

policy document

CHARITY INSURANCE



WORKING TOGETHER WITH



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In 2008 we won the British Insurance Award for the Risk Management Category, a great addition to our previous accolades.

Introduction (not forming part of the policy)

Claims enquiries

For claims other than legal expenses claims

This claims service is provided by the Claims department at Ecclesiastical Insurance Office plc.

If you wish to report a new claim, the service is available 24 hours a day, 7 days a week.

For enquiries about existing claims, the service is available from Monday to Friday 8am to 6pm.

**The claims service number is
0845 603 8381**

For legal expenses claims

If you wish to report a new legal expenses claim or discuss an existing claim please call

**DAS Legal Expenses
Insurance Company Limited
0117 934 2000**

For all claims

The action to be taken by the policyholder in the event of any incident which may give rise to a claim is shown in the Claims conditions on pages 13, 14 and 15.

Policy information

Please read this policy carefully to ensure it meets your requirements.

The policy consists of

This policy document which contains:

The general policy Preamble, Definitions, Exclusions, Conditions, Requirements and Memoranda which incorporate definitions and terms that apply to the whole policy.

Individual sections numbered 1 – 11 as shown in the table of contents, each setting out the terms relating to that section and the definitions used specifically in that section. All the sections available are shown but you must check your policy schedule (see below) to see which sections are included.

The policy schedule

This shows those things that are individual to your insurance eg the identity of the insured, the business being covered, the period of insurance, the sections in force, the covers you have chosen to include, the limits that apply and any special clauses. We will send an updated schedule at each annual renewal date and when changes are requested by you or made by us.

At renewal we may send you a further document called 'Updates to your policy' – this shows changes to the policy document. Please retain these 'Updates to your policy' notices, plus the latest schedule, with your policy document.

Helplines (not forming part of the policy)

The helpline services described below have been arranged by us for the benefit of our policyholders.

These helplines are manned 24 hours a day 365 days a year.

When telephoning these services please make sure that you are able to give your policy number. This can be found on the policy schedule.

Emergency glass replacement

0800 474747

This is provided by Solaglas. If you suffer glass breakage you can call upon the services of Solaglas whose operatives will effect a rapid repair.

If you are insured for glass breakage Solaglas will issue two separate invoices, an invoice for you to cover the amount of any policy excess and recoverable VAT and an invoice which is sent directly to us for the remaining costs.

If the glass is not insured you will be solely responsible for the entire cost of repairs.

The following are provided by DAS Legal Expenses Insurance Company Limited (DAS).

To help them check and improve their services all calls (except those relating to counselling) are recorded.

DAS will not accept responsibility if the Helpline Services fail for reasons they cannot control.

Please **DO NOT** telephone DAS to report a general insurance claim. Call your broker or Ecclesiastical.

Business assistance

0117 934 2104

In the event of an unforeseen emergency affecting the policyholder's business premises which causes damage or potential danger DAS will contact a suitable repairer or contractor and arrange assistance on behalf of the policyholder.

You are responsible for paying contractors' fees, but if the damage is covered under your policy you will be able to submit a claim in the normal way.

Eurolaw commercial legal advice

0117 934 2104

At the telephoned request of an official of the charity, DAS will provide legal advice on any commercial legal problem affecting the charity, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway.

Tax advice (commercial)

0117 934 2104

At the telephoned request of the Insured, DAS will provide advice on any tax matters affecting the charity, under the laws of the United Kingdom.

Counselling

0117 934 2121

DAS will provide all employees of the insured (including any member of their immediate family who permanently live with them) with a confidential counselling service over the telephone, including where appropriate, onward referral to relevant voluntary and/or professional services.

Information services (not forming part of the policy)

DAS also provide the following online information services:

Employment manual

The DAS Employment manual offers comprehensive, up to date guidance on rapidly changing employment law.

To view the Employment manual please visit the DAS website at www.das.co.uk

From the Home Page click on the Employment manual icon. All the sections of this web-based document can be printed off for your own use.

Email DAS at marketing@das.co.uk

with your email address, quoting your policy number and DAS will contact you by email to inform you of future updates to the information.

DAS businesslaw

At www.dasbusinesslaw.co.uk you will find a free, online reference full of the sorts of letters, articles and forms that will help you run your charity successfully.

DAS businesslaw users can also access interactive document builders, to help make composing commercial documents as easy as possible.

From new legislation and employment issues to property law and taxation, you will find the content provided by DAS businesslaw is updated regularly by legal experts to help you keep your charity one step ahead.

To register your details, access the DAS businesslaw website at www.dasbusinesslaw.co.uk

When asked for your policy number, please insert your Ecclesiastical policy number prefixed with EIG and the password is **DAS472301**

Charity insurance policy

Preamble

The Ecclesiastical Insurance Office plc (the Company) and the Insured named in the schedule agree that

- (1) the application or proposal form or any other information supplied shall be incorporated into the contract
- (2) this policy document the schedule (including any replacement schedule) and any endorsement shall together form the policy and be considered as one document
- (3) the Insured will pay the premium
- (4) the Company will subject to the terms and conditions of this policy provide insurance under the sections specified in the schedule during the period of insurance or any subsequent period for which the Insured shall pay and the Company shall accept the renewal premium
- (5) this policy shall be governed by and construed in accordance with the law of England and Wales unless the Insureds habitual residence (in the case of an individual) or central administration and/or place of establishment is located in Scotland in which case the law of Scotland shall apply

General definitions

Each time any of the following words or phrases appear in this document in **bold italic** type (or in capital letters in the schedule) they will take the specific meaning shown below unless more specifically defined under each individual policy section

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Asbestos

means asbestos asbestos fibres or any derivatives of asbestos including any product containing any asbestos asbestos fibres or any derivatives of asbestos

Authorised volunteer(s)

means voluntary workers normally resident in the **geographical limits** acting under **your** authority whilst engaged in **your business**

Business

means the business of the **Insured** as stated in the schedule

Company / we / our / us

means Ecclesiastical Insurance Office plc

Damage

means physical loss destruction or damage

Denial of service attack

means any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems

This includes but is not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

Excess

means the first amount of each and every loss (after applying any adjustment for underinsurance) up to the amount set out in the schedule to this policy relevant to that loss

Geographical limits

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

Hacking

means unauthorised access to any computer or other equipment or component or system or item which processes stores transmits retrieves or receives data whether **your** property or not

Insured / you / your

means the Insured shown in the schedule

Premises

means that part of the premises at the addresses shown in the schedule owned or occupied by **you** in connection with the **business**

Terrorism

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

Unoccupied

means unoccupied or untenanted or not in use

Virus or similar mechanism

means program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not

This includes but is not limited to Trojan horses worms and logic bombs

General exclusions

This policy does not cover

1 Excess

any excess shown in the schedule

2 Other insurances

property more specifically insured under another policy

3 Radioactive contamination

- (a) **damage** to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- (b) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from
 - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - (ii) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

Exclusion 3 does not apply to the Personal accident section

Exclusions 3(b)(i) and (ii) do not apply to Cover 1 of the Liabilities section except in respect of liability of any principal and liability assumed by agreement

4 War risks

any contingency liability or **damage** occasioned by or happening through war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

Exclusion 4 does not apply to Cover 1 of the Liabilities section

5 Sonic bangs

damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

6 Date recognition

any consequential or other loss costs and expenses and any legal liability accidental bodily injury or **damage** to property directly or indirectly caused by or contributed to by or consisting of or in any way relating to or connected with the failure or possible failure of any **computer**

- (a) correctly to recognise any date as its true calendar date
- (b) 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
- (c) to capture save retain or correctly process any data as a result of the operation of any command which has been programmed into any **computer** 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 subsequent **damage** or consequential loss not otherwise excluded which itself results from a **defined peril**

Definitions specific to exclusion 6

Computer

means computer or other equipment media or system (or any part of them) for processing storing or retrieving data to include without limitation any microchip integrated circuit or similar device or any computer software

Defined peril

means any of the insured events specified in any section(s) of this policy insuring property excepting

- (a) Section 3 Equipment breakdown
- (b) accidental loss destruction or damage and
- (c) causes excluded from these insured events

Exclusion 6 does not apply to the Assault extension of the Money section and the Personal accident section

General conditions

1 Misrepresentation and misdescription

This policy shall be voidable in the event of a material misrepresentation misdescription or non-disclosure

2 Precedents to liability

The due observance and fulfilment of the terms of this policy in so far as they relate to anything to be done or complied with by **you** shall be conditions precedent to any liability of the **Company** to make any payment under this policy

3 Reasonable care

You shall take all reasonable precautions to prevent **damage** accident illness and disease and shall exercise reasonable care in seeing that all statutory and other obligations and regulations are duly observed and complied with and shall maintain the **premises** and works machinery and plant in sound condition

If any defect is discovered by complaint or otherwise **you** shall take immediate steps to remedy the same and in the meantime shall cause such temporary precautions to be taken as the circumstances may require

4 Unoccupied buildings

When a building or part of a building insured by this policy becomes **unoccupied** or when an **unoccupied** building or part of a building is again occupied it is a condition of this policy that immediate notice is given to **us**

Upon any alteration as described above **we** shall be entitled to cancel the policy or impose special terms or charge an additional premium but in any event from the time of alteration until **we** advise **you**

of **our** decision the insurance by the Property damage section in respect of any **unoccupied** building is restricted to Insured event 1 (Fire lightning and explosion) and Insured event 2 (Aircraft)

5 Alteration of risk

If after the commencement of the insurance there is any alteration of the risk

- (a) whereby the risk of **damage** accident or liability is increased
- (b) whereby the **premises** are undergoing major structural alterations or major repair (that does not include where workmen are allowed on the **premises** to carry out minor repairs alterations or general maintenance not involving external scaffolding)
- (c) whereby **your** interest ceases except by will or operation of law
- (d) whereby an administrator or a liquidator or receiver is appointed or where **you** enter into a voluntary arrangement
- (e) by any other material change in use of the **premises**

it is a condition of this policy that immediate notice is given to **us**

Upon any alteration as described above **we** shall be entitled to cancel the policy from the date of such alteration or impose special terms or charge an additional premium

6 Warranties

Every warranty to which the property or risk insured or any item thereof is or may be made subject shall from the time the warranty attaches apply and continue to be in force during the whole currency of this policy and non-compliance with any such warranty in so far as it increases the risk of **damage** shall be a bar to any claim in respect of such **damage**

7 Multiple insurances

(a) All sections

Except Equipment breakdown
Liabilities Legal expenses
Money with assault extension
and Personal accident

If at the time any claim arises under this policy there are any other insurances in force covering the same **damage** or liability **we** shall not be liable for more than **our** rateable proportion and if such other insurance is subject to any condition of underinsurance this policy if not already subject to any condition of underinsurance shall be subject to that condition of underinsurance in like manner

(b) Equipment breakdown Liabilities Legal expenses and Money sections

Apart from the assault extension

If at the time of any claim arising under this policy **you** are or would but for the existence of this policy be entitled to indemnity under any other policy or policies **we** shall not be liable except in respect of any additional amount beyond the amount which would have been payable under such other policy or policies had this insurance not been effected

(c) Personal accident section and the Assault extension of the Money section

Irrespective of the number of policies issued by **us** which provide cover to an insured person **we** shall not pay personal accident benefits under more than one policy for any one occurrence. The policy which provides the greatest benefit shall apply

8 Fraudulent claims

If any claim upon this policy be in any respect fraudulent or if fraudulent means or devices are used by **you** or anyone acting on **your** behalf to obtain benefit under this policy or if any **damage** is occasioned by **your** wilful act or with **your** connivance all benefit under this policy shall be forfeited

9 Arbitration

If any difference shall arise as to the amounts that should be paid under this policy (liability being otherwise admitted) such difference shall be resolved by arbitration in accordance with the statutory provisions in force at the time by

- (a) an arbitrator agreed to in writing by the parties or if the parties cannot agree
- (b) an arbitrator appointed by the Chartered Institute of Arbitrators following a request from either party after a seven day written notice by one party to the other requiring an agreement

You must not take legal action against **us** over the dispute before the arbitrator has reached a decision

10 Cancellation

In circumstances other than any alteration of the risk (see condition 5) **we** may cancel the policy or any section of it by sending seven days' notice by recorded delivery to **you** at **your** last known address and shall refund to **you** the proportionate premium for the unexpired period of cover

11 Adjustment of premium

If any part of the premium has been calculated on estimates **you** shall within 30 days from the expiry of each period of insurance furnish to **us** such information as **we** may require and the premium for such period shall be adjusted and the difference paid by or allowed to **you** subject to any minimum premium

12 Long term agreement

Where shown in the schedule that a discount of premium is allowed in consideration of **you** having made an agreement to offer annually certain insurances under this policy on the terms in force at the expiry of each period of insurance and to pay the premium annually in advance it is understood that

- (a) **we** shall be under no obligation to accept an offer made in accordance with the above-mentioned agreement
- (b) the sum insured may be reduced at any time to correspond with any reduction in value or variation in the **business**

This agreement shall apply to any policy or policies which may be issued by **us** in substitution for this policy and the same discount shall be allowed from the corresponding premium for any substituted policy or policies issued by **us**

Claims conditions

Your duties

On the happening of any incident which may give rise to a claim **you** shall

1 General

All sections other than
Charity trustee insurance and
Legal expenses sections

- (a) take all practicable steps to recover property lost and otherwise minimise the claim
- (b) inform the Police immediately if the **damage** is caused by thieves malicious persons or vandals or by riot civil commotion strikes or labour disturbances
- (c) notify **us** immediately
- (d) at **our** request and at **our** expense do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by **us** for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which **we** shall be or would become entitled or subrogated upon **our** paying for or making good any **damage** under this policy whether such acts and things shall be or become necessary or required before or after any indemnification by **us**

2 Property damage Property damage plus Equipment breakdown Money Fidelity and Goods in transit sections

excluding the Money
assault extension

- (a) within 30 days or such further time as **we** may in writing allow deliver to **us** a written claim providing at **your** own expense all details proofs and information regarding the cause and amount of the **damage** as **we** may reasonably require together with details of any other insurances on any property insured by this policy and (if demanded) a statutory declaration of the truth of the claim and of any related matters

No claim under these sections shall be payable unless the terms of this condition have been complied with

- (b) if **we** elect or become bound to reinstate or replace any property produce at **your** own expense and give to **us** all such plans documents and information as **we** may reasonably require

However **we** shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the sum insured

3 Business interruption section

within 30 days after the expiry of the indemnity period or within such further time as **we** may in writing allow at **your** own expense deliver to **us** a statement setting out particulars of the claim together with details of all other insurances covering any part of the **damage** or resulting business interruption

You shall at **your** own expense also provide **us** with such books of account and other business books vouchers invoices balance sheets and other documents proofs information explanations and other evidence as may reasonably be required by **us** for the purpose of investigating or verifying such claim together with (if demanded) a statutory declaration of the truth of the claim and of any related matters

No claim under this section shall be payable unless the terms of this condition have been complied with and in the event of non-compliance any payment on account of the claim already made by **us** shall be repaid to **us**

4 Liabilities section

- (a) not make nor allow to be made on **your** behalf any admission offer promise payment or indemnity without **our** written consent
- (b) forward to **us** every letter claim writ summons and process immediately upon receipt without acknowledgement and advise **us** in writing as soon as **you** have any knowledge of any impending prosecution inquest or fatal injury inquiry in connection with that event

5 Charity trustee insurance section

as described in the Charity trustee insurance section of the policy

6 Legal expenses section

as described in the Legal expenses section of the policy

7 Personal accident section and the assault extension of the Money section

- (a) at **your** own expense provide all certificates information and evidence as required by and in the form prescribed by **us**
- (b) arrange for the insured person to undergo medical examination by the **Company's** medical practitioner as often as required at **our** expense

Our rights

1 All sections

Except Personal accident the Assault extension of the Money section Charity trustee insurance and Legal expenses

- (a) **We** may start take over defend and conduct any legal action in **your** name or prosecute in **your** name for **our** benefit any claim for indemnity or damages and shall have full discretion in the conduct and settlement of any such action
- (b) **We** may enter any building where **damage** has occurred and take possession of the building and take and keep possession of any property insured by this policy but **you** may not abandon property to **us**

This policy shall be proof that **you** have given **us** authority to exercise **our** rights under this condition

2 Liabilities section

We may at any time pay to **you** the limit of indemnity

- (a) in the case of Employers' Liability or Prosecution Defence Cost claims after deduction of any sum or sums already paid or incurred
- (b) in the case of Public and Products Liability claims after deduction of any sum or sums already paid or incurred as damages

or any less amount for which at **our** discretion any claim or claims can be settled and **we** will then relinquish control of any such claim and be under no further liability except that in respect of any Public and Products Liability claim (other than any claim originating from within the legal jurisdiction of the United States of America or Canada) **we** will also pay any legal costs incurred prior to the date of such payment

3 Charity trustee insurance section

As described in the Charity trustee insurance section of the policy

4 Legal expenses section

As described in the Legal expenses section of the policy

5 Personal accident section and the Assault extension of the Money section

We shall in the event of death of any insured person be entitled to have a post mortem at **our** expense

Security requirements

1 Protection condition

It is a condition precedent to liability in respect of **damage** at or to the **premises** caused by theft or attempted theft that all locks bolts and other protective devices (except intruder alarms) fitted to the **premises** be brought into use whenever the **premises** are closed for business and are not attended by **you** or an authorised person for the purpose of the **business**

In this condition the words 'business portion of the **premises**' are deemed to be substituted for '**premises**' when part of the **premises** is occupied residentially by **you** or an authorised person

2 Intruder alarm condition

applicable only if shown as operative in the schedule

In respect of **damage** due to or arising from theft or attempted theft at the **premises** it is a condition precedent to liability under this policy that an **intruder alarm system** is installed at the **premises** and that

- (a) the **intruder alarm system** shall be installed in accordance with the specification agreed in writing by **us** and no alteration or variation of the system or any structural alteration to the **premises** which would affect the system shall be made without **our** written consent
- (b) the **intruder alarm system** shall be maintained in full and efficient working order at all times and be serviced under a maintenance contract approved by **us** and immediate notice of any apparent defect in the **intruder alarm system** or its signalling shall be given to the maintenance contractor
- (c) the **intruder alarm system** shall be tested and set whenever the alarmed portion of the **premises** is closed for business and is not attended by **you** or any person authorised by **you** to be responsible for the security of the **premises** provided that any detection

devices and their circuits connected for continuous protection shall be fully operative at all times

- (d) all keys including duplicate keys and notes of combination locks/electronic pass codes letters and numbers relative to the **intruder alarm system** shall be removed from the buildings of the **premises** whenever they are closed for business and are left unattended provided that at such times if part of the **premises** is occupied residentially by **you** or an authorised employee the said keys shall be removed from the business portion of the **premises** to the part occupied residentially
- (e) immediate advice shall be given to **us** of any notice from the Police or a security organisation that **intruder alarm system** signals may be or will be disregarded
- (f) **you** shall appoint at least two **keyholders** and lodge written details (which must be kept up to date) with the alarm company and police authorities
- (g) in the event of notification of any activation of the **intruder alarm system** or interruption of the means of communication during any period that the **intruder alarm system** is set a **keyholder** shall attend the **premises** as soon as reasonably possible

Definitions specific to condition 2

Intruder alarm system

means the component parts including the means of communication used to transmit signals

Keyholder(s)

means **you** or any person or keyholding company authorised by **you** who is available at all times to accept notification of faults or alarm signals relating to the **intruder alarm system** and attend and allow access to the **premises**

General memoranda

1 Designation

For the purpose of determining where necessary the heading under which any property is insured **we** agree to accept the designation under which such property has been entered in **your** books

2 Contracts (Rights of Third Parties)

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

1 Property damage

The schedule will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in **bold italic** type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Buildings

means the buildings of the **premises** including landlord's fixtures and fittings outbuildings walls gates and fences piping ducting cables wires and associated control gear and accessories on the **premises** and extending to the public mains but only to the extent of **your** responsibility yards car parks roads and pavements storage tanks swimming pools and associated apparatus

Unless stated otherwise buildings are brick stone or concrete built and roofed with slates tiles concrete metal asphalt or sheets or slabs composed of incombustible mineral ingredients and exclude land piers jetties bridges culverts and excavations

Contents

means business equipment computers plant machinery furniture fixtures and fittings and all other contents all belonging to **you** or for which **you** are responsible and contained in the **buildings** and elsewhere as stated in this policy and the schedule including

- (1) The cost of materials labour and computer time in reproducing
 - (a) documents manuscripts and business books
 - (b) patterns models moulds plans and designs
 - (c) computer systems records for an amount not exceeding 5% of the sum insured by the item on contents but not any cost in connection with producing information to be recorded or for the value to **you** of the information contained therein
- (2) prints paintings drawings pieces of tapestry sculptures or other works of art for an amount not exceeding £5,000 in respect of any one article
- (3) the personal belongings of the following persons whilst contained in the **premises**
 - (a) directors trustees employees and **authorised volunteers** for an amount not exceeding £500 per person
 - (b) residents but only if shown in the schedule as insured and up to the limit shown in the schedule for any one person

Personal money is also insured up to £100 per person

For this purpose 'personal belongings' means personal articles worn used or carried about the person excluding bankers' cards credit and debit cards and any belongings otherwise insured
- (4) contents not owned by **you** but held in trust by **you** or on commission situated in the **buildings** for an amount not exceeding £1,000 in respect of any one article

Contents excludes

- (i) **stock**
- (ii) landlord's fixtures and fittings
- (iii) cash or money instruments of any description whether negotiable or non-negotiable (other than personal money previously mentioned)
- (iv) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
- (v) any living creatures trees shrubs plants or other vegetation
- (vi) explosives
- (vii) any other property more specifically insured

Insured event(s)

means any insurable event (from 1 Fire lightning and explosion to 18 Glass and sanitary fixtures) set out as included in the schedule to this policy

Item(s) insured

means the items insured as set out in the Property damage section of the schedule to this policy

Stock

means stock and materials in trade and work in progress **your** property or held by **you** in trust or on commission for which **you** are responsible in the **buildings** and elsewhere as stated in this policy and the schedule

Tenant's improvements

means improvements and decorations at the **premises** which are **your** property or for which **you** are responsible

Cover

We will indemnify **you** (by payment up to the value of the **items insured** at the time of the **damage** or at **our** option by repair reinstatement or replacement) in respect of **damage** to the **items insured** by any **insured event** happening during the period of insurance

Provided that **our** liability in any one period of insurance shall not exceed the sum insured for each item nor in all the total sum insured

Insurable events

1 Fire, lightning and explosion

Fire

(whether resulting from explosion or otherwise) not occasioned by or happening through

- (a) the property's own spontaneous fermentation or heating or its undergoing any process involving the application of heat
- (b) earthquake subterranean fire riot civil commotion

Lightning

Explosion

Explosion excluding

- (a) **damage** in respect of and originating in any vessel machinery or apparatus or its contents belonging to **you** or under **your** control which is required to be examined to comply with any Statutory Regulations unless such vessel machinery or apparatus shall be the subject of a policy or other contract providing the required inspection service

- (b) **damage** by fire resulting from explosion
- (c) **damage** consisting of the bursting of a boiler economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to **you** or under **your** control

2 Aircraft

Aircraft and other aerial devices or articles dropped from them

3 Riot

Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances excluding

- (a) **damage** occasioned by or happening through confiscation or destruction or requisition by order of the government or any public authority
- (b) **damage** resulting from cessation of work
- (c) **damage** occurring in Northern Ireland

4 Malicious persons

Malicious persons not acting on behalf of or in connection with any political organisation excluding

- (a) **damage** occasioned by or happening through confiscation or destruction or requisition by order of the government or any public authority
- (b) **damage** resulting from cessation of work
- (c) **damage** occurring in Northern Ireland
- (d) **damage** by theft or attempted theft or by risks described in Insurable event 1 Fire lightning and explosion

5 Earthquake

6 Subterranean fire

7 Storm

Storm excluding

- (a) **damage** by
 - (i) the escape of water from the normal confines of any natural or artificial water course or lake reservoir canal or dam
 - (ii) inundation from the sea whether resulting from storm or otherwise
- (b) **damage** attributable solely to change in the water table level
- (c) **damage** by frost subsidence or landslip
- (d) **damage** to fences gates and moveable property in the open

8 Flood

Flood caused by

- (a) the escape of water from the normal confines of any natural or artificial water course (other than water tanks apparatus or pipes) or lake reservoir canal or dam
- (b) inundation from the sea but excluding
 - (i) **damage** attributable solely to change in the water table level
 - (ii) **damage** by frost subsidence or landslip
 - (iii) **damage** to fences gates and moveable property in the open

9 Escape of water

Escape of water from any tank apparatus or pipe including **damage** to any water tank apparatus or pipe itself caused by freezing of water excluding **damage** by water discharged or leaking from an installation of automatic sprinklers

10 Impact

Impact with the property insured by any road vehicle or animal

11 Falling trees

Falling trees other than as a result of felling lopping or topping

12 Falling aerials

Breakage or collapse of television and radio receiving aerials aerial fittings and masts

13 Escape of oil

Escape of oil from any fixed oil-fired heating installation or storage tank including resultant loss of oil

14 Sprinkler leakage

Accidental escape of water from any automatic sprinkler installation in the **premises** not caused by explosion earthquake subterranean fire or heat caused by fire

15 Accidental damage

Any other accidental **damage** excluding

- (a) **damage** which is specifically included or excluded elsewhere under this section
- (b) **damage** to the property insured caused by or consisting of inherent vice latent defect gradual deterioration wear and tear its own faulty or defective design or materials faulty or defective workmanship but this shall not exclude subsequent **damage** which itself results from a cause not otherwise excluded
- (c) **damage** caused by or consisting of corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin insects change in temperature colour flavour texture or finish

- (d) **damage** consisting of
 - (i) joint leakage failure of welds or 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 in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates
- (e) **damage** caused by or consisting of
 - (i) acts of fraud or dishonesty
 - (ii) disappearance unexplained or inventory shortage misfiling or misplacing of information
- (f) **damage** caused by or consisting of erasure loss distortion or corruption of information on computer systems or other records programs or software
- (g) **damage**
 - (i) to a building or structure caused by its own collapse or cracking
 - (ii) in respect of moveable property in the open fences and gates by wind rain hail sleet snow or dust
 - (iii) to property resulting from its undergoing any process of cleaning dyeing restoration production packing treatment testing commissioning servicing or repair

16 Subsidence

Subsidence heave or landslip of the site on which the **premises** stand excluding **damage**

- (a) attributable solely to change in the water table level
- (b) to boundary walls gates fences piping ducting cables wires and associated control gear and accessories yards car parks roads and pavements storage tanks and swimming pools unless also resulting in **damage** to a building insured under this policy

- (c) caused by or consisting of
 - (i) the normal settlement or bedding-down of new structures
 - (ii) the settlement or movement of made-up ground
 - (iii) coastal or river erosion
- (d) caused by defective design or workmanship or the use of defective materials
- (e) caused by fire subterranean fire explosion earthquake or the escape of water from any tank apparatus or pipe
- (f) which originated prior to the inception of cover
- (g) resulting from
 - (i) demolition construction structural alteration or repair of any property
 - (ii) groundworks or excavation at the same **premises**

Special condition applicable to insurable event 16

You shall notify **us** immediately **you** become aware of any demolition groundworks excavation or construction being carried out on any adjoining site

We shall then have the right to vary these terms or cancel this cover

17 Theft or attempted theft

Theft or attempted theft

- (a) involving entry to or exit from the buildings of the **premises** by forcible and violent means
- (b) following actual or threatened assault or violence

excluding **damage** to the **buildings** as a result of theft or attempted theft

18 Glass and sanitary fixtures

Accidental breakage of any part of the exterior and interior glass sanitary fixtures or signs including the reasonable cost of

- (a) repairs to framework following breakage of the insured glass
- (b) necessary boarding-up pending replacement of the insured glass
- (c) in the case of multiple glazing the additional cost of re-creating vacuums or the purchase and installation of new sealed units
- (d) replacing any lettering painting or alarm foil on such glass

but excluding

- (i) **damage** to glass sanitary fixtures or signs already damaged at the commencement of the insurance
- (ii) **damage** to any glass which is toughened armoured wired bent embossed stained ornamental or leaded unless shown as insured in the schedule
- (iii) disfiguration or **damage** to glass not extending through the entire thickness of the glass
- (iv) breakage of glass while not fixed
- (v) breakage occasioned by or traceable to alterations to the **premises** or in the glass whereby the risk of breakage is increased
- (vi) breakage of bulbs or tubes unless the signs in which they are contained are damaged at the same time
- (vii) **damage** which is specifically mentioned elsewhere under this section

Extensions

The insurance by this section is extended to include the following

1 Non-invalidatio**n**

The cover by this section shall not be invalidated by any act or omission or any alteration whereby the risk of **damage** is increased unknown to **you** or beyond **your** control provided that **you** immediately on becoming aware of this give notice to **us** and pay an additional premium if required

2 Reinstatement of sum insured

not applicable to any Limits in the extensions to this section

In consideration of **your** agreement to pay such additional premium as may be required **we** will automatically reinstate the sum insured in full after **damage** has occurred

Provided that

- (a) **we** have not given **you** notice within 30 days of **you** reporting the **damage** to **us** that **we** will not reinstate the sum insured
- (b) in respect of **damage** by theft or attempted theft reinstatement will only apply subject to **you** completing any improvements to the security precautions at the **premises** that **we** may require and in any event reinstatement following theft or attempted theft will apply only once during each period of insurance

3 Fees

If the **buildings** are insured architects' surveyors' consulting engineers' and legal fees necessarily and reasonably incurred in the reinstatement of the property insured consequent upon its **damage** by an **insured event** but not for preparing any claim it being understood that the amount payable for such **damage** and fees shall not exceed in the aggregate the sum insured by each item

4 Removal of debris

Costs and expenses necessarily incurred by **you** with **our** consent in

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

of the portion or portions of the property insured by the said items destroyed or damaged by any **insured event** it being understood that the amount payable for such **damage** and costs incurred under (a) (b) and (c) shall not exceed in the aggregate the sum insured by each item

We will also pay the costs and expenses necessarily incurred by **you** with **our** consent in removing fallen trees within the grounds of the **premises**

Provided that

- (1) the trees have fallen as a result of an **insured event** and
- (2) the buildings of the **premises** are damaged by the same **insured event** occurring at the same time and a claim for this **damage** has been admitted by **us**

We will not pay for any costs or expenses

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

5 European Union and Public Authorities

If the **buildings** are insured such additional cost of reinstatement of the destroyed or damaged property as may be incurred solely by reason of the necessity to comply with the stipulations of

- (1) European Union legislation or
- (2) building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority (hereinafter referred to as 'the Stipulations')

Excluding

- (a) the cost incurred in complying with the Stipulations
 - (i) in respect of **damage** occurring prior to the granting of this extension
 - (ii) in respect of **damage** not insured by this policy
 - (iii) under which notice has been served upon **you** prior to the happening of the **damage**
 - (iv) for which there is an existing requirement which has to be implemented within a given period
- (b) the additional cost that would have been required to make good the property lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- (c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner of the property by reason of compliance with the Stipulations

Special conditions applicable to extension 5

- 1 The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the **damage** or within such further time as **we** may allow (during the said twelve months) and may be carried out upon another site (if the Stipulations so necessitate) subject to **our** liability under this extension not being thereby increased
- 2 If **our** liability under the policy apart from this extension shall be reduced by the application of any of the terms and conditions of the policy then **our** liability under this extension (in respect of any such item) shall be reduced in like proportion
- 3 The total amount recoverable under any item of the policy under this extension shall not exceed
 - (a) 15% of its sum insured
 - (b) where the sum insured by the item applies to property at more than one premises 15% of the total amount for which **we** would have been liable had the property insured by the item at the **premises** where **damage** has occurred been wholly destroyed
- 4 The total amount recoverable under any item of the policy shall not exceed its sum insured
- 5 All the terms of this policy except in so far as they may be expressly varied shall apply as if they had been incorporated herein

6 Capital additions

Under the buildings and contents items

- (a) alterations and additions to the property insured but not in respect of any appreciation in value
- (b) newly acquired property so far as it is not otherwise insured anywhere in the **geographical limits**

Provided that

- (1) at any one situation this cover shall not exceed 10% of the total sum insured on such property or £250,000 in respect of both **buildings** and **contents** whichever is the less
- (2) **you** undertake to give details of such extension of cover as soon as practicable and to effect specific insurance thereon and pay such additional premium as may be required from inception of the cover

7 Bequeathed property

Damage by an **insured event** to material property anywhere in the **geographical limits** bequeathed to **you**

Cover is operative from the commencement date of **your** interest in the material property

Within three months of legal title of such property passing to **you you** must either notify **us** about the property and arrange for it to be specifically insured by this policy (or any other policy with **us**) or arrange for it to be insured elsewhere

If **you** arrange to insure such property with **us** any additional premium payable shall be calculated from the date the legal title of the property passed to **you**

Limit

£50,000 any one bequest (single article limit £5,000) other than buildings for which the limit shall not exceed 10% of the **buildings** sum insured or £250,000 whichever is the less any one bequest

Excluding

- (i) motor vehicles licensed for road use or their accessories trailers caravans watercraft or aircraft
- (ii) property insured under any other policy
- (iii) cash or money instruments of any description whether negotiable or non-negotiable

8 Spontaneous heating

damage to coal coke or wood blocks by its own spontaneous fermentation heating or combustion

9 Emergency services damage to the grounds

damage caused by the emergency services to the grounds of the **premises** for which **you** are responsible

Limit

£5,000 any one claim

10 Metered water

The additional metered water charges incurred by **you** arising from escape of water following **damage** to the water or heating systems located in or serving the **premises** provided **we** have accepted a claim for such **damage** to the system under this policy

Limit

£5,000 in any one period of insurance

11 Sale of the building

If the **buildings** are insured the interest of the purchaser in the insurance by this section for the period from the written offer and acceptance or exchange of contracts until completion of the sale is noted

Provided that

- (a) the **buildings** are not insured elsewhere for the benefit of the purchaser
- (b) the purchaser complies with and is bound by the terms of the policy

12 Temporary removal

- (a) **Contents** are covered for the **insured events** while temporarily removed for cleaning renovation repair or other similar purpose to any other premises and in transit between such locations in the **geographical limits**
- (b) **Contents** are covered for the **insured events** anywhere in the **geographical limits** whilst such **contents** are in **your** custody or the custody of **your** director trustee employee or **authorised volunteer** or at the home of any such person but excluding **contents** removed for the purposes stated in (a) above
Limit
£2,500 any one claim
- (c) (i) Deeds and other documents manuscripts plans writings of every description and books
(ii) Computer systems records whilst temporarily removed to a premises in the **geographical limits** which is not in **your** occupancy and whilst in transit to and from such location for an amount not exceeding 10% of the relevant **contents** sum insured excluding items removed for the purposes stated in (a) and (b)

For the purposes of this extension Insurable event 17 Theft or attempted theft applies to any premises

Extension 12 excludes

- (1) personal belongings
- (2) property if and so far as it is otherwise insured

13 Damage to the buildings by theft

only applicable if insurable
event 17 Theft or attempted theft is operative

The insurance extends to include **your** responsibility for

- (a) repairs to the **buildings** following theft of external lead copper or other metal up to £5,000 in any one period of insurance
- (b) **damage** to furnishings and interior decorations directly caused as a result of the entry of rainwater following the theft of external metal up to £2,500 in any one period of insurance
- (c) **damage** to the **buildings** caused by theft or attempted theft (other than theft of external metal)

This extension does not apply during external repairs and/or restoration of the **premises**

14 Theft of keys

only applicable if insurable
event 17 Theft or attempted theft is operative

If **contents** are insured the reasonable costs necessarily incurred in gaining access to the **premises** and/or replacing locks at the **premises** including locks of safes or strongrooms in the **premises** following the loss of keys by theft

Limit

£2,500 any one period of insurance

15 Property in the open

If the **contents** are insured **damage** to the following property by the **insured events**

- (a) floodlighting external lighting and security equipment fixed to the buildings or in the grounds of the **premises**

Limit

£5,000 any one claim

- (b) fixtures in the grounds
(other than as provided in (a) above)
Limit
£5,000 any one period of insurance
- (c) groundsmen's equipment while in
the open grounds provided that any
mechanically or electrically driven
equipment is immobilised when
not in use
Limit
£5,000 any one period of insurance

For the purposes of this extension

- (i) Insurable event 17 Theft or attempted
theft includes theft or attempted theft
not involving forcible and violent entry
- (ii) the exclusion under Insurable events
7 Storm and 8 Flood relating to
moveable property in the open does
not apply to groundsmen's equipment

16 Hired-in property

Damage by an *insured event* to **contents**
hired-in for the purposes of the **business**
for which **you** are responsible

Limit

10% of the **contents** sum insured any
one loss

17 Freezer contents

If **contents** are insured **damage** to the
contents of chill or deep freeze food units
as a result of failure of the unit failure of the
electricity or gas supply or contamination
from refrigerant or refrigerant fumes

In addition **we** will pay if incurred the
necessary and reasonable cost of hiring
temporary alternative freezing space

Excluding

- (a) **damage** caused by the deliberate
act of any electricity or gas supply
authority in withholding or restricting
supply

- (b) **damage** arising from the breakdown
or malfunction of any unit which
is over 7 years old unless the
refrigeration unit is the subject of
a current manufacturers guarantee
or an annual maintenance contract
(this exclusion does not apply to
equipment incorporating a hermetically
sealed refrigeration unit)
- (c) **damage** caused by your wilful
act or neglect

Limit

£2,500 for the contents of any unit
and £10,000 in total any one period
of insurance

18 Raffle prizes and donated goods

Damage by an *insured event* to raffle
prizes and donated goods to be used for
fund raising events including whilst at
the home of a director trustee employee
or *authorised volunteer*

Limit

£1,500 in any one period of insurance

19 Trace and access

The costs and expenses necessarily
and reasonably incurred by **you** with
our consent in locating the source of a
leakage of oil or water at the **premises**
and subsequent repair and making good

Limit

£50,000 any one claim

20 Underground pipes and cables

Accidental **damage** to underground pipes
and cables where the **buildings** are insured
by this section or where **you** are liable for
repairs as tenant

21 Clearing of drains

The reasonable costs incurred by **you** for clearing or repairing drains gutters sewers and the like for which **you** are responsible incurred as a direct result of **damage** caused by an **insured event**

Limit

£50,000 any one claim

22 Extinguisher and alarm re-setting expenses

The reasonable costs incurred by **you** in refilling fire extinguishing appliances replacing sprinkler heads and resetting fire or intruder alarm systems solely in consequence of their activation following an **insured event**

23 Minor building works

(this extension only applies if the **buildings** are insured under the section against all of the **specified perils** as defined below)

Definitions specific to extension 23

Contract(s)

means any contract or contracts with **you** as an employer for the repair alteration or extension of the **buildings**

Contractors

shall have the meaning attached to them in the **contract**

Specified perils

means fire lightning explosion storm tempest flood escape of water from any water tanks apparatus or pipes aircraft and other aerial devices or articles dropped from them riot civil commotion or earthquake

Cover

This section extends to cover **your** insurance obligations (other than for **damage** by **terrorism**) under Clause 5.4b of the 2005 JCT Agreement for Minor Building Works in respect of repairs alterations and/or extensions to existing building structures (or any similar contract with **our** agreement)

Our liability under this extension for any one **contract** or series of **contracts** relating to any one project at the **premises** shall not exceed £100,000

For the purposes of this extension and for the period of the **contract** the insurance for

- (a) the existing structures and
- (b) any **contents** for which **you** are responsible and the works and unfixed materials and goods intended for incorporation in the works

is considered to be in the joint names of **you** and the **contractor** but only in respect of **damage** by any **specified perils you** are obliged to insure against under the terms of the **contract** and provided that **our** liability in any one period shall not exceed the sum insured for each item nor in all the total sum insured

Off site storage

Cover extends to include materials or goods designated to be included in the contract works whilst temporarily held in store away from the contract site but not while they are being worked upon

Limit

£7,500 any one storage site

Maintenance and defects liability period

We will indemnify **you** for **damage** to the permanent works or any part thereof occurring during any maintenance or defects liability period not exceeding 12 months duration specified in the conditions of **contract** but only in respect of **damage** for which **you** are liable

- (a) arising from a cause occurring prior to the commencement of the maintenance period
- (b) occasioned by **you** in course of operations carried out by **you** for the purpose of complying with **your** obligations under the maintenance conditions of the **contract**

Our maximum liability shall not exceed 10% of the contract sum insured

Exclusions applicable to extension 23

We shall not be liable for

- (a) the first £250 of each and every claim under this extension
- (b) builder's plant tools and equipment
- (c) **damage** by any event which **you** are not obliged to insure against under the terms of the **contract**
- (d) **damage** to any property which already existed at the time of the commencement of the **contract**
- (e) penalties under the **contract** for delay or non-completion or consequential loss of any nature except as specifically provided for under this extension

24 Discharge of oil

Costs and expenses necessarily incurred by **you** with **our** consent to decontaminate the grounds of the **premises** following accidental discharge of oil from any oil fired heating appliance or storage tank

Limit

£5,000 any one claim

Memoranda

1 Reinstatement basis of settlement in the event of a claim

Applicable unless stated otherwise in the schedule

Subject to the following special conditions the basis upon which the amount payable in respect of

- (a) **contents** but excluding bed linen personal belongings and **stock**
- (b) **buildings**

is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose 'reinstatement' means

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

in the case of (a) or (b) to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

Special conditions applicable to memorandum 1

- 1 If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item subject to this memorandum exceeds its sum insured at the time of commencement of any **damage our** liability shall not exceed that proportion of the amount of the **damage** which the said sum insured adjusted for index-linking shall bear to the sum representing the total cost of reinstating the whole of such property at that time
- 2 **Our** liability for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- 3 No payment beyond the amount which would have been payable in the absence of this memorandum shall be made
 - (a) unless reinstatement commences and proceeds without unreasonable delay
 - (b) until the cost of reinstatement shall have been actually incurred
 - (c) if the property insured at the time of its **damage** shall be insured by any other insurance effected by **you** or on **your** behalf which is not upon the same basis of reinstatement
- 4 All the terms and conditions of the policy shall apply
 - (a) in respect of any claim payable under this memorandum except in so far as they are varied hereby
 - (b) where claims are payable as if this memorandum had not been incorporated

2 Day One Basis – non-adjustable

This applies if a Day One figure is shown against an item in the schedule

- 1 **You** have agreed the declared value incorporated in each item to which this extension applies and the premium has been calculated accordingly 'declared value' means **your** assessment of the cost of reinstatement of the property insured (as defined in the Reinstatement memorandum) at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently) together with in so far as the insurance by the item provides due allowance for
 - (a) the additional cost of reinstatement to comply with European Union and Public Authority requirements
 - (b) professional fees
 - (c) debris removal costs
- 2 At the inception of each period of insurance **you** shall notify **us** of the declared value of the property insured by each of the said item(s)

In the absence of such declaration the last amount declared by **you** (adjusted to reflect index-linking) shall be taken as the declared value for the ensuing period of insurance

3 In respect of each item to which this extension applies the following wordings replace Special conditions 1 and 4 of the Reinstatement memorandum

(1) Each item insured under this memorandum is declared to be separately subject to the following condition of underinsurance namely If at the time of **damage** the declared value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph 1 of the Day One memorandum) at the inception of the period of insurance then **our** liability shall be limited to that proportion thereof which the declared value bears to such cost of reinstatement

(4) Where by reason of any of the above Special conditions no payment is to be made beyond the amount which would have been payable under the policy if this memorandum had not been incorporated the rights and liabilities of the **Company** and the **Insured** in respect of the **damage** shall be subject to the terms of the policy including any condition of underinsurance as if this memorandum had not been incorporated except that the sums insured shall be increased in proportion with the additional amount charged in respect of this memorandum

3 Index-linking

The sum insured and where applicable the declared value of each **item insured** (but not extension limits) under this section will be adjusted in accordance with suitable indices selected by **us**

The annual renewal premium will be amended accordingly

4 Underinsurance

Unless otherwise shown in the schedule or elsewhere in this policy the sum insured by each **item insured** is subject to the following condition of underinsurance

If the property insured by any item of this section shall at the commencement of any **damage** to such property be collectively of greater value than such sum insured as adjusted for index-linking **you** will be considered as being **your** own insurer for the difference and shall bear a rateable proportion of the loss accordingly

5 Other interests

The interest in the insurance by this section of the various mortgagees lessors and freeholders of the property is noted

Exclusions

We shall not be liable in respect of

- (1) **damage** caused by pollution or contamination but this shall not exclude **damage** to the property insured not otherwise excluded caused by
 - (a) pollution or contamination which itself results from any of the **insured events** other than 15 Accidental damage
 - (b) any of the **insured events** other than 15 Accidental damage which itself results from pollution or contamination
- (2) consequential loss of any kind
- (3) **damage** cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with **terrorism** regardless of any other contributory cause
 This insurance also excludes **damage** cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to **terrorism**
 If **we** allege that by reason of this exclusion any **damage** cost or expense is not covered by this policy the burden of proving the contrary shall be upon **you**
- (4) **damage** to any computer or other equipment or component or system or item which processes stores transmits retrieves or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether **your** property or not where such **damage** is caused by **virus or similar mechanism** or **hacking** or **denial of service attack**
- (5) **damage** to any electrical plant or apparatus caused by self-ignition but this exclusion shall apply only to that part of the electrical plant or apparatus in which self-ignition occurs

2 Property damage plus

The schedule will show if this section applies and the cover in force

Definitions

Each time the following appears in this section in ***bold italic*** type (or in capital letters in the schedule) it will take the specific meaning shown below

Where it is not highlighted in this manner the normal everyday meaning will apply

Item(s) insured

means the items insured shown in the Property damage plus section of the schedule

Cover A – Extended cover

We will indemnify **you** (by payment up to the value of the ***item insured*** at the time of the loss or at **our** option by repair reinstatement or replacement) in respect of ***damage*** to the ***items insured*** by any cause not specifically excluded happening within the location stated in the schedule and during the period of insurance

Provided that **our** liability in any one period of insurance shall not exceed the sum insured for each item nor in all the total sum insured

Cover A – Memoranda

1 Reinstatement basis of settlement in the event of a claim

Applicable unless stated otherwise in the schedule

The basis upon which the amount payable in respect of the property insured by this section is to be calculated shall be

- (a) where the property is lost or destroyed its replacement by similar property in a condition equal to but not better or more extensive than its condition when new
- (b) where property is damaged the repair of the ***damage*** and 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

2 Index-linking

The sum insured by each ***item insured*** under this section will be adjusted in accordance with suitable indices selected by **us** and the annual renewal premium will be amended accordingly

3 Reinstatement of sum insured

In consideration of **your** agreement to pay such additional premium as may be required **we** will automatically reinstate the sum insured in full after ***damage*** has occurred provided that **we** have not given **you** notice within 30 days of **you** reporting the ***damage*** to **us** that **we** will not reinstate the sum insured

Cover B – Deterioration of stock

We will indemnify **you** by payment up to the value of the **items insured** at the time of loss in respect of **damage** to the contents of the chill or deep freeze unit(s) described in the schedule as a result of failure of the unit failure of the electricity or gas supply or contamination from refrigerant or refrigerant fumes happening during the period of insurance and if incurred the necessary and reasonable cost of hiring temporary alternative freezing space

Provided that **our** liability in any one period of insurance shall not exceed the limit of cover shown in the schedule

Cover B – Memorandum

Reinstatement of sum insured

In consideration of **your** agreement to pay such additional premiums as may be required **we** will automatically reinstate the sum insured in full after **damage** has occurred provided that **we** have not given **you** notice within 30 days of **you** reporting the **damage** to **us** that **we** will not reinstate the sum insured

Special condition – Cover A & B

Underinsurance

If the property insured by any item of this section shall at the time of any **damage** to such property be collectively of greater value than such sum insured by that item as adjusted by index-linking **you** will be considered as being **your** own insurer for the difference and shall bear a rateable proportion of the loss accordingly

Exclusions

Exclusions applying to Cover A

We shall not be liable for

- (1) **damage** occasioned by or happening through gradual deterioration depreciation mechanical or electrical breakdown failure or breakage wear and tear atmospheric and climatic conditions (other than storm or flood) pollution or contamination rust dust moth vermin or any process of cleaning dyeing restoration or repair to which the property is subjected delay confiscation detention or destruction by order of the government or any public authority
- (2) breakage of electrical valves bulbs or tubes unless the equipment in which they are contained is damaged at the same time
- (3) consequential loss of any kind
- (4) **damage** to a trailer or caravan whilst attached to or being towed by a motor vehicle
- (5) **damage** due to theft attempted theft malicious persons or vandals whilst the property is contained in an unattended vehicle unless
 - (a) the motor vehicle is locked at all points of access
 - (b) there are visible signs of forcible or violent entry to the vehicle
 - (c) the property unless permanently fixed in position is out of sight in a locked compartment or locked boot within the vehicle

Exclusions applying to Cover B

We shall not be liable for

- (1) **damage** caused by the deliberate act of any electricity or gas supply authority in withholding or restricting supply
- (2) **damage** arising from the breakdown or malfunction of any unit which is over seven years old unless the refrigeration unit is the subject of a current manufacturers guarantee or an annual maintenance contract (this exclusion does not apply to equipment incorporating a hermetically sealed unit)
- (3) **damage** caused by **your** wilful act or neglect
- (4) **damage** insured under Section 1 Property damage extension 17 – Freezer contents

Exclusions applying to Cover A & B

We shall not be liable for

- (1) **damage** cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with **terrorism** regardless of any other contributory cause

This insurance also excludes **damage** cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to **terrorism**

If **we** allege that by reason of this exclusion any **damage** cost or expense is not covered by this policy the burden of proving the contrary shall be upon **you**

- (2) **damage** to information on computer systems or other records programs or software resulting from accidental or malicious erasure loss distortion or corruption or from any unidentifiable cause or any consequential loss resulting therefrom
- (3) (i) **damage** to any computer or other equipment or component or system or item which processes stores transmits retrieves or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether **your** property or not where such **damage** is caused by **virus or similar mechanism** or **hacking** or **denial of service attack**
- (ii) consequential loss directly or indirectly caused by or arising from **virus or similar mechanism** or **hacking** or **denial of service attack**

3 Equipment breakdown

The schedule will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in **bold italic** type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Accident(s)

means

- (a) electrical or mechanical **breakdown** including rupture or bursting caused by centrifugal force
- (b) artificially generated electrical current including electric arcing that disturbs electrical devices appliances or wires
- (c) **explosion** or **collapse** of steam boilers steam pipes steam engines or steam turbines owned or leased by **you** or operated under **your** control
- (d) **damage** to steam boilers steam pipes steam engines or steam turbines caused by or resulting from any condition or event inside such boilers or equipment
- (e) **damage** to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such equipment

Additional expenses

means expenses incurred to clean up or dispose of the **covered equipment** resulting from contamination by a **hazardous substance**

Breakdown

means

- (a) the actual breaking failure distortion or burning out of any part of the **covered equipment** whilst in ordinary use arising from defects in the **covered**

equipment causing its sudden stoppage and necessitating repair or replacement before it can resume work

- (b) fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative
- (c) the actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary

Collapse

means the sudden and dangerous distortion (whether or not attended by rupture) of any part of the **covered equipment** caused by crushing stress by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents)

Computer equipment

means equipment that is electronic computer or other data processing equipment including **media** software and peripherals used in conjunction with such equipment belonging to **you** or for which **you** are responsible

Covered equipment

means equipment owned by **you** or for which **you** are responsible built to operate under vacuum or pressure (other than weight of contents) or used for the generation transmission or utilisation of energy including but not limited to

- (a) heating systems and hot water heaters
- (b) air circulation ventilation air conditioning and non-process refrigeration systems
- (c) electrical panels emergency generators and electrical distribution systems
- (d) security alarm systems
- (e) lifts and escalators
- (f) office equipment including telephone systems fax machines copiers and printers
- (g) retail equipment bar-code scanners credit and debit card payment systems and cash registers

- (h) forklift trucks at the **premises**
- (i) **computer equipment**

Excluding

- (i) any structure foundation masonry brickwork cabinet compartment or air supported structure or building
- (ii) any insulating or refractory material
- (iii) any sewer piping underground vessels or piping or piping forming a part of a sprinkler system
- (iv) any water piping other than boiler feedwater piping boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system
- (v) any vehicle or mobile lifting equipment (other than forklift trucks at the **premises**) or aircraft or floating vessel including any equipment mounted on such vehicle or mobile lifting equipment or aircraft or floating vessel
- (vi) any dragline excavation or construction plant or equipment
- (vii) any tool die cutting edge crushing surface trailing cable non-metallic lining driving belt or band or any other part requiring periodic renewal
- (viii) any equipment manufactured by **you** for sale
- (ix) kitchen and food preparation equipment laundry and cleaning equipment audio-visual equipment and **computer equipment** whilst in a private dwelling or private dwelling quarters

Explosion

means the sudden and violent rending of the **covered equipment** by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the **covered equipment** together with forcible ejection of the contents

Hazardous substance

means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency

Media

means all forms of electronic magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment

Cover

We will indemnify **you** (by payment up to the value of **covered equipment** at the time of the **damage** or at **our** option by repair reinstatement or replacement) in respect of **damage** to **covered equipment** at the **premises** by any **accident** happening during the period of insurance

Our liability in any one period of insurance shall not exceed the sum insured under the appropriate section of material damage insurance provided by this policy for each item of **covered equipment** nor in all the total sum insured subject to the maximum liability below

Maximum liability

The total amount **we** will pay in respect of this section shall not exceed £5,000,000 in any one period of insurance subject to a limit of £100,000 any one period of insurance for **computer equipment**

If an initial **accident** causes other **accidents** all will be considered one **accident**

All **accidents** that are the result of the same event will be considered one **accident**

Extensions

The insurance by this section is extended to include the following

These extensions do not increase the limits or sums insured that apply

1 Computer equipment

Damage caused by or resulting from an **accident** to **computer equipment** occurring whilst anywhere in the European Union but only whilst in the custody or control of **you** or

your employee or **your authorised volunteer**

Limit

£100,000 any one period of insurance

2 Reinstatement of Data

We will pay the costs **you** incur in reinstating data that is lost or damaged as a consequence of an **accident** to **computer equipment**

Providing that

- (a) **our** liability is limited solely to the cost of reinstating data to **media**
- (b) **We** shall not be liable for any losses discovered later than 180 days after the loss was initiated
- (c) **We** shall not be liable for loss or damage to software
- (d) **We** shall not be liable under this extension for costs more specifically described under extension 3 Increased Cost of Working

Limit

£25,000 any one period of insurance

3 Increased Cost of Working

We will pay costs necessarily and reasonably incurred by **you** for the sole purpose of avoiding or diminishing interruption or interference to **your** computer operations as a consequence of an **accident** to **computer equipment**

Limit

£25,000 any one period of insurance

4 Business interruption

If the Business interruption section of this policy is operative **we** will pay to **you** in respect of each item in the business interruption schedule the loss occurring during the indemnity period (as defined in the Business interruption section) following an **accident** to **covered equipment** that results in the **business** being interrupted or interfered with

Our liability shall not exceed the sum insured for each item nor in all the total sum insured and in any event **our** maximum liability shall not exceed £30,000 any one period of insurance

5 Hazardous substances

Damage to **covered equipment** at the **premises** caused by contamination by a **hazardous substance** including any **additional expenses** incurred and if the Business interruption section of this policy is operative loss occurring during the indemnity period (as defined in the Business interruption section) in consequence of the **business** carried on by **you** at the **premises** being interrupted or interfered with

Limit

£6,000 any one period of insurance

6 Expediting expenses

Reasonable costs necessarily incurred by **you** to make temporary repairs and expedite permanent repairs or permanent replacement of damaged **covered equipment**

Limit

£15,000 any one period of insurance

7 European Union and Public Authorities

If in force the European Union and Public Authorities extension of the Property damage section of this policy applies to **covered equipment** damaged as a result of an **accident**

Limit

£15,000 any one period of insurance

8 Loss avoidance measures

Reasonable costs necessarily incurred by **you** to take exceptional measures to prevent or mitigate impending **damage** to **covered equipment** as a result of an **accident**

Provided that

- (a) **damage** would reasonably be expected if such measures were not implemented
- (b) **we** are satisfied that **damage** has been avoided or mitigated by means of the exceptional measures
- (c) the amount payable will be limited to the cost of **damage** which would have otherwise occurred
- (d) the terms conditions and exclusions of this section and the policy apply as if **damage** had occurred
- (e) if **damage** had occurred it would have resulted in a claim that would have been accepted by **us** under this section of the policy

Limit

£5,000 any one period of insurance

Memorandum

Reinstatement basis of settlement in the event of a claim

Applicable unless stated otherwise in the schedule

Subject to the following special conditions the basis upon which the amount payable in respect of **covered equipment** is to be calculated shall be the reinstatement of the **covered equipment** that is the subject of an **accident**

For this purpose 'reinstatement' means

- (a) the replacement of **covered equipment** that is the subject of an **accident** which provided **our** liability is not increased may be carried out
 - (i) in any manner suitable to **your** requirements
 - (ii) upon another site
- (b) the repair or restoration of **covered equipment** that is the subject of an **accident**

in the case of (a) or (b) to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

Special condition applicable to this memorandum

- 1 **Our** liability for the repair or restoration of **covered equipment** that is the subject of an accident shall not exceed the amount payable for replacement of the **covered equipment**
- 2 No payment beyond the amount which would have been payable in the absence of this memorandum shall be made
 - (a) unless reinstatement commences and proceeds without unreasonable delay
 - (b) until the cost of reinstatement shall have been actually incurred
- 3 All the terms and conditions of the policy shall apply
 - (a) in respect of any claim payable under this memorandum except in so far as they are varied hereby
 - (b) where claims are payable as if this memorandum had not been incorporated

Exclusions

We shall not be liable in respect of

- (1) **damage** caused by or resulting from
 - (a) a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
 - (b) depletion deterioration corrosion erosion wear and tear or other gradually developing conditions unless such **damage** results from an **accident**
 - (c) mould fungus mildew or yeast
 - (d) the direct application of any tool or process during the course of repair maintenance inspection modification or overhaul
 - (e) installation erection dismantling re-siting transportation or removal of **covered equipment** other than

re-siting transportation or removal under its own power whilst at its operating site

(f) accidental failure of the power supply

- (2) **damage** to **computer equipment** due to its **breakdown** unless **you** have in force a maintenance agreement with the manufacturers or other approved company in respect of the **computer equipment** providing for
- (a) free repairs to or replacement of the **computer equipment** following **breakdown** or stoppage from any internal cause other than **your** negligence
- (b) preventative maintenance or adjustment of mechanical moving parts

We will not cover **you** for **damage** to **computer equipment** which is recoverable under the maintenance agreement warranty or guarantee

- (3) in respect of extension 4 Business interruption any delay in resuming operations resulting from the need to reconstruct or re-input data or programs on **media** nor for the costs incurred in so doing
- (4) any liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency of **covered equipment**
- (5) any consequence of civil commotion assuming the proportion of or amounting to a popular uprising martial law or the act of any lawfully constituted authority
- (6) **damage** cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with **terrorism** regardless of any other contributory cause
- This insurance also excludes **damage** cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any

way relating to **terrorism**

If **we** allege that by reason of this exclusion any **damage** cost or expense is not covered by this policy the burden of proving the contrary shall be upon **you**

- (7) **damage** resulting from malicious persons riot civil commotion strikers locked-out workers or persons taking part in labour disturbances occurring in Northern Ireland
- (8) **damage** directly or indirectly caused by or in consequence of confiscation or nationalisation or requisition or destruction of or damage to **covered equipment** by or under the order of any government or public or local authority
- (9) **damage** to any **computer equipment** or other equipment or component or system or item which processes stores transmits retrieves or receives data or any part thereof whether tangible or intangible (including but without limitation any information programs software or **media**) and whether **your** property or not where such **damage** is caused by **virus** or **similar mechanism** or **hacking** or **denial of service attack**
- (10) **damage** caused by or consisting of erasure loss distortion or corruption of information on computer systems or other records programs or software
- (11) **damage** cost or expense that is or can be insured elsewhere in this policy
- (12) **damage** caused by or resulting from the deliberate act of any person carried out with the intention to cause **damage**
- (13) **damage** to livestock plants or perishable stock

4 Business interruption

The schedule will show if this section applies and the cover in force

To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms in this section shall be exclusive of such tax

For the purpose of these definitions any adjustments implemented in current cost accounting shall be disregarded

Definitions

Each time any of the following words or phrases appear in this section in **bold italic** type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Adjusted

means adjusted as necessary to provide for the trend of the **business** and for variations in or other circumstances affecting the **business** either before or after the **damage** or which would have affected the **business** had the **damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **damage** would have been obtained during the relative period after the **damage**

Annual rent receivable

means the **rent receivable** during the 12 months immediately before the date of the **damage adjusted**

Annual revenue

means the **revenue** during the 12 months immediately before the date of the **damage adjusted**

Annual turnover

means the **turnover** during the 12 months immediately before the date of the **damage adjusted**

Computer equipment

means equipment that is electronic computer or other data processing equipment including all forms of electronic magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment software and peripherals used in conjunction with such equipment belonging to **you** or for which **you** are responsible

Damage

means as defined under 'Cover' of this section

Estimated gross profit or

estimated revenue or

estimated rent receivable

means the amount declared by **you** to **us** as representing not less than the **gross profit** or **revenue** or **rent receivable** which it is anticipated will be earned by the **business** during the financial year most nearly concurrent with the period of insurance (or a proportionately increased multiple thereof where the maximum indemnity period detailed in the schedule exceeds 12 months)

Gross profit

means the amount by which the sum of the amount of the **turnover** and the amounts of the closing stock and work in progress shall exceed the sum of the amounts of the opening stock and work in progress and the amount of purchases and discounts relating thereto bad debts and any other expenses specified in the schedule (as defined in **your** books and accounts)

The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with **your** normal accountancy methods due provision being made for depreciation

Indemnity period

means the period beginning with the occurrence of the **damage** and ending not later than the expiry of the maximum indemnity period specified in the schedule thereafter during which the results of the **business** shall be affected in consequence of the **damage**

Insured events

means unless stated otherwise in the schedule those events which are insured by the Property damage section provided that for the purpose of this section 'explosion' shall include explosion of any boiler or economiser on the **premises**

Rate of gross profit

means the rate of **gross profit** earned on the **turnover** during the financial year immediately before the date of the **damage**

Rent receivable

means the amount of the rent and service charges received or receivable from the letting of the **premises**

Revenue

means the money paid or payable to **you** for services rendered in the course of the **business** at the **premises**

Standard rent receivable

means the **rent receivable** during the period corresponding with the **indemnity period** in the 12 months immediately before the date of the **damage** appropriately adjusted where the maximum indemnity period detailed in the schedule exceeds 12 months **adjusted**

Standard revenue

means the **revenue** during the period corresponding with the **indemnity period** in the 12 months immediately before the date of the **damage** appropriately adjusted where the maximum indemnity period detailed in the schedule exceeds 12 months **adjusted**

Standard turnover

means the **turnover** during the period

corresponding with the **indemnity period** in the 12 months immediately before the date of the **damage** appropriately adjusted where the maximum indemnity period detailed in the schedule exceeds 12 months **adjusted**

Suppliers

means suppliers with whom **you** have a contract to supply **you** with goods and services

Turnover

means the money paid or payable to **you** for services rendered and for goods sold and delivered in the course of the **business** at the **premises**

Cover

If any building or other property used by **you** at the **premises** specified in the schedule for the purpose of the **business** is destroyed or damaged during the period of insurance by any of the **insured events** (destruction or damage so caused being termed **damage**) and the **business** carried on by **you** at the **premises** is in consequence interrupted or interfered with

We will pay to **you** in respect of each item in the schedule the amount of loss occurring during the **indemnity period** resulting from such **damage** in accordance with the terms of this section

Provided that

- (1) **our** liability shall not exceed the sum insured for each item nor in all the total sum insured
- (2) at the time of the **damage** there shall be an insurance in force covering **your** interest in the property at the **premises** against **damage** and that payment shall have been made or liability admitted under that insurance (but this proviso shall not apply if no payment is made under such insurance solely owing to the operation of an **excess**)

Amount payable

Gross profit items

The amount payable is limited to loss of **gross profit** due to (a) reduction in **turnover** and (b) increase in cost of working occurring during the **indemnity period** and the amount payable as indemnity shall be

- (a) in respect of reduction in **turnover** the sum produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period** shall in consequence of the **damage** fall short of the **standard turnover**
- (b) in respect of increase in cost of working the additional expenditure (subject to the provisions of the uninsured standing charges clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **turnover** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage** but not exceeding the sum produced by applying the **rate of gross profit** to the amount of the reduction thereby avoided

less any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **gross profit** as may cease or be reduced in consequence of the **damage**

Provided that

- (i) **Sum insured basis**
if the sum insured basis applies and the sum insured by this item be less than the sum produced by applying the **rate of gross profit** to the **annual turnover** (or to a proportionately increased multiple thereof where the maximum indemnity period detailed in the schedule exceeds 12 months) the amount payable shall be proportionately reduced

- (ii) **Declaration-linked basis**
notwithstanding proviso (1) in 'Cover' **our** liability in respect of any **estimated gross profit** item shall not exceed 133⅓% of the Estimated Gross Profit stated in the schedule

In the absence of written notice by **you** or **us** to the contrary **our** liability shall not stand reduced by the amount of any loss provided that **you** pay the appropriate additional premium for such automatic reinstatement of cover

Amount payable

Revenue items

The insurance under this section in respect of **revenue** is limited to (a) loss of **revenue** and (b) increase in cost of working occurring during the **indemnity period** and the amount payable as indemnity shall be

- (a) in respect of loss of **revenue** the amount by which the **revenue** during the **indemnity period** shall in consequence of the **damage** fall short of the **standard revenue**
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **revenue** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage** but not exceeding the amount of the reduction in **revenue** thereby avoided

less any sum saved during the **indemnity period** in respect of such of the charges and expenses of the **business** payable out of **revenue** as may cease or be reduced in consequence of the **damage**

Provided that

- (i) **Sum insured basis**
if the sum insured basis applies and the sum insured by this item be less than the **annual revenue** (or a proportionately increased multiple of it where the maximum indemnity period detailed in the schedule exceeds 12 months) the amount payable shall be proportionately reduced
- (ii) **Declaration-linked basis**
notwithstanding proviso (1) in 'Cover' **our** liability in respect of any **estimated revenue** item shall not exceed 133⅓% of the Estimated Revenue stated in the schedule

In the absence of written notice by **you** or **us** to the contrary **our** liability shall not stand reduced by the amount of any loss provided that **you** pay the appropriate additional premium for such automatic reinstatement of cover

Amount payable

Rent receivable items

The insurance under this section in respect of **rent receivable** is limited to (a) loss of **rent receivable** and (b) additional expenditure occurring during the **indemnity period** and the amount payable as indemnity shall be

- (a) in respect of loss of **rent receivable** the amount by which the **rent receivable** during the **indemnity period** shall in consequence of the **damage** fall short of the **standard rent receivable**
- (b) in respect of additional expenditure the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **rent receivable** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **damage** but not exceeding the amount of the reduction in **rent receivable** thereby avoided

less any sum saved during the **indemnity period** in respect of such of the charges and expenses payable out of **rent receivable** as may cease or be reduced in consequence of the **damage**

Provided that

- (i) **Sum insured basis**
if the sum insured basis applies and the sum insured by this item be less than the **annual rent receivable** (or a proportionately increased multiple of it where the maximum indemnity period detailed in the schedule exceeds 12 months) the amount payable shall be proportionately reduced
- (ii) **Declaration-linked basis**
notwithstanding proviso (1) in 'Cover' **our** liability in respect of any **estimated rent receivable** item shall not exceed 133⅓% of the Estimated Rent Receivable stated in the schedule

In the absence of written notice by **you** or **us** to the contrary **our** liability shall not stand reduced by the amount of any loss provided that **you** pay the appropriate additional premium for such automatic reinstatement of cover

Amount payable

Additional cost of working items

The insurance under this section in respect of additional cost of working is limited to additional cost of working occurring during the **indemnity period** and the amount payable as indemnity shall be

The additional expenditure including

- (a) the cost of moving to and from temporary premises and the additional rent rates and taxes thereon
- (b) expenses incurred in equipping temporary premises to make them suitable for **your business**

- (c) additional cost in respect of lighting heating and water
- (d) additional cost in respect of additional staff and overtime and allowances to existing staff

all reasonably incurred in order to minimise any interruption or interference with the **business** or undertaking during the **indemnity period**

Alternative trading clause

Gross profit

If during the **indemnity period** services shall be rendered or goods shall be sold elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf the money paid or payable in respect of such services or sales shall be brought into account in arriving at the **turnover** during the **indemnity period**

Alternative trading clause

Revenue

If during the **indemnity period** services shall be rendered elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf the money paid or payable in respect of such services shall be brought into account in arriving at the **revenue** during the **indemnity period**

Alternative trading clause

Rent receivable

If during the **indemnity period** the **business** shall be conducted elsewhere than at the **premises** the money paid or payable to **you** in respect of rent at such other premises shall be brought into account in arriving at the **rent receivable** during the **indemnity period**

Uninsured standing charges clause

If any standing charges of the **business** are not insured by this section (having been deducted in arriving at the **gross profit**) then in computing the amount recoverable as increase in cost of working that proportion only of any additional expenditure shall be brought into account which the **gross profit** bears to the sum of the **gross profit** and the uninsured standing charges

Professional accountants' charges

Any particulars or details contained in **your** books of account or other business books or documents which may be requested by **us** under Claims condition number 3 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

We will pay to **you** the reasonable charges payable by **you** to **your** professional accountants for producing such particulars or details or any other proofs information or evidence as may be required by **us** under the terms of Claims condition number 3

Provided that the sum of the amount payable under this clause and the amount otherwise payable under this section shall in no case exceed the sum insured

Payments on account

Payments on account will be made during the **indemnity period**

Extensions

The insurance by this section is extended to cover loss as insured hereunder directly resulting from interruption of or interference with the **business** carried on by **you** at the **premises** in consequence of the following

1 Prevention of access

Access to or use of the **premises** being prevented or hindered by

- (a) **damage** to neighbouring property by any of the **insured events** by this section
- (b) any action of Government Police or Local Authority due to an emergency which could endanger human life or neighbouring property

Excluding

- (i) any restriction of use of less than four hours
- (ii) any period when access to the **premises** was not prevented or hindered

Provided that **our** liability under this extension in respect of any one occurrence shall not exceed the sum insured by the items or any limit of liability shown in the schedule

2 Utilities

Damage by any of the **insured events** at any

- (a) generating station or sub-station of the electricity supply undertaking
- (b) land-based premises of the gas supply undertaking or of any natural gas producer linked directly therewith
- (c) water works or pumping station of the water supply undertaking
- (d) land-based premises of the telecommunications undertaking from which **you** obtain electricity gas water or telecommunications services

Provided that **our** liability under this extension in respect of any one occurrence shall not exceed the sum insured by the items or any limit of liability shown in the schedule

3 Suppliers extension

Damage by any of the **insured events** at the site of the following all within the **geographical limits**

- (a) any **supplier** specified in the schedule up to the limit shown against their name
If the limit is expressed as a percentage this is the percentage of the total sum insured by the relevant item of this schedule but in no case exceeding £100,000
- (b) any of **your suppliers** other than as stated in (a) within the **geographical limits** (but excluding the premises of any supply undertaking from which **you** obtain electricity gas or water or telecommunications services) up to a limit of £10,000 any one incident

4 Customers extension

Damage by any of the **insured events** at the site of any of **your** customers within the **geographical limits** up to a limit of £10,000 any one incident

5 Book debts

If following **damage** to **your** books of account or other business books or records at the **premises** by any of the **insured events** **you** are unable to trace outstanding debit balances owed to **you** **we** will indemnify **you** for such loss in the following terms

- (a) **We** will pay the difference between the total outstanding debit balances and the total of the amounts received or traced in respect of such balances

- (b) **We** will pay for the additional expenditure incurred with **our** previous consent in tracing and establishing customers' debit balances after the **damage**
- (c) **We** will pay for reasonable professional accountants' charges necessarily incurred in providing any evidence required by **us** in support of a claim

Excluding loss arising from misfiling erasure distortion deliberate falsification of business records abnormal condition of trade or from bad debts

The most **we** will pay under this extension is £50,000 any one period of insurance

Special condition applicable to extension 5

It is a condition precedent to liability under this extension that **you** keep a record of the total amount outstanding in customers' accounts as at the end of each month and within 30 days of the end of each month deposit this record in a building other than that in which the original records are kept

6 Infectious disease murder food poisoning defective sanitation vermin

- (a) a notifiable human infectious or contagious disease manifested by any person while at the **premises**
- (b) murder or suicide occurring at the **premises**
- (c) injury or illness sustained by any guest arising from or traceable to foreign or injurious matter in food or drink provided at the **premises**
- (d) closing of the whole or part of the **premises** by order of a competent public authority consequent upon any accident causing defects in the drains or other sanitary arrangements at the **premises**

- (e) closing of the whole or part of the **premises** by order of a competent public authority consequent upon vermin or pests at the **premises**

For the purposes of this extension the maximum indemnity period is 12 months

7 Failure of supply

Failure of the supply of electricity gas or water at the terminal ends of the supply undertaking's feeder at the **premises** from any cause other than the deliberate act of the supply undertaking in withholding or restricting supply excluding any such failure of less than four hours

Limit

£5,000 any one incident

8 Failure of telecommunication services

Failure of the telecommunication services at the **premises** following actual physical **damage** of or to telecommunications property anywhere in the **geographical limits** excluding any such failure of less than four hours

Limit

£5,000 any one incident

9 Death of Patron

- (a) death of **your** Patron before the age of 70
- (b) **your** Patron being subject to a criminal investigation or offending public taste during the period of insurance

Limit

£25,000 any one period of insurance

For the purposes of this extension the maximum indemnity period is three months

In respect of (b) the indemnity period commences from the date the criminal investigation or act offending public taste became public knowledge

10 Other venues

Damage by any of the *insured events* at any premises not in your occupation within the *geographical limits* where *you* are holding a fund raising event exhibition or carrying out a contract

Limit

£10,000 any one incident

11 Reinstatement of Data

We will pay the costs *you* incur in reinstating data that is lost or damaged as a consequence of

- (i) **damage** to **computer equipment** at **your premises**
or
- (ii) loss or destruction of **computer equipment** that is insured by the Property damage plus section

Providing that

- (a) **our** liability is limited solely to the cost of reinstating data to any form of electronic magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment
- (b) **We** shall not be liable for any losses discovered later than 180 days after the loss occurred
- (c) **We** shall not be liable for loss or damage to software
- (d) **We** shall not be liable under this extension for costs more specifically described under extension 12
Computers - Increased Cost of Working

Limit

£25,000 any one period of insurance

12 Computers - Increased Cost of Working

We will pay costs necessarily and reasonably incurred by *you* for the sole purpose of avoiding or diminishing interruption or interference to *your* computer operations as a consequence of

- (i) **damage** to **computer equipment** at **your premises**
or
 - (ii) loss or destruction of **computer equipment** that is insured by the Property damage plus section
- Limit
£25,000 any one period of insurance

Memorandum

Index-linking

The sum insured for each item insured (but not extension limits) under this section other than **rent receivable** and additional cost of working items shall be adjusted in accordance with a suitable index selected by **us**

The annual renewal premium will be amended accordingly

Special conditions

1 Renewal clause

Declaration-linked basis

You shall prior to each renewal supply **us** with the **estimated gross profit** or **estimated revenue** or **estimated rent receivable** for the financial year most nearly concurrent with the ensuing year of insurance

2 Premium adjustment clause

(a) Sum insured basis

If the **gross profit** or **revenue** or **rent receivable** earned whichever is applicable (or a proportionately increased multiple of it where the maximum indemnity period exceeds 12 months) during the financial year of 12 months most nearly concurrent with any period of insurance as certified by *your* auditors is less than the sum insured a pro rata return of premium not exceeding 50% of the premium paid on each sum insured

for such period of insurance will be made in respect of the difference. If any **damage** occurs which gives rise to a claim under this section the return in premium made will be in respect of the difference in **gross profit** or **revenue** or **rent receivable** which is not due to the **damage**.

(b) **Declaration-linked basis**

The first and annual premiums are provisional and are based on the **estimated gross profit** or **estimated revenue** or **estimated rent receivable**. You shall supply us with not later than six months after the expiry of each period of insurance a declaration confirmed by your auditors of the **gross profit** or **revenue** or **rent receivable** earned during the financial year most nearly concurrent with the period of insurance.

If any **damage** shall have occurred giving rise to a claim for loss of **gross profit** or **revenue** or **rent receivable** the above-mentioned declaration shall be increased by us for the purpose of premium adjustment by the amount by which the **gross profit** or **revenue** or **rent receivable** was reduced during the financial year solely in consequence of the **damage**.

If the declaration (adjusted as provided above and proportionately increased where the maximum indemnity period exceeds 12 months)

- (a) is less than the **estimated gross profit** or **estimated revenue** or **estimated rent receivable** for the relative period of insurance we will allow a pro rata return of premium paid on the **estimated gross profit** or **estimated revenue** or **estimated rent receivable** but not exceeding 50% of such premium.
- (b) is greater than the **estimated gross profit** or **estimated revenue** or **estimated rent receivable** for the relative period of insurance you shall pay a pro rata addition to the

premium paid on the **estimated gross profit** or **estimated revenue** or **estimated rent receivable**.

5 Liabilities

The schedule will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in **bold italic** type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Bodily injury

means bodily injury death disease or illness

Business

means that which has been described in the schedule and which is conducted solely from premises in the **geographical limits** including

- (a) fund raising activities undertaken with the full knowledge and authority and under the control of the **Insured** anywhere within the **geographical limits**
- (b) the ownership repair and maintenance of **your** property and premises
- (c) the provision of catering social sports and welfare facilities for **employed persons** and first aid medical and ambulance services
- (d) the provision of fire and security services maintained only for the protection of premises owned or occupied by **you**
- (e) private work undertaken by an **employed person** with **your** prior consent for a director trustee partner or **employee** of **yours**
- (f) participation in trade shows or exhibitions within the European Union but this does not include any work undertaken **offshore**

Data

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

Employed person

means

- (a) any **employee**
- (b) (i) any person supplied to or hired or borrowed by **you** or on **your** behalf or
 - (ii) any work experience student or youth training scheme participant while under **your** direct control and supervision

Employee

means any person under a contract of service or apprenticeship with **you** and **authorised volunteers**

Event(s)

means one occurrence or series of occurrences arising from or attributable to one source or original cause

Injury

means **bodily injury** wrongful arrest or false imprisonment

Legal costs

means

- (a) claimant's costs and expenses recoverable from **you** in respect of any claim which is the subject matter of indemnity under this policy
- (b) (i) the costs of legal representation at
 - (1) any coroner's inquest or inquiry in respect of any death
 - (2) proceedings in any court arising out of any alleged breach of statutory duty which may be the subject of indemnity under this section of the policy
- (ii) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under this section of the policy incurred with **our** prior written consent

Offshore

means embarkation onto a vessel or aircraft for conveyance to an offshore rig platform or service or accommodation vessel until disembarkation from the conveyance onto land upon return from such offshore rig platform or service or accommodation vessel

Pollution or contamination

means **injury** or **damage** directly or indirectly caused by or arising out of pollution or contamination of buildings or other structures or of water land or the atmosphere

Principal

means any party (other than a director trustee partner or **employee** of **yours**) on whose behalf **you** are undertaking work (excluding the sale or supply of **products**) in connection with the **business**

Products

means goods (including containers and packaging) not in **your** custody or control sold supplied installed erected serviced repaired altered or treated by **you** in connection with the **business** from any premises within the **geographical limits**

Any error in the sale supply or presentation of such goods is included in this definition

Property

means material property but this does not include **data**

You/your/yours

means the Insured named in the schedule

Unless **we** specifically state otherwise **we** will also indemnify

- (a) **your** personal representatives in respect of legal liability incurred by **you**
- (b) at **your** request
 - (i) any **principal**
 - (ii) any director trustee partner or **employed person** of **yours** in respect of liability for which **you** would have been entitled to indemnity had the claim been made against **you**

- (c) any officer or member of **your** canteen social sports and welfare facilities and fire first aid ambulance and security services in their individual capacities as such
- (d) any director trustee partner or **employee** of **yours** in respect of private work carried out with **your** prior consent by an **employed person** for such director trustee partner or **employee**

We will not provide an indemnity to any medical or dental practitioner in respect of medical services provided

Cover 1 – Employers' liability

This insurance is provided on a 'Costs inclusive' basis

This means that **legal costs** are included within the limit of indemnity specified in the schedule

Cover

We will indemnify **you** against **your** legal liability to pay damages and **legal costs** arising out of **bodily injury** to an **employed person** caused during the period of insurance

- (a) within the **geographical limits** or
 - (b) while temporarily outside these territories
- in connection with the **business**

The total amount **we** will pay in respect of

- (a) any one **event** which is directly or indirectly caused by results from or is in connection with **terrorism** shall not exceed £5,000,000
If **we** allege the **bodily injury** has resulted from **terrorism** the burden of proving the contrary shall be upon **you**
- (b) any other **event** shall not exceed the limit of indemnity shown in the schedule

This insurance complies with the provisions of any law enacted in the **geographical limits** relating to the compulsory insurance of liability to employees

You will repay any sums paid by **us** which **we** would not have been obliged to pay but for the provisions of such law

Exclusion

No indemnity will be provided in respect of any liability in respect of **bodily injury** for which **you** are required to arrange motor insurance or security in accordance with any road traffic legislation within the European Union

Extensions

Each of the following is subject to the terms of the policy

1 Unsatisfied court judgements

Where a judgement for damages has been obtained

- (a) by one of **your employees** or their personal representatives in respect of **bodily injury** caused during any period of insurance and which arises out of and in the course of their employment with **you**
- (b) in any court situated within the **geographical limits**
- (c) against any company or individual operating from premises within the **geographical limits**
- (d) which remains unsatisfied in whole or in part six months after the date of the judgement

we will at **your** request pay to the **employee** or their personal representatives the amount of damages and any awarded costs which remain unsatisfied subject to there being no appeal outstanding

Any payment under this extension is conditional upon the judgement being assigned to **us** by the **employee** or their personal representatives

2 Compensation for court attendance

If **we** request any of the following categories of people to attend court as a witness in connection with a claim under this policy **we** will provide **you** with the following rates of compensation for each day on which attendance is required

Any of **your** directors trustees or partners £500

Any **employee** £250

Cover 2 – Public & products liability

This insurance is provided on a 'Costs in addition' basis

This means that (with the exception of claims which are brought within the legal jurisdiction of the United States of America or Canada) **legal costs** are payable in addition to the limit of indemnity specified in the schedule

Cover

We will indemnify **you** against **your** legal liability to pay damages arising out of

- (a) accidental **injury** of any person
- (b) accidental **damage** to property
- (c) nuisance trespass to land trespass to goods or interference with any easement of air light water or way

We will not provide indemnity in respect of any liability which arises from any deliberate act or omission by **you** which could reasonably have been expected having regard to the nature and circumstances of such act or omission or which is a natural consequence of the ordinary conduct of **your business**

happening during the period of insurance and caused either in connection with the **business** or by **products**

We will in addition indemnify **you** against **legal costs** other than in respect of any claim which is brought within the legal jurisdiction of the United States of America or Canada in which circumstances **legal costs** shall be included within the limit of indemnity

The total amount **we** will pay in respect of damages for

- (a) any one **event**
- (b) all **events** happening during any period of insurance caused by **products**
- (c) all **events** arising from **pollution or contamination** which **we** deem to have occurred during any period of insurance

shall not exceed the limit of indemnity shown in the schedule

Where **we** are liable to indemnify more than one person the total amount of indemnity to all parties including **you** in respect of damages arising from one **event** shall not exceed the limit of indemnity shown in the schedule

Exclusions

No indemnity will be provided in respect of

- (1) any liability connected directly or indirectly in any way with any error or omission in the provision of professional services
- (2) any liability arising from **bodily injury** to any **employed person** caused in connection with the **business**
- (3) any liability arising from **damage** to property which is owned or held in trust by **you** or which is in **your** custody or control

Exclusion (3) will not apply in respect of

- (a) personal effects including vehicles and their contents belonging to **employees** directors trustees partners or visitors
- (b) premises and their contents not owned by leased or rented by **you** at which **you** are undertaking work in connection with the **business**

- (c) premises including fixtures and fittings hired by or leased rented or borrowed by **you** but **we** shall not be liable for
 - (i) the first £250 of any **damage** other than caused by fire or explosion
 - (ii) liability arising solely under the terms of any contract or agreement
 - (iii) any liability which arises from an agreement to maintain in force insurance against loss of or damage to the premises and their fixtures and fittings
- (4) any liability arising from ownership possession or use by **you** or on **your** behalf of
 - (a) any mechanically propelled vehicle but (except where indemnity is provided by any motor insurance policy or in circumstances where insurance or security is required under any road traffic legislation) this exclusion will not apply in respect of
 - (i) the use of plant as a tool of trade on site
 - (ii) the use of plant at **your** premises
 - (iii) the loading or unloading of any vehicle
 - (iv) the movement of any vehicle not belonging to **you** which is interfering with the execution of the **business**
 - (b) any craft designed to travel in on or through water air or space but this exclusion shall not apply to any non-mechanically propelled waterborne craft of less than nine metres in length whilst operated on inland waterways or within three miles of the coast
- (5) any liability arising directly or indirectly from **pollution or contamination** unless the **pollution or contamination** is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during the period of insurance

For the purposes of this exclusion all **pollution or contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place

- (6) any liability arising from advice design or specification provided whether given for a fee or not
- (7) **damage** to or the costs of recall removal repair alteration replacement or reinstatement of any **product** supplied or contract work executed by **you** which is caused by
 - (a) a defect
 - (b) its unsuitability for its intended purpose
- (8) any liability arising from any contract in respect of **products** supplied or contract work executed by **you** unless liability would have attached in the absence of that contract
- (9) the costs of remedying any defect or alleged defect in premises which **you** have disposed of
- (10)
 - (a) fines or penalties
 - (b) liquidated damages
 - (c) any compensation awarded by a court of criminal jurisdiction
 - (d) multiplied aggravated exemplary or punitive damages
- (11) any liability arising from
 - (a) the use by **you** or on **your** behalf of any premises situated in the United States of America or Canada
 - (b) **products** sold or supplied on **your** behalf from any premises situated in the United States of America or Canada
 - (c) **products** exported by **you** or on **your** behalf to the United States of America or Canada
- (12) any liability arising from
 - (a) **products** incorporated in any craft designed to travel through air or space
 - (b) **products** incorporated in any waterborne craft which could affect its safety navigation or propulsion

- (c) **products** incorporated in mechanically propelled vehicles which could affect their safety

- (d) **products** incorporated in gas chemical petrochemical or power generation plant which is directly connected to manufacture processing storage or power generation

and which have been specifically supplied by **you** for that purpose

- (13) any liability arising directly or indirectly from caused by or in connection with **terrorism**

Also excluded is any liability directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to **terrorism**

If **we** allege that by reason of this exclusion any liability for damages costs or expenses of whatsoever nature is not covered by this policy the burden of proving the contrary shall be upon **you**

- (14) any liability arising directly or indirectly from mining processing manufacturing removing handling disposing of treatment of distributing or storing of **asbestos**

However this shall not apply where removing handling or disposing of **asbestos** does not form part of **your** usual business or any contract work undertaken and

- (a) **you** have complied with any legal obligations to manage **asbestos** and
- (b) any discovery of **asbestos** by **you** is unintentional and accidental and
- (c) where upon discovery of **asbestos** all work immediately stops and
- (d) a HSE licensed asbestos removal contractor is employed to make safe the area in which the discovery is made as soon as is practicable and who has Employers' and Public Liability insurance in force which provides limits of indemnity no

less than those provided by **your** policies and which do not exclude the work to be carried out

- (15) arising directly or indirectly from fears of the consequences of exposure to or inhalation of **asbestos**
- (16) any liability arising from the supervision or execution of any manual work or contract undertaken outside of the European Union
- (17) any liability arising from **damage** to **property** where there is a requirement to arrange cover under clause 6.5 of the 2005 JCT conditions or any similar contract clause

Extensions

Each of the following is subject otherwise to the terms of this policy

1 Cross liabilities

If **you** consist of more than one party (and in the case of partnerships this shall mean each individual partner) **we** will indemnify each party in the terms of this policy against liability incurred to the other in the same manner and to the same extent as if a separate policy had been issued to each subject to the maximum amount payable in respect of damages arising out of one **event** not exceeding the limit of indemnity

2 Compensation for court attendance

If **we** request any of the following categories of people to attend court as a witness in connection with a claim under this policy **we** will provide **you** with the following rates of compensation for each day on which attendance is required

Any of **your** directors trustees or partners £500

Any **employee** £250

3 Contingent motor liability

Notwithstanding exclusion 4 regarding vehicles **we** will indemnify **you** alone in respect of legal liability for **injury** or **damage** arising out of the use by any **employee** in the course of the **business** of any mechanically propelled vehicle which is neither owned by nor provided by **you**

We will not provide an indemnity in respect of

- (a) **damage** to such vehicle or any property contained or being transported within it
- (b) **injury** or **damage** arising while the vehicle is being driven by **you** or any person who to **your** knowledge does not hold a licence to drive such a vehicle (unless they have held and are not disqualified for holding or obtaining such a licence)
- (c) circumstances where **you** are entitled to indemnity under any other insurance
- (d) **injury** or **damage** arising outside the **geographical limits**

4 Data Protection Act 1998

We will indemnify **you** against legal liability to pay damages and claimant's costs and expenses for damage or distress as described in Section 13 of the Data Protection Act 1998

This indemnity is subject to **you** being registered in accordance with the Act or having applied for such registration which has not been refused or withdrawn and that **you** have taken all reasonable care to comply with its requirements

We will not provide any indemnity in respect of

- (a) the payment of fines or penalties
- (b) the costs of replacing reinstating rectifying erasing blocking or destroying any personal data

- (c) liability arising from or caused by a deliberate or intentional act by or omission of any person entitled to indemnity
- (d) claims arising out of circumstances which have been notified to previous insurers or which were known to **you** at the inception of this extension
- (e) legal liability where indemnity is provided by any other insurance

5 Defective premises

We will indemnify **you** against legal liability incurred by virtue of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of **injury** or **damage** which occurs within a period of seven years from the expiry or cancellation of this policy

No indemnity will be provided

- (a) if **you** are entitled to indemnity under any other insurance
- (b) in respect of the cost of remedying any defect or alleged defect in the premises disposed of

6 Charity trustee insurance

This insurance covers only those losses which either arise from claims made during the period of insurance against those insured or are discovered and reported during the period of insurance by those insured

Cover applicable to extension 6

- (a) **We** will indemnify
 - (i) the **trustee** against all sums which the **trustee** becomes legally liable to pay as damages and all other costs and expenses as a result of the **wrongful act** which gives rise to a claim made against the **trustee** and notified to **us** during the period of insurance
 - (ii) the **Insured** against all sums which the **Insured** is required or permitted by law to pay to or on behalf of the **trustee** for the **trustee's** legal

liability for damages and all other costs and expenses as a result of the **wrongful act** which gives rise to a claim made against the **trustee** and notified to **us** during the period of insurance

- (b) **We** will indemnify the **Insured** or **trustee** against all sums which the **Insured** or **trustee** becomes legally liable to pay as damages and all other costs and expenses including reasonable costs incurred for restoration as a result of a document relating to the **business** being subject to **damage** which is discovered during the period of insurance and notified to **us** within 30 days

Personal cover applicable to extension 6

- (1) **We** will treat
 - (a) the application for this insurance as a separate application for cover by each **trustee**
 - (b) each claim made against any **trustee** and each loss suffered by any **trustee** as personal to that **trustee**
 - (c) each claim for indemnity by any **trustee** as personal to that **trustee** and the right of each **trustee** to indemnity shall not be affected by the situation or conduct of anyone else
- (2) If the legal liability of the **trustee** is imputed or transferred to the lawful spouse of the **trustee** or any person deriving similar status in law **we** will provide to that person the personal indemnity to which the **trustee** would be otherwise entitled under this extension
- (3) If the **trustee** should die become insolvent or mentally incapacitated **we** will provide to the estate heirs legal representatives or assigns of the **trustee** the personal indemnity to which the **trustee** is entitled under this extension

- (4) If the lawful spouse of the **trustee** or any person deriving similar status in law is entitled to any indemnity under 2 above and dies becomes insolvent or mentally incapacitated **we** will provide that person's estate heirs legal representatives or assigns the personal indemnity to which that person is so entitled

We will not provide any indemnity in respect of

- (i) anything for which indemnity is provided under any other section of or extension to this policy or by any other source
- (ii) anything which was done when known to be a **wrongful act** or ignoring that possibility
- (iii) the consequences of any circumstances known by the **Insured** or **trustee** at the commencement of this cover which may give rise to a claim
- (iv) liability arising from **bodily injury** to any person **damage** to property (other than as provided under paragraph (b) of this extension) or infringement of intellectual property rights
- (v) liability arising from the rendering of any counselling advice or other service
- (vi) anything done in the capacity of **trustee** or administrator of any pension fund or scheme
- (vii) any person committing or condoning any criminal dishonest or fraudulent act or omission
- (viii) liability assumed by agreement unless liability would have attached without such agreement
- (ix) liability arising from any failure to arrange or maintain insurance
- (x) any legal action brought in a court of law outside the **geographical limits**
- (xi) liability arising from any allegation of unfair or wrongful dismissal and any other employment dispute
- (xii) liability arising from anything manufactured sold or supplied by or on behalf of the **Insured**
- (xiii) liability arising from any **wrongful act** subsequent to the effective date of takeover or merger of the **Insured** by or with any other entity
- (xiv) liability arising from any
 - (a) personal guarantee or assurance given by the **trustee** to anyone (other than the **trustee** giving assurance that the **trustee** has the authority to do something) or
 - (b) agreement that the **trustee** shall pay any penalty or fixed sum of money to anyone unless the **trustee** would still be legally liable even if that guarantee assurance or agreement did not exist
- (xv) The first £250 of each and every claim made under this extension

The most **we** will pay under this extension in the period of insurance in respect of cover paragraph (b) is £50,000 and for all other claims £100,000

All claims resulting from a single **wrongful act** will be deemed to have been made during the period in which the first claim was accepted by **us**

Definitions specific to extension 6

Trustee

means anyone who is at any time a member trustee director or officer of the **Insured**

Wrongful act

means any actual or alleged act which is wrongfully committed or attempted by the **trustee** when carrying out his or her duties as **trustee**

Special condition specific to extension 6

The **Insured** shall submit annual reports and accounts to their appropriate regulatory authority in accordance with prescribed timescales

In the event of **your** auditor or independent examiner qualifying their opinion or expressing concerns about **your** accounts

accounting procedures or financial position in any of **your** Report and Accounts notification of such qualification and subsequent action taken by **you** and **your** regulatory authority is to be notified to **us** as soon as reasonably possible

The cover provided by this extension is only in force if **you** have obtained if necessary the approval of the Charity Commission to acquire this type of cover and **you** have fulfilled any requirements of the Charity Commission.

7 Libel and slander

We will indemnify **you** against **your** legal liability to pay damages and **legal costs** arising out of the publication or utterance by **you** or on **your** behalf of a libel or slander provided that

- (a) a claim is first made against **you** during the period of insurance
- (b) this extension shall not apply in respect of
 - (i) claims which arise out of circumstances notified to previous insurers or known to the **Insured** at inception of this extension
 - (ii) publications or utterances made at the direction of any party entitled to indemnity by this section with the knowledge of the libellous or slanderous effect thereof
 - (iii) claims brought outside the **geographical limits**
- (c) for the purposes of this extension the limit of indemnity including **legal costs** is £100,000 any one **event**

Prosecution defence costs

Cover

We will subject to the limit of indemnity indemnify **you** in respect of

- (a) **legal costs** and expenses incurred with **our** written consent

- (b) costs awarded against **you** in connection with the defence of any criminal proceedings or an appeal against a conviction arising from such proceedings brought for a breach of
 - (i) the Health and Safety at Work etc. Act 1974
 - (ii) Part II of the Consumer Protection Act 1987
 - (iii) the Food Safety Act 1990
 alleged to have been committed during the period of insurance in connection with the **business**

Exclusions

We will not provide any indemnity

- (a) where indemnity is provided by any other insurance
- (b) in circumstances where **injury** or **damage** has occurred
- (c) in respect of fines or penalties of any kind
- (d) in respect of any costs expenses or reimbursements resulting from an order made under Section 9 or resulting from any Regulation in respect of charges under Section 45 of the Food Safety Act 1990
- (e) where the proceedings have resulted from any deliberate act or omission by
 - (i) **you** or any director trustee or partner of **yours**
 - (ii) any **employee** of **yours** who has specific responsibility for compliance with the above legislation which could reasonably have been expected to constitute a breach of the above legislation

Limit of indemnity

The total amount **we** will pay in respect of any one claim shall not exceed £500,000

6 Charity trustee insurance

The schedule will show if this section applies and the cover in force

This insurance covers only those losses which either arise from claims made during the period of insurance against those insured or are discovered and reported during the period of insurance by those insured

Definitions

Each time any of the following words or phrases appear in this section in **bold italic** type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Charity

means the **Insured** and any other charity which is named or identified in the schedule or application

Computer

means

- (a) any computer or other electronic data processing device equipment or system
- (b) any hardware software program instruction data or component utilised or intended to be utilised in or by anything in (a) above
- (c) any actual or intended function of or process performed by anything in (a) or (b) above

Document

means any deed will certificate plan book letter agreement or document of any type (other than any bearer bond coupon bank or currency note or other negotiable instrument) produced in any

- (a) printed or written format
- or
- (b) electronic format and of which a back-up copy has been made within seven days of its production and securely retained which relates to the **charity** or **related body** or to the **services**

Employee

means anyone employed by the **charity related body** or **trustee** under a contract of service or apprenticeship or directly engaged by the **charity** or **related body** without payment to carry out at any time

- (a) on behalf of the **trustee** any duty concerning the **charity** or **related body** or
- (b) any other managerial or supervisory duty concerning the **charity** or **related body** or
- (c) any other work wholly or mainly for the charitable purposes of the **charity**

Environmental defence costs

means legal costs charges and expenses reasonably incurred in obtaining advice and representation in the defence of any criminal proceedings which are initiated during the **period of insurance** in respect of any actual alleged or threatened seepage pollution or contamination of any kind

Insured

means the charity first named or identified as the Insured in the schedule

Investigation costs

means legal costs charges and expenses reasonably incurred in obtaining advice and representation concerning any proceedings which are initiated during the **period of insurance** by any government department or agency to investigate or examine the affairs of the **charity** or **related body**

Loss

means

- (a) damages and costs which are payable to another person as a result of a claim made by that person during the **period of insurance**
- (b) legal costs charges and expenses reasonably incurred in defending or appealing the claim described in (a) above or other legal proceedings initiated during the **period of insurance**

Period of insurance

means the period of insurance stated in the schedule

Related body

means any trust (other than a pension or retirement fund trust) or incorporated or unincorporated company or association which

- (a) exists wholly or mainly for the charitable purposes of the **charity** or
- (b) is a trustee director officer or member of the management committee of the **charity** or any body within (a) above

Services

means any of the Services stated in the schedule when provided by or on behalf of the **charity** or **related body** wholly for the charitable purposes of the **charity**

Trustee

means anyone who is at any time a trustee director officer or member of the management committee of the **charity** or the **related body** and who is not

- (a) a trust corporation or
- (b) the receiver administrator administrative receiver liquidator or external auditor of that **charity** or **related body**

Wrongful act

means any actual or alleged act which is wrongfully committed or attempted on or after the appropriate Wrongful Act Date (if any) stated in the schedule

You/your

means anyone who is entitled to make a claim for indemnity under this section

Cover

Your entitlement to cover under Cover paragraphs (a) – (c) below is as stated in the schedule

If **you** make a valid claim under any of those paragraphs **we** will provide the indemnity described in that paragraph by

making a payment in the manner described in Cover paragraph (d) Payment below

If **you** have met (or will be meeting) the liability and/or cost for which **you** have made **your** claim **you** will be reimbursed by **our** corresponding payment to **you**

(a) **Trustee liability**

We will indemnify

- (i) The legal liability of the **trustee** for **loss** or **environmental defence costs** which results from his or her **wrongful act** as **trustee** when carrying out any duty as **trustee**
- (ii) The legal liability of the **employee** for **loss** or **environmental defence costs** which results from his or her **wrongful act** when acting on behalf of the **trustee** when carrying out any duty of the **trustee**
- (iii) The legal liability of the **trustee** or **employee** for **investigation costs**

(b) **Services liability**

We will indemnify the legal liability of the **charity related body trustee** or **employee** for loss which results from the **wrongful act** of any of them when providing the **services**

(c) **Loss of documents**

We will indemnify

- (i) the legal liability of the **charity related body** or **trustee** for **loss** which results from **damage** to the **document** provided that this **damage**
 - (a) occurs while that **document** is held by or is being sent to or from any of them their agent or the **employee** and
 - (b) is discovered during the **period of insurance**
- (ii) any reasonable cost incurred by that **charity related body** or **trustee** in restoring or replacing that **document**

- (d) **Payment**
- (i) If **you** are the **charity** or **related body** and **you** are required by law to indemnify the **trustee** or **employee** or another person for any legal liability of that **trustee** or **employee** which **we** cover under Cover paragraph (a) (b) or (c) above **we** will make on **your** behalf the payment as required by law
 - (ii) If **you** are the **charity** or **related body** and you are permitted by law to indemnify the **trustee** or **employee** for any legal liability of that **trustee** or **employee** which **we** cover under Cover paragraph (a) (b) or (c) above **we** will make on **your** behalf the payment **you** are permitted to make
 - (iii) If **you** are the **trustee** or **employee** and **you** are required by law to indemnify another person for any legal liability **you** have which **we** cover under Cover paragraph (a) (b) or (c) above **we** will make on **your** behalf the payment as required by law
 - (iv) If none of (i) (ii) or (iii) above applies to **you we** will make the appropriate payment direct to **you** for what **we** cover under Cover paragraph (a) (b) or (c) above
- (c) The **trustee's** or **employee's**
- (i) liability to the **charity** or **related body** or
 - (ii) costs in any proceedings in which either that **trustee** or **employee** is convicted of a criminal offence or such a conviction is upheld on appeal resulting from the conduct as **trustee** of that **trustee** or **employee** who either knew or must be assumed to have known that such conduct was not in the best interests of the **charity** or did not care whether or not this was so
- (d) **Your** claim arising from something **you** actually or allegedly did which was intended to provide improper financial gain for anyone or was malicious unless legal proceedings are brought against **you** but are dismissed successfully defended or find that **you** did neither of these things
- (e) Any fine penalty or exemplary or punitive damages other than exemplary damages awarded in an action for libel or slander
- (f) Any claim for which legal action is brought outside the European Union Channel Islands or Isle of Man
- (g) Any actual or alleged legal liability for
- (i) **damage** to or loss of use of any property (other than the **document**) or
 - (ii) infringement of any intellectual property rights or
 - (iii) anyone's death bodily injury mental anguish or emotional distress or
 - (iv) breach of any duty owed to anyone in providing any professional service (other than the **services**) unless **your** claim is under Cover paragraph (b) Services liability and directly results from any failure to provide the **services** or from the provision in the performance of the **services** of advice design services or specification services

Exclusions

No indemnity will be provided in respect of

- (a) Any claim resulting from a situation which existed prior to the **period of insurance** and which **you** or the **charity related body** or **trustee** knew or should have known might result in any type of claim for indemnity hereunder
- (b) Any claim where **you** are entitled to indemnity from any other source or would be entitled but for this insurance

- (h) Any actual or alleged legal liability
- (i) for seepage pollution or contamination of any kind other than to the extent of the **environmental defence costs** or
 - (ii) arising directly or indirectly from
 - (a) exposure to
 - or
 - (b) inhalation of
 - or
 - (c) fears of the consequence of exposure to or inhalation of
 - or
 - (d) damage to property or any other loss arising from **asbestos**
 - or
 - (iii) for the costs of cleaning up or removal of **asbestos** or
 - (iv) for **loss** directly resulting from anything (other than the **services**) manufactured sold or supplied by the **charity related body** or **trustee** or
 - (v) for **loss** relating to any claim for unfair or wrongful dismissal or any other employment dispute
- (i) Any consequence of the failure of the **computer** (whoever owned or operated it) to recognise or respond correctly and effectively to any particular date or period of time (continuous or otherwise)
- (j) **Your** claim under Cover paragraph
- (c) Loss of documents to the extent of the cost of rectifying or repairing or replacing the **computer** following its **damage** as a direct result of any part of it being
 - (i) defective or
 - (ii) the subject of any unauthorised access or use or
 - (iii) affected by any magnetic field or
 - (iv) **virus or similar mechanism** or
 - (v) **denial of service attack**
- (k) **Your** claim arising from **your** failure to arrange or maintain insurance for the **charity related body** or **trustee**
- (l) **Your** claim arising from any
- (i) personal guarantee or assurance **you** give to anyone (other than **your** assurance that **you** have authority to do something)
 - or
 - (ii) agreement that **you** shall pay any penalty or fixed sum of money to anyone
- unless **you** would still be legally liable even if that guarantee assurance or agreement did not exist
- (m) any liability arising directly or indirectly from caused by or in connection with **terrorism**
- Also excluded is any liability directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to **terrorism**
- If **we** allege that by reason of this exclusion any liability for damages costs or expenses of whatsoever nature is not covered by this section the burden of proving the contrary shall be upon **you**
- (n) any claim resulting directly or indirectly from **you** acting in the capacity as trustee or administrator of any pension or retirement fund or scheme
- (o) any claim arising from any **wrongful act** subsequent to the effective date of takeover or merger of the **charity** by or with any other entity
- (p) any actual or alleged legal liability in respect of the provision of or in the performance of **services**
- (i) whilst acting in consortia or joint venture with others other than in respect of **loss** arising from **your** own acts or omissions or
 - (ii) as a result of or in connection with any trading losses or liabilities or debts incurred by any business managed by or carried out by the **charity**

Limits and excess

- (a) If a particular **wrongful act** or other event results in more than one claim by **you** under this section **we** will treat all the claims concerned as if they were a single claim made at the time of the earliest of the corresponding
- (i) claims made against **you** which result in **loss** or
 - (ii) proceedings which are initiated against **you** which result in **investigation costs** or **environmental defence costs** or
 - (iii) losses (other than **loss investigation costs** or **environmental defence costs**) which **you** discover **you** have suffered
- (b) Unless (c) below applies **we** will deduct from what **we** pay **you** for each single claim the amount stated in the schedule as being the **excess** applicable to the particular Cover under which **you** make the claim
However if that single claim involves more than one Cover and more than one **excess** applies **we** will only deduct the largest **excess** from the total **we** pay **you**
You must bear the amount of every **excess** which **we** deduct
- (c) If upon conclusion of all legal proceedings (including all appeal proceedings) relating to **your** single claim **you** are neither found to have any legal liability to pay any damages to anyone nor convicted of any offence for which **you** have been tried **we** will not deduct any **excess** from what **we** pay **you** for that single claim
- (d) After the deduction of any **excess** that applies the most **we** will pay **you** for the total of all **your** claims in the **period of insurance**
- (i) for **environmental defence costs** is £100,000

- (ii) under Cover paragraph (c) Loss of documents is £50,000
- (iii) under this section is the amount stated in the schedule as the Limit of Indemnity

Conditions

(a) Notification of claims

It is a condition precedent to **our** liability to meet **your** claim that **you**

- (i) give **us** written notice of every
 - (a) situation **you** become aware of during the **period of insurance** which might reasonably result in any claim under this section
 - (b) loss **you** discover or claim made against **you** during the **period of insurance** for which there may be cover under this section

as soon as possible and always within one month of **you** becoming aware of it

If anything **you** notify under (i) (a) above does result in a claim under this section that claim will be treated as having resulted from a claim made or legal proceedings initiated against **you** within the **period of insurance**

- (ii) send **us** immediately and unanswered every letter claim form summons or similar document concerning **your** claim which **you** receive
- (iii) give **us** as soon as possible all the information documents and assistance **we** need to deal with everything **you** notify under (a) above and **your** claim
- (iv) do not make any admission of liability or any offer promise or payment of indemnity to anyone without **our** consent

(b) **Conduct and settlement of claims**

- (i) **You** shall not have to carry on any legal proceedings or settle any claim unless counsel (whom **you** and **we** agree to appoint) considers that this is in **your** best interests
- (ii) **We** will be entitled at any time to take over and conduct in **your** name the defence or settlement of any claim or the pursuit for **our** benefit of any claim **you** may have against someone else
If **we** do this **you** must give **us** any information or assistance **we** reasonably need to carry on legal proceedings or settle claims which **we** will do in the way **we** think best
- (iii) **We** will be entitled at any time to pay an amount to **you** to settle **your** claim for indemnity
This amount shall not exceed the appropriate amount specified in Limits and excess paragraph (d) (or what remains of that specified amount after deducting all corresponding payments made by **us** during the **period of insurance**) or if **your** claim concerns **your** legal liability to someone the smaller amount for which that person's claim against **you** can be reasonably settled
If **we** do this **we** will not have any further liability under this section for **your** claim

(c) **Personal cover**

- (i) **We** will treat
 - (a) the application for this insurance as a separate application for cover by each of **you**
 - (b) each claim made against **you** and each loss suffered by **you** as personal to **you**
 - (c) each claim **you** make for indemnity as personal to **you** and the right of each of **you** to indemnity shall not be affected by the situation or conduct of anyone else

- (ii) **Our** liability under any and all contracts of insurance evidenced or deemed to be evidenced by this section shall be the liability so specified in this section as applicable to any one such contract and shall not (except as so specified) be varied or deemed varied because of the number or type of individuals or bodies insured by this section or their claims
 - (iii) If **your** legal liability for any **loss investigation costs** or **environmental defence costs** is by operation of law imputed or transferred to **your** lawful spouse or any person deriving similar status in law **we** will provide to that person the personal indemnity to which **you** would be otherwise entitled under this section in respect of that liability
 - (iv) If **you** die or become insolvent or mentally incapacitated **we** will provide to **your** estate heirs legal representatives or assigns the personal indemnity to which **you** are entitled under this section
 - (v) If **your** lawful spouse or any person deriving similar status in law is entitled to any indemnity under (iii) above and dies or becomes insolvent or mentally incapacitated **we** will provide to that person's estate heirs legal representatives or assigns the personal indemnity to which that person is so entitled
- (d) **Notices**
- (i) **You** must send notices to **us** at the address stated in the schedule or any other address **we** have given **you** for that purpose
 - (ii) **We** will send notices to **you** at the latest address **you** have given **us** or (if **we** do not have this address) at the latest address **we** have for the **Insured**

7 Legal expenses

The schedule will show if this section applies and the cover in force

*Note: (not forming part of the policy)
The cover under this section has been arranged by us in conjunction with DAS Legal Expenses Insurance Company Limited (DAS). We are responsible for paying any claims under this policy but DAS manage all claims matters and correspondence on our behalf. Send your claim to:*

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

Tel 0117 934 2000

When presenting a claim for legal expenses, the insured person must inform DAS as soon as possible and within the time limits stipulated under the individual covers and general exclusions to this section, giving full details in writing of the insured event and provide such proofs, supporting evidence and other information as DAS may require.

Definitions

Each time any of the following words or phrases appear in this section in **bold italic** type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Appointed representative

means the lawyer or accountant or other suitably qualified person who has been appointed to act for an **insured person** in accordance with the terms of this section

Aspect enquiry/enquiries

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

Costs and expenses

means

(1) **Legal costs**

All reasonable and necessary costs chargeable by the **appointed representative** on a standard basis. Also the costs incurred by opponents in civil cases if an **insured person** has been ordered to pay them or pays them with the agreement of **DAS**

(2) **Accountants costs**

A reasonable amount in respect of all costs reasonably incurred by the **appointed representative**

(3) **Attendance expenses**

The **insured person's** salary or wages for the time that the **insured person** is off work to attend any arbitration court or tribunal hearing at the request of the **appointed representative** or as a defendant or while attending jury service

We will pay for each half or whole day that the court tribunal or the **insured person's** employer will not pay for

The amount **we** will pay is based on the following

- (a) The time the **insured person** is off work including the time it takes to travel to and from the hearing. This will be calculated to the nearest half day assuming that a whole day is eight hours
- (b) If the **insured person** works full-time the salary or wages for each whole day equals 1/250th of the **insured person's** yearly salary or wages
- (c) If the **insured person** works part-time the salary or wages will be a proportion of the **insured person's** weekly salary or wages

DAS

means DAS Legal Expenses Insurance Company Limited

Date of occurrence

means

- (1) For civil cases (other than under insured event 7 – Tax Protection) when the cause of action first accrued
- (2) For criminal cases when the **insured person** commenced or is alleged to have commenced to violate the criminal law in question
- (3) For licence or registration appeals when **the Insured** first became aware of the proposal by the relevant licensing or regulatory authority to suspend alter the terms or refuse to renew or cancel **the Insured's** licence or British Standard Certificate of Registration
- (4) For **full enquiries** or **aspect enquiries** when HM Revenue & Customs first notifies in writing the intention to make enquiries
- (5) For Employers Compliance and Value Added Tax disputes when the relevant authority sends an assessment or written decision to **the Insured**
- (6) For Charity Commission investigations the date **the Insured** receives notification from the Charity Commission that they are to conduct an investigation

Full enquiry/enquiries

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

Insured event

means the circumstances in which the insurance provided by this section will operate as described in each separate cover

Insured person

means **the Insured** and the directors trustees partners managers employees **authorised volunteers** and any other individuals declared to **us** by **the Insured**

Limit of indemnity

means the sum shown in the schedule which is the most **we** will pay for all claims resulting from one or more events arising at the same time or from the same originating cause

Period of insurance

means the period for which **we** have agreed to cover the **insured person** and for which the premium has been paid

Territorial limit

means for insured event 2 – Legal defence (excluding 2(4)) and insured event 6(b) – Bodily injury

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

For all other insured events

The United Kingdom of Great Britain and Northern Ireland the Isle of Man and the Channel Islands

The Insured

means as shown in the policy schedule

Cover

We will indemnify the **insured person** in respect of any **insured event** shown as included in the schedule arising in connection with the **business** as long as

- (a) the date of occurrence of the **insured event** happens during the **period of insurance** and within the **territorial limit** and
- (b) any legal proceedings will be dealt with by a court or other body which **DAS** agree to in the **territorial limit** and
- (c) in civil claims it is always more likely than not that an **insured person** will recover damages (or obtain any other legal remedy which **DAS** have agreed to) or make a successful defence

For all **insured events** **DAS** will help in appealing or defending an appeal as long as the **insured person** tells **DAS** within the time limits allowed that they want **DAS** to appeal

Before **we** pay any **costs and expenses** for appeals **DAS** must agree that it is always more likely than not that the appeal will be successful

If an **appointed representative** is used **we** will pay the **costs and expenses** incurred for this

We will pay compensation awards that **DAS** have agreed to

The most **we** will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is shown as the **limit of indemnity** in the policy schedule

Insured events

1 Employment disputes compensation awards & service occupancy

(a) Employment disputes

DAS will

- (1) defend **the Insured's** legal rights prior to the issue of legal proceedings following the dismissal of an employee or
- (2) defend **the Insured's** legal rights in the resolution of any unfair dismissal dispute under the ACAS Arbitration Scheme or
- (3) defend **the Insured's** legal rights in legal proceedings in respect of any dispute with an employee or ex-employee or a trade union acting on behalf of an employee or ex-employee which arises out of or relates to a contract of employment with **the Insured** or
- (4) defend **the Insured's** legal rights in legal proceedings in respect of any dispute with an employee ex-employee or prospective employee arising from an alleged breach of their statutory rights under employment legislation

Exclusions

- (i) Any employment dispute where the cause of action arises within the first 90 days of the indemnity provided by this section
- (ii) Any dispute with an employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of the indemnity provided by this section if the **date of occurrence** was within the first 180 days of the indemnity provided by this section

- (iii) Any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the indemnity provided by this section
- (iv) Any claim in respect of damages for personal injury or loss of or damage to property
- (v) Any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Transfer of Employment (Pension Protection) Regulations 2005

(b) Compensation awards

We will pay

- (i) any basic and compensatory award and/or
 - (ii) an order for compensation following a breach of **the Insured's** statutory duties under employment legislation
- In respect of a claim DAS have accepted under insured event 1(a)

Provided that

- (1) In cases relating to performance and/or conduct **the Insured** has throughout the employment dispute either
 - (a) followed the ACAS Code of Disciplinary Practice and Procedures in Employment as prepared by the Advisory Conciliation and Arbitration Service or
 - (b) followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland or
 - (c) sought and followed advice from DAS Legal Advice Service

- (2) For an order of compensation following **the Insured's** breach of statutory duty under employment legislation **the Insured** has at all times sought and followed the advice given by DAS Legal Advice Service since the date when **the Insured** should have known about the employment dispute
- (3) For any compensation award for redundancy or alleged redundancy or unfair selection for redundancy **the Insured** has sought and followed the advice given by **DAS** Claims Department prior to serving notice of redundancy
- (4) The compensation is awarded by a tribunal or through ACAS Arbitration Scheme under a judgement made after full argument and otherwise than by consent or default or is payable under settlement approved in writing in advance by **DAS**
- (5) The total of the compensation awards payable by **us** shall not exceed £1,000,000 in any one **period of insurance**

Exclusions

- (i) Any compensation award relating to the following
 - (a) Trade union activities trade union membership or non-membership
 - (b) Pregnancy or maternity or paternity rights
 - (c) Health and safety related dismissals brought under Section 44 of the Employment Rights Act 1996
 - (d) Statutory rights in relation to trustees of occupational pension schemes
 - (e) Statutory rights in relation to Sunday shop and betting work
- (ii) Non-payment of money due under the relevant contract of employment or statutory provision relating thereto

- (iii) Any award ordered as a result of a breach of statutory rights in relation to the provision of relevant records to employees under the National Minimum Wage Act 1998
- (iv) Any compensation award or increase in compensation award ordered by a tribunal for failure to comply with a recommendation it has made including non-compliance with a reinstatement or re-engagement order

(c) Service occupancy

DAS will negotiate for **the Insured's** legal rights against an employee or ex-employee to recover possession of premises owned by **the Insured** or for which **the Insured** is responsible

Exclusion

Any claim relating to defending **the Insured's** legal rights other than defending a counter-claim

2 Legal defence

At **the Insured's** request

- (1) **DAS** will defend the **insured person's** legal rights
 - (a) prior to the issue of legal proceedings when dealing with the
 - Police
 - Health & Safety Executive and/or Local Authority Health and Safety Enforcement Officer
 Where it is alleged that the **insured person** has or may have committed a criminal offence or
 - (b) following an event which leads to the **insured person** being prosecuted in a court of criminal jurisdiction or
 - (c) if civil action is taken against the **insured person** for compensation under Section 13 of the Data Protection Act 1998

We will also pay any compensation award made against the **insured person** under Section 13 of the Data Protection Act 1998

- (2) **DAS** will defend **the Insured's** legal rights following civil action taken against **the Insured** for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the **period of insurance**
- (3) **DAS** will defend the **insured person's** (other than **the Insured**) legal rights if
 - (a) an event arising from their work as an employee or **authorised volunteer** leads to a civil action being taken against them under legislation for unlawful discrimination on the grounds of sex sexual orientation race disability age religious belief or political opinion or
 - (b) civil action is taken against them as a trustee of a pension fund set up for the benefit of **the Insured's** employees
- (4) **DAS** will represent the **insured person** in appealing against the imposition or terms of any Statutory Notice issued under legislation affecting **the Insured's business**
- (5) **DAS** will represent **the Insured** in appealing against the refusal of the Information Commissioner to register **the Insured's** application for registration
- (6) **We** will pay the **attendance expenses** of an **insured person** for jury service

Provided that

- (i) In so far as proceedings under the Health and Safety at Work etc. Act 1974 are concerned the **territorial limit** shall be any place where the Act applies
- (ii) At the time of the **insured event** **the Insured** has registered with the Information Commissioner in respect of (1)(c) above

Exclusion

Any claim which leads to the **insured person** being prosecuted for infringement of road traffic laws or regulations in connection with the ownership driving or use of a motor vehicle

3 Statutory licence protection

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

Exclusions

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

4 Contract disputes

DAS will negotiate for **the Insured's** legal rights in a contractual dispute arising from that agreement or that alleged agreement which has been entered into by or on behalf of **the Insured** for the purchase hire sale or provision of goods or of services

Provided that

- (1) the amount in dispute exceeds £250
If the amount in dispute exceeds £5,000 **the Insured** will be responsible for the first £500 of **legal costs** in each and every claim
- (2) if the amount in dispute is payable in installments the installments due and payable at the time of making the claim exceed £250

- (3) if the dispute relates to money owed to **the Insured** a claim under this section is made within 90 days of the money becoming due and payable

Exclusions

- (i) Any dispute arising from an agreement entered into prior to the inception date of the indemnity provided by this section if the **date of occurrence** is within the first 90 days of the indemnity provided by this section
- (ii) Any claim relating to the following
 - (a) The settlement payable under an insurance policy
 - (b) A lease licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease licence or tenancy agreement
 - (c) A loan mortgage pension or any other financial product and choses in action
 - (d) A motor vehicle owned by or hired by or leased to **the Insured**
- (iii) A dispute with an employee or ex-employee which arises out of or relates to a contract of employment with **the Insured**
- (iv) A dispute which arises out of
 - the sale or provision of computer hardware software systems or services or
 - the purchase or hire of computer hardware software systems or services tailored by a supplier to **the Insured's** own specification
- (v) A dispute arising from a breach or alleged breach of professional duty by an **insured person**
- (vi) The recovery of money and interest due from another party other than disputes where the other party intimates that a defence exists

5 Debt recovery

DAS will negotiate for *the Insured's* legal rights including enforcement of judgement to recover money and interest due from the sale or provision of goods or services

Provided that

- (1) the debt exceeds £250
- (2) *the Insured* has exhausted all credit control and accounting procedures as declared to **DAS**
- (3) a claim for debt recovery under this section is made within 90 days of the money becoming due and payable
- (4) **DAS** has the right to select the method of enforcement or to forego enforcing judgement if they are not satisfied that there are or will be sufficient assets available to satisfy judgement

Exclusions

- (i) Any debt arising from an agreement entered into prior to the inception date of the indemnity provided by this section if the debt is due within the first 90 days of the indemnity provided by this section
- (ii) Any claim relating to the following
 - (a) The settlement payable under an insurance policy
 - (b) A lease licence or tenancy of land or buildings
 - (c) A loan mortgage pension or any other financial product and choses in action
 - (d) A motor vehicle owned by or hired or leased to *the Insured*
- (iii) A dispute which arises out of the purchase hire sale or provision of computer hardware software systems or services
- (iv) The recovery of money and interest due from another party where the other party intimates that a defence exists

6 Property protection and bodily injury

(a) Property protection

DAS will negotiate for *the Insured's* legal rights in any civil action relating to material property which is owned by or the responsibility of *the Insured* following

- (1) any event which causes or could cause physical damage to such material property or
- (2) any nuisance or trespass

Exclusions

Any claim relating to the following

- (i) A contract entered into by *the Insured*
- (ii) Goods in transit or goods lent or hired out
- (iii) Goods at premises other than those occupied by *the Insured* unless the goods are at such premises for the purpose of installations or use in work to be carried out by *the Insured*
- (iv) Mining subsidence
- (v) Defending *the Insured's* legal rights other than in defending a counter-claim
- (vi) A motor vehicle owned by or hired or leased to an *insured person*

(b) Bodily injury

At *the Insured's* request **DAS** will negotiate for an *insured person's* and their family members' legal rights following an event which causes the death of or bodily injury to them

Exclusions

Any claim relating to the following

- (i) Any illness or bodily injury which develops gradually or is not caused by a specific or sudden accident
- (ii) Defending an *insured person's* and their family members' legal rights other than in defending a counter-claim
- (iii) A motor vehicle owned by or hired or leased to or used by an *insured person* or their family member

7 Tax protection

(a) Full enquiries or aspect enquiries

DAS will negotiate on behalf of **the Insured** and represent them in any appeal proceedings in respect of a **full enquiry** and/or **aspect enquiry** and/or an investigation carried out by the Charity Commission into **the Insured's** business accounts

(b) Employers compliance

DAS will negotiate on behalf of **the Insured** and represent them in any appeal proceedings in respect of a dispute concerning **the Insured's** compliance with Pay As You Earn or Social Security Regulations following a review by HM Revenue & Customs or the Department of Social Security Contributions Agency

(c) VAT disputes

DAS will negotiate on behalf of **the Insured** and represent them in any appeal proceedings following an assessment issued by HM Revenue & Customs in respect of Value Added Tax due

Provided that

- (1) For all **insured events the Insured** has taken reasonable care to ensure that all returns are complete and correct and that such returns are submitted within the statutory time limits allowed
- (2) **We** will not pay more than £2,000 for **aspect enquiries**

Exclusions

- (i) In respect of **aspect enquiries** the first £200 of **costs and expenses** in each and every claim
- (ii) Any **insured event** arising from a tax avoidance scheme
- (iii) Any **insured event** caused by the failure of **the Insured** to register for Value Added Tax
- (iv) Any **insured event** arising from any investigations or enquiries undertaken by HM Revenue & Customs Special Investigation Section or Special Compliance Office
- (v) Any **insured event** arising from any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences

Exclusions

- (1) Any claim reported to **DAS** more than 180 days after the date the **insured person** should have known about the **insured event**
- (2) Any **costs and expenses** incurred before the written acceptance of a claim by **DAS**
- (3) Fines penalties compensation or damages which the **insured person** is ordered to pay by a court or other authority other than compensation awards as covered under insured event 1(b) – Compensation awards and insured event 2 – Legal defence
- (4) Any claim relating to patents copyrights trademarks merchandise marks registered designs intellectual property secrecy and confidentiality agreements
- (5) Any claim relating to franchise rights or agency rights where **the Insured** has the legal capacity to alter the legal relations of another
- (6) Any **insured event** deliberately or intentionally caused by an **insured person**

- (7) A dispute with **us** or **DAS** not otherwise dealt with under Condition 7 of this section
 - (8) Any claim relating to a shareholding or partnership share in **the Insured** unless such shareholding was acquired under a scheme open to all employees of **the Insured** or a substantial number of them of a certain minimum grade other than the directors trustees or partners of **the Insured**
 - (9) An application for Judicial review
 - (10) Any legal action an **insured person** takes which **DAS** or the **appointed representative** have not agreed to or where the **insured person** does anything that hinders **DAS** or the **appointed representative**
 - (11) When either at the commencement of or during the course of a claim notified under this section **the Insured** is bankrupt or has filed a bankruptcy petition or winding-up petition or has made an arrangement with its creditors or has entered into a deed or arrangement or is in liquidation or part or all of its affairs or property are in the care or control of a receiver or administrator
- 2 (a) **DAS** can take over and conduct in the name of an **insured person** any claim or legal proceedings at any time
DAS can negotiate any claim on behalf of an **insured person**
 - (b) If **DAS** agree to start legal proceedings and it becomes mandatory for an **insured person** to be represented by a lawyer or if there is a conflict of interest an **insured person** can choose an **appointed representative** by sending **DAS** the suitably qualified person's name and address
DAS may choose not to accept the choice of representative but only in exceptional circumstances
If there is a disagreement over the choice of **appointed representative** another suitably qualified person can be appointed to decide the matter
 - (c) Before an **insured person** chooses a lawyer or accountant **DAS** can appoint an **appointed representative**
 - (d) An **appointed representative** will be appointed by **DAS** and represent an **insured person** according to **DAS's** standard terms of appointment
The **appointed representative** must co-operate fully with **DAS** at all times
 - (e) **DAS** will have direct contact with the **appointed representative**
 - (f) An **insured person** must co-operate fully with **DAS** and the **appointed representative** and must keep **DAS** up-to-date with the progress of the claim
 - (g) An **insured person** must give the **appointed representative** any instructions that **DAS** require

Conditions

- 1 An **insured person** must
 - (a) keep to the terms and conditions of the policy
 - (b) notify **us** immediately of any alteration which may materially affect **our** assessment of the risk
 - (c) take reasonable steps to keep any amount **we** have to pay as low as possible
 - (d) try to prevent anything happening that may cause a claim
 - (e) send everything **DAS** ask for in writing
 - (f) give **DAS** full details of any claim as soon as possible and give **DAS** any information they need

- 3** (a) **An insured person** must tell **DAS** if anyone offers to settle a claim
- (b) If an **insured person** does not accept a reasonable offer to settle a claim **we** may refuse to pay any further **costs and expenses**
- (c) **We** may decide to pay the **insured person** the amount of damages that the **insured person** is claiming or is being claimed against them instead of starting or continuing legal proceedings
- 4** (a) If **DAS** ask an **insured person** must tell the **appointed representative** to have **costs and expenses** taxed assessed or audited
- (b) An **insured person** must take every step to recover **costs and expenses** that **we** have to pay and must pay **us** any **costs and expenses** that are recovered
- 5** If an **appointed representative** refuses to continue acting for an **insured person** with good reason or if an **insured person** dismisses an **appointed representative** without good reason the cover **we** provide will end at once unless **DAS** agree to appoint another **appointed representative**
- 6** If an **insured person** settles a claim or withdraws their claim without the agreement of **DAS** or does not give suitable instructions to an **appointed representative** the cover **we** provide will end at once and **we** will be entitled to re-claim any costs and expenses paid by **us**
- 7** If **DAS** and an **insured person** disagree about the choice of **appointed representative** or about the handling of a claim **DAS** and the **insured person** can choose another suitably qualified person to decide the matter **DAS** and the **insured person** must both agree to this in writing
- If **DAS** cannot agree with the **insured person** about the choice of the second suitably qualified person **DAS** will ask the president of a relevant national law society to choose a suitably qualified person
- Whoever loses the disagreement will have to pay the cost of settling it
- 8** **DAS** may at their discretion require **the Insured** to obtain an opinion from counsel at **the Insured's** expense as to the merits of a claim or proceedings
- If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings the cost of obtaining the opinion will be paid for by **us**
- 9** All acts of parliament within the section wording shall include equivalent legislation in Scotland Northern Ireland the Isle of Man or the Channel Islands as the case may be
- 10** This section will be governed by English law

8 Money with assault extension

The schedule will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in **bold italic** type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Bodily injury

means bodily injury resulting directly and independently of any other cause within twenty-four calendar months in disablement or death

Business hours

means any time when anyone with responsibility for **money** is in attendance at the **premises** for the purpose of **your business**

Deferment period

means the initial period specified in the schedule following **bodily injury** during which the **temporary total disablement** benefit is not payable

Insured person

means any employee or **authorised volunteer** of the **Insured**

Loss of eye(s)

means total and irrecoverable loss of sight of an eye or eyes

Loss of limb(s)

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

Medical expenses

means the cost of medical surgical dental or other remedial attention treatment or appliances given or prescribed by a qualified medical practitioner and all hospital nursing home and ambulance charges necessarily incurred in the treatment of the **insured person**

Money

means current notes and coins cheques (other than pre-signed blank cheques whether crossed or uncrossed) postal orders money orders securities for money crossed bankers drafts unused postage stamps travellers cheques National Savings stamps and certificates Premium Bonds National Insurance stamps and stamped National Insurance cards credit and debit card sales vouchers giro payment orders value added tax purchase vouchers luncheon vouchers gift tokens and unused credit on postal franking machines belonging to **you** or for which **you** are responsible and pertaining to the **business**

Money in transit

means **money** other than **non-negotiable money** in transit whilst in **personal custody** or in a bank night safe until the bank accepts responsibility

Non-negotiable money

means crossed cheques (other than pre-signed blank cheques) crossed postal orders crossed money orders crossed bankers drafts National Savings certificates Premium Bonds stamped National Insurance cards credit and debit card sales vouchers value added tax purchase vouchers and unused credit on postal franking machines

Other money

means **money** other than **non-negotiable money**

Permanent total disablement

means permanent total and absolute disablement (other than by **loss of limb(s)** or **loss of eye(s)**) from gainful employment of any and every kind which shall have lasted for 104 weeks and which in all probability will last for the remainder of life

Personal custody

means within the immediate personal control of **you** or any other responsible person authorised by **you**

Temporary total disablement

means disablement from engaging in or giving attention to usual profession trade business or occupation for a period not exceeding 104 weeks in all from the commencement of such disablement

Cover A – Money

We will indemnify **you** in respect of loss of **money** happening during the period of insurance anywhere in the **geographical limits**

Our liability in respect of any one loss shall not exceed the amount stated in the schedule

Extensions

The insurance by this section is extended to include the following

1 Damage to safes

We will indemnify **you** against **damage** to any safe strongroom or cash carrying bag belonging to **you** or for which **you** are responsible arising in connection with theft or attempted theft of insured **money**

2 Damage to clothing and personal effects

We will indemnify **you** against **damage** to clothing and personal effects belonging to **you** or any of **your** directors or trustees or employees or **authorised volunteers** up to an amount of £500 per person arising in connection with theft or attempted theft of insured **money**

3 Dishonesty of employee

We will indemnify **you** against loss due to the dishonesty of any director or trustee or **authorised volunteer** or employee of the **Insured** provided that

- (i) such loss is not insured by a specific fidelity section or policy
- (ii) the loss is discovered within twenty eight days of the occurrence
- (iii) **our** liability for such loss shall not exceed £2,000 per person nor £5,000 in total in any one period of insurance

4 Fund-raising events

For the period from two days before until seven days after a fund-raising event the limits shown in the schedule are doubled for the following

- (i) **money** whilst in the course of transit or in a bank night safe
- (ii) **money** whilst being counted or in the home of any **employee** or **authorised volunteer**
- (iii) **money** in a locked safe in the **premises**

Exclusions

We shall not be liable in respect of loss

- (1) due to dishonesty of any director or trustee or employee or **authorised volunteer** of the **Insured** other than as provided for by Extension (3) above
- (2) whilst the **money** is in the custody or control of a professional carrier
- (3) during transit by unregistered post
- (4) from an unattended vehicle
- (5) from any gaming or vending machine unless shown otherwise in the schedule
- (6) due to clerical or accounting errors depreciation in value unexplained shortage dishonoured cheques or to the use of counterfeit money
- (7) in excess of the 'in any other circumstances' limit shown in the schedule of **other money** from any room left unattended and unlocked unless this occurs during **business hours** and such **other money** is contained in a locked safe cupboard or desk with the key held in **personal custody**
- (8) of completed credit or debit card sales vouchers unless a copy of each voucher is at all times kept in a secure place separate from its counterpart

Special condition

Safe keys

It is a condition precedent to liability in respect of loss of **money** from locked safe or locked strongroom that all keys (except those deposited with a bank) for safes and strongrooms containing **money** and notes of combination locks letters and numbers must be held in **personal custody**

Cover B – Assault extension

If during the period of insurance an **insured person** sustains **bodily injury** in the course of their employment by **you** as a direct result of robbery or hold-up or any attempt thereat **we** will pay the appropriate benefit

Scale of benefits

The level of benefits are shown in the schedule

If the benefits are expressed in units one unit provides the following

- 1 **Death**
£2,500
- 2 **Loss of limb(s) or loss of eye(s)**
£2,500
- 3 **Permanent total disablement**
£2,500
- 4 **Temporary total disablement**
£25 per week
- 5 **Medical expenses**
Maximum of 15% of the benefits payable under 4 above

Extension

Hospital benefit and dental expenses

If during the period of insurance an **insured person** sustains bodily injury in the course of their employment by **you** as a direct result of robbery or hold up or any attempt thereat **we** will pay

- (a) Dental expenses incurred by the **insured person**
Limit £500
- (b) £20 a day up to £200 if as a result of the **bodily injury** the **insured person** goes into hospital for in-patient treatment

Exclusions

We shall not be liable for **bodily injury**

- (1) arising from wilful exposure to needless peril (except in an attempt to save human life)
- (2) sustained by any person before that person attains the age of 16 years or after the expiry of the period of insurance in which that person attained the age of 80 years

Special conditions

- 1 Benefit shall not be payable in respect of any **insured person** for any later accident after an accident giving rise to a claim other than for **temporary total disablement**
- 2 Benefit for **permanent total disablement** may be payable following benefit for **temporary total disablement**
- 3 Other than 2 above one benefit only shall be payable in respect of any one **insured person** in connection with the same accident
- 4 A receipt given by **you** or by **your** legal personal representatives shall be a valid discharge of **our** liability under this section
- 5 No compensation shall become payable until the total amount shall have been ascertained and agreed save that periodic payments on account of **temporary total disablement** may be made by **us**

9 Fidelity

The schedule will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in **bold italic** type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Acting in collusion

means all circumstances where two or more **employees** or **authorised volunteers** are concerned or implicated together or materially assist each other in an act of fraud or dishonesty

Commencement date

means the operative date of insurance cover for a named **employee** or **authorised volunteer** or category of **employees** or category of **authorised volunteers** other than as provided in relation to any superseded fidelity insurance

Employee(s)

means any person normally resident within the **geographical limits** who is

- (1) under a contract of service or apprenticeship with **you**
- (2) engaged as a work experience student or youth training scheme participant while under **your** direct control and supervision

One claim

means all acts of fraud or dishonesty during the periods of insurance which this section (and any substituted section or policy) shall remain in force committed by an individual **employee** or **authorised volunteer** or by **employees** or **authorised volunteers acting in collusion**

Cover

We will indemnify **you** against loss of money or goods belonging to or held in trust by **you** caused directly as a result of any act of fraud or dishonesty by any **employee** or **authorised volunteer** described in the schedule relating to their employment with **you** in the **business** and committed during the currency of

- (1) this section after the **commencement date** applicable to such **employee** or **authorised volunteer**
 - or
 - (2) any superseded fidelity insurance effected by **you** but not discovered during the period stipulated in such insurance but
 - (a) only to the extent that such loss would have been insured had the superseded insurance remained in force
 - (b) only if uninterrupted fidelity insurance cover has been maintained and the loss is discovered not later than twenty four months after the termination of
 - (i) the insurance in respect of such **employee** or **authorised volunteer**
 - or
 - (ii) this section
- whichever occurs first

We will also provide indemnity for auditors' fees incurred with **our** written consent to substantiate the amount of any claim provided that **our** liability including liability for auditors' fees shall not exceed the specific limit of indemnity shown in the schedule any **one claim** in respect of any **employee authorised volunteer** category of **employee** or category of **authorised volunteer** nor the aggregate limit of indemnity shown in the schedule any one period of insurance

If **one claim** is caused by **employees** or **authorised volunteers acting in collusion** our liability shall not exceed whichever of the individual limits of indemnity applicable to the **employees** or **authorised volunteers** concerned is largest and in any event not exceed the aggregate limit of indemnity shown in the schedule

Memorandum

Upon the notification of a claim the specific limit of indemnity and aggregate limit of indemnity for **employees** and **authorised volunteers** not the subject of such claim shall be maintained provided that

- (1) **you** agree to pay any required additional premium
- (2) the reinstated amount of indemnity shall apply only to acts of fraud or dishonesty committed subsequent to the date of notification of the claim

Special conditions

- 1 It is a condition precedent to liability that **you** shall operate the following Minimum standard of control

All **employees** and **authorised volunteers** with responsibility for money accounts goods computer operation or computer programming shall be instructed as to their duties and responsibilities in respect of the Minimum standard of control and be expected to comply with it

Minimum standard of control

- (i) All cheques or other bank instruments exceeding £10,000 shall require two manually applied signatures to be added after the amount has been inserted **You** shall advise **your** bankers accordingly
No cheque or instrument shall be signed until one signatory has examined the supporting documentation
- (ii) In respect of **employees** not paid by crossed cheque or credit transfer the list of employees and the payroll will be subject to an independent check before payment to ensure that the total amount drawn is correct
At least quarterly and independently of persons responsible the payroll shall be checked to minimise the possibility that fictitious names and enhanced payments have been included
- (iii) **Employees** and **authorised volunteers** receiving cash and cheques in the course of their duties shall be required to remit all monies received and/or bank in full on the day of receipt or next banking day
- (iv) Statement of account for all amounts due will be issued at least monthly and direct to customers

- independently of **employees** or **authorised volunteers** receiving or collecting monies
Action by management shall be taken if an account becomes three months overdue
- (v) Independently of the responsible **employees** or **authorised volunteers** bank statements receipts counterfoils and supporting documents shall be checked at least monthly against the cash book entries and the balance tested with cash and unpresented cheques
- (vi) Cash in hand and petty cash shall be checked independently of the responsible **employees** or **authorised volunteers** at least monthly and additionally without warning every six months
- (vii) There will be a physical check on all stock and materials held against verified stock records independent of the responsible **employees** or **authorised volunteers** at intervals of not more than 12 months except where otherwise stated
- (viii) Different **employees** or **authorised volunteers** acting independently shall be responsible for the ordering of stock and materials the recording of receipt of such and the authorising of payment for them
- (ix) Security checks will be built into all computer functions with reconciliation's made as necessary Responsibilities for authorisation of transaction processing of transactions and handling of output shall be exercised by different **employees** or **authorised volunteers**
- (x) **You** accounts including any subsidiary companies shall be examined by external auditors every 12 months
All recommendations or alternatives acceptable to the auditors shall be implemented without delay
- (xi) Every **employee** or **authorised volunteer** who is responsible for money goods accounts computer operations or programming must take an uninterrupted break of at least two weeks in each calendar year during which
- they carry out no duties on **your** behalf and
 - other than electronic mail they have no means of external access to **your** computer systems and
 - they stay away from any of **your** premises
- 2 You** shall obtain satisfactory references to confirm the honesty of all **employees** and **authorised volunteers** who are
- responsible for money goods accounts computer operations or computer programming and
 - engaged after the commencement of this section and
 - subject to an indemnity of greater than £5,000
- Such references shall be obtained directly from former employers for the three years immediately preceding engagement and before the **employee** or **authorised volunteer** is entrusted without supervision
- Reference need not be obtained in respect of **employees** and **authorised volunteers** who have satisfactorily and continuously served **you** for at least one year in another capacity before being entrusted with the duties referred to above
- In respect of **employees** or **authorised volunteers** joining directly from school or government sponsored youth training schemes one character reference shall be obtained
- The original of each written reference shall be retained by **you** and shall be made available for inspection by **us** on request

- 3 Any money of the **employee** or **authorised volunteer** held by **you** and any money which but for the **employee's** or **authorised volunteer's** dishonesty would have been due to the **employee** or **authorised volunteer** from **you** shall be deducted from the amount otherwise payable under this insurance

The **Insured** and the **Company** shall share any other recovery (excluding insurance and reinsurance and any counter-security taken by the **Company**) made by either on account of any loss in the proportion that the amount of the loss borne by each bears to the total amount of the loss

- 4 Irrespective of the number of periods of insurance during which this section (and any substituted section or policy) shall remain in force **our** liability for any **one claim** shall not exceed the specific limit of indemnity as shown in the schedule applicable at the time of the loss and **our** liability any one period of insurance shall not exceed the aggregate limit of indemnity as shown in the schedule applicable during that period of insurance

Exclusion

We shall not be liable for loss of interest or consequential loss of any kind

10 Goods in transit

The schedule will show if this section applies and the cover in force

Definition

Each time the following appears in this section in **bold italic** type (or in capital letters in the schedule) it will take the specific meaning shown below

Where it is not highlighted in this manner the normal everyday meaning will apply

Whilst in transit

means

- (a) whilst being loaded on to or unloaded from the vehicle used for the transit
- (b) whilst temporarily housed on the vehicle during transit
- (c) whilst on the vehicle on a vehicle ferry during direct sea transits between parts of the **geographical limits**

Cover

We will indemnify **you** (by payment up to the value of the insured property at the time of loss or at **our** option by repair reinstatement or replacement) in respect of **damage** to any part of the property by any cause not specifically excluded happening during the period of insurance **whilst in transit** by any road vehicle operated by **you** or by road hauliers or sent by parcel post or rail as described in the schedule anywhere in the **geographical limits**

Provided that **our** liability during any one period of insurance shall not exceed in respect of any vehicle or consignment the limits stated in the schedule

Memorandum

Underinsurance

If the value of the property insured by this section on or in any vehicle or consignment is at the time of **damage** of greater value than the appropriate limit any one vehicle or consignment shown in the schedule **you** shall be considered as being **your** own insurer for the difference and shall bear a rateable share of the loss accordingly

Exclusions

We shall not be liable for

- (1) **damage** caused by or arising from packing inadequate to withstand normal handling during transit
- (2) **damage** to
 - (a) money securities bills of exchange deeds manuscripts documents business books computer systems records patterns models moulds plans and designs
 - (b) bullion gold and silver articles precious metals stones jewellery and furs
 - (c) non-ferrous metals tobacco cigarettes cigars wines spirits radios television sets audio and video equipment discs cassettes and livestock
 - (d) explosives and other dangerous goods unless specifically mentioned as being insured
- (3) **damage** caused by or arising from
 - (a) wear and tear moth vermin insects mildew rust contamination electrical or mechanical derangement unless caused by external means inherent vice or nature of the property
 - (b) deterioration depreciation delay in transit loss of market or other consequential loss
 - (c) riot civil commotion strikes confiscation requisition destruction or damage by order of the Government or any public local or customs authority
- (4) **damage** to property on open vehicles caused by
 - (a) the weather unless the property is suitably protected
 - (b) theft or attempted theft
- (5) deterioration of refrigerated goods following breakdown or failure of refrigeration equipment unless such failure or breakdown is due to an accident to the vehicle
- (6) **damage** resulting from theft or attempted theft
 - (a) committed assisted brought about or connived at by any of **your** directors trustees employees or volunteers
 - (b) from any unattended vehicle unless
 - (i) all doors windows and other points of access have been closed and locked and any security devices correctly set to operate and all keys removed from the vehicle
 - (ii) during the hours from 9pm to 6am such vehicle is housed in a securely locked building or guarded security park

11 Personal accident

The schedule will show if this section applies and the cover in force

Definitions

Each time any of the following words or phrases appear in this section in **bold italic** type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

Accidental bodily injury

means bodily injury resulting directly and independently of any other cause within twenty-four calendar months in disablement or death

Deferment period

means the initial period specified in the schedule following **accidental bodily injury** during which the **temporary total disablement** benefit is not payable

Insured person

means as specified in the schedule

Loss of eye(s)

means total and irrecoverable loss of sight of an eye or eyes

Loss of limb(s)

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

Medical expenses

means the cost of medical surgical dental or other remedial attention treatment or appliances given or prescribed by a qualified medical practitioner and all hospital nursing home and ambulance charges necessarily incurred in the treatment of the **insured person**

Permanent total disablement

means permanent total and absolute disablement (other than by **loss of limb(s)** or **loss of eye(s)**) from gainful employment of any and every kind which shall have lasted for 104 weeks and which in all probability will last for the remainder of life

Temporary total disablement

means disablement from engaging in or giving attention to usual profession trade business or occupation for a period not exceeding 104 weeks in all from the commencement of such disablement

Cover

If during the period of insurance an **insured person** sustains **accidental bodily injury**

- (1) at any time if Cover A applies
- (2) arising out of and in the course of their employment by **you** if Cover B applies

we will pay the appropriate benefit

Cover operative (A) or (B)

As specified in the schedule

Scale of benefits

The level of benefits are shown in the schedule

If the benefits are expressed in units one unit provides the following

- 1 Death**
£2,500
- 2 Loss of limb(s) or loss of eye(s)**
£2,500
- 3 Permanent total disablement**
£2,500
- 4 Temporary total disablement**
£25 per week
- 5 Medical expenses**
Maximum of 15% of the benefits payable under 4 above

Extensions

1 Hospital benefit and dental expenses

If during the period of insurance an **insured person** sustains bodily injury

- (1) arising out of and in the course of their employment by **you** if cover B applies
- (2) at any time if cover A applies

We will pay

- (a) Dental expenses incurred by the **insured person**
Limit £500
- (b) £20 a day up to £200 if as a result of the bodily injury the **insured person** goes into hospital for in-patient treatment

2 Clothing and personal effects

If **we** accept a claim for bodily injury under this section **we** will pay for the **insured person's** clothing and personal effects damaged at the same time up to an amount of £500 per person such amount being in addition to any amount recoverable under the Property damage section

Excluding any claim where **we** have paid for personal effects under the Money with assault section of this policy

Exclusions

We shall not be liable for **accidental bodily injury**

- (1) arising from
 - (a) any consequence of suicide or deliberate self-injury intemperance venereal disease insanity pregnancy childbirth the influence of drugs unless such drugs are taken as prescribed and directed by a qualified registered medical practitioner but not for the treatment of drug addiction
 - (b) any health problem which ought reasonably to have been within the knowledge and belief of the **insured person** or **you** at inception of this insurance or prior to the latest renewal thereof and which has not been declared to and accepted in writing by **us**
 - (c) wilful exposure to needless peril (except in an attempt to save human life)
 - (d) any **insured person** taking part in practising or training for any of the excluded activities
- (2) sustained by any person before that person attains the age of 16 years or after the expiry of the period of insurance in which that person attained the age of 70 years
- (3) directly or indirectly caused or contributed to by **terrorism** involving the use or release or the threat thereof of any nuclear weapon or device or chemical or biological agent regardless of any contributory cause
If **we** allege that by reason of this exclusion any **accidental bodily injury** is not covered by this policy the burden of proving the contrary shall be upon **you**

Excluded activities

- n Aqualung diving
- n Flying
(except as a fare-paying passenger)
hang-gliding or parachuting
- n Hunting on horseback polo
showjumping or steeple chasing
- n Driving riding or sailing in any
kind of race
- n Riding motor cycles or motor scooters
as a driver or passenger
- n Winter sports other than curling
or ice-skating
- n Football other than amateur
association or rugby football
- n Mountaineering cliff or rock-climbing
abseiling subterranean or elastic rope
sports or activities
- n Any pursuit or activity involving
personal danger or hazard
- n Playing in any sport professionally
- n Service in the armed forces

Special conditions

- 1 Benefit shall not be payable in respect of any **insured person** for any later accident after an accident giving rise to a claim other than for **temporary total disablement**
- 2 Benefit for **permanent total disablement** may be payable following benefit for **temporary total disablement**
- 3 Other than 2 above one benefit only shall be payable in respect of any one **insured person** in connection with the same accident
- 4 A receipt given by **you** or by **your** legal personal representatives shall be a valid discharge of **our** liability under this section
- 5 No compensation shall become payable until the total amount shall have been ascertained and agreed save that periodic payments on account of **temporary total disablement** may be made by **us**

General information (not forming part of the policy)

Complaints procedure

We aim to provide a high standard of service. However, if you have any reason to complain about the advice or service you have received you should contact your Broker or the Ecclesiastical Insurance Office plc.

You can make your complaint in writing or verbally to the Group Compliance Officer or Claims and Risk Services Director at:

Ecclesiastical Insurance Office plc
Beaufort House,
Brunswick Road,
Gloucester GL1 1JZ.

Tel 01452 528533
Fax 01452 423557

Email complaints@ecclesiastical.com

- n We will acknowledge all complaints within five working days.
- n All complaints will be investigated independently at a senior level within Ecclesiastical.
- n We will aim to respond formally to your complaint within four weeks, but we shall endeavour to report to you within ten working days whenever possible.
- n If after four weeks we have not completed our investigation we will write to you to tell you of the progress of the investigation. We will then write to you again within eight weeks of receiving your complaint with our response, or to inform you of the progress being made.
- n If you are not satisfied with our response, or we have not completed our investigation after eight weeks, we will inform you of your right to take the complaint to:

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

Tel 0845 080 1800
Email complaint.info@financial-ombudsman.org.uk

- n If you are a charity with an annual turnover or income of less than £1 million, you are entitled to refer your case to the Financial Ombudsman Service.
- n If you are a charity with a yearly turnover or income of £1 million or more we will direct you to an appropriate organisation who can deal with your complaint and remind you that you can also speak to your legal advisers.

This complaints procedure does not affect your right to take legal proceedings.

The Financial Services Compensation Scheme (FSCS)

This scheme was set up under the terms of the Financial Services and Markets Act 2000.

Its aim is to protect private and small business/charity customers should an insurer go out of business and be unable to meet its liabilities or pay claims. You may be entitled to compensation depending upon your income and the number of people you employ.

If so, FSCS may arrange to transfer your policy to another insurer, provide a new policy or, if these actions are not possible, provide compensation. The maximum level of compensation you can receive from the scheme for a claim against an insurance firm depends on the type of insurance policy.

For compulsory insurance (such as Employers' liability cover) the full amount of the claim or unused premiums is protected.

For non-compulsory insurance such as property damage, the first £2,000 of the claim or unused premiums is covered in full followed by 90% of the remainder.

For further information on the scheme you can visit the website at:

www.fscs.org.uk

or write to:

Financial Services Compensation Scheme
7th Floor, Lloyds Chambers,
1 Portsoken Street,
London E1 8BN.

Tel 020 7892 7300

Email enquiries@fscs.org.uk

Notes

This contract is underwritten by:
Ecclesiastical Insurance Office plc.

Our FSA register number is 113848.
Our permitted business is general insurance.

**You can check this on the
FSA's register by visiting the
FSA's website**

www.fsa.gov.uk/pages/register

**or by contacting the FSA on
0845 606 1234**

Charity
Care sector
Heritage
Education
Nursery
Commercial bespoke
Property Owners
Flats
Motor fleet
Household EDI

For further information on any
of our products, please speak to
your insurance adviser.

Or visit us at

www.ecclesiastical.com



Beaufort House, Brunswick Road,
Gloucester GL1 1JZ

Ecclesiastical Insurance Office plc. (EIO) Reg. No. 24869. Ecclesiastical Insurance Group plc. (EIG) Reg. No. 1718196. Ecclesiastical Life Ltd. (ELL) Reg. No. 243111. Ecclesiastical Investment Management Ltd (EIM) Reg. No. 2170173. Allchurches Mortgage Company Ltd. (AMC) Reg. No. 1974218. Ecclesiastical Financial Advisory Services Ltd. (EFAS) Reg. No. 2046087. Ecclesiastical Risk Services Ltd. (ERS) Reg. No. 6290300. All companies are registered in England at Beaufort House, Brunswick Road, Gloucester, GL1 1JZ, UK. EIO, ELL, EIM & EFAS are authorised and regulated by the Financial Services Authority and are members of the Financial Ombudsman Service. EIO & ELL are members of the Association of British Insurers and EIM is a member of the Investment Management Association.