

## ***Small Business Insurance Certificate***

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# ***Part 1 Certificate Administration***

## **Preamble**

This is to certify that in accordance with the authorisation granted under the Contract to the undersigned by Brit Insurance Holdings PLC whose proportions underwritten by them which will be supplied on application can be ascertained by reference to the said (whom are hereinafter referred to as We and or Us) and in consideration of the premium specified herein We are hereby bound each for Our own part and not for another Our Executors and Administrators to insure in accordance with the terms and conditions contained herein or endorsed hereon

We hereby agree to the extent and in the manner hereinafter provided to indemnify You against loss or damage sustained or legal liability for accidents happening during the Period of Insurance stated in the Schedule after such loss damage or liability are proved provided always that

- (a) Our liability shall not exceed the limits of liability expressed in the said Schedule or such other limits of liability as may be substituted therefore by memorandum hereon or attached hereto signed by or on Our behalf
- (b) this Certificate insures in respect only of such of the sections hereof as are so specified in the Schedule

In witness whereof this Certificate has been signed 100% with Brit Insurance Holdings PLC in respect of all Sections evidenced by the Contract and which is effected through the Broker Intermediary or Agent as detailed on the Schedule

You are requested to read this Certificate and if it is incorrect return it immediately for alteration This Certificate is made and accepted subject to all the provisions conditions warranties and exclusions set forth herein attached or endorsed all of which are to be considered

The policy to which this Certificate relates satisfies the requirements of the relevant law applicable in Great Britain Northern Ireland the Isle of Man the Island of Jersey the Island of Guernsey and the Island of Alderney or to offshore installations in any waters outside the United Kingdom to which the Employers' Liability (Compulsory Insurance) Act 1969 or any amending primary legislation applies

## **Scope of Cover**

This Certificate applies in respect of Your activities anywhere in the world but only in respect of Business conducted by Your companies listed in the Schedule from the addresses shown in the Schedule

## **Certificate Jurisdiction**

Unless endorsed to the contrary the construction interpretation and meaning of the provisions of this Certificate shall be determined in accordance with the law of England and Wales and any disputes relating thereto shall be submitted to the exclusive jurisdiction of the Courts of England

## **Third Parties**

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

## **Termination**

If You wish to terminate the cover provided by this Certificate at any time after cover has commenced You should return all documents to Your Broker Intermediary or Agent who arranged this Certificate If there has been an insured event claim or circumstance (whether reported to Us or not) We shall be under no obligation to make any return of premium In all other circumstances You shall be entitled to the return of a proportionate part of the premium corresponding to the unexpired portion of the insurance

We may at any time cancel this Certificate (or any Section thereof) by giving 30 days notice by registered post to You at Your last known address and in such event You shall become entitled to the return of a proportionate part of the premium corresponding to the unexpired portion of the insurance

Where the premium is paid by You by means of a premium instalment facility it is a condition precedent to Our liability that each instalment shall be paid when due otherwise all benefit under this Certificate shall be forfeited and this Certificate shall be cancelled from the date when any unpaid instalment was due and You shall surrender forthwith to Us any effective Certificate of Insurance whereupon We will credit to You a pro rata premium for the unexpired part of the Period of Insurance provided that no Claims or Circumstances have been reported to Us since the inception of such Period of Insurance

We reserve the right to terminate this Certificate immediately in the event of non-payment of the premium or default under any installment scheme or linked credit transaction

No refund will be made to You of any installment paid

Any return of premium will be subject to the application of Our scale of short period charges

Full details of minimum section premiums may be obtained in writing from Us

### **How to Make a Claim**

Claims must be made in accordance with the claims notification provisions in Part 5 of this Certificate In the first instance You should contact the Broker Intermediary or Agent who arranged this Certificate quoting this Certificate number as set out in the Schedule

### **Complaints and Enquiries**

We are dedicated to providing the highest possible level of customer satisfaction in all areas of Our business If for any reason You have a query or feel that the service You receive has fallen below those standards You should report this to Us at once All complaints will be handled promptly and a policy of open communication will be adopted

Any enquiry or complaint should be addressed in the first instance to

Brit Insurance Holdings PLC  
55 Bishopsgate  
London  
EC2N 3AS

Should You remain dissatisfied You can ask the Financial Ombudsman Service to review the Complaint The address is

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

### **Who Is Your Insurer?**

As set out in the Preamble above Small Business Insurance is underwritten by Brit Insurance Holdings and arranged, under a binding authority from the Underwriters by Xbridge Ltd Xbridge Ltd is authorised and regulated by the Financial Services Authority and is registered in England No 313348 and its registered Office is 43 Worship Street London EC2A 2DX

## **Part 2 Certificate Cover – General Definitions**

Each time We use one of the words or phrases listed below it will have the same meaning wherever it appears in Your Certificate unless We state otherwise

A defined word or phrase will be printed in bold each time it appears in this Certificate except for headings and titles

### **Avionics**

Any Product fitted within any aircraft spacecraft or other aerial device and used in connection with the control of flight or maintenance of orbit

### **Bodily Injury**

Death bodily injury illness disease mental anguish or nervous shock

### **Business**

Activities directly connected with the Business described in the Application Form and specified in the Schedule

### **Computer Virus**

Any computer program including but not limited to any file virus boot sector virus macro virus hostile applet trojan horse program Java virus ActiveX virus or other executable program which contains instructions to initiate an event on the infected computer causing modification of or damage to data memory or data media

### **Damage/Damaged**

Accidental loss destruction or damage to the Property Insured

### **Employee**

Any person who is

1. under a contract of service or apprenticeship
2. borrowed by or hired or loaned to You
3. a labour master or supplied by a labour master
4. employed by labour only sub-contractors
5. self employed
6. under a work experience or training scheme
7. a voluntary helper while working under Your control in connection with the Business
8. an outworker or homeworker when engaged in work on Your behalf

whilst working for You

### **Endorsement**

An alteration to the terms of this Certificate

### **Excess**

The amount or amounts shown in Your Certificate or the Schedule which You must bear for each and every claim and You will reimburse any such amount paid by Us

### **Fungal Pathogens**

Any fungus or mycota or any by-product or type of infestation produced by such fungus or mycota including but not limited to mould, mildew, mycotoxins, spores or any biogenic aerosols

### **Insured Person**

You and/or Your directors and/or principals and/or Employees

### **Period of Insurance**

From the effective date until the expiry date shown in the Schedule or as the case may be any subsequent period for which We accept payment for renewal of this Certificate

### **Pollutants**

Any electronic solid liquid gaseous or thermal irritant or contaminant including but not limited to electromagnetic fields noise radio waves smoke vapour water-borne disease soot fumes asbestos acids alkalis chemicals and waste  
Waste includes material to be recycled reconditioned or reclaimed

### **Premises**

The Risk Address as stated in the Application Form and specified in the Schedule

### **Product**

Any commodity article or thing computer software and firmware (including their containers packaging labelling and instructions for use) designed manufactured supplied installed erected commissioned or maintained by You and shall include premises sold or otherwise disposed of by You in respect of liability incurred by You under the Defective Premises Act 1972

### **Schedule**

The document which specifies details of the Certificate Holder the Premises Property Insured and any Excess Endorsement or Condition applying to and forming part of this Certificate

### **Territorial Limits/Defined Territories**

Within Great Britain Northern Ireland Republic of Ireland the Channel Islands and the Isle of Man

### **Terrorism**

Any act including but not limited to the use of force or violence and/or the threat thereof or the use of any computer virus electronic mail denial of service attack or other attack using electronic means against people property data or infrastructure by any person whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or put the public or any section of the public in fear

### **War**

War invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny civil commotion assuming the proportions of or amounting to popular rising military rising insurrection rebellion revolution or military or usurped power

### **We/Us/Our**

Brit Insurance Holdings PLC

### **You/Your/Yourself/Certificate Holder**

- (a) The person companies partnerships or unincorporated associations named in the Schedule as the Certificate Holder
- (b) any person who is or was Your partner director principal or Employee but only in respect of their employment with You
- (c) any office-bearer or member of a social or sporting club or welfare organisation formed by You or with Your consent but only in respect of claims arising from duties connected with the activities of such club or organisation
- (d) an executor or administrator of any person referred to in (b) above but only in respect of Your employment of such person
- (e) any contractor working for You but only in respect of Your liability for the actions of such contractor
- (f) any client with whom You have entered into a contract for or including the supply of Products or services as far as is necessary to meet the requirements of such contract but only in respect of Your liability arising out of the performance of such contract by You

## **Part 2**                      **Property Damage Section**

### **Definitions**

#### **Buildings**

Buildings described in the Schedule and including

- (a) landlords' fixtures and fittings
- (b) outbuildings extensions annexes canopies fixed signs gangways conveniences lamp posts and street furniture
- (c) walls gates and fences
- (d) drains sewers 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
- (e) yards car-parks roads pavements forecourts all constructed of solid materials

#### **Contents**

Contents therein and thereon Your property or held by You in trust for which You are responsible including

- (a) tenants' improvements alterations and decorations
- (b) so far as they are not otherwise insured Employees' directors' and visitors' personal effects of every description (other than motor vehicles) for an amount not exceeding £500 in respect of any one person
- (c) Contents of outbuildings
- (d) Contents in the open yards

but excluding

- (i) landlords' fixtures and fittings
- (ii) Stock and materials in trade
- (iii) money and stamps (including National Insurance stamps) in excess of £500
- (iv) documents manuscripts and business books except for the cost of the materials and of clerical labour expended in reproducing such records
- (v) computer systems records except for an amount not exceeding £1000 in respect of the cost of the materials and of clerical labour and computer time expended in reproducing such records
- (vi) any expense in connection with the production of the information to be recorded in documents manuscripts business books or computer systems records
- (vii) vehicles licensed for road use including accessories thereon

#### **Damage**

Damage shall mean accidental loss or destruction of or damage to the Property Insured

#### **Defined Peril**

Defined Peril shall mean fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons (other than thieves) earthquake storm flood escape of water from any tank apparatus or pipe or impact by any mechanically propelled vehicle or by goods falling therefrom or animals

#### **Miscellaneous**

As described under the heading Description in the Schedule

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

#### **Property Insured**

The Property Insured as detailed in the Schedule

**Stock**

Stock and Materials in Trade therein and thereon Your property or held by You in trust for which You are responsible

**The Cover**

In the event of the Property Insured described in the Schedule being Damaged during the Period of Insurance We will pay You the value of the property at the time of its loss or destruction or the amount of the damage or at Our option reinstate or replace such property or any part of it provided that Our liability under this Section shall not exceed

- (a) in the whole the total Sum Insured or in respect of any item its sum insured or any other limit of liability stated in the Schedule at the time of the loss destruction or damage
- (b) the sum insured (or limit) remaining after deduction for any other loss destruction or damage occurring during the same Period of Insurance unless any such sum insured (or limit) is reinstated in accordance with Clause 2 Automatic Reinstatement of Sum Insured

**Clauses**

**1 Professional Fees**

Except where more specifically insured the Sum Insured by each item of Buildings and Contents in the Schedule includes an amount in respect of Architects Surveyors Consulting Engineers Legal and other Fees including Agricultural Valuers necessarily and reasonably incurred in the reinstatement of the Property Insured consequent upon its Damage but not for preparing any claim provided that the liability for such Damage and fees shall together not exceed the Sum Insured by each item

**2 Automatic Reinstatement of Sum Insured**

The Sums Insured stated in the Schedule will not be reduced by the amount of any claim unless We or You give notice to the contrary provided that

- (a) You must pay the additional premium required to reinstate the Sums Insured
- (b) You shall take immediate steps to effect such additions to or variations in the protections of the Property Insured as We may require

**3 Capital Additions**

This Section is extended to cover the following property situated on any land occupied or used by You in connection with the Business

- (a) any newly erected and/or newly acquired Building and
- (b) alterations additions and improvements to Buildings but not in respect of any appreciation in value

Provided that Our maximum liability shall not exceed 15% of the total Building Sum Insured by this Section or £250000 whichever is less

You shall provide Us with particulars of such additions as soon as possible and in any event after not more than 60 days and to pay the pro rata additional premium from the date of inception

For the purpose of Clause 21 Average such additions will be added to the Sum Insured

**4 Contract Price**

In respect only of goods sold but not delivered for which You are responsible subject to a sale contract which following Damage insured hereby is cancelled by reason of its conditions wholly or to the extent of the Damage Our liability shall be based on the contract price

**5 Contracting Purchasers**

If at the time of Damage You have contracted to sell Your interest in any Building and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase shall be entitled to benefit under this Section without prejudice to Our or Your rights and liabilities until completion

Provided that the Building is not insured against such Damage by the purchaser or on his behalf

## **6 Customers' Goods**

The Stock item stated in the Schedule extends to include

- (a) customers goods
- (b) goods for which Your customers are legally responsible

while these goods are temporarily in Your custody or control and for which You have accepted responsibility but only to the extent they are not more specifically insured elsewhere

## **7 Fire Extinguishment Expenses**

We will indemnify You in respect of costs and expenses incurred in refilling recharging or replacing any of the following as a result of Damage as insured by this Section

- (a) fire extinguishing appliances
- (b) fire suppression systems
- (c) sprinkler installation heads or tanks where water costs are metred

We will not indemnify You

- (i) in respect of any costs and expenses recoverable from the maintenance company or fire service
- (ii) in respect of equipment which has not been maintained in accordance with the manufacturers instructions

The maximum We will pay in respect of any one claim is £500

## **8 Fire Brigade Damage**

We will indemnify You in respect of costs and expenses necessarily and reasonably incurred in reinstating or repairing landscape gardens and grounds following Damage caused by Fire Brigade equipment or personnel in the course of combating fire up to an amount not exceeding £1000

## **9 Loss of Metered Water**

This Section extends to cover additional water charges caused by accidental loss of metered water from pipes or apparatus up to an amount not exceeding £1000 or 10% of the sum insured whichever is the less

Provided that

- (a) meters are to be checked at least once a month
- (b) a record of meter reading is to be maintained
- (c) any unusual fluctuations in meter readings to be reported immediately to the Water Authority

## **10 Non-Invalidation**

The insurance hereby shall not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased unknown to or beyond Your control provided that immediately You become aware thereof You shall give notice to Us and pay an additional premium if required

## **11 Other Interests**

It is understood and agreed that various parties may have a legal interest in part of the Property Insured by this Certificate and You undertake to declare the names nature and extent of any interest of any such parties at the time of the Damage

## **12 Removal of Debris**

The Sum Insured for each item other than Stock includes costs and expenses You incur with Our consent for

- (i) removal of debris
- (ii) dismantling or demolishing
- (iii) shoring up or propping of the parts of the property which have suffered Damage insured under this Section

We will not indemnify You in respect of costs and expenses

- (i) incurred in removing debris from anywhere other than the site of the Damage and the area adjacent to it
- (ii) arising from pollution or contamination of property not insured under this Section
- (iii) more specifically insured

### **13 Subrogation Waiver**

In the event of a claim arising under this Certificate We agree to waive any rights remedies or relief to which We might become entitled by subrogation against

- (a) any Company whose relationship to You is either a parent to subsidiary or subsidiary to parent
- (b) any Company which is a subsidiary of a parent company of which You are a subsidiary

As defined in or within the meanings of the relevant Companies Act or Companies (N.I.) Order current at the time of the Damage

### **14 Temporary Removal**

The property insured by this Section (other than Stock) is covered whilst temporarily removed for cleaning renovation repair or similar purposes elsewhere and in transit thereto and therefrom within the Territorial Limits provided that

- (a) Our liability under this extension in respect of each item of the Section for any Damage occurring elsewhere than at the within mentioned Premises shall not exceed 10% of the sum insured by the item
- (b) this extension does not apply to property in so far as it is otherwise insured

### **15 Temporary Removal – Documents and Computer System Records**

The insurance by this Section extends to include the following whilst temporarily removed to premises not in Your occupation but whilst remaining within the Territorial Limits

- (i) Deeds and other documents manuscripts plans and writings of every description and books (but excluding computer system records) up to 10% of the total value of such property
- (ii) Computer system records up to £1000

### **16 Trace and Access**

We will pay reasonable costs and expenses incurred with Our consent in

- (a) locating the actual source of Damage and
- (b) any repairs directly arising from (a)

caused by the escape of water from any tank apparatus or pipe or leakage of fuel from any fixed oil heating installation provided such Damage is insured by this section

The maximum We will pay is £1000 or 10% of the sum insured whichever is the less in any one Period of Insurance

### **17 Workmen**

Workmen are allowed to work in the Building for the purposes of effecting any repairs minor additions and alterations or decorations without prejudice to this insurance

### **18 Changing Locks**

Where Damage by theft is not excluded in its entirety We will pay You the reasonable expenses not exceeding £500 incurred for the necessary replacement of locks following the loss of keys to the Premises or any safe or strongroom therein caused by theft from the Premises or from the private residence of Yours or an authorised employee

### **19 Theft Damage to Buildings**

We will indemnify You in respect of Damage to Buildings at the Premises for which You are responsible by

- (a) theft or attempted theft involving entry to or exit from buildings by forcible and violent means or
- (b) theft involving violence or threat of violence to You Your partners directors or Employees

## **20 Average (Underinsurance)**

Each item of Property Insured is subject to Average

Average means that if at the time of Damage the sum representing 90% of the total value of Property Insured exceeds the Sum Insured

You shall be

- (i) responsible for the difference and
- (ii) liable to pay a proportionate share of the loss

## **21 Fire Break Doors and Shutters**

You hereby undertake to maintain all firebreak doors and shutters within Your custody or control in efficient working order and to keep them free from obstruction at all times

## **22 Fire Extinguishing Appliances**

You hereby undertake to have Fire Extinguishing Appliances serviced and maintained under an annual service contract with competent suppliers

## **23 Security Requirements**

- (a) Any additional protection required by Us shall be fitted in accordance with Our requirements and together with all other devices for the protection of the Property Insured shall be kept in good order and put into full and effective operation whenever the Premises are closed for business to customers or callers or are unattended
- (b) All keys including duplicate keys relative to the security of the Premises or to any safe or strongroom containing Property Insured shall be removed from the Premises whenever they are closed for business or left unattended

## **24 Unoccupied Buildings**

You will notify Us when any Building becomes unoccupied or when an unoccupied Building or portion thereof becomes occupied and will pay a suitable additional premium if required

## **25 European Union & Public Authorities**

Following Damage as insured under this Section to any item on buildings We will pay the additional cost of reinstating the Property Insured necessary to comply with any

- (a) European Union Legislation
- (b) Act of Parliament
- (c) Bye-Laws of any Public Authority

We will not indemnify You in respect of

- (a) costs incurred
  - (i) in respect of Damage not insured by this Section
  - (ii) where notice was served on You before the Damage occurred
  - (iii) where an existing requirement must be completed within a stipulated period
  - (iv) in respect of property or parts of the property other than foundations (unless foundations are specifically excluded) which have not suffered Damage
- (b) any charge or assessment arising from capital appreciation following compliance with this legislation

The reinstatement of the property

- (a) must begin and be carried out as quickly as possible in order to mitigate further loss
- (b) may be carried out on another site and in a manner suitable to Your needs but this must not increase Our liability

If Our liability under this Section is reduced by the application of any terms or conditions of this Certificate Our liability under this Clause will be similarly reduced  
 The maximum We will pay under this Clause in respect of any one item is

- (a) 15% of the item Sum Insured or
- (b) where the Sum Insured applies to property at more than one premises 15% of the amount We would have been liable to pay if the Property Insured by the item at the Premises where Damage occurred had been completely destroyed

**26 Reinstatement**

Subject to the following special conditions the basis upon which the amount payable in respect of Buildings and Contents 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 Our requirements
  - (ii) upon another site
- (b) the repair or restoration of property damaged in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

Special conditions

- 1 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
- 2 No payment beyond the amount which would have been payable in the absence of this Supplementary condition 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 loss destruction or damage shall be insured by any other insurance effected by or on Your behalf which is not upon the same basis of reinstatement
- 3 All the terms and conditions of this Certificate shall apply
  - (a) in respect of any claim payable under the provisions of this Clause except in so far as they are varied hereby
  - (b) where claims are payable as if this Clause had not been incorporated

**27 Intruder Alarm**

It is a condition precedent to all Our liability that

- (a) any Intruder Alarm System required by Us at any Premises so indicated in the Schedule shall be
  - (i) installed in accordance with the specification or system record approved 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
  - (ii) inspected and maintained in accordance with the Code of Practice under Section 4.2 of BS4737:1986 under contract by an installer included in the official list of Recognised Firms of the National Approval Council for Security Systems (NACOSS) or otherwise approved by Us
  - (iii) put into full and effective operation whenever the alarmed portion of the Premises is closed for business or left unattended
- (b) all keys of the Intruder Alarm System shall be removed from the Premises whenever they are closed for business or left unattended except that where part of the Premises is occupied residentially by You or an Employee of Yours the said keys shall be removed from the business portion of the Premises
- 1 The Intruder Alarm shall not be regarded as effective and immediate advice shall be given to Us if
  - (a) the specification or system record provides for connection to a telephone line direct line or central station warning system and to Your knowledge such line or system is not in full and effective working order or You have had notice of withdrawal of the police or telephone or central station service and such service has actually been withdrawn

- (b) notice has been received from a Local Authority or Magistrate that imposes any requirement for abatement of a nuisance under the terms of the Environmental Protection Act 1990 or any subsequent or other legislation
- 2 This Condition has continuing effect and its terms should be kept in mind If circumstances should arise which render You unable to comply with any part We should be contacted at once to see if help can be given to obtain reinstatement of cover.
- 3 Breach of this Condition shall only invalidate claims in respect of theft or attempted theft of property whilst contained in the Premises at which the breach of Condition has occurred

**28 Glass Extension**

In the event of accidental breakage of fixed glass for which You are responsible We will indemnify You in respect of the cost of

- (a) replacement of such glass with glass of a similar quality or as otherwise recommended by the British Standard Code of Practice BS6262
- (b) temporary boarding up necessarily incurred through breakage of the glass
- (c) damage to frames and framework of any description and the cost of removing or replacing any Stock or Contents which may have to be removed to replace the glass up to a limit of £500

This extension does not cover

- 1 the cost of silvering embossing lettering bending or ornamenting glass in excess of £500 any one loss
- 2 breakage of cracked or scratched glass
- 3 breakage damage or loss resulting from repairs or alterations to the Premises or whilst the Premises are vacant or unoccupied
- 4 breakage damage or loss caused by fire lightning explosion or earthquake
- 5 in respect of each and every loss the amount stated in the Schedule to be the Excess

**29 Subsidence**

If specified in the Schedule We will indemnify You in respect of Damage at the Premises caused by subsidence or ground heave of the site of the Property Insured or landslip

We will only indemnify You in respect of

Damage to

- 1 forecourts car parks driveways footpaths swimming pools terraces or patios
- 2 walls gates hedges or fences
- (a) if such property is specifically insured by this Section and
- (b) if Damage also occurs to the Building to which such property applies and that Building is insured by this Section

We will not indemnify You in respect of

- 1 Damage caused by
  - (a) collapse cracking shrinking or settlement of any building
  - (b) coastal or river erosion
  - (c) defective design or inadequate construction of foundations
  - (d) demolition structural alteration or repair
  - (e) settlement or movement of made up ground
- 2 Damage as a result of movement of solid floor slabs

However We will indemnify You in respect of Damage not otherwise excluded if there is Damage to the foundations beneath the exterior walls of the Premises at the same time

- 3 the Excess stated in the Schedule

## **Part 2 Business Interruption Section**

### **Definitions**

#### **Consequential Loss**

Consequential Loss shall mean loss resulting from interruption of or interference with the Business carried on by You at the Premises in consequence of accidental loss or destruction of or damage to property used by You at the Premises for the purpose of the Business

#### **Indemnity Period**

The period during which the Business results are affected due to the Damage beginning with the date of the Damage and ending no later than the Maximum Indemnity Period

#### **Maximum Indemnity Period**

The number of months stated in the Schedule unless amended in any Additional Contingency

### **The Cover**

In the event of any Consequential Loss during the Period of Insurance We will pay You in respect of each item specified in the Schedule the amount of loss resulting from such interruption or interference during the Indemnity Period provided that

- (a) at the time of the happening of the loss destruction or damage there shall be in force an insurance covering Your interest in the property at the Premises against such loss destruction or damage and that
  - (i) payment shall have been made or liability admitted therefor or
  - (ii) payment would have been made or liability admitted therefor but for the operation of a proviso in such insurance excluding liability for losses below a specified amount
- (b) Our liability under this Section shall not exceed in the whole the Total Sum Insured or in respect of any item its Sum Insured or any other Limit of Liability stated in the Schedule at the time of the loss destruction or damage

### **Clauses**

#### **1 Alternative Premises**

The Sum Insured during the Indemnity Period will include any money paid or payable to You during the Indemnity Period for goods sold or services provided elsewhere than at the Premises

#### **2 Automatic Reinstatement of Sum Insured**

The Sum Insured stated in the Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary However You must pay the additional premium required to reinstate the Sum Insured

# ***Gross Profit Specification***

## ***Definitions***

The following definitions apply to this Specification and shall keep the same meaning wherever they appear in the Specification

### **Gross Profit**

The combined value of the Turnover closing stock and work in progress less

the combined value of opening stock and work in progress and Uninsured Working Expenses

The values of opening and closing stocks and work in progress will

- 1 be calculated using Your usual accounting methods
- 2 make due provision for depreciation

The Sum Insured for which is stated in the Schedule

### **Rate of Gross Profit**

Gross Profit earned on and expressed as a percentage of Turnover during the financial year immediately before the date of the Damage

### **Annual Turnover**

The Turnover during the 12 months immediately before the date of the Damage

### **Standard Turnover**

The Turnover during the period in the 12 months immediately before the date of the Damage which corresponds with the Indemnity Period

Rate of Gross Profit Annual Turnover and Standard Turnover may be adjusted to reflect any trends or circumstances which

- 1 affect the Business before or after the Damage
- 2 would have affected the Business had the Damage not occurred

The adjusted figures will represent as near as possible the results which We believe would have been achieved during the same period had the Damage not occurred

### **Turnover**

Money paid or payable by You for

- 1 goods sold and delivered
- 2 services provided

In the course of the Business at the Premises

### **Uninsured Working Expenses**

- 1 Purchases less any discounts received
- 2 discounts allowed and
- 3 any additional Uninsured Working Expenses stated in the Schedule

The words and expressions used in this definition will have the same meaning usually attached to them in Your books and accounts

## ***Basis of Settlement***

The insurance on Gross Profit is limited to loss due to

- 1 The reduction in Turnover and
- 2 increase cost of working

We will pay

- 1 in respect of reduction in Turnover  
The sum produced by applying the Rate of Gross Profit to the amount by which the Standard Turnover exceeds the Turnover during the Indemnity Period due to the Damage
- 2 in respect of increase in the costs of working  
Any additional expenses You necessarily and reasonably incur solely to prevent or limit a reduction in Turnover during the Indemnity Period which but for such additional expenses would have taken place due to the Damage  
We will not pay more than the amount produced by applying the Rate of Gross Profit to the reduction in Turnover avoided by the expenditure

less any savings during the Indemnity Period in business charges or expenses payable out of Gross Profit which reduce or cease due to the Damage

If at the time of the Damage the Sum Insured is less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (proportionately increased where the Maximum Indemnity Period exceeds twelve months) You will be Your own insurer for the difference and bear a rateable share of the loss

All terms in this Section exclude Value Added Tax to the extent that You are accountable to the Tax Authorities for Value Added Tax

Any adjustment made for current cost accounting will be ignored

## ***Additional Clauses***

### **1 Salvage Sale**

If following Damage giving rise to a claim under this Section you hold a salvage sale during the Indemnity Period Paragraph 1 of The Basis of Settlement is amended to state

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

### **2 Departmental Clause**

If You conduct the Business in departments and independent trading results are obtainable the Basis of Settlement will apply separately to each department affected by the Damage

If the insurance is not on a declaration linked basis and if the Sum Insured by such item is less than the total of all the sums produced by applying the Rate of Gross Profit for each department of the Business affected by the Damage or not to its relative Annual Turnover (proportionately increased where the Maximum Indemnity Period exceeds 12 months) You will be Your own insurer for the difference and bear a rateable share of the loss

### **3 Auditors and Professional Accountants**

We will pay Your auditors and professional accountants reasonable charges for producing information We require for investigating any claim and confirming the information is in accordance with Your business books  
The maximum amount We will pay is the Sum Insured stated in the Schedule

## ***Increase in Cost of Working Specification***

### ***Items***

- 1 Increase in Cost of Working Sum Insured stated in the Schedule
- 2 Auditors and Professional Accountants Charges stated in the Schedule

### ***Definitions***

The following definitions apply to this Specification and shall keep the same meaning wherever they appear in the Specification

#### **Maximum Limit**

- 1 The Sum Insured divided by the number of separate Buildings at the Premises
- 2 If a special limit stated in the Schedule applies to one or more Buildings the Maximum Limit for the Buildings will be calculated by applying the Percentage Limit shown against each Building to the Sum Insured

The remainder of the Sum Insured will be divided equally between the other Buildings to produce the Maximum Limit for each

#### **Remainder Limit**

The Maximum Limit less any sum paid or payable for loss during the first three months of the Indemnity Period

#### **Remainder Period**

The Maximum Indemnity Period less three months

### ***Basis of Settlement***

We will pay Your additional expenditure which has been reasonably and necessarily incurred as a result of the Damage to continue the Business during the Indemnity Period

The maximum We will pay will not exceed

- (a) during the first three months of the Indemnity Period twenty five percent of the Maximum Limit
- (b) for each subsequent month of the Indemnity Period the proportion of the Remainder Limit which one month bears to
  - (i) the Remainder Period or
  - (ii) nine months whichever is longer

The maximum amount We will pay for any one Building is the Maximum Limit

## ***Part 2 Exclusions Applicable to Property Damage and Business Interruption Sections***

### **The Property Damage and Business Interruption Sections do not cover**

- 1 Damage Consequential Loss or Increase in Cost of Working caused by or consisting of
- (a) inherent vice latent defect gradual deterioration wear and tear frost change in water table level its own faulty or defective design or materials
  - (b) faulty or defective workmanship operational error or omission on the part of You or any of Your Employees
  - (c) the bursting by steam pressure of a boiler economiser vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under Your control other than
    - (i) in respect of the Property Damage Section - a boiler used for domestic purposes only
    - (ii) in respect of the Business Interruption Section - any boiler or economiser on the Premises or a boiler used for domestic purposes only

but this shall not exclude subsequent Damage Consequential Loss or Increase in Cost of Working which itself results from a cause not otherwise excluded

- 2 Damage Consequential Loss or Increase in Cost of Working caused by or consisting of
- (a) corrosion rust wet or dry rot mold shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insect
  - (b) change in temperature colour flavour texture or finish
  - (c) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
  - (d) mechanical or electrical breakdown or derangement of the particular machine apparatus or equipment in which such breakdown or derangement originates
  - (e) Consequential Loss or Increase in Cost of Working caused by the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunications services

but this shall not exclude

- (i) such Damage Consequential Loss or Increase in Cost of Working not otherwise excluded which itself results from a Defined Peril or from any other accidental loss destruction or damage
- (ii) subsequent Damage Consequential Loss or Increase in Cost of Working which itself results from a cause not otherwise excluded

- 3 Damage caused by or consisting of or Consequential Loss or Increase in Cost of Working arising directly from theft or attempted theft

- (a) not involving
  - (i) breaking into or out of the Buildings of the Premises by forcible and violent means or
  - (ii) robbery or attempted robbery committed in the Premises
- (b) to that part of the Buildings of the Premises not occupied by You
- (c) to property on or in any garden yard open place or open sided Building nor any outbuilding unless specified in the Schedule
- (d) by any person lawfully on the Premises
- (e) of the fabric of the Buildings

Damage caused by or arising directly or indirectly from theft or attempted theft

- (f) of money cheques stamps (including National Insurance stamps) bonds credit cards or securities of any description
- (g) of jewellery precious stones precious metals bullion furs curiosities works of art or rare books

but this shall not exclude

- (i) such **Damage Consequential Loss** or Increase in Cost of Working not otherwise excluded which itself results from a **Defined Peril** or from any other accidental loss destruction or damage
- (ii) subsequent **Damage Consequential Loss** or Increase in Cost of Working which itself results from a cause not otherwise excluded
- 4 (a) in respect of the Property Damage Section - loss or destruction or damage caused by pollution or contamination but this shall not exclude destruction of or damage to the **Property Insured** not otherwise excluded caused by
  - (i) pollution or contamination which itself results from a **Defined Peril**
  - (ii) a **Defined Peril** which itself results from pollution or contamination
  - (iii) sudden identifiable unintended and unexpected pollution or contamination which itself results from all other **Damage**
  - (iv) all other **Damage** which itself results from sudden identifiable unintended and unexpected pollution or contamination
- (b) in respect of the Business Interruption Section loss resulting from pollution or contamination but this shall not exclude loss resulting from destruction of or damage to property used by You at the **Premises** for the purpose of the **Business** not otherwise excluded caused by
  - (i) pollution or contamination at the **Premises** which itself results from a **Defined Peril**
  - (ii) a **Defined Peril** hereby insured against which itself results from pollution or contamination
  - (iii) sudden identifiable unintended and unexpected pollution or contamination at the **Premises** which itself results from all other **Damage**
  - (iv) all other **Damage** which itself results from sudden identifiable unintended and unexpected pollution or contamination

subject to a total limit of liability in respect of (a) (iii) and (iv) and (b) (iii) and (iv) in any one **Period of Insurance** of £25000

- 5 **Damage Consequential Loss** or Increase in Cost of Working caused by or consisting of subsidence or ground heave of any part of the site on which the property stands or landslip unless specified in the **Schedule**
- 6 **Damage Consequential Loss** or Increase in Cost of Working caused by or consisting of acts of fraud or dishonesty but this shall not exclude such **Damage Consequential Loss** or Increase in Cost of Working if resulting from a cause which is not otherwise excluded
- 7 **Damage** caused by or consisting of or **Consequential Loss** or Increase in Cost of Working arising directly or indirectly from
  - (a) disappearance unexplained or inventory shortage misfiling or misplacing of information
  - (b) in respect of the Business Interruption Section
    - (i) erasure loss distortion or corruption of information on computer systems or other records programmes or software caused deliberately by persons participating in a riot strikers locked-out workers persons taking part in labour disturbances or civil commotion or malicious persons
    - (ii) other erasure loss distortion or corruption of information on computer systems or other records programmes or software unless resulting from a **Defined Peril** in so far as it is not otherwise excluded
- 8 in respect of the Property Damage Section destruction of or damage to a **Building** or structure caused by its own collapse or cracking unless resulting from a **Defined Peril** in so far as it is not otherwise excluded
- 9 in respect of the Business Interruption Section loss resulting from destruction of or damage to a **Building** or structure used by You at the **Premises** caused by its own collapse or cracking unless resulting from a **Defined Peril** in so far as it is not otherwise excluded
- 10 **Damage Consequential Loss** or Increase in Cost of Working in respect of
  - (a) movable property in the open fences and gates caused by wind rain hail sleet snow flood or dust
  - (b) property in transit other than whilst at the **Premises**
- 11 **Damage Consequential Loss** or Increase in Cost of Working

- (a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat
  - (b) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair other than by fire or explosion
- 12 **Damage Consequential Loss or Increase in Cost of Working caused by**
- (a) freezing
  - (b) escape of water from any tank apparatus or pipe
  - (c) malicious persons not acting on behalf of or in connection with any political organisation
- in respect of any building which is empty or not in use for more than thirty consecutive days other than by fire or explosion
- 13 **Damage in respect of**
- (a) money cheques stamps bonds credit cards or securities of any description
  - (b) jewellery precious stones precious metals bullion furs curiosities works of art or rare books other than such **Damage** caused by
    - (i) a **Defined Peril**
    - (ii) theft or attempted theft involving breaking into or out of the **Premises** by forcible and violent means
    - (iii) robbery or attempted robbery committed in the **Premises** in so far as it is not otherwise excluded
- 14 (a) in respect of the Property Damage Section - unless specifically mentioned as insured and
- (b) in respect of the Business Interruption Section - unless **Damage** is caused by a **Defined Peril** in so far as it is not otherwise excluded
- (i) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock water craft or aircraft
  - (ii) piers jetties bridges culverts or excavations
  - (iii) livestock growing crops or trees
- 15 **Damage to or Consequential Loss** in respect of property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection other than such damage or in respect of such **Consequential Loss** caused by
- (i) a **Defined Peril**
  - (ii) theft or attempted theft involving breaking into or out of the **Buildings** of the **Premises** by forcible and violent means
  - (iii) robbery or attempted robbery committed in the **Premises**
- in so far as it is not otherwise excluded
- 16 Property which at the time of the happening of **Damage** is insured by or would but for the existence of this Certificate be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
- 17 (a) in respect of the Property Damage Section any loss or destruction of or damage to land and
- (b) in respect of the Business Interruption Section **Consequential Loss** or Increase in Cost of Working caused by loss or destruction of or damage to land
- 18 any property more specifically insured by or on **Your** behalf
- 19 In respect of the Property Damage Section consequential loss of any kind or description except loss of rent when such loss is included in the cover under the Property Damage Section

## **Part 2 Terrorism**

### **Definitions**

#### **Virus or Similar Mechanism**

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 The definition of Virus or Similar Mechanism includes but is not limited to Trojan horses worms and logic bombs

#### **Hacking**

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether the property of You or not

#### **Denial of Service Attack**

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 Denial of Service Attacks include but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

### **The Cover**

Notwithstanding anything stated herein to the contrary this Insurance in consideration of the payment of the premium and its Insurance Premium Tax is extended for the Period of Insurance to include loss or damage to the Property Insured and Business Interruption resulting therefrom insofar and to the extent that it is insured in the United Kingdom other than Northern Ireland (meaning England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 and not the Isle of Man nor the Channel Islands) caused by an Act of Terrorism certified as such by Her Majesty's Government or HM Treasury or any successor or other relevant authority

Provided always that the Terrorism Insurance provided under this Section is

- 1 limited to loss or damage occasioned by or happening through or in consequence of an act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence In any action suit or other proceedings where We allege that any loss or damage is not covered by this Section the burden of proving that such loss or damage is covered shall be upon You
- 2 not subject to any of the exclusions specified in this Insurance other than those applying specifically in respect of Terrorism Insurance as stated in provisos 4 to 6 below
- 3 subject to all the terms and conditions of this Insurance except as expressly varied hereby
- 4 subject to the exclusion of chemical biological or radioactive contamination defined as any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
  - (a) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
  - (b) ionising radiation or contamination by radioactivity or from the combustion of any radioactive material
  - (c) chemical and/or biological and/or radiological irritants contaminants or pollutants in respect only of residential property houses and blocks of flats and other dwellings insured in the name of a private individual
- 5 subject to the exclusion of war and allied risks defined as war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- 6 subject to the exclusion of digital or cyber risks that is any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from

Damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the Insured or not, where such damage is caused by Virus or Similar Mechanism or Hacking or Denial of Service Attack or

Consequential Loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking or Denial of Service Attack

and provided that Our liability in respect of all losses arising out of any one occurrence and in the aggregate in any one Period of Insurance shall not exceed the limits as otherwise specified in this Insurance

## **Part 2** *Goods in Transit Section*

### **Definitions**

#### **In Transit**

In Transit shall mean being carried from the time the Property is lifted to the time it is unloaded at its destination including

- (a) loading and unloading
- (b) the use of recognised roll-on roll-off vehicle ferries provided no unloading or re-loading of the Vehicle is involved
- (c) whilst temporarily housed on or off the Vehicle in the course of the said carriage but excluding any dismantling installation erection or testing

#### **Property**

Property shall mean goods belonging to You or for which You are responsible all pertaining to the Business

#### **Vehicle**

Vehicle shall mean a mechanically driven conveyance including trailers whether attached or temporarily detached from the Vehicle during the course of the transit

#### **Personal Effects**

Personal Effects shall mean personal belongings of Your drivers or attendants excluding money credit cards radios cassette players televisions or jewellery

#### **Working Hours**

Working Hours shall mean the whole period during which the Vehicle is being operated by its driver

### **The Cover**

In the event of

- 1 loss of or damage to
  - (a) Property whilst in or on any road Vehicle operated by You or hauliers or by parcel post or by rail
  - (b) tarpaulin sheets and ropes whilst being carried on any road Vehicle operated by You
  - (c) Personal Effects limited to £250 in total for any one event whilst in any Vehicle operated by You
- 2 expenses reasonably incurred with Our agreement in
  - (a) the transfer of Property to another Vehicle and the delivery to the original destination or return to the place of despatch necessitated by fire collision or overturning of any road Vehicle operated by You
  - (b) the reloading on to any road Vehicle operated by You of any Property which has fallen from such Vehicle
  - (c) the removal of debris and site clearance consequent upon the destruction of damage to Property
  - (d) breaking up or dismantling the property
- 3 sue and labour costs falling to be paid by You

We will indemnify You against such loss or damage or expenses or costs occurring whilst in transit within the Territorial Limits

Provided that

- 1 We may at Our option indemnify You by payment or by repair reinstatement or replacement
- 2 Our liability in respect of any one Item Insured shall not exceed the specified Limit of Liability
- 3 Whenever a Vehicle operated by You and carrying Property is unattended all doors and windows and other means of access shall be securely fastened and locked together with any of the following additional provisions if specified in the Schedule

## ***Additional Security Provisions***

These are only operative if shown in the Schedule

Whenever a Vehicle operated by You and carrying Property is unattended it shall be protected as follows

- 1 Garaged in a securely locked building of substantial construction or placed in a compound which has secure walls and/or fences and securely locked gates or in a guarded security park
- 2 An immobiliser approved by Us shall be switched on and made fully operational
- 3 Additional security locks of a type and method of fitment approved by Us fitted and operational
- 4 A Thatcham approved Category 1 combined alarm and immobiliser fitted by an installer approved by the Vehicle Security Installation Board shall be switched on and made fully operational

## ***Exclusions***

This Section does not cover

- 1 claims in respect of or arising out of
  - (a) depreciation delay inadequate documentation consequential loss
  - (b) wear and tear breakdown of refrigeration defective packing mildew vermin contamination
  - (c) the carriage of explosives or other dangerous goods
  - (d) the carriage of livestock gold or silver articles precious metals or stones jewellery watches furs wines spirits tobacco cigars and cigarettes radios television sets video recorders tape recorders and the like non-ferrous metals and scrap coins money stamps stamp collections bonds securities and computers unless specifically agreed and endorsed in the Schedule to this Section
  - (e) loss from a soft topped open topped open sided or curtain sided vehicle or trailer caused by theft or attempted theft (unless the Vehicle or trailer is stolen at the same time) or storm
- 2 containers trailers or demountable vans or the like
- 3 any consequence of riot strike or civil commotion occurring outside Great Britain the Channel Islands and the Isle of Man confiscation nationalisation requisition destruction or damage by any government or local authority
- 4 loss of computer equipment unless it had been concealed from view in a locked boot where such facilities are available or concealed from view by other secure means where such facilities are unavailable unless the vehicle is secured in a locked building
- 5 inventory shortages or mysterious or unexplained disappearances
- 6 the dishonesty of any person to whom the Property has been entrusted

## ***Special conditions***

### **1 Reasonable Care**

You shall exercise due care in the selection and supervision of Employees take all reasonable precautions for the safeguarding and protection of the Property and maintain in good order all Vehicles operated and all locking and other protective devices Any alarm or immobiliser system shall be serviced and maintained by a qualified person and no alterations to the system shall be made without Our approval

### **2 Condition of Average (Underinsurance)**

If the value of the Property contained in any one package or Vehicle and/or trailer and/or container or if the total value at risk at any one location shall at the time of Damage thereto exceed the Limit of Liability stated in the Schedule You shall be

- (i) responsible for the difference and
- (ii) liable to pay a proportionate share of the loss

### **3 Excess**

Where an Excess is shown in the Schedule to this Section You shall bear such amount in respect of each and every loss after the application of any Condition of Average (Underinsurance)

## **Part 2 Liability Section**

### **Definitions**

#### **Pollution or Contamination**

- (a) All pollution or contamination of buildings or other structures or of water or land or the atmosphere caused by Pollutants
- (b) all Damage or Bodily Injury directly or indirectly caused by such pollution or contamination

#### **Damage**

Accidental loss destruction or damage

This definition shall replace that provided in page 4 of the policy in respect of this section of the policy

### **The Cover**

#### **1 Employers' Liability**

We will indemnify You for

- (a) all sums which You shall become legally liable to pay in respect of a breach of duty that results in a claim against You for the **Bodily Injury** of any **Employee** arising out of and in the course of his employment by You in connection with the **Business** and caused during the **Period of Insurance**
- (b) an award of damages that has been obtained by any **Employee** in respect of the **Bodily Injury** of any **Employee** arising out of and in the course of his employment by You in connection with the **Business** and caused during the **Period of Insurance** against any company or individual operating from or resident in premises within the United Kingdom the Channel Islands or the Isle of Man and where such judgment remains unsatisfied in whole or in part 6 months after the date of judgment provided that there is no appeal outstanding

#### **2 Public Liability**

We will indemnify You for all sums which You shall become legally liable to pay in respect of a breach of duty that results in a claim against You for

- (a) accidental injury and/or **Damage** to physical property not caused by any **Product**
- (b) economic loss consequent upon such accidental injury and/or damage
- (c) liability in nuisance trespass interference with any right of way or right to water light or air
- (d) the personal liability of any **Employee** and spouse or partner of such **Employee** for accidental injury and/or property damage not caused by any **Product** and not arising out of the ownership or occupation of any land or building

provided that such injury **Damage** or liability

- (i) occurs during the **Period of Insurance**
- (ii) arises from a negligent act error or omission and
- (iii) arises in connection with the conduct of the **Business** carried on by You or on Your behalf

#### **3 Products Liability**

We will indemnify You for all sums which You shall become legally liable to pay in respect of a breach of duty that results in a claim against You for

- (a) accidental injury and/or **Damage** to physical property caused by any **Product**
- (b) economic loss consequent upon such accidental injury and/or property **Damage**

provided that such injury **Damage** or liability

- (i) occurs during the **Period of Insurance**
- (i) arises from a negligent act error or omission and
- (iii) arises in connection with the conduct of the **Business** carried on by You or on Your behalf

#### 4 Costs

We will also pay

- (a) all other costs and expenses incurred by Us or You with Our consent in connection with any claim under this Certificate
- (b) the costs of representing You (including the costs of the prosecution awarded against You) arising from any prosecution of You or an appeal against conviction for a breach or alleged breach of Part II of the Consumer Protection Act 1987 the Health & Safety at Work Act 1974 the Health & Safety at Work (Northern Ireland) Order 1978 the Food Safety Act 1990 or any analogous legislation in any other state outside the United Kingdom
- (c) £250 per person for every day that any Employee is required by Your legal representatives to attend court in connection with any claim for which this section of this Certificate provides indemnity

provided that all costs are incurred with Our consent

#### ***Limit of Indemnity***

The limit of liability under this section is as set out in the Schedule and shall apply as follows

- (a) For Cover 1 the Limit of Indemnity shall apply in respect of any one claim or series of claims arising from the same originating cause and the Costs incurred under Cover 4 shall be included within the Limit of Indemnity
- (b) For Cover 2 the Limit of Indemnity shall apply in respect of any one claim or series of claims arising from the same originating cause
- (c) For Cover 3 the Limit of Indemnity shall apply in total in respect of all claims made against You during any one Period of Insurance
- (d) For Cover 2 and 3 We will pay a further Limit of Indemnity in respect of Costs incurred under Cover 4 and the total amount payable in respect of such costs shall not exceed the Limit of Indemnity stated in the Schedule in respect of any one claim or series of claims arising from the same originating cause

#### ***Excess***

- (a) In respect of any one claim or number of claims arising out of one source or original cause We will not be liable for the amount of the Excess (or any lesser amount for which a claim may be settled) shown in the Schedule
- (b) We shall only be liable for that part of each and every claim which exceeds the amount of Excess stated in the Schedule of this Certificate For the purpose of this clause this shall be deemed to include all costs and expenses incurred in the investigation defence or settlement of the claim Where We make a payment that includes all or part of the Excess You shall reimburse such amount to us immediately upon request
- (c) The Excess shall not apply to claims arising solely from Cover 4 Costs

#### ***Exclusions***

We will not be liable in respect of

1. any claim caused by or arising from the provision by You of any Product or service which You knew or which You ought reasonably to have been known to be deficient or ineffective and incapable of substantially fulfilling the essential purpose for which it is intended or to perform as specified warranted (whether express or implied) or guaranteed
2. any claim in respect of
  - (a) **Bodily Injury** to any Employee when Cover 1 is not insured under this Certificate
  - (b) **Bodily Injury** to or of any Employee where such **Bodily Injury** is sustained when such Employee is carried in or on a vehicle or entering, getting onto or alighting from a vehicle in circumstances where road traffic legislation requires such risk to be insured under a policy of motor insurance or analogous security to be provided
  - (c) **Bodily Injury** to or of any Employee where such **Bodily Injury** is sustained when such Employee is working on or visiting any offshore rig or platform For the purposes of this exception such work or visit shall be deemed to commence at the time of embarkation onto a conveyance at the point of final departure to an offshore rig or platform and continue until the time of disembarkation from a conveyance onto land on return from the offshore rig or platform
  - (d) any breach of any obligation owed by You as an employer to any Employee beyond that insured under Cover 1

- (e) Costs incurred under Cover 4 (b) for prosecutions involving the health safety or welfare of any **Employee** when Cover 1 is not insured under this Certificate
3. any claim resulting from a breach of **Your** professional duty to a client or other party
  4. any claim for loss of or **Damage** to property owned by leased hired rented or entrusted to **You** or otherwise in **Your** care custody or control save that this exclusion shall not apply in respect of claims for the loss of or damage to
    - (a) premises rented by **You** or
    - (b) the personal effects (including vehicles) of any **Employee** or visitor to **Your** business premises
  5. any claim arising from the ownership possession or use of any animal aircraft watercraft or vehicle licensed for road use
 

provided that this Exclusion shall not apply to liability caused by or arising from

    - (i) **Damage** to a vehicle licensed for road use and not owned or leased by **You** that is
      - (a) in **Your** care, custody or control in any car park owned or leased by **You**
      - (b) moved by **You** or on **Your** behalf because it is interfering with **Your** Business
    - (ii) the loading or unloading of any vehicle or the bringing to or taking away of a load from any vehicle
    - (iii) the use of plant as a tool of trade at the **Premises** or on any site at which **You** are working
    - (iv) **Damage** to any building bridge weighbridge road or to anything beneath the vehicle caused by vibration or by the weight of any vehicle or its load
    - (v) injury or **Damage** arising from the use of a vehicle licensed for road use and not owned leased or driven by **You** that is used in connection with **Your** Business

but the cover afforded by this clause shall not be deemed to meet the legal compulsory insurance requirements of the owner or lessee of such vehicle to insure the vehicle
  6. any claim for damages costs and expenses relating to the removal from sale withdrawal inspection repair modification or replacement of any **Product** or of any other item of which such **Product** forms part where such **Product** or other item is withdrawn from the market or from use because of any known alleged or suspected harmful nature or other deficiency therein
  7. any claim where **You** are entitled to indemnity under any other insurance except in respect of any **Excess** beyond the amount which would have been payable under such insurance had this Certificate not been effected
  8. any circumstance or occurrence which has been notified or is notifiable under any other policy or Certificate of Insurance attaching prior to the inception of this Certificate
  9. any claim arising from an agreement by **You** to pay penalties or liquidated damages insofar as **Your** liability under such an agreement exceeds the amount of **Your** liability in the absence of such an agreement
  10. any claim in respect of which **You** have agreed with another party to exclude or limit **Your** rights of recovery from another party unless **We** have approved such agreement and endorsed this Certificate accordingly
  11. any punitive or penal or exemplary damages where such can be identified separately within any Court award
  12. any claim arising out of or in connection with **Your** insolvency (including any claim made by **Your** liquidator provisional liquidator or administrator) or any trading losses or trading liabilities incurred by any business managed or carried on by **You**
  13. any claim made against any principal partner director or executive officer of **Yours** in respect of a breach of his legal duty to manage **You** in accordance with his legal and/or regulatory obligations
  14. any claim made in respect of any actual or alleged violation of any law relating to unconscionable conduct or any anti-trust or competition law or other law prohibiting unlawful restraint of trade business or profession
  15. any claim made or action instituted
    - (a) within the United States of America and/or Canada or any territories which come within the jurisdiction of the United States of America and/or Canada

- (b) to enforce a judgment obtained in any Court of the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada
16. other than in respect of Cover 1 any **Pollution or Contamination** other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance** All **Pollution or Contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place
- Our liability for all compensation payable in respect of all **Pollution or Contamination** which is deemed to have occurred during the **Period of Insurance** shall not exceed in the aggregate the Limit of Indemnity
17. any claim under Covers 2 and 3 caused by or arising from
- (a) asbestos or any product containing asbestos
  - (b) **Avionics**
  - (c) any **Computer Virus**
18. In respect of Cover 2 (c) any claim against **You** made by any holding company subsidiary or related body corporate of **Yours** or by any corporation whose board of directors is subject to control by **Your** board of directors except where such claim originates from a third party who is independent of such holding company subsidiary related body corporate or corporation

## **Part 2 Professional Indemnity Section**

This section of this Certificate is underwritten on a claims made basis This means that We will only handle and settle claims that are made during the Period of Insurance and notified in accordance with Additional Claims Condition 1

### **Definitions**

#### **Computer System**

Any goods services or creations such as software hardware or firmware which are used for or in connection with the electronic storage retrieval processing or transmission of information or data

#### **Documents**

- (a) documents whether written printed or reproduced by any other method (excluding any bearer bonds coupons bank or currency notes or other negotiable instruments)
- (b) computer systems records and electronic data

entrusted to or deposited with You in the ordinary course of Your Business and for which You are responsible

#### **Retroactive Date**

The earlier of

- (a) the inception date of the first Period of Insurance in which this certificate was effective or
- (b) the retroactive date of the policy or certificate of insurance in force immediately prior to the inception date of the first Period of Insurance in which this certificate was effective

#### **Damage**

Accidental loss destruction or damage

This definition shall replace that provided in page 4 of the policy in respect of this section of the policy

### **The Cover**

#### **1 Professional Indemnity**

##### **(a) Claims Made Against You**

We will indemnify You for all sums which You shall become legally liable to pay in respect of a breach of professional duty that results in a claim against You for

- (i) economic loss not accompanied by injury or Damage and not insured elsewhere in this clause 1(a) including economic loss arising from a term implied into a contract by virtue of
  - (a) Section 14 of the Sale of Goods Act 1979
  - (b) Section 13 of the Supply of Goods and Services Act 1982
  - (c) Any common law or any enactment outside the UK which has the same legal effect
- (ii) (a) accidental injury and/or Damage to physical property not caused by any Product
  - (b) economic loss consequent upon such accidental injury and/or Damage
- (iii) unintentional breach infringement or unauthorised use of the confidential information trade secrets copyrights trademarks designs or computer routines and programs not owned by You and committed in good faith
- (iv) loss of or damage to Documents not owned by You
- (v) unintentional defamation
- (vi) the dishonest fraudulent malicious or criminal action of any Employee
- (vii) the inadvertent transmission of any computer virus or other program that contains instructions to initiate an event which causes modification of or damage to data memory or data media provided that such computer virus or other program is not written by You or any Employee

provided that such claim:

- (a) is made against You during the Period of Insurance
- (b) is notified to Us during the Period of Insurance
- (c) arises from a negligent act error or omission committed on or after the Retroactive Date and
- (d) arises in connection with the conduct of Your Business

**(b) Irrecoverable Fees & Rectification Costs**

We may at Our discretion indemnify You up to the value of

- (i) any fee owed to You by Your client where such client is alleging that You are in respect of a breach of Your professional duty or
- (ii) the expenses directly incurred in rectifying a breach of professional duty of which Your client is unaware

where in Our sole opinion the client is likely to make a valid claim against You in respect of such breach and for which this Certificate would provide indemnity

provided that such dispute or need for rectification

- (iii) is notified to You by the client during the Period of Insurance
- (iv) is notified by You to Us during the Period of Insurance
- (v) arises from Your negligent act error or omission committed on or after the Retroactive Date
- (vi) arises in connection with the conduct of Your Business

and also provided that

- (vii) where it is imperative for You to carry out such rectification and Our prior written consent cannot be obtained You must satisfy Us that You have carried out such works
  - (a) to the same level of quality as the original work and
  - (b) at the minimum cost necessary to achieve the same level of quality as the original work
  - (c) the amount payable to You by Us does not include any element of Your profit or mark-up
  - (d) the value of a claim that could be made by such client would be equal to or greater than the amount of such outstanding fee and
  - (e) in the event of Us or You subsequently being able to recover all or part of such fee the full amount recovered shall be repaid to Us

**2 Costs**

We will also pay

- (a) all other costs and expenses incurred by Us or You with Our consent in connection with any claim under this Certificate
- (b) £250 per person for every day that any Employee is required by Your legal representatives to attend court in connection with any claim for which this section of this Certificate provides indemnity

provided that all costs are incurred with Our consent

***Limit of Indemnity***

The limit of indemnity under this section is as set out in the Schedule and shall apply as follows

- (a) For Insurance Clause 1 the Limit of Indemnity shall apply in respect of any one claim or series of claims arising from the same originating cause
- (b) We will pay a further Limit of Indemnity in respect of Costs incurred under Insurance Clause 2 and the total amount payable in respect of such costs shall not exceed the Limit of Indemnity stated in the Schedule in respect of any one claim or series of claims arising from the same originating cause

## ***The Excess***

- (a) In respect of any one claim or number of claims arising out of one source or original cause We will not be liable for the amount of the Excess (or any lesser amount for which a claim may be settled) shown in the Schedule
- (b) We shall only be liable for that part of each and every claim which exceeds the amount of Excess stated in the Schedule of this Certificate For the purpose of this clause this shall be deemed to include all costs and expenses incurred in the investigation defence or settlement of the claim
- (c) The Excess shall not apply to claims arising solely from Cover 2 Costs

## ***Exclusions***

We will not be liable in respect of

1. any claim caused by or arising from the provision by You of any Product or service which You knew or which You ought reasonably to have been known to be deficient or ineffective and incapable of substantially fulfilling the essential purpose for which it is intended or to perform as specified warranted (whether express or implied) or guaranteed
2. any claim for
  - (a) the indemnification of any party committing or condoning any dishonest fraudulent reckless or criminal action
  - (b) any dishonest fraudulent reckless or criminal action which was known or ought reasonably to have been known by Your principal partner director or executive officer
3. any claim in respect of
  - (a) **Bodily Injury** to any Employee
  - (b) any breach of any obligation owed by You as an employer to any Employee
4. any claim for loss of or Damage to property owned by leased hired rented or entrusted to You or otherwise in Your care custody or control save that this exclusion shall not apply in respect of claims for loss of or damage to Documents not owned by You (as insured by Cover 1 (a) (iv) )
5. any claim arising from the ownership possession or use of any animal aircraft watercraft or vehicle licensed for road use
6. any claim for damages costs and expenses relating to the removal from sale withdrawal inspection repair modification or replacement of any Product or of any other item of which such Product forms part where such Product or other item is withdrawn from the market or from use because of any known alleged or suspected harmful nature or other deficiency therein
7. any claim where You are entitled to indemnity under any other insurance except in respect of any excess beyond the amount which would have been payable under such insurance had this Certificate not been effected
8. any circumstance or occurrence which has been notified or is notifiable under any other policy or certificate of insurance attaching prior to the inception of this Certificate
9. any claim arising from an agreement by You to pay penalties or liquidated damages insofar as Your liability under such an agreement exceeds the amount of Your liability in the absence of such an agreement
10. any claim in respect of which You have agreed with another party to exclude or limit Your rights of recovery from another party unless We have approved such agreement and this Certificate endorsed accordingly
11. any punitive or penal or exemplary damages where such can be identified separately within any award of a Court
12. any claim arising from or brought by a firm company or organisation in which any of Your partners directors or principals have a controlling interest unless such claim is brought against You by a source independent of such firm company or organisation
13. any claim arising from a partnership or joint venture of which You are a member unless included within definition of You in the Schedule forming part of this Certificate
14. any claim arising out of or in connection with Your insolvency (including any claim made by Your liquidator provisional liquidator or administrator) or any trading losses or trading liabilities incurred by any business managed or carried on by You

15. any claim made against Your principal partner director or executive officer in respect of a breach of his legal duty to manage You in accordance with his legal and/or regulatory obligations
16. any claim made in respect of any actual or alleged violation of any law relating to unconscionable conduct or any anti-trust or competition law or other law prohibiting unlawful restraint of trade business or profession
17. any claim made or action instituted
  - (a) within the United States of America and/or Canada or any territories which come within the jurisdiction of the United States of America and/or Canada
  - (b) to enforce a judgment obtained in any Court of the United States of America and/or Canada or any territories which come within the jurisdiction of the United States of America and/or Canada
18. any claim arising out of Pollutants and consequent pollution seepage or contamination of whatever nature caused by or allegedly caused by You or in the case of contamination or pollution of land caused by or allegedly caused by any occupier of land
19. any claim caused by or arising from
  - (a) asbestos or any product containing asbestos
  - (b) Avionics

### ***Additional Claims Conditions***

- 1 In respect of claims made under this section Claims Condition 5 is deleted and replaced by the following  

You shall give written notice to Us within 14 days of any claim or intimation to You of possible claim against You or upon Your becoming aware of any circumstances which might give rise to a claim under this section of this Certificate regardless of any Excess

Written notice shall be provided to Us by writing to:

The Director of Claims  
Brit Insurance Holdings PLC  
55 Bishopsgate  
London  
EC2N 3AS
- 2 Any claim arising from circumstances notified to Us shall be deemed to have been made during the Period of Insurance in which such notice is or was first given

## **Part 2 Contract Works Section**

### **Definitions**

Please also refer to the General Definitions at the front of this Certificate

#### **Contract**

Any contract or agreement entered into by You to carry out work in the course of the Business where the estimated Maximum Contract Price does not exceed the amount stated in the Schedule

#### **Contract Site**

A site within the Territorial Limits at which You are carrying out work under a Contract

#### **Employee's Tools**

Employee's tools and personal belongings while on or adjacent to any Contract Site and in transit between Your Premises and the Contract Site other than motor vehicles gold or silver articles watches or jewellery or Money

#### **Estimated Original Contract Price**

The estimated valuation of the Works to be carried out or the estimated Contract price at the commencement date of the Contract or Works

#### **Existing Structures**

Any property (including fixtures fittings and contents) which prior to the commencement of any Contract forms part of any structure

#### **Free Issue Materials**

Materials for incorporation into the Contract issued free to You by or on behalf of Your employer and for which You are responsible under the conditions of the Contract and which are not otherwise excluded from this Section

#### **Hired in Plant**

Plant hired in by You for use in connection with any Contract while anywhere within the Territorial Limits including transit other than by sea or air

#### **Maintenance Period**

The period indicated in the conditions of the Contract but not exceeding 12 months during which You are responsible for rectifying defects

#### **Maximum Contract Price**

The maximum price of any Contract for which We will provide indemnity as stated in the Schedule

#### **Plant**

Plant scaffolding tools equipment site huts and temporary buildings owned by You while anywhere within the Territorial Limits including transit other than by sea or air

#### **Practical Completion**

Works which are completed or complete except for the prospective buyer's or tenant's choice of decorations or final fittings

#### **Property Insured**

Works Your Plant and Hired in Plant which You own or are responsible for as stated in the Schedule

#### **Territorial Limits**

Great Britain Northern Ireland the Channel Islands and the Isle of Man

#### **Works**

- 1 Temporary or permanent Works completed or to be completed as part of any Contract and/or
- 2 Materials for incorporation whilst on or adjacent to the Contract Site and in transit to or from the Contract Site other than by sea or air

## ***The Cover***

We will indemnify You in respect of Damage to the Property Insured during the Period of Insurance and within the Territorial Limits

The maximum that We will pay in respect of any one occurrence which gives rise to a claim under this Section is

### **1 Works**

125% of the Estimated Original Contract Price including the value of Free Issue Materials in respect of any Contract or Works including any liability We may have in respect of the cover provided under the Clauses as on page 43

We will have no liability under this Section where the Estimated Original Contract Price plus the value of Free Issue Materials exceeds the Sum Insured stated in the Schedule at the time of Damage

### **2 Your Plant**

The Sum Insured stated in the Schedule at the time of Damage

### **3 Hired in Plant**

The Sum Insured stated in the Schedule at the time of Damage

### **4 Employee's Tools**

The Sum Insured stated in the Schedule at the time of Damage

The maximum that We will pay in respect of any one Employee is the limit stated in the Schedule

## ***Clauses***

The following Clauses apply to this Section

### **1 Additional Interests**

We will to the extent required by the conditions of the Contract include the interest as joint Insured of any employer or contractor

### **2 Automatic Reinstatement of Sum Insured**

The Sums Insured stated in the Schedule will not be reduced by the amount of any single claim unless We or You give notice to the contrary

You must pay the additional premium required to reinstate the Sums Insured

### **3 Consecutive Damage**

Damage to Property Insured at any one Contract Site during a period of 72 consecutive hours caused by earthquake storm flood or other water damage or subsidence or collapse will be considered for the purpose of applying any Excess as one occurrence of Damage

### **4 Continuing Hire Charges**

We will indemnify You in respect of Your legal liability to pay continuing hire charges as a result of Damage to any item of Hired in Plant insured under this Section

### **5 Debris Removal**

We will indemnify You in respect of the costs and expenses that You incur with Our consent for removing debris dismantling or demolishing shoring up or propping or clearing or repairing drains or service mains following Damage to Property Insured

The maximum that We will pay in respect of any one claim is 25% of the Estimated Original Contract Price

We will not indemnify You in respect of costs and expenses

- 1 incurred in removing debris from anywhere other than the site of the Damage and the area adjacent to it
- 2 arising from pollution or contamination of property not insured under this Section
- 3 more specifically insured

## **6 European Union and Public Authorities**

Following Damage to Works We will pay the additional cost of reinstating the Property Insured necessary to comply with any European Union Legislation Act of Parliament or Bye-Laws of any public authority

We will not indemnify You in respect of

- 1 costs incurred
  - a in respect of Damage not insured by this Section
  - b where notice was served on You before the Damage occurred
  - c where an existing requirement must be completed within a stipulated period
  - d in respect of property or parts of the property other than foundations (unless foundations are specifically excluded) which have not suffered Damage
- 2 any charge or assessment arising from capital appreciation following compliance with this legislation

The reinstatement repair or replacement

- a must begin and be carried out as quickly as possible
- b may be carried out on another site if necessary provided this does not increase Our liability

If Our liability under this Section is reduced by the application of any terms of this Certificate Our liability under this Clause will be similarly reduced

The maximum We will pay under this Clause in respect of any one Contract is the Sum Insured as stated in the Schedule

## **7 Expediting Expenses**

We will indemnify You in respect of the reasonable costs and expenses that You incur for overtime nightwork work on public holidays or special delivery to reinstate or repair Property Insured following Damage

The maximum that We will pay in respect of any one claim is 25% of the amount which reinstatement repair or replacement would have cost if these expenses had not been incurred

## **8 Free Issue Materials**

The Works will include any Free Issue Materials provided You include their value in the contract price of any Contract

## **9 Immobilised Plant**

We will indemnify You in respect of necessarily incurred costs for the withdrawal or recovery of Your Plant or Hired in Plant accidentally immobilised on or adjacent to any Contract Site

We will not pay for withdrawal or recovery required as a result of the breakdown of Your Plant or Hired in Plant

## **10 Indemnity to Sub-Contractors**

We will to the extent required by Contract conditions provide indemnity to nominated or domestic sub-contractors in respect of Damage to the Property Insured

## **11 Loss of Keys**

If the key to any immobiliser permanently fitted to a vehicle included as Your Plant or Hired in Plant is lost or stolen We will indemnify You in respect of the cost of replacing the cylinder of the lock up to £500 in respect of any one claim

## **12 Off-Site Storage**

The Works includes materials anywhere within the Territorial Limits separately stored and identified for inclusion in any Contract up to £2500

## **13 Professional Fees**

We will indemnify You in respect of professional fees necessarily incurred in reinstating repairing or replacing the Works following Damage other than fees more specifically insured or incurred in preparing a claim

## **14 Redrawing Plans or Documents**

We will indemnify You in respect of the cost of rewriting or redrawing plans drawings or other Contract documents following Damage up to £1000

### **15 Show Properties**

We will indemnify You in respect of Damage to show properties including their contents up to £5000 in respect of the contents of any one show property

### **16 Speculative Building**

We will indemnify You in respect of Damage to any private dwelling You have erected on a speculative basis

This indemnity will cease on

- 1 the date You sell lease or rent the property or
- 2 60 days from Practical Completion whichever is the earlier

### **17 Taken Into Use**

We will indemnify You in respect of Damage to any part of the permanent Works taken into use as private dwellings or offices

This indemnity will cease when

- 1 a certificate of completion has been issued or
- 2 the permanent Works have been completed and handed over to Your employer

## ***Exclusions***

The following exceptions apply to this Section

We will not indemnify You in respect of

- 1 Damage to any part of the permanent Works
  - a for which a certificate of completion has been issued or
  - b which has been completed and handed over to Your employer or
  - c taken into use

unless the Damage occurs

- i during the Maintenance Period but caused before the beginning of the Maintenance Period or
  - ii while You are carrying out Your obligations under the Maintenance Period or
  - iii within 14 days of the issue of a certificate of completion but only to the extent You are responsible under the conditions of the Contract
- 2 Damage as a result of
    - a gradual deterioration or wear and tear
    - b rust mould or mildew
    - c pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
    - d confiscation nationalisation or requisition or destruction by or under the order of any government or public authority
  - 3 Repair to or replacement of any item of Your Plant or Hired in Plant caused by its own mechanical or electrical breakdown failure breakage or derangement other than in respect of Hired in Plant and for which You are responsible under the terms of a hire agreement not being a leasing or hire purchase agreement

- 4 Damage to
    - a Existing Structures
    - b money
    - c any mechanically propelled vehicle including any trailer attached licensed for road use and for which a certificate of motor insurance is required other than a vehicle used solely as a tool of trade
    - d **Employee's Tools** on or attached to vehicles licensed for road use
    - e any aircraft or waterborne vessel
    - f property for which **You** are relieved of responsibility by the conditions of the **Contract**
  - 5 Damage
    - a by disappearance or shortage discovered only when an inventory is taken or
    - b which is not traceable to an event
  - 6 **Damage** caused by pollution or contamination other than that of or to the **Property Insured**
  - 7 Liquidated damages fines or any other penalties under **Contract** for delay or non-completion
  - 8 Consequential loss or damage of any kind
  - 9 The cost of normal upkeep or making good
  - 10 **Damage** to and the cost necessary to reinstate or repair
    - a **Property Insured** which is in a defective condition due to a defect in design plan or specification or materials or workmanship of or of any part of that **Property Insured**
    - b other **Property Insured** to enable the reinstatement or repair of **Property Insured** excluded by a above
- This exclusion will not apply to other **Property Insured** which is free of the defective condition but suffers **Damage** as a result
- Property Insured** will not be considered as having suffered **Damage** solely by virtue of the existence of any defect in design plan specification materials or workmanship in or in any part of that **Property Insured**
- 11 The Excess

## Part 3 Certificate Exclusions

We shall not be liable to You under this Certificate in respect of

### 1(a) War Government Action and Terrorism

- (a) Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
  - (i) War Government Action or Terrorism
  - (ii) civil commotion in Northern Ireland
- (b) legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War Government Action or Terrorism except to the extent stated in the Liability Provisions in 1(b) below

In any action suit or other proceedings where We allege that any such Damage or resulting loss or expense or consequential loss is not covered by this insurance the burden of proving that such Damage loss expense or consequential loss is covered shall be upon You

### 1(b) War Government Action and Terrorism Liability Provisions

However subject otherwise to the terms definitions exclusions exceptions provisions and conditions of this Certificate

- (a) We will indemnify You under the Employers' Liability Section provided that in respect of any one occurrence or series of occurrences arising out of any one original cause Our liability in respect of all legal liability costs and expenses directly or indirectly caused by or contributed to by or arising from Terrorism shall not exceed £5000000

## 2 Sonic Bangs

Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

## 3 Radioactive Contamination

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

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

However as far as concerns Bodily Injury caused to any Employee of Yours if such Bodily Injury arises out of and in the course of employment or engagement of such person by the Insured this Exclusion shall apply only in respect of

- (a) the liability of any Principal
- (b) liability assumed by You under agreement and which would not have attached in the absence of such agreement

#### **4 Marine Policies**

Damage to property which at the time of the happening of the Damage is insured by or would but for the existence of this Certificate be insured by any marine policy or certificate except in respect of any Excess beyond the amount which would have been payable under the marine policy or certificate had this Certificate not been effected

#### **5 Computer Virus and Hacking**

- (a) Damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of You or not where such Damage is caused by a Computer Virus or hacking
- (b) financial loss directly or indirectly caused by or arising from Computer Virus or hacking but this shall not exclude Damage or financial loss which is not otherwise excluded from this Certificate and which results from fire lightning explosion earthquake aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances the acts of malicious persons (including the acts of thieves but excluding the acts of malicious persons which do not involve physical force or violence) storm flood escape of water or oil from any tank apparatus or pipe sprinkler leakage or impact by any vehicle or animal

#### **6 Cyber Liabilities**

In respect of any claim or loss arising out of business conducted and/or transacted and/or any other actions performed via any internet, extranet and/or via Your own website, internet site, web-address and or via the transmission of electronic mail or documents by electronic means

#### **7 Mould and Fungus**

Loss or destruction of or damage to any property or any loss, cost or expense or legal liability directly or indirectly arising out of or resulting therefrom or any consequential loss in any manner related to Fungal Pathogens, whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss

## **Part 4**                      **General Conditions**

### **1**                      **This Certificate**

This Certificate and the Sections referred to in the Schedule shall be read together as one document

Any word or expression to which a particular meaning has been given in the General Definitions in this Certificate or in the Definitions within the Sections of this Certificate shall have that meaning wherever it appears in this Certificate or Section respectively

At all times the masculine shall include the feminine and neuter and the singular includes the plural and vice versa

### **2**                      **Misrepresentation**

This Certificate shall be voidable in the event of misrepresentation misdescription or nondisclosure in any Material Fact

### **3**                      **Reasonable Precautions**

It is a condition precedent to Your liability under this Certificate that You must

- (a) take all reasonable precautions to prevent or minimise Damage accident or injury including taking all reasonable measures (which shall include the implementation and regular up-dating of current computer protection software) to protect yourselves from unauthorised use or of access to Your records and computer systems (including any internet website) and to take back-up copies of all data web pages and programs not less than weekly
- (b) maintain the Business Premises machinery equipment and furnishings in a good state of repair
- (c) exercise care in the selection and supervision of Employees
- (d) comply with all relevant statutory requirements manufacturers' recommendations and other regulations relating to the use inspection and safety of property and the safety of persons

### **4**                      **Change of Risk or Interest**

This Certificate shall be avoided if

- (a) Your interest ceases other than by death or
- (b) the Business be wound up or carried on by a liquidator or receiver or permanently discontinued or
- (c) any alteration be made either in the Business or in the Premises or in any property therein or in any other circumstances whereby the risk is increased at any time after the commencement of this insurance unless its continuance be admitted in writing signed by or on Our behalf

Nothing contained in this Certificate shall give any right against Us to any person other than You except to a transferee approved by Us

### **5**                      **Choice of Law**

In the absence of agreement to the contrary the law applicable to this contract is that of England and Wales unless Your registered office or principal place of business is situated in Scotland Northern Ireland the Channel Islands or the Isle of Man in which case the law of that territory will apply

### **6**                      **Fire Extinguishing**

It is a Condition Precedent to Our liability that in kitchens and other areas used for cooking for commercial purposes a fire blanket and a 9 litre foam 2 kilogram carbon dioxide or 4.5 kilogram dry powder extinguisher be available for immediate use and the extinguisher be kept in efficient working order and regularly maintained under contract

### **7**                      **Interest Clause**

The interests of third parties You are required to include on this Certificate under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically noted subject to Your advising Us as soon as is reasonably practicable

### **8**                      **Partial Damage**

In the event of partial Damage to property Our liability for any loss shall not exceed the cost which would have been incurred had such property been totally destroyed

### **9**                      **Value Added Tax**

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

## **Part 5**                      **Claims Conditions**

- 1            We shall be entitled at any time to conduct in Your name the defence or settlement of any Claim
- 2            You will not admit liability for or settle any claim or incur any costs or expenses in connection therewith without Our written consent
- 3            You shall provide Us at Your own expense with all information required by Us or any party acting on Our behalf in respect of the investigation or defence of a claim made against You
- 4            Any claimant under this Certificate shall at Our request and expense take and permit to be taken all necessary steps for enforcing rights against any other party in Your name before or after any payment is made by Us
- 5            In all cases You will give written notice to Us as soon as reasonably practicable of any claim or intimation to You of possible claim against You or upon You becoming aware of any circumstances which might give rise to a claim under this Certificate regardless of any Excess

Written notice shall be provided to Us by writing to

The Director of Claims  
 Brit Insurance Holdings PLC  
 55 Bishopsgate  
 London  
 EC2N 3AS


- 6            You will give immediate notification to the police in respect of all
  - (a)            vandalism
  - (b)            theft or any attempt thereat
  - (c)            loss of money by any cause whatsoever
- 7            You will upon request give to Us all such information and assistance as We may reasonably require and as may be in Your power to provide and will in all such matters do and concur in doing all such things as We may require
- 8            Neither Us nor You shall be required
  - (a)            to contest any legal proceedings or
  - (b)            to take any steps to effect recovery from any person committing or conspiring to commit or condoning any dishonest or fraudulent act or omission or from the personal representatives of such person including the taking of legal proceedings against such person

unless a Queen's Counsel (to be mutually agreed upon between You and Us) advises that such action actually has a reasonable prospect of success taking into consideration the economics of the matter the damages and Costs which are likely to be recovered by the claimant the likely Costs and the prospects of Your successfully defending the Claim

The cost of such Senior Counsel's opinion shall be regarded as part of the Costs

- 9            If You make any claim under this Certificate knowing the same to be false or fraudulent as regards amount or otherwise this Certificate shall become void and all claims hereunder shall be forfeited
- 10           In connection with any claim against You We may at any time pay You the Sum Insured or Limit of Indemnity stated in the Schedule (after deduction of any sums already paid as damages or claimant's costs and expenses in respect of such claim) or any less amount for which such claim can be settled and thereupon We will relinquish the control of such claim and be under no further liability in connection therewith except for costs and expenses for which We may be responsible under this Certificate in respect of matters prior to the date of such payment
- 11           Where Your breach or non-compliance with any condition of this Certificate has resulted in prejudice to the handling or settlement of any claim the indemnity afforded by this Certificate in respect of such claim (including costs and expenses) shall be reduced to such sum as in Our opinion would have been payable by Us in the absence of such prejudice
- 12           Every Condition to which this Certificate or any Section or Item thereof is or may be made subject shall from the time the Condition attaches apply and continue to be in force during the whole currency of this Certificate

Non-compliance with any such Condition insofar as it increases the risk of Damage shall be a bar to any claim in respect of such Damage provided that whenever this Certificate is renewed a claim in respect of Damage occurring during the renewal period shall not be barred by reason of a Condition not having been complied with at any time before the commencement of such period



13 If at the time of any occurrence incident or **Damage** which gives rise to a claim there be any other insurance effected by or on behalf of **You** applicable to such event **Our** liability shall be limited to its rateable proportion thereof

If any other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Certificate either in whole or in part or from contributing proportionately to the **Damage** **Our** liability shall be limited to that proportion of the **Damage** which the sum insured under this Certificate bears to the value of the **Property Insured**

14 If any difference shall arise as to the amount to be paid under this Certificate (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions regarding arbitration in force at the time

Where any difference is so referred to arbitration the making of an award shall be a condition precedent to any right of action against **Us**

15 If **We** agree to indemnify **You** under more than one Section of this Certificate as a result of the happening of a single event and if an **Excess** applies under more than one of these Sections then only one **Excess** being the highest of those which would have applied separately under each Section will be deducted from the total claim payment