"Excess"** shall mean

- (i) £1,000 in respect of Damage caused by Subsidence
- (ii) £250 in respect of all other Damage.

**"General Contents"** shall mean

- (i) equipment, plant, machinery, furniture, fixtures and fittings within the Buildings at the Premises other than
  - (a) any item which is insured under Insuring Clause 7 (Portable Equipment) or which would be insured under that clause but for the operation of any Limit of Indemnity, Excess, Exclusion or Condition
  - (b) Computer Equipment
- (ii) tenant's improvements and decorations for which You are responsible
- (iii) Stock

and, in so far as they are not otherwise or more specifically insured,

- (iv) money and stamps (other than National Insurance Stamps) for an amount not exceeding £1,000 (but this is limited to £500 following theft other than from a locked safe or strongroom).
- (v) National Insurance Stamps including stamps affixed to cards.
- (vi) documents, manuscripts and business books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to You of the information contained therein.
- (vii) computer systems records, but only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to You of the information contained therein, for an amount not exceeding £5,000.
- (viii) patterns, models, moulds, plans and designs.
- (ix) Employees', directors', partners', customers' and visitors' pedal cycles, tools and other personal effects for an amount not exceeding £500 in respect of any one person.

but excluding

- (x) landlords fixtures and fittings.
- (xi) vehicles licensed for road use (other than fork lift and stacker trucks) including their accessories and equipment.
- (xii) property more specifically insured.

**"Insured/You/Your/Yours"** shall mean the person named as the Policyholder in the Schedule.

**"Overall Sum Insured"** shall mean the amount stated in the Schedule.

**"Period of Insurance"** shall mean the period stated in the Schedule.

**"Property"** shall mean the property specified in the Schedule in respect of this Insuring Clause.

**"Stock"** shall mean stock and materials in trade, including work in progress and finished goods, belonging to You or held by You in trust or on commission and for which You are responsible and contained within the Buildings.

**"Subsidence"** shall mean subsidence, ground heave or landslip.

**"Sum(s) Insured"** shall mean the amount(s) stated in the Schedule in respect of this Insuring Clause.

**"Unoccupied"** shall mean untenanted, empty or not in use.

## **EXCLUSIONS APPLICABLE TO INSURING CLAUSE 6**

We shall not be liable to pay or indemnify You for

### **(1) OTHER INSURANCE**

more than Our rateable proportion of any Damage where You are entitled to payment or indemnity under any other insurance for such Damage.

### **(2) WEAR AND TEAR**

Damage caused by or consisting of

- (a) inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, faulty or defective design or materials
- (b) the bursting of a boiler (other than a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus, belonging to You or under Your control, in which internal pressure is due to steam only

other than subsequent Damage which itself results from a cause not otherwise excluded.

### **(3) DEFECTIVE WORKMANSHIP**

Damage caused by or consisting of faulty or defective workmanship, operational error or omission, by You or on the part of any of Your employees, other than subsequent Damage resulting from another cause.

### **(4) FRAUD OR DISHONESTY OF EMPLOYEES**

Damage by or consisting of acts of fraud or dishonesty by Your Employees other than subsequent Damage resulting from a Defined Peril.

### **(5) LEAKAGE, MECHANICAL / ELECTRICAL BREAKDOWN ETC**

(a) Damage caused by or consisting of corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, change in temperature, colour, flavour, texture or finish, marring, scratching, vermin or insects

(b) Damage consisting of

- (i) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith
- (ii) mechanical or electrical breakdown or derangement

other than subsequent Damage resulting from another cause.

### **(6) POLLUTION**

Damage caused by Pollution other than Damage caused by

- (a) Pollution which results from a Defined Peril
- (b) a Defined Peril which results from Pollution.

### **(7) SETTLEMENT AND BEDDING DOWN**

(a) Damage caused by or consisting of Subsidence

- (i) to yards, car parks, roads, pavements, walls, gates or fences at the Premises unless the buildings at the Premises are Damaged by the same cause at the same time
- (ii) which itself results from
  - (a) demolition, construction, structural alteration or repair of any property, or
  - (b) groundworks or excavations at the Premises.

(b) (i) the normal settlement or bedding down of new structures

- (ii) the settlement or movement of made up ground
- (iii) coastal or river erosion.

**(8) THEFT**

Damage caused by theft or any attempted theft

- (a) not involving entry to or exit from the Buildings by forcible and violent means
- (b) to Property in any yard, car park, open space or open sided building
- (c) to Unoccupied Buildings

other than Damage consequent upon and in connection with assault or violence or threat thereof to You or any of Your Employees

- (d) expedited or in any way brought about by You, any member of Your family, or any director, partner of Yours or any Employee unless resulting from assault or violence or threat thereof to such persons

Provided always that this Exclusion shall not apply to any subsequent Damage resulting from a Defined Peril.

**(9) COLLAPSE**

Damage to the Building caused by its own collapse or cracking unless resulting from a Defined Peril.

**(10) DAMAGE TO FENCES, GATES AND MOVEABLE PROPERTY**

Damage to fences, gates and moveable property in the open caused by wind, rain, hail, sleet, snow, flood and dust.

**(11) DAMAGE TO ROADS, PATHS AND PAVEMENTS ETC**

Damage of or to any yard, car park, road, pavement or path caused by weight, vibration or vehicle.

**(12) UNOCCUPIED PREMISES**

Damage to Unoccupied Buildings caused by

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

**(13) FIXED GLASS AND SANITARY WARE**

Damage to fixed glass and fixed sanitary ware

- (a) which is broken or damaged at the commencement of this insurance.
- (b) in respect of an Unoccupied Building.

**(14) VALUABLE AND FRAGILE PROPERTY**

Damage to

- (a) (i) jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art or rare books
  - (ii) property in transit
  - (iii) money, cheques, stamps, bonds or credit cardsother than Damage caused by a Defined Peril.
- (b) securities of any description unless stated otherwise in this Insuring Clause or the Schedule.
- (c) glass (not being fixed glass), china, earthenware (not being fixed sanitary ware), marble or other fragile or brittle objects other than Damage caused by a Defined Peril or theft or any attempted theft.

**(15) VEHICLES**

Damage to vehicles licensed for road use and their accessories and equipment, caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft unless stated otherwise in this Insuring Clause or the Schedule.

**(16) CONTRACT WORKS**

Damage to

- (a) the permanent and/or temporary works forming part of any contract for the maintenance, repair, renovation, refurbishment, alteration, rebuilding (or the like) of the Buildings and/or
- (b) materials for incorporation within such permanent and/or temporary works.

**(17) LAND, ROADS, PAVEMENTS ETC**

Damage to land, roads, pavements, piers, jetties, bridges, culverts or excavations unless stated otherwise in this Insuring Clause or the Schedule.

**(18) LIVESTOCK, CROPS AND PLANTS**

Damage to livestock, growing crops, trees, shrubs, plants or lawns other than Damage to trees, shrubs and plants used for ornamental purposes only.

Provided always that, such trees, shrubs and plants used for ornamental purposes

- (a) are contained within the structure of the Building, and
- (b) they do not form part of Your Contents unless stated otherwise in this Insuring Clause or the Schedule, and
- (c) the Damage is caused by a Defined Peril.

**(19) COMPONENT SELF IGNITION**

Damage of the component part of any dynamo, electric motor or other electrical plant installation, apparatus or conductor caused by its own self-heating or self-ignition.

**(20) PROPERTY MORE SPECIFICALLY INSURED**

any Property more specifically insured by You or on Your behalf.

**(21) CONSEQUENTIAL LOSS**

consequential loss of any kind or description.

**(22) RENT**

loss of rent.

**(23) UNEXPLAINED SHORTAGES**

Damage caused by or consisting of unexplained disappearance or inventory shortage, misfiling or misplacing of information.

**(24) FALSE PRETENCE**

Damage caused by the voluntary parting with title or possession of any Property insured if induced by any fraudulent scheme, trick, device or false pretence.

**(25) SUBSIDENCE**

Damage caused by Subsidence to any Property situated within the Isle of Wight

**(26) BASEMENT STORAGE**

Damage to General Contents and/or Computer Equipment in any basement or cellar of the Premises which is not stored at least 15 centimetres above floor level.

**(27) FLAT ROOFS**

Damage to or resulting directly or indirectly from flat roof sections of the Property where the flat roof

- (a) has not been adequately maintained, or
- (b) is greater than 10 years old.

**(28) EXCLUDED EQUIPMENT**

Damage to

- (a) marquees, tents and camping equipment,
- (b) sports equipment (including kit and training equipment),
- (c) activity and/or play equipment,
- (d) ground maintenance equipment

whilst in use (including whilst being erected or dismantled).

## **CONDITIONS APPLICABLE TO INSURING CLAUSE 6**

**(1) AVERAGE**

Other than in respect of rent, debris removal and professional fees where specifically insured, the Sum Insured for each Property of this Insuring Clause is separately subject to the following:

If at the commencement of any Damage the Sum Insured of the Property is less than the value of the Property, the amount payable by Us in respect of such Damage shall be proportionately reduced.

**(2) REINSTATEMENT BASIS OF SETTLEMENT**

In the event of Damage to the Property the basis upon which the amount We shall pay You is calculated shall be the Reinstatement of the Damaged Property.

Notwithstanding the Definition of "Property", for the purpose of this Addendum "Property" shall mean the property specified in the Schedule other than

- (a) Stock, rent, motor vehicles (including their accessories and equipment).
- (b) debris removal and professional fees specifically insured under this Insuring Clause.
- (c) employee's, director's, partner's, customer's and visitor's pedal cycles, tools and other personal effects.

For the purpose of this Addendum "Reinstatement" shall mean the carrying out of the following work

- (i) where the Property is lost or destroyed
  - (a) the rebuilding of the Property if a building, or
  - (b) in respect of other Property, its replacement by similar propertyin a condition equal to but not better or more extensive than its condition when new.
- (ii) 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 as but not better or more extensive than its condition when new.

Provided always that

- (i) the work or Reinstatement must be commenced and carried out with reasonable despatch.
- (ii) where the work or Reinstatement is carried out at another site and/or in any manner suitable to your requirements Our liability to pay You shall not thereby be increased.
- (iii) in respect of any Property which is Damaged in part only, Our liability to pay You shall not exceed the amount we would have paid for Reinstatement if such Property had been wholly destroyed.
- (iv) no payment beyond the amount which would have been payable had this Addendum not been incorporated herein shall be made until the cost of reinstatement shall have been actually incurred.
- (v) Notwithstanding Condition (1) (Average) of this Insuring Clause, if at the time of Damage the Sum Insured of the Property represents less than 85% of the full cost of Reinstatement of the Property We shall only pay for that proportion of the Damage which the Sum Insured bears to the full cost of Reinstatement.
- (vi) unless any other contract of insurance effected by You or on Your behalf in respect of the Property is subject to an identical basis of Reinstatement We shall not pay You any amount beyond that which We would have paid under this Insuring Clause had this Addendum not been incorporated therein.

**(3) UNOCCUPIED BUILDINGS**

You must notify Us, in writing, as soon as reasonably possible when You become aware that

- (a) a Building or any part of a Building is or is to become Unoccupied
- (b) an Unoccupied Building or part of a Building has or is due to become occupied, giving Us full details of the purposes for which it is to be used

and pay the reasonable additional premium We may require.

**(4) EXPLOSION**

It is a condition precedent to Your right to payment or indemnity under this Insuring Clause for Damage to any vessel, machinery or apparatus (or the contents therein) belonging to You or under Your control caused by an explosion originating therein that where such vessel, machinery or apparatus is required to be examined to comply with any statutory regulations such compliance is observed.

**(5) WASTE**

Where You undertake any manufacture, processing, repair, renovation work or the like and/or operate any workshop (including those used for training and/or rehabilitation purposes) You shall, as a condition precedent to Your right to payment or indemnity under this Insuring Clause, ensure that

- (a) all rags, cloths and similar material used to remove or clean up oil, grease or flammable liquids are deposited in metal receptacles fitted with lids when not in use
- (b) at least once a day all trade and workshop waste and refuse is swept up and deposited in non-combustible containers away from the Buildings and removed from the Premises at least weekly.

# INSURING CLAUSE 7 – PORTABLE EQUIPMENT (“All Risks”)

If Equipment or any part of such Equipment, shall sustain Damage during the Period of Insurance and whilst within the United Kingdom, We agree to pay You the value of the Equipment at the time of Damage or, at Our option, reinstate or replace the Equipment or any part of the Equipment.

## LIMIT AND EXCESS

Our total liability under this Insuring Clause during the Period of Insurance in respect of Equipment shall not exceed

- (a) the Sum Insured.
- (b) the Single Article Limit for any one item of Equipment

We shall only be liable for that part of each and every occurrence of Damage which exceeds the Excess.

## ADDENDA APPLICABLE TO INSURING CLAUSE 7

### (1) Inflationary Increases

Notwithstanding the “Limit and Excess” clause and/or Condition 1 (Average), the indemnity provided by this Insuring Clause extends to include inflationary increases in the value of the Equipment.

Provided always that

- (a) the Sum Insured of the Equipment at the commencement of the Period of Insurance is not less than the value of the Equipment
- (b) the total amount payable under this Addendum during the Period of Insurance shall not exceed £5,000.

### (2) Reinstatement of Loss

In the event of Damage insured by this Insuring Clause, the Sum Insured will be automatically reinstated in full from the date of such Damage provided that You

- (a) pay any additional premium We may require
- (b) comply with any reasonable recommendations We may make to prevent further Damage.

## DEFINITIONS APPLICABLE TO INSURING CLAUSE 7

“**Damage**” shall mean accidental loss, destruction or damage.

“**Equipment**” shall mean equipment owned by You or for which You are responsible, used in connection with Your Activities other than

- (i) equipment whilst fitted to a vehicle
- (ii) works of art, items of gold, silver or other precious metals, or personal effects (including but not limited to jewellery and watches).

“**Excess**” shall mean £100.

“**Insured/You/Your/Yours**” shall mean the person named as the Policyholder in the Schedule.

“**Period of Insurance**” shall mean the period stated in the Schedule.

“**Single Article Limit**” shall mean an amount equal to 25% of the Sum Insured or £2,500 whichever is the least.

“**Sum Insured**” shall mean the amount stated in the Schedule for this Insuring Clause.

## EXCLUSIONS APPLICABLE TO INSURING CLAUSE 7

We shall not be liable to pay or indemnify You for

### (1) OTHER INSURANCE

more than Our rateable proportion of any Damage where You are entitled to payment or indemnity under any other insurance for such Damage.

### (2) WEAR AND TEAR

Damage caused by or consisting of wear and tear, depreciation, gradual deterioration, vermin, moth or insects, fungus, condensation, any gradual operating cause or any process of cleaning, dyeing, repairing or renovation.

**(3) UNEXPLAINED SHORTAGES**

Damage caused by or consisting of unexplained disappearance or inventory shortage.

**(4) THEFT**

Damage caused by or consisting of theft or attempted theft

(a) whilst the Equipment is left unattended, other than

- (i) (a) from an unattended vehicle or
- (b) where the vehicle is stolen at the same time

Provided always that

- (c) the Equipment is concealed in a locked boot or stowage area within the vehicle; and
- (d) all points of access to the vehicle are securely locked and security devices put in full and proper operation; and
- (e) force is used to gain entry to the vehicle and such entry causes external and visible damage to the vehicle.

(ii) from premises where the Equipment is being used or stored.

Provided always that

- (a) such theft or attempted theft involves entry to or exit from such premises by forcible and violent means
- (b) the Equipment is not being used or stored in any yard, car park, open space or open sided building

(iii) Damage consequent upon and in connection with assault or violence or threat thereof to You or any of Your Employees or any member of Your or Your Employee's family.

(b) (i) of trailers

(ii) of Equipment from trailers

irrespective of whether or not such trailer is attached to a vehicle.

**(5) MECHANICAL / ELECTRICAL BREAKDOWN**

Damage caused by or consisting of mechanical or electrical breakdown or derangement of the Equipment unless caused by accidental damage to the exterior of the Equipment.

**(6) CONSEQUENTIAL LOSS**

Consequential loss of any kind or description.

**(7) FALSE PRETENCE**

Damage caused by the voluntary parting with title or possession of any Equipment insured if induced by any fraudulent scheme trick, device or false pretence.

**(8) BASEMENT STORAGE**

Damage to Equipment in any basement or cellar which is not stored at least 15 centimetres above floor level.

**(9) EXCLUDED EQUIPMENT**

Damage to

- (a) marquees, tents and camping equipment,
- (b) sports equipment (including kit and training equipment),
- (c) activity and/or play equipment,
- (d) ground maintenance equipment

whilst in use (including whilst being erected or dismantled).

## **CONDITIONS APPLICABLE TO INSURING CLAUSE 7**

**(1) AVERAGE**

If at the commencement of any Damage the Sum Insured of the Equipment is less than the value of the Equipment, the amount payable by Us in respect of such Damage shall be proportionately reduced.

**(2) REINSTATEMENT BASIS OF SETTLEMENT**

In the event of Damage to the Equipment the basis upon which the amount We shall pay You is calculated shall be the Reinstatement of the Damaged Equipment.

For the purpose of this Addendum "Reinstatement" shall mean the carrying out of the following work:

- (a) where the Equipment is lost or destroyed its replacement by similar Equipment in a condition equal to but not better or more extensive than its condition when new.



- (b) where Equipment is damaged, the repair of the damage and the restoration of the damaged portion of the Equipment to a condition substantially the same as but not better or more extensive than its condition when new.

# INSURING CLAUSE 8 – BUSINESS INTERRUPTION

If, during the Period of Insurance, an Insured Event occurs and in consequence Your Activities at the Premises are interrupted or interfered with then We will pay You

(a) **Revenue**

the reduction in Revenue and/or increase in cost of working resulting from such interruption or interference

(b) **Rent Receivable**

the reduction in Rent Receivable and/or increase in cost of working resulting from such interruption or interference.

(c) **Additional Cost of Working**

the Additional Cost of Working resulting from such interruption or interference

Provided always that

- (i) Insuring Clause 8(a) (Revenue), 8(b) (Rent Receivable) and 8(c) (Additional Cost of Working) are only operative if a Sum Insured is shown for such clauses in the Schedule and only in respect of the Premises stated against such Sum Insured
- (ii) (in respect of Damage occurring at the Premises) payment shall have been made or liability admitted for the Damage under
  - (a) if You own or are responsible for Insuring the Premises, Insuring Clause 6 (Property Damage)
  - (b) if You do not own and are not responsible for insuring the Premises, an insurance covering Your landlord's interest in the Premisesor payment would have been made or liability admitted but for the operation of the Excess under insuring Clause 6 (Property Damage) or a proviso in such other insurance excluding liability for losses below a certain amount.

## LIMIT

Our total liability under this Insuring Clause in the Period of Insurance shall not exceed the Sum Insured.

Provided always that

- (a) the amount payable under Insuring Clause 8(a) (Revenue) in respect of
  - (i) reduction in Revenue shall be the amount by which the Revenue during the Indemnity Period shall, in consequence of the Insured Event fall short of the Standard Revenue
  - (ii) increase in cost of working shall be the additional expenditure, subject to the provisions of Condition 5 (Savings) of this Insuring Clause, necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Revenue which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Insured Event, but not exceeding the loss of Revenue thereby avoided
- (b) the amount payable Under Insuring Clause 8(b) (Rent Receivable) in respect of
  - (i) reduction in Rent Receivable shall be the amount by which the Rent Receivable during the Indemnity Period shall, in consequence of Insured Event, fall short of the Standard Rent Receivable
  - (ii) increase in cost of working shall be the additional expenditure, subject to the provisions of Condition 5 (Savings) of this Insuring Clause, necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Rent Receivable which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Insured Event, but not exceeding the loss of Rent Receivable thereby avoided
- (c) the amount payable under Insuring Clause 8(c) (Additional Cost of Working) shall be the Additional Cost of Working necessarily and reasonably incurred or payable for the purpose of avoiding or diminishing the reduction in Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Insured Event.

## ADDENDA APPLICABLE TO INSURING CLAUSE 8

(1) **Alternative Trading**

If, during the Indemnity Period, goods shall be sold, accommodation provided or services shall be rendered elsewhere than at the Premises for the benefit of Your Business, either by You or by others on Your behalf the money paid or payable in respect of such sales, accommodation or services shall be brought into account in arriving at the Revenue during the Indemnity Period.

(2) **Professional Accountant's Charges**

We will pay the reasonable charges payable by You to Your professional accountants for producing any particulars or details or any other proofs, information or evidence, as may be required by Us under the terms of this Insuring Clause, and reporting that such particulars or details are in accordance with Your books of accounts or other business books or documents.

(3) **Reinstatement of Loss**

In the event of Damage insured by this Insuring Clause, the Sum(s) Insured will be automatically reinstated in full from the date of such Damage provided that You

- (a) pay any additional Premium We may require.
- (b) comply with any reasonable recommendations We may make to prevent further Damage.

## DEFINITIONS APPLICABLE TO INSURING CLAUSE 8

**“Additional Cost of Working”** shall mean additional expenditure, including but not limited to:

- (i) the cost of moving to and from temporary premises and the additional rent, rates and taxes thereon
- (ii) expenses incurred in equipping temporary premises to make them suitable for Your Activities
- (iii) additional costs in respect of lighting, heating and water
- (iv) additional costs in respect of additional staff and overtime and allowances to existing staff.

**“Annual Rent Receivable”** shall mean the Rent Receivable during the twelve months immediately before the commencement of the Insured Event.

**“Annual Revenue”** shall mean the Revenue during the twelve months immediately before the commencement of the Insured Event.

Providing always that adjustments shall be made, as may be necessary, to provide for the trend of Your Activities and for variations in or other circumstances affecting Your Activities either before or after the Insured Event or which would have affected Your Activities had the Insured Event not occurred, so that the figures thus adjusted shall represent, as nearly as may be reasonably practicable, the results which but for the Insured Event would have been obtained during the relevant period after the Insured Event.

**“Commencement”** shall mean

- (i) the date the Damage occurred
- (ii) the date Your supply of electricity, gas, water or telecommunications failed
- (iii) the date restrictions on the Premises were applied
- (iv) the date of discovery of murder or suicide.

**“Damage”** shall mean accidental loss, destruction or damage.

**“Defined Peril(s)”** shall mean fire, lightning, explosion, earthquake, subterranean fire, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons (other than thieves), aircraft or other aerial devices or articles dropped therefrom, storm, flood, escape of water from any tank, apparatus or pipe and impact by any road vehicle or animal.

**“Indemnity Period”** shall mean the period beginning with the Commencement of the Insured Event and ending not later than the Maximum Indemnity Period thereafter during which the results of Your Activities shall be affected in consequence of such Insured Event.

**“Insured/You/Your/Yours”** shall mean the person named as the Policyholder in the Schedule.

**“Insured Event”** shall mean

- (i) Damage at the Premises to property used by You for the purpose of Your Activities, or
- (ii) Damage at or to property in the vicinity of the Premises preventing or hindering You from using or accessing Your Premises for the purpose of Your Activities, or
- (iii) accidental failure of Your supply of electricity, gas, water or telecommunications, or
- (iv) restrictions imposed on the use of the Premises on the order or advice of the competent local authority consequent upon
  - (a) a human infectious or contagious disease which manifests itself in any person whilst at the Premises
  - (b) injury or illness arising from or traceable to foreign or injurious matter in any food or drink provided on the Premises
  - (c) any accident causing defects in the drains or other sanitary arrangements at the Premises
  - (d) the discovery of vermin or pests at the Premises
  - (e) closure of the Premises by a competent authority due to an emergency that could endanger human life or neighbouring property
- (v) murder or suicide occurs at the Premises.

**“Maximum Indemnity Period”** shall mean the Maximum Indemnity Period stated in the Schedule.

**“Period of Insurance”** shall mean the period stated in the Schedule.

**“Rent Receivable”** shall mean the amount of rent and service charges received or receivable from the letting of the Premises.

**“Revenue”** shall mean the money paid or payable to You in respect of work done and services rendered in the course of Your Activities at the Premises.

**“Standard Rent Receivable”** shall mean the Rent Receivable during the period corresponding with the Indemnity Period in the twelve months immediately before the Commencement of the Insured Event.

Providing always that adjustments shall be made, as may be necessary, to provide for the trend of Your Activities and for variations in or other circumstances affecting Your Activities either before or after the Insured Event or which would have affected Your Activities had the Insured Event not occurred, so that the figures thus adjusted shall represent, as nearly as may be reasonably practicable, the results which but for the Insured Event would have been obtained during the relevant period after the Insured Event.

**“Standard Revenue”** shall mean the Revenue during the period corresponding with the Indemnity Period in the twelve months immediately before the Commencement of the Insured Event.

Providing always that adjustments shall be made, as may be necessary, to provide for the trend of Your Activities and for variations in or other circumstances affecting Your Activities either before or after the Insured Event or which would have affected Your Activities had the Insured Event not occurred, so that the figures thus adjusted shall represent, as nearly as may be reasonably practicable, the results which but for the Insured Event would have been obtained during the relevant period after the Insured Event

**“Sum(s) Insured”** shall mean the amount stated in the Schedule in respect of this Insuring Clause which amount is inclusive of all payments under Insuring Clause 8(a) (Revenue) consequent upon the breakdown of Your Computer Equipment for which Our total aggregate liability in the Period of Insurance shall not exceed £5,000.

**“Unoccupied”** shall mean untenanted, empty or not in use.

## **EXCLUSIONS APPLICABLE TO INSURING CLAUSE 8**

We shall not be liable to pay or indemnify You for loss of Revenue, Rent Receivable, Additional Cost of Working or increase in cost of working

### **(1) OTHER INSURANCE**

more than Our rateable proportion where You are entitled to payment or indemnity under any other insurance for such loss of Revenue, Rent Receivable, Additional Cost of Working or Increase in cost of working.

### **(2) FAILURE OF SUPPLY**

consequent upon Damage caused by

- (a) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunication services (unless such discontinuation is due to a deliberate act of the supply authority for the sole purpose of safeguarding life or protecting any part of the supply system or a scheme of rationing due to Damage to the supply authority’s premises), other than loss resulting from subsequent Damage which itself results from a cause not otherwise excluded
- (b) the accidental failure of Your supply of electricity, gas, water or telecommunications
  - (i) which does not involve a cessation of supply for at least twenty-four consecutive hours
  - (ii) caused by
    - (a) strikes of any labour or trade disputes
    - (b) drought.

### **(3) WEAR AND TEAR**

consequent upon Damage caused by or consisting of

- (a) inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, faulty or defective design or materials
  - (b) the bursting of a boiler (other than a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus, belonging to You or under Your control, in which internal pressure is due to steam only
- other than subsequent Damage which itself results from a cause not otherwise excluded.

### **(4) DEFECTIVE WORKMANSHIP**

consequent upon Damage caused by or consisting of faulty or defective workmanship, operational error or omission, by You or on the part of any of Your employees, other than subsequent Damage resulting from another cause.

### **(5) FRAUD OR DISHONESTY OF EMPLOYEES**

consequent upon Damage by or consisting of acts of fraud or dishonesty by Your Employees other than subsequent Damage resulting from a Defined Peril.

### **(6) LEAKAGE, MECHANICAL / ELECTRICAL BREAKDOWN ETC**

- (a) consequent upon Damage caused by or consisting of corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, change in temperature, colour, flavour, texture or finish, marring, scratching, vermin or insects
- (b) consequent upon Damage consisting of

- (i) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith
- (ii) mechanical or electrical breakdown or derangement

other than subsequent Damage resulting from another cause.

**(7) POLLUTION**

consequent upon Damage caused by Pollution other than Damage caused by

- (a) Pollution which results from a Defined Peril
- (b) a Defined Peril which results from Pollution.

**(8) SETTLEMENT AND BEDDING DOWN**

(a) consequent upon Damage caused by or consisting of Subsidence

- (i) to yards, car parks, roads, pavements, walls, gates or fences at the Premises unless the buildings at the Premises are Damaged by the same cause at the same time
- (ii) which itself results from
  - (a) demolition, construction, structural alteration or repair of any property, or
  - (b) groundworks or excavations at the Premises.

(b) (i) the normal settlement or bedding down of new structures

- (ii) the settlement or movement of made up ground
- (iii) coastal or river erosion.

**(9) THEFT**

consequent upon Damage caused by theft or any attempted theft

- (a) not involving entry to or exit from the Buildings by forcible and violent means
- (b) to Property in any yard, car park, open space or open sided building
- (c) to Unoccupied Buildings

other than Damage consequent upon and in connection with assault or violence or threat thereof to You or any of Your Employees

- (d) expedited or in any way brought about by You, any member of Your family, or any director, partner of Yours or any Employee unless resulting from assault or violence or threat thereof to such persons

Provided always that this Exclusion shall not apply to any subsequent Damage resulting from a Defined Peril.

**(10) COLLAPSE**

consequent upon Damage to the Building caused by its own collapse or cracking unless resulting from a Defined Peril.

**(11) DAMAGE TO FENCES, GATES AND MOVEABLE PROPERTY**

consequent upon Damage to fences, gates and moveable property in the open caused by wind, rain, hail, sleet, snow, flood and dust.

**(12) DAMAGE TO ROADS, PATHS AND PAVEMENTS ETC**

consequent upon Damage of or to any yard, car park, road, pavement or path caused by weight, vibration or vehicle.

**(13) UNOCCUPIED PREMISES**

consequent upon Damage to Unoccupied Buildings caused by

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

**(14) FIXED GLASS AND SANITARY WARE**

consequent upon Damage to fixed glass and fixed sanitary ware

- (a) which is broken or damaged at the commencement of this insurance.
- (b) in respect of an Unoccupied Building.

**(15) VALUABLE AND FRAGILE PROPERTY**

consequent upon Damage to

- (a) (i) jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art or rare books
  - (ii) property in transit
  - (iii) money, cheques, stamps, bonds or credit cards
- other than Damage caused by a Defined Peril.
- (b) securities of any description unless stated otherwise in this Insuring Clause or the Schedule.
  - (c) glass (not being fixed glass), china, earthenware (not being fixed sanitary ware), marble or other fragile or brittle objects other than Damage caused by a Defined Peril or theft or any attempted theft.

**(16) VEHICLES**

consequent upon Damage to vehicles licensed for road use and their accessories and equipment, caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft unless stated otherwise in this Insuring Clause or the Schedule.

**(17) CONTRACT WORKS**

consequent upon Damage to

- (a) the permanent and/or temporary works forming part of any contract for the maintenance, repair, renovation, refurbishment, alteration, rebuilding (or the like) of the Buildings and/or
- (b) materials for incorporation within such permanent and/or temporary works.

**(18) LAND, ROADS, PAVEMENTS ETC**

consequent upon Damage to land, roads, pavements, piers, jetties, bridges, culverts or excavations unless stated otherwise in this Insuring Clause or the Schedule.

**(19) LIVESTOCK, CROPS AND PLANTS**

consequent upon Damage to livestock, growing crops, trees, shrubs, plants or lawns other than Damage to trees, shrubs and plants used for ornamental purposes only.

Provided always that, such trees, shrubs and plants used for ornamental purposes

- (a) are contained within the structure of the Building, and
- (b) they do not form part of Your Contents unless stated otherwise in this Insuring Clause or the Schedule, and
- (c) the Damage is caused by a Defined Peril.

**(20) COMPONENT SELF IGNITION**

consequent upon Damage of the component part of any dynamo, electric motor or other electrical plant installation, apparatus or conductor caused by its own self-heating or self-ignition.

**(21) CONSEQUENTIAL LOSS**

consequential loss of any kind or description.

**(22) RENT**

loss of rent.

**(23) UNEXPLAINED SHORTAGES**

Damage caused by or consisting of unexplained disappearance or inventory shortage, misfiling or misplacing of information.

**(24) FALSE PRETENCE**

Damage caused by the voluntary parting with title or possession of any property used for the purposes of Your Activities if induced by any fraudulent scheme, trick, device or false pretence.

**(25) SUBSIDENCE**

Damage caused by Subsidence to any property situated within the Isle of Wight

**(26) BASEMENT STORAGE**

Damage to Contents and/or Computer Equipment in any basement or cellar of any property used for the purposes of Your Activities which is not stored at least 15 centimetres above floor level.

**(27) FLAT ROOFS**

Damage to or resulting directly or indirectly from flat roof sections of any property used for the purposes of Your Activities where the flat roof

- (a) has not been adequately maintained, or
- (b) is greater than 10 years old.

**(28) EXCLUDED EQUIPMENT**

Damage to

- (a) marquees, tents and camping equipment,
  - (b) sports equipment (including kit and training equipment),
  - (c) activity and/or play equipment,
  - (d) ground maintenance equipment
- whilst in use (including whilst being erected or dismantled).

## **CONDITIONS APPLICABLE TO INSURING CLAUSE 8**

### **(1) AVERAGE**

if at the commencement of an Insured Event

- (i) the Sum Insured in respect of Revenue is less than the Annual Revenue,
- (ii) the Sum Insured in respect of Rent Receivable is less than the Annual Rent

or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds 12 months, the amount payable by Us shall be proportionally reduced.

### **(2) VALUE ADDED TAX CLAUSE**

To the extent that You are accountable to the tax authorities for Value Added Tax all terms shall be exclusive of such tax.

### **(3) CURRENT COST ACCOUNTING**

Any adjustment implemented in current cost accounting shall be disregarded.

### **(4) PROFESSIONAL ACCOUNTANTS**

Any particulars or details contained in Your books of account or other business books or documents which may be required by Us under the Conditions of this Policy for the purpose of investigating or verifying any claim may be produced by professional accountants, if at the time they are regularly acting as such for You, and their report shall be prima facie evidence of the particulars and details to which such report relates.

### **(5) SAVINGS**

If any of the charges or expenses of Your Activities cease or reduce in consequence of an Insured Event the amount of such savings during the Indemnity Period shall be deducted from the amount payable.

# INSURING CLAUSE 9 – MONEY AND PERSONAL ASSAULT

## (a) MONEY

We agree to indemnify You against loss of Money occurring during the Period of Insurance within the United Kingdom whilst the Money is

- (i) in transit
- (ii) in the Premises
- (iii) in any Private Residence
- (iv) on contract or exhibition sites whilst Employees are working thereat
- (v) in the night safe at a bank.

## (b) PERSONAL ASSAULT

If the Insured Person suffers Injury, or loss of or damage to clothing and personal effects during the Period of Insurance as a direct result of robbery or attempted robbery in the course of Your Activities We agree to pay You the appropriate benefit as set out in the Scale of Benefits.

## LIMIT AND EXCESS

Our total liability under Insuring Clause 9(a) (Money) in respect of any one loss shall not exceed:

- (a) £2,500 for loss of Negotiable Money, other than for loss
  - (i) from the Premises out of Working Hours where such loss is not from a locked safe or strongroom
  - (ii) from any Private Residence whilst not in a locked safe or strongroom
  - (iii) of any one package in transit by registered postwhen the total amount payable shall not exceed £250, or
  - (iv) from a locked safe or strongroom at the Premises when the total amount payable shall not exceed £1,000
  - (v) from any Private Residence whilst in a locked safe or strongroom when the total amount payable shall not exceed £500
- (b) (i) £500 per card in any one Period of Insurance for loss resulting from the fraudulent use of any company credit or debit card issued for use in connection with Your Activities
  - (ii) £250,000 in respect of all other Non-Negotiable Money
- (c) The cost of repair or reinstatement of any safe, strongroom, cash register, cash carrying case, bag or security waistcoat or franking machine lost or damaged by theft or attempted theft of Money

Provided always that We shall only be liable for that part of each and every loss which exceeds the Excess.



## SCALE OF BENEFITS

The amount payable for each person under Insuring Clause 9(b) (Personal Assault) shall be

- |  |  |
|--|--|
| (a) in respect of Death  | £ 5,000  |
| (b) in respect of Loss of Limbs  | £ 5,000  |
| (c) in respect of Loss of Sight or Speech or Hearing   | £ 5,000  |
| (d) in respect of Permanent Total Disablement  | £ 5,000  |
| (e) in respect of Temporary Total Disablement  | £ 50 for each week of disablement                        |
| (f) in respect of loss of, or damage to, clothing and personal effects belonging to an Insured Person. | The amount of the loss or damage up to a maximum of £500 |
| (g) Medical Expenses   | Incurred costs up to a maximum of £250 per Injury        |

Provided always that:

- (1) We shall pay benefit for only one of items (a) to (d) inclusive for any one Insured Person.
- (2) Permanent Total Disablement must commence within 104 weeks of suffering the Injury.
- (3) benefit (d) shall not be payable until 104 weeks after the date of suffering the Injury.
- (4) to qualify for benefit (e) the Insured Person must have received medical attention from and continued under the care of a qualified medical practitioner.
- (5) benefit (e) is payable for a maximum of 104 weeks from the date of suffering the Injury.
- (6) benefit (e) is no longer payable once benefit (a), (b), (c) or (d) becomes claimable.

## ADDENDA APPLICABLE TO INSURING CLAUSE 9

### (1) Business Visits Abroad

The indemnity provided by Insuring Clause 9(a) (Money) is extended to include loss of Money occurring outside of the United Kingdom and arising out of visits by You or any partner or director of Yours or any Employee in connection with Your Activities.

Provided always that the total amount payable under this Addendum shall not exceed £500 in respect of any one loss of Money.

## DEFINITIONS APPLICABLE TO INSURING CLAUSE 9

**"Insured Person"** shall mean any principal, partner, governor, director, council member, member, officer or trustee of Yours or any Employee or any member of their family.

**"Death"** shall mean death resulting solely and directly from, and within 104 weeks of sustaining, the Injury.

**"Employee"** shall mean any person, other than a director of Yours, who was or is or may hereafter be

- (i) under a contract of service or apprenticeship with You, or
- (ii) under a work experience or similar scheme, or
- (iii) supplied to or hired in or borrowed by You, or
- (iv) volunteers, or
- (v) self-employed persons

working for You under Your direct control in connection with Your Activities and normally resident in the United Kingdom.

**"Excess"** shall mean £100.

**"Injury"** shall mean bodily injury caused solely and directly by violent, external and visible means.

**"Insured/You/Your/Yours"** shall mean the person named as the Policyholder in the Schedule.

**"Loss of Limbs"** shall mean total loss of use of one or more hands or feet resulting solely and directly from, and within 104 weeks of suffering, the Injury.

**"Loss of Sight or Speech or Hearing"** shall mean total and irrecoverable loss of

- (i) all sight in one or both eyes, or
- (ii) the power of speech, or
- (iii) the sense of hearing

resulting solely and directly from, and within 104 weeks of suffering, the Injury.

**"Medical Expenses"** shall mean reasonably incurred costs of surgical or other remedial attention, treatment or appliances given or prescribed by a qualified member of the medical profession together with hospital, nursing home and ambulance charges following Injury for which a benefit is payable under this Insuring Clause.

**"Money"** shall mean Negotiable Money and Non-Negotiable Money for which You are responsible and used for the purposes of Your Activities.

**"Negotiable Money"** shall mean current coin, bank and currency notes, uncrossed cheques, uncrossed postal and money orders, unused postage stamps, unused National Insurance Stamps, National Savings Stamps and Certificates, unexpired units in franking machines, luncheon and customer redemption vouchers, trading stamps, holiday with pay stamps, telephone cards and travel tickets (solely for Your personal use, or use by any director or partner of Yours or any Employee).

**"Non-Negotiable Money"** shall mean crossed cheques (including crossed giro cheques and drafts but excluding pre-signed blank cheques), crossed bankers' drafts, crossed postal and money orders, crossed warrants, used National Insurance Stamps, VAT purchase invoices, company credit and/or debit cards, credit card and debit card sales vouchers and Premium Bonds.

**"Period of Insurance"** shall mean the period stated in the Schedule.

**"Permanent Total Disablement"** shall mean permanent total disablement (other than Loss of Limb or Loss of Sight or Speech or Hearing) resulting solely and directly from Injury which necessarily and continuously prevents the Insured Person from attending to business or occupation of any description and, having lasted for 104 weeks from the date of suffering the Injury, is beyond hope of improvement.

**"Private Residence"** shall mean the private residence, away from the Premises, where You or any director or partner of Yours or any Employee or Your authorised representative (who is entrusted with money) permanently reside.

**"Temporary Total Disablement"** shall mean temporary total disablement resulting solely and directly from Injury which necessarily prevents the Injured Person from attending to his/her usual business or occupation or, if the Insured Person has no occupation, necessarily confines the person to a private dwelling or other location where he/she is under treatment.

**"Working Hours"** shall mean Your normal working hours including overtime, during which You or any Employees who are entrusted with money are

- (i) in that portion of the Premises used solely for the purpose of Your Activities
- (ii) for contract or exhibition sites, on the contract or exhibition site.

## **EXCLUSIONS APPLICABLE TO INSURING CLAUSE 9**

We shall not be liable to pay or indemnify You

### **(1) OTHER INSURANCE**

more than Our rateable proportion of any loss of Money, Injury, loss or damage where You are entitled to payment or indemnity under any other insurance for such loss of Money, Injury, loss or damage.

### **(2) COLLECTION BOXES**

for loss of Money from any collection box, receptacle or similar not in Your custody or control or in the custody or control of a partner, governor, director, council member, member, officer or trustee of Yours or of an Employee.

### **(3) GAMING MACHINES**

for loss of Money in gaming, amusement, change giving or vending machines.

### **(4) FRAUD OR DISHONESTY**

for loss due to fraud or dishonesty of Employees unless the loss is discovered within 30 days of it occurring.

### **(5) SHORTAGES**

for shortages due to mysterious disappearance, unexplained shortage or shortages, accounting or clerical error or omission.

### **(6) UNATTENDED MOTOR VEHICLES**

for loss of Money from unattended motor vehicles.

**(7) DEPRECIATION / COUNTERFEIT MONEY**

for consequential loss of any kind or description or loss due to depreciation in value or to the use of counterfeit Money.

**(8) FALSIFICATION OF ACCOUNTS**

for loss due to falsification of accounts.

**(9) FIDELITY GUARANTEE**

for loss of Money where You are entitled to indemnity under

- (a) Insuring Clause 10 (Fidelity), or
- (b) a Fidelity Guarantee or similar insurance policy or certificate.

**(10) UNREGISTERED POST**

for loss of Money in transit sent in unregistered post.

**(11) CREDIT CARDS**

for loss due to the use of any company credit or debit card if the provisions, conditions and other terms under which such cards have been issued have not been fully complied with.

**(12) CHILDBIRTH AND AGE**

- (a) for Injury in so far as it is directly or indirectly due to, or prolonged by, pregnancy or childbirth.
- (b) to any Insured Person under the age of 16 years or over the age of 70 years.
- (c) in respect of property belonging to any Insured Person under the age of 16 years or over the age of 70 years.

## **CONDITIONS APPLICABLE TO INSURING CLAUSE 9**

**(1) RECORD OF MONEY**

As a condition precedent to Your right to payment of indemnity under this Insuring Clause You shall ensure that a complete record is kept of

- (a) Money in transit
  - (b) Money in any Premises at which Money is covered under this Insuring Clause
- and that such record is deposited in some place other than in any safe or strongroom containing Money.

**(2) KEYS AND COMBINATION CODES**

As a condition precedent to Your right to payment or indemnity under this Insuring Clause You shall ensure that no keys or combination codes of any safe or strongroom containing Money are in the Premises out of Working Hours unless they or any director or partner of theirs or any Employee (who is entrusted with Money) permanently reside at the Premises, and/or no keys or combination codes of any safe or strongroom containing Money shall, out of Working Hours, be

- (a) that portion of the Premises used for Your Activities.
- (b) in or about that particular portion of the Premises in which such safe or strongroom is kept or situated.

# INSURING CLAUSE 10 – FIDELITY

*N.B. This Insuring Clause is on a 'claims made' basis which provides cover for claims which are **made and notified to us during the Period of Insurance***

We agree to indemnify You against Loss which You shall, during the Period of Insurance, first discover you have sustained.

## (a) EMPLOYEE DISHONESTY

in consequence of any fraudulent or dishonest act committed by an Employee or Employees Acting in Collusion with the manifest intent to

- (i) cause You to sustain such Loss, or
- (ii) obtain improper personal gain for such Employee or for any other party intended by such Employee to receive such gain.

## (b) THIRD PARTY COMPUTER AND FUNDS TRANSFER FRAUD

through

- (i) Computer Fraud, or
- (ii) Fraudulent Transfer Instructions

by anyone other than You and/or an Employee.

## LIMIT AND EXCESS

Our total aggregate liability under this Insuring Clause in the Period of Insurance in respect of all Loss shall not exceed the Limit of Indemnity.

We shall only be liable for that part of each Loss which exceeds the Excess.

## DEFINITIONS APPLICABLE TO INSURING CLAUSE 10

**“Acting in Collusion”** shall mean all circumstances where two or more Employees are involved or implicated together or assist each other materially in committing acts of fraud or dishonesty.

**“Auditor’s Fees”** shall mean the costs of any special professional audit necessarily incurred with Our written consent solely to formulate the amount of loss of Money or Goods.

**“Best Practice Requirements”** shall mean

- (i) You do not use pre-signed cheques
- (ii) an inventory check and, where you have stock, a physical stock check, is carried out at least annually by persons other than those responsible for such stock or inventory
- (iii) You obtain written or verbal references for all persons responsible for Money or Goods to cover a minimum period of two years immediately preceding their employment
- (iv) professional external auditors audit your accounts at least once a year, and within six months of the financial year end, and all recommendations are acted upon
- (v) the payment for good and services must be authorised by an Employee not responsible for ordering or certifying receipt of such goods or services
- (vi) all cheques and other bank instruments with a value of £5,000 or greater require at least two hand written signatures.

**“Computer Fraud”** shall mean Theft effected by means of accessing a computer system or by the introduction, alteration or deletion of any data, program or instruction in relation to a computer system.

**“Employee”** shall mean any person (not being a partner or former partner of Yours) who was or is or may hereafter be

- (i) a governor, director, council member, officer or trustee of Yours, or
- (ii) under a contract of service or apprenticeship with You, or
- (iii) under a work experience or similar schemes, or
- (iv) supplied to or hired in or borrowed by You, or
- (v) volunteers

working for You under Your direct control in connection with Your Activities.

**“Excess”** shall mean £250.

**“Financial Institution”** shall mean

- (i) a banking or saving institution, or
- (ii) a stockbroker or similar investment institution at which You maintain a Transfer Account.

**“Fraudulent Transfer Instructions”** shall mean

- (i) electronic, telegraphic, cable, teletype or telephone instructions to a Financial Institution to debit a Transfer Account and to transfer, pay or deliver funds from such account, which instructions purport to have been transmitted by You but which have been fraudulently transmitted by another, or
- (ii) written instructions to a Financial Institution to debit a Transfer Account and to transfer, pay or deliver funds from such account through an electronic funds transfer system at specified times or under specified conditions, which written instructions purport to have been duly issued by You but which have been fraudulently issued, forged or altered by another.

**“Insured/You/Your/Yours”** shall mean the person named as the Policyholder in the Schedule and the Subsidiary Company.

**“Limit of Indemnity”** shall mean

- (i) £25,000 where You meet the Best Practice Requirements
- (ii) £5,000 where You are unable to meet the Best Practice Requirements

which amount is inclusive of all Auditor's Fees.

**“Loss”** shall mean

- (i) in respect of Insuring Clause 10(a) (Employee Dishonesty), loss of Money or Goods
- (ii) in respect of Insuring Clause 10(b) (Third Party Computer and Funds Transfer Fraud),
  - (a) loss of property through Computer Fraud
  - (b) loss of funds from Your Transfer Account at a Financial Institution through Fraudulent Transfer Instructions communicated to such Financial Institution
  - (c) the cost of reinstating electronic data destroyed, erased or stolen as a consequence of (a) or (b) above.

(iii) Auditor's Fees

resulting from or attributable to the same originating cause.

**“Money or Goods”** shall mean stamps, currency, coins, bank notes and bullion, travellers cheques, cheques, postal orders, money orders, securities and the like and tangible property belonging to You or for which You are legally liable.

**“Period of Insurance”** shall mean the period stated in the Schedule and in the event that

- (i) We refuse to renew the cover afforded by this Insuring Clause for reasons other than non-payment of premium to Us or Your failure to comply with or observe the terms, provisions and Conditions of this Certificate, or
- (ii) You and/or any natural person with effective control of the Insured decline to accept the renewal terms offered by Us in so far as they relate to this Insuring Clause

a further single period of thirty days from the expiry date of the period stated in the Schedule but only in respect of Loss arising from a fraudulent or dishonest act committed prior to the expiry of the period stated in the Schedule.

The further period referred to in this Definition is not applicable to the extent that other insurance policies have been purchased with the intention of providing equivalent cover for any part of such period.

**“Retroactive Date”** shall mean the date which this Insuring Clause was first incepted, or where equivalent cover to that provided under this Insuring Clause has continuously been maintained in full force and effect immediately prior to the inception of this Insuring Clause, the date which applied to such equivalent cover.

**“Subsidiary Company”** shall mean any company in respect of which You or any other subsidiary company of Yours controls, as at the date when this Insuring Clause became operative

- (i) the composition of the board of directors, or
- (ii) more than half of the voting power, or
- (iii) more than half of the issued share capital

and any such company which is subsequently acquired or created and included with Our written consent.

**“Theft”** shall mean

- (i) the dishonest appropriation of property with the intention of permanently depriving You of it, or
- (ii) the taking of property without lawful authority.

**“Transfer Account”** shall mean an account, maintained by You with the Financial Institution to or from which You or Your authorised representative may cause the transfer, payment or delivery of funds by means of

- (i) electronic, telegraphic, cable, teletype or telephone instructions (whether communicated directly or through a cash management service or funds transfer system), or

- (ii) written instructions establishing the conditions under which such transfers are to be initiated by such Financial Institution through an electronic funds transfer system.

## **EXCLUSIONS APPLICABLE TO INSURING CLAUSE 10**

We shall not be liable to pay or indemnify You against Loss

### **(1) CONSEQUENTIAL LOSS**

for or arising from loss of interest, loss of profits or any kind of consequential loss.

### **(2) UNEXPLAINED SHORTAGES**

dependent solely upon a mysterious disappearance or unexplained shortage or shortages.

### **(3) DISHONEST AND MALICIOUS ACTS**

- (a) in consequence of any fraudulent or dishonest act committed by an Employee whose shareholding or financial interest exceeds 5% of Your equity
- (b) which result from any fraudulent or dishonest act or omission committed by any person after the discovery of reasonable cause for suspicion of such act or omission in relation to that person
- (c) in consequence of any fraudulent or dishonest act committed by an Employee who has previously been involved in a fraudulent or dishonest act

Furthermore, the following shall be deducted from any amount payable by Us

- (d) any monies which but for such act would be due from You to the person committing or condoning such act
- (e) any monies held by You and belonging to such person
- (f) any monies recovered following action in accordance with General Condition 2 (Subrogation) of this Certificate.

### **(4) BREACH OF WARRANTY/CONDITION**

which is rejected under any other insurance effected by You or on Your behalf due to Your breach of a warranty, term or condition thereunder.

### **(5) CIRCUMSTANCES KNOWN AT INCEPTION**

brought about by or contributed to or consequent upon any circumstances existing prior to the date when this Insuring Clause became operative and which You ought reasonably to have known might give rise to a Loss.

### **(6) TERRITORIAL LIMITS**

arising elsewhere than in the United Kingdom.

### **(7) TAKEOVER AND MERGER**

resulting from a fraudulent or dishonest act committed subsequent to

- (a) the effective date of Your takeover or merger by or with any other person
- (b) the appointment of a liquidator, trustee, receiver or any other similar officer.

### **(8) RETROACTIVE DATE**

resulting from a fraudulent or dishonest act or Computer Fraud or Fraudulent Transfer Instructions committed prior to the Retroactive Date.

### **(9) COMPUTER FRAUD AND FUNDS TRANSFER FRAUD**

under Insuring Clause 10(b) (Third Party Computer and Funds Transfer Fraud) arising from

- (a) loss of interest, loss of profits or any kind of consequential loss
- (b) loss of computer time or use
- (c) the voluntary giving or lending of property or its surrender in a franchise or exchange whether legitimate or fraudulent
- (d) the fraudulent or dishonest act of an Employee whether acting alone or Acting in Collusion.

## **CONDITIONS APPLICABLE TO INSURING CLAUSE 10**

### **(1) RECOVERY**

We shall apply any recovery of Loss under Insuring Clause 10 (Fidelity) in the following order

- (a) any Loss incurred by You over and above the relevant Limit of Indemnity which would otherwise have fallen within the terms and conditions of this Insuring Clause.
- (b) the total Loss paid by Us.

(c) any Excess borne by You.

The total amount recovered is to be applied, as far as it will go, to items (a), (b) and (c) in that order, and You and We shall make whatever settlement is necessary between ourselves to reflect this.

(2) **DEDUCTION FROM LOSS**

All monies which but for the fraud or dishonesty of the Employee would become payable to him by You and any monies recovered from the Employee by You shall be deducted from the Loss.

# GENERAL EXCLUSIONS

## (Applicable to the Policy as a whole)

We shall not be liable to pay or indemnify You or the Organisation

### (1) FINES AND PENALTIES

to the extent of any

- (a) fine or penalty
- (b) other than in respect of Insuring Clause 4 (Management Liability), non-compensatory damages.

### (2) RADIOACTIVE CONTAMINATION AND SONIC BANGS ETC

against any Loss, Damage, loss of Money, Injury or Additional Expenses directly or indirectly caused by or contributed to by or arising from

- (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- (b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- (c) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds and in Northern Ireland and the Republic of Ireland only
- (d) riot, civil commotion, strikers, labour or political disturbances, vandals or malicious persons.

### (3) WAR RISKS AND TERRORISM

against any Loss, Damage, loss of Money, Injury or Additional Expenses based upon, arising out of or relating directly or indirectly from, in consequence of or in any way involving

- (a) War and/or Terrorism
- (b) any action taken in controlling, preventing or suppressing War and/or Terrorism
- (c) any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any Unlawful Association

regardless of any other cause or event contributing concurrently or in any other sequence to such Loss, expense, consequential loss, destruction or damage.

- (d) Contamination due to Terrorism

Provided always that

- (i) if We allege that by reason of this Exclusion, any Loss, expense, consequential loss or any Damage to property is not covered by this Policy the burden proving the contrary shall be upon You and/or the Organisation.
- (ii) in respect of Insuring Clause 2 (Employers Liability) this Exclusion shall not apply in respect of the first £5,000,000 of each Loss.
- (iii) in the event that any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

### (4) CONFISCATION ETC

other than under Insuring Clauses 3 (Professional Liability) and 4 (Management Liability) against Loss, Damage, loss of Money, Injury or Additional Expenses that is directly caused by, contributed to by or arising from confiscation, requisition, nationalisation, seizure, detention or destruction by any government, public, local or customs authority.

### (5) ELECTRONIC DATA

other than under Insuring Clauses 3 (Professional Liability) and 4 (Management Liability) against loss, destruction, damage, distortion, erasure, corruption or alteration of Electronic Data from any cause whatsoever (including but not limited to Computer Virus) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to such loss, destruction, damage, distortion, erasure, corruption or alteration.

Provided always that, this Exclusion shall not exclude physical loss, destruction, damage, distortion, erasure, corruption or alteration directly caused by fire or explosion.

### (6) COMPUTER DATA RECOGNITION

- (a) under Insuring Clauses 1 (Public Liability/Products Liability), 3 (Professional Liability), 4 (Management Liability), 5 (Entity Defence) and 10 (Fidelity), against Loss brought about by or consequent upon any failure of any computer or other electronic data processing device, equipment or system, any hardware, software, programme, instruction, data or component utilised or intended to be utilised therein or thereby, or any actual or intended function of or process performed



by any of the foregoing, (by whomsoever owned or operated), to recognise or respond to, correctly and effectively, any particular date or period of time (continuous or otherwise).

- (b) under all other Insuring Clauses, against any Damage, loss of Money, Injury or Additional Expenses directly or indirectly caused by or consisting of or arising from the failure of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether Your property or not, and whether occurring before, during or after the year 2000,
- (i) to correctly recognise any date as its true calendar date
  - (ii) to capture, save or retain and/or correctly to manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
  - (iii) to capture, save, retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data on or after any date

but this shall not exclude

- (iv) any ensuing physical loss or damage to property insured resulting from a Defined Peril (other than subterranean fire) or theft not otherwise excluded

or

- (v) any consequential loss which may arise from such ensuing physical loss or damage and which is otherwise covered under this insurance,

Provided always that nothing in this exclusion or any other provision, Addendum or extension of this insurance shall be construed to extend Our liability to cover any costs and expenses, whether preventative, remedial or otherwise arising out of or relating to change, alteration or modification of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether Your property or not.

**(7) MOULD**

against any Loss, Damage, loss of Money, Injury or Additional Expenses directly or indirectly caused by or contributed to by or arising from Mould or a Mould Event.

# CLAIMS CONDITIONS

## (Applicable to the Policy as a whole)

### (1) NOTIFICATION OF CLAIMS

You or the Organisation shall, as a condition precedent to Your right to payment or indemnity, give Us immediate notice in writing (or within 7 days for riot Damage) and, in respect of Insuring Clauses 3 (Professional Liability), 4 (Management Liability), 5 (Entity Defence) and 10 (Fidelity) within the Period of Insurance, of

- (i) any Claim made against You or the Organisation
- (ii) the receipt of any notice of an intention to make a Claim against You or the Organisation
- (iii) the discovery of any act of fraud or dishonesty by any Employee or any reasonable cause for suspicion of fraud or dishonesty by an Employee
- (iv) any circumstances of which You or the Organisation shall become aware which is likely to give rise to
  - (a) a Claim against You or the Organisation, or
  - (b) the instigation of Disqualification Proceedings, Investigation, Environmental Proceedings or Tax Investigation, or
  - (c) the seeking by You or the Organisation of any payment or indemnity under this Policy

giving reasons for the anticipation of such Claim, Disqualification Proceedings, Investigation, Environmental Proceedings or Tax Investigation, or request for payment or indemnity, together with full particulars as to dates and persons involved.

Such notice having been given as required by (ii), (iii) or (iv) above, any subsequent Claim made, or any Disqualification Proceedings, Investigation, Environmental Proceedings, or Tax Investigation instigated, or request for payment or indemnity shall be deemed to have been made or instigated during the Period of Insurance.

### (2) GENERAL CLAIMS HANDLING

You or the Organisation shall, as a condition precedent to Your right to payment or indemnity under this Policy

- (i) give Us such information and co-operation as We may reasonably require,
- (ii) take no action which might prejudice Us,
- (iii) take all reasonable steps to prevent further Loss, Damage or interruption of or interference with Your Activities
- (iv) neither admit liability for or settle any Claim or incur any Costs or Expenses in connection therewith or in connection with any Disqualification Proceedings, Investigation, Environmental Proceedings or Tax Investigation without Our written consent
- (v) tell the police as soon as reasonably possible of any Damage or Loss involving theft or any attempted theft, malicious damage or vandalism or any loss of Money.

### (3) DEFENCE OF CLAIMS

- (i) We shall be entitled to take over and conduct in Your name the defence or settlement of any Claim or Loss
- (ii) in respect of Insuring Clause 3 (Professional Liability) You shall not be required to contest any legal proceedings unless a mutually agreed counsel shall advise that such proceedings should be contested.
- (iii) You shall be entitled at your own risk to contest any Claim or legal proceedings which in Our opinion should be compromised or settled provided that We shall not be liable for any Loss incurred directly or indirectly as a result of Your refusal to compromise or settle such Claim or legal proceedings.
- (iv) In respect of Insuring Clause 4 (Management Liability):
  - (a) it is Your or the Organisation's duty to defend any Claim, Disqualification Proceedings, Investigation or Environmental Proceedings. We have the right, but not the obligation, to actively associate with You or the Organisation in the settlement or handling of any Claim, Disqualification Proceedings, Investigation or Environmental Proceedings.
  - (b) subject to Our written consent You have the right to appoint any appropriately qualified legal representative to deal with any Claim notified to Us in accordance with Claims Condition 1.

### (4) BUSINESS INTERRUPTION

As a condition precedent to Your right to payment or indemnity under Insuring Clause 8 (Business Interruption) of this Policy You shall

- (i) at Your expense within one month after the expiry of the Indemnity Period or within such further time as We may allow, deliver to Us in writing particulars of Your request for payment or indemnity.
- (ii) at Your expense deliver to Us such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence that We may reasonably ask for together with, (if We ask), a statutory declaration of the truth of the claim and of any matters connected with it.

**(5) FIDELITY LOSSES**

As a condition precedent to Your right to payment under Insuring Clause 10 (Fidelity) You shall, at Your own expense, supply Us with full written details of Your Loss and all such proof of correctness of Your request for indemnity as we may require within three months (or such other period as We may agree in writing) of the discovery of any act of fraud or dishonesty by any Employee or any reasonable cause for suspicion of fraud or dishonesty by an Employee.

**(6) SALVAGE**

We may enter any Building in which Damage has occurred and deal with the salvage. However no property may be abandoned to Us.

**(7) PAYMENT OF INDEMNITY LIMIT**

In respect of Insuring Clauses 1 (Public Liability/Products Liability), 2 (Employers Liability), 3 (Professional Liability), 4 (Management Liability), 5 (Entity Defence) and 10 (Fidelity):

We shall be entitled at any time to pay to You or the Organisation the Limit of Indemnity (or as much of it as remains available), or any lesser sum for which any Loss can be settled, whereupon We shall be under no further liability to You or the Organisation in respect of such Loss.

**(8) ELECTRONIC DATA PROCESSING MEDIA VALUATION**

Notwithstanding any provision relating to the basis of settlement of any request for payment or indemnity under this Policy, should electronic data processing media insured by this Policy suffer physical Damage insured by this Policy then the basis of valuation shall be the cost of the blank media plus the cost of copying the Electronic Data from back-up or from originals of a previous generation.

If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media.

Such costs will not include

- (i) research and engineering nor any costs of recreating, gathering or assembling such Electronic Data.
- (ii) any amount pertaining to the value of such Electronic Data to You or any other party even if the Electronic Data cannot be recreated, gathered or assembled.

**(9) MEDICAL EXAMINATIONS**

As a condition precedent to Your right to payment or indemnity under Insuring Clause 9(b) (Personal Assault) the Insured Person must agree to any medical examination which We may require at Our expense. In the event of Death We may arrange a post-mortem examination at Our expense.

# GENERAL CONDITIONS

## (Applicable to the Policy as a whole)

### (1) CANCELLATION

Other than in respect of Insuring Clause 4 (Management Liability) this Policy may be cancelled by Us or on Our behalf by giving You 30 days' written notice and the Premium hereon shall be adjusted on the basis that We receive or retain pro rata premium.

(If the Premium for the Policy is paid by instalments, please read carefully General Condition (3) (Premium Payment)).

### (2) SUBROGATION

We shall be subrogated to all Your or the Organisation's rights of recovery against any person before or after any payment or indemnity under this Policy.

You or the Organisation shall give all such assistance in the exercise of rights of recovery as We may reasonably require, and

(a) Under Insuring Clause 3 (Professional Liability):

We agree not to exercise any such rights against any director or member of Yours or any Employee unless the Claim is brought about or contributed to by the dishonest, fraudulent, criminal or malicious act or omission of the director, member or Employee.

(b) Other than in respect of Insuring Clauses 1 (Public Liability/Products Liability), 2 (Employers Liability), 3 (Professional Liability) and 4 (Management Liability):

We agree not to exercise any such rights against any company standing in relation of subsidiary to parent or parent to subsidiary to You in each case as defined by current legislation.

### (3) PREMIUM PAYMENT

When premium payment has been arranged on a deferred basis with a premium finance company which has entered into a contractual agreement with Markel (UK) Limited to provide premium credit facilities and notwithstanding any other conditions in relation to cancellation it is hereby understood and agreed that

- (i) in the event of payment of any instalment to such premium finance company being overdue, Markel (UK) Limited may, in accordance with the authority granted to the premium finance company by You under the terms of the signed and dated Credit Agreement, accept cancellation instructions from the premium finance company and will allow a return pro-rata premium to the premium finance company provided there have been no claims or circumstances known or reported to Us during the Period of Insurance
- (ii) all premiums due or returned shall be processed by the premium finance company in accordance with the signed and dated Credit Agreement.

### (4) FRAUDULENT CLAIMS

If You or the Organisation makes any request for payment or indemnity under this Policy knowing it to be false or fraudulent in any respect, this Policy shall be void and all payment and/or indemnity hereunder shall be forfeited. However, in respect of Insuring Clause 4 (Management Liability), such forfeiture shall only apply to the Director or Officer or Organisation making such false or fraudulent request for payment or indemnity.

### (5) LAW OF CONTRACT

The contract of insurance evidenced by this Policy shall be governed by the law of England and Wales or the law of Scotland and subject to the exclusive jurisdiction of such English and Welsh or Scottish courts.

### (6) NOTICE

Notice under this Policy shall be deemed duly given

- (a) by any person to Us if sent by first class prepaid post to Markel (UK) Limited, at the address specified in the NOTICE of this Policy, or such other address as has been notified to that person for the purpose from time to time,
- (b) to You or the Organisation if sent by post to the last known address thereof.

### (7) CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 or any amendment or re-enactment thereof to enforce any term of this contract but this does not affect any right or remedy of a third party which exists or is available other than by virtue of this Act.

### (8) ALTERATION

No payment or indemnity will be provided under this Policy if, after the commencement of this insurance, there is any alteration which results in

- (a) the risk of Loss, Damage, loss of Money or Injury being increased
- (b) Your interest ceasing other than by a will or the operation of the law

(c) Your Activities being wound up, carried on by a liquidator or receiver or permanently discontinued unless We are notified and agree to such alteration.

**(9) MULTIPLE INSURED**

Our liability under each Insuring Clause shall be the liability specified therein which shall not be varied or deemed varied by virtue of the number or type of Insureds or claims thereunder.

**(10) CALIBRATION PROCEDURES**

Other than in respect of Insuring Clause 2 (Employers Liability) You shall, as a condition precedent to Your right to payment or indemnity, ensure that all equipment utilised for the purpose of Your Activities and/or Professional Services is calibrated in accordance with the manufacturer's recommendations.

**(11) MAINTENANCE OF RIGHTS AND REMEDIES**

As a condition precedent to Your right to payment or indemnity under this Policy You shall ensure that You maintain all Your rights and remedies against all designers, consultants or contractors engaged by You.

**(12) FIRE AND ELECTRICAL SAFETY**

You shall, as a condition precedent to Your right to payment or indemnity under Insuring Clause 6 (Property Damage) ensure that

(a) a Gas Safe registered engineer

- (i) annually inspects and services all gas appliances (including portable heating appliances), fittings and flues
- (ii) undertakes all necessary remedial work following such inspection and servicing.

(b) a competent person authorised to undertake buildings regulations Part P (Electrical Safety) inspections

- (i) inspects and services all electrical equipment and appliances (including portable heating appliances) prior to their initial use and at least once every five years thereafter
- (ii) inspects the electrical system at least once every five years to ensure safety and compliance with current electrical regulations

And undertakes all necessary remedial work following such inspections and servicing.

(c) You provide adequate and suitable receptacles for the safe disposal of smoking materials in those areas of the Premises where smoking is allowed.

**(13) DEEP-FAT FRYING EQUIPMENT PRECAUTIONS**

You shall, as a condition precedent to Your right to payment or indemnity under Insuring Clauses 1(Public Liability/Products Liability), 6 (Property Damage) and 8 (Business Interruption), ensure that where You have any deep-fat frying equipment at the Premises (other than a table top basket fryer)

(a) flame-failure device is fitted where such equipment is gas or oil-fired

(b) a thermostat is fitted preventing temperature of the fat or oil exceeding 205 degrees centigrade or the manufacturer's recommended temperature whichever is the lower

(c) a non-self resetting temperature control is fitted which shuts off the heat source if the temperature of the fat or oil exceeds 230 degrees centigrade or the manufacturer's recommended temperature whichever is the lower

(d) extraction of heat, fumes and/or combustion products is via either

- (i) an integral duct, or
- (ii) an overhead canopy and duct system vented direct to the open

(e) all ducts and their fixings and/or supports are constructed of galvanised or stainless steel

(f) the grease trap, filter and other grease removal devices are cleaned at least once a week or at shorter intervals if recommended by the manufacturer

(g) the grease extract ducting is cleaned at least once a year or at shorter intervals if recommended by the manufacturer

(h) the equipment is serviced in accordance with the manufacturers recommendations at least once a year or at shorter intervals if recommended by the manufacturer

(i) the equipment is attended at all times by a competent person whilst the heat source is in operation

(j) an adequately sized fire blanket (meeting the appropriate British Standard) be kept at all times within the vicinity of the range.

**(14) NON-AGGREGATION**

- (a) If payment or indemnity for Damage to Property or Equipment is available under more than one Insuring Clause the total amount payable under any one Insuring Clause shall be reduced by the amount payable under the other Insuring Clause.

Provided always that

- (i) "Damage", and
- (ii) "Property", and
- (iii) "Equipment"

shall, for the purpose of this General Condition, have the same meaning as that given in the applicable Insuring Clause under which payment or indemnity is being sought.

- (b) If payment or indemnity is available under both Addendum 3 (Health and Safety at Work) of Insuring Clause 1 (Public Liability/Products Liability) and Addendum 2 (Health and Safety at Work) of Insuring Clause 2 (Employers Liability) the total amount payable for such payment or indemnity shall not exceed the amount payable if only one of such Insuring Clauses was operative.

**(15) SECURITY PROTECTIONS**

As a condition precedent to Your right to payment or indemnity under

- (a) Insuring Clause 6 (Property Damage) and/ or
- (b) Insuring clause 7 (Portable Equipment) in respect of Damage to Property occurring at the Premises (as defined under Insuring Clause 6)

You shall ensure that the following security protections (and/or any subsequently installed or fitted at Our request) shall be in full and proper use at all times when the Premises are closed for business or left unattended and shall be maintained in proper working order throughout the currency of this insurance

- (a) all external doors (and any internal doors leading to any part of the Buildings not in Your sole occupation) to be secured with either
  - (i) if an aluminium door: a cylinder mortice deadlock, or
  - (ii) if an armoured plate door: the door manufacturer's locks as supplied, or
  - (iii) if a UPVC door: a multi-point locking system incorporating a minimum of 3 deadbolts
  - (iv) if any other type of single leaf door
    - (1) where the door thickness is at least 4.5 cm: a five lever mortice deadlock to at least British Standard 3621 together with a 17.5 cm boxed steel striking plate
    - (2) where the door is less than 4.5 cm thick: a deadlocking rim latch keyed into the deadlock position or a mortice deadlock and two key operated security bolts engaging with the door frame and with internal operation only
  - (v) if double leaf doors:
    - (1) the standing leaf secured with internal surface mounted key operated security bolts or concealed flush bolts sited top and bottom engaging with the door frame and the floor, and
    - (2) the final closing leaf secured with either a lock fitted as above dependent on door type or both leaves fitted with a coach-bolted locking bar secured with a close shackle padlock (or, if the locking bar is sited internally, either a close or open shackle padlock) having at least five levers
  - (vi) if a designated fire door: either
    - (1) a panic bar locking system incorporating bolts which engage both the head and sill of the door frame, or
    - (2) a mortice lock having specific application for emergency exit doors and which is operated from the inside by means of a conventional handle and/or thumb turn mechanism.
- (b) all external ground floor windows, accessible windows and/or skylights, originally designed to open to be secured with either
  - (i) key operated window locks, or
  - (ii) adequately secured metal bars or grilles, external or internal metal shutters or internal collapsible metal security grill, or
  - (iii) screwed shut.

**(16) BATTERY CHARGING**

You shall, as a condition precedent to Your right to payment or indemnity under Insuring Clauses 1 (Public Liability/Products Liability) or 6 (Property Damage) ensure that when charging batteries for battery powered wheelchairs, scooters or mobility aides:

- (a) such batteries are charged in accordance with the battery manufacturer's recommendations

and, in respect of vented batteries:

- (b) the batteries are in a dedicated, well-ventilated area that is free of all combustible material and sources of ignition.

**(17) TEMPORARY PORTABLE HEATING APPLIANCES**

You shall, as a condition precedent to Your right to payment or indemnity under Insuring Clauses 1 (Public Liability/Products Liability) or 6 (Property Damage) ensure that where portable heating appliances are used:

- (a) such appliances are electrical or gas fired only
- (b) they are
  - (i) used, maintained and serviced
  - (ii) sited away from combustible materials

in accordance with the manufacturer's recommendations

- (c) the heater is stable, sited and guarded so as to prevent burns from contact with hot surfaces, naked flame or electric bars
- (d) all leads, cables or fuel pipes are adequately secured and protected so as not to present a trip hazard
- (e) such heaters are turned off when the area is not occupied.

# NOTICE

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## COMPLAINTS

If at any time You have any query or complaint regarding Your contract of insurance You should in the first instance contact Us either

- by email at [customerservice@markeldirect.co.uk](mailto:customerservice@markeldirect.co.uk), or
- write to Us at Customer Services, Markel (UK) Limited, 8<sup>th</sup> Floor, Riverside West, Whitehall Road, Leeds, LS1 4AW

quoting Your Policy Number.

We will

- acknowledge your complaint in writing, within 5 working days of receipt of Your complaint
- send You a copy of Our complaints procedure
- advise You who is dealing with Your complaint.

If we cannot resolve matters to Your satisfaction you can refer Your complaint to the Financial Ombudsman Service within 6 months of receiving our final response:

The Financial Ombudsman Service,  
South Quay Plaza,  
183 Marsh Wall,  
London,  
E14 9SR.  
0845 080 1800  
[complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)