

Voluntary Organisations Insurance Policies



ENCOMPASS

IN PARTNERSHIP
with

Keegan & Pennykid
Insurance Brokers Ltd

and

ROYAL &
SUNALLIANCE

THIS POLICY (AND THE SCHEDULE WHICH FORMS AN INTEGRAL PART OF THE POLICY) IS A LEGAL CONTRACT. PLEASE EXAMINE IT THOROUGHLY TO ENSURE IT MEETS YOUR REQUIREMENTS. IF IT DOES NOT PLEASE ADVISE YOUR INSURANCE ADVISER IMMEDIATELY.

WE WOULD REMIND YOU THAT YOU ARE REQUIRED TO INFORM US IMMEDIATELY OF ANY FACTS OR CHANGES WHICH WE WOULD TAKE INTO ACCOUNT IN OUR ASSESSMENT OR ACCEPTANCE OF THIS INSURANCE. FAILURE TO DO SO MAY INVALIDATE YOUR POLICY OR RESULT IN CERTAIN COVERS NOT OPERATING FULLY. IF YOU ARE IN ANY DOUBT AS TO WHETHER A FACT IS MATERIAL OR NOT, PLEASE CONTACT YOUR INSURANCE ADVISER.

Royal & Sun Alliance Insurance plc (herein called the Company) and the Insured agree that

This Policy the Schedule (including any Schedule issued in substitution) and any Memoranda shall be considered one document and any word or expression to which a specific meaning has been attached shall bear such meaning wherever it appears

The Statement of Fact or any information supplied by the Insured shall be incorporated in the contract and form the basis of the contract

The Company will provide the insurance described in this Policy subject to the terms and conditions for the Period of Insurance shown in the Schedule and any subsequent period for which the Insured shall pay and the Company shall agree to accept the premium

Statement of Fact shall mean the document setting out information provided by the Insured or their representative as being relevant to the cover applied for and assumptions the Company has made about factual circumstances relevant to the cover and which are confirmed by the Insured as true and correct

CONTENTS

Customer Care & Glass Replacement Service - Notice to Policyholders	5
General Conditions	6
Claims Conditions	7-8
General Exclusions	9-14
Property Damage Insurance	15-27
Business Interruption Insurance	28-35
Computer Equipment Insurance	36-48
Money Insurance	49-52
Liability Insurance	53-70
Contractors 'All Risks' Insurance	71-77
Fidelity Insurance	78-86
Legal Expenses Insurance	87-100
Loss of Licence Insurance	101-103
Personal Accident Insurance and Travel Insurance	104-127
Charity Trustees Assurance	128-141
Flexible Engineering Insurance	142-154
Loss of No Claims Bonus & Payment of Excess	155
All Risks Terrorism Insurance	156-157
Complaints Procedure	158

CUSTOMER CARE & GLASS REPLACEMENT SERVICE

NOTICE TO POLICYHOLDERS

THESE SERVICES HAVE BEEN ARRANGED TO PROVIDE ASSISTANCE IN EMERGENCIES AND WHEN PREMISES BECOME UNOCCUPIED LEGAL ADVICE AND GLASS REPLACEMENT WHICH MAY RESULT IN THE INSURED INCURRING COSTS AND EXPENSES WHICH ARE NOT RECOVERABLE UNDER THIS OR ANY OTHER POLICY OF INSURANCE

Commercial Customer Care Service

Customer Care Service shall provide the Insured with the following 24 hour assistance service

The Insured can request arrangements to be made for a contractor to carry out emergency repair work at the Business Premises

The Insured can request arrangements to be made for a contractor to provide a specialist service for unoccupied premises

The Insured can seek legal advice on any commercial problem related to the Business.

Glass Replacement Service

Our Glass Replacement Service shall provide the Insured with the following 24 hour assistance service

The Insured can contact our Claims Helpline for glass replacement at the Business Premises

Provisions

- 1)** The Company cannot accept responsibility for the unavailability or standard of the services not for any consequences resulting from the use of the service
- 2)** The Insured is responsible for the payment of any charges fees or costs resulting from the use of these services although if a claim is subsequently made under this Policy some of the charges fees or costs may be recoverable
- 3)** The Commercial Customer Care and Glass Replacement Service telephone numbers are detailed on the Policy Schedule although the services are only available during any Period of Insurance for which the Insured has paid or agreed to pay the premium

GENERAL CONDITIONS

1. This Policy shall be voidable in the event of misrepresentation misdescription or non-disclosure in any material particular
2. Observance of the terms of this Policy relating to anything to be done or complied with by the Insured is a condition precedent to any liability of the Company except insofar as is necessary to comply with the requirements of any legislation enacted in Great Britain Northern Ireland the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to employees
3. The Insured at his own expense shall
 - (A) take all reasonable precautions to prevent or diminish loss destruction or damage or any occurrence or cease any activity which may give rise to liability under this Policy and to maintain all buildings furnishings ways works machinery plant caravans and vehicles in sound condition
 - (B) exercise care in the selection and supervision of employees
 - (C) as soon as possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require
4. This Policy shall be avoided if
 - (A) the Organisation be wound up or carried on by a liquidator or receiver or permanently discontinued or
 - (B) the Insured's interest cease otherwise than by death or
 - (C) any alteration be made either in the Organisation or in the Premises or property therein the occupation of any Insured Person or any other circumstances whereby the risk is increasedat any time after the commencement of this insurance unless its continuance be admitted by memorandum signed by or on behalf of the Company
5. This Policy shall be avoided if the Insured's interest ceases and nothing herein contained shall give any right against the Company to any person other than the Insured except to a transferee approved by the Company
6. If any part of the Premium or Renewal Premium is based on estimates provided by the Insured the Insured shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record The Insured shall within one month (six months in respect of Business Interruption Insurance) after the expiry of each Period of Insurance provide such information as the Company may require The Premium shall then be adjusted and the difference paid by or allowed to the Insured
7. **Not applicable to Legal Expenses or Trustees Indemnity Insurance**

This Policy may be cancelled

 - (A) by the Company giving 30 days notice in writing to the Insured at its last known address Thereupon the Insured shall become entitled to a proportionate return of premium
 - (B) by the Insured giving 30 days notice in writing to the Company at the address shown in the Schedule The Insured shall be entitled only to a return premium in accordance with the Company's usual short period scale provided that no claim has been made in the then current Period of Insurance
8. **Law applicable**

Unless the parties have agreed otherwise in writing any dispute concerning the interpretation of the Policy shall be governed and construed in accordance with English law and shall be resolved within the non-exclusive jurisdiction of the courts of England and Wales.
9. **Data Protection Act**

All personal information supplied by you will be treated in confidence by the Royal & Sun Alliance Insurance Group of companies and will not be disclosed to any third parties except where your consent has been received or where permitted by law. In order to provide you with products and services this information will be held in data systems of the Royal & Sun Alliance Insurance Group of companies or our agents or subcontractors.

The Royal & Sun Alliance Insurance Group of companies may pass your personal data to other companies for processing on its behalf. Some of these companies may be based outside Europe in countries which may not have laws to protect your personal data, but in all cases the Group will ensure that it is kept securely and only used for the purposes for which you provided it. Details of the companies and countries involved can be provided to you on request.
10. For all purposes including but not limited to the application of the Sums Insured or Limits of Indemnity and consideration of when and how the Policy will respond all parties included in the definition of the Insured in the Schedule shall constitute one Insured or one party or legal entity so that there will be only two parties to the contract of insurance between the Insured and the Company

Claims Conditions

- Not applicable to Trustees Indemnity Insurance, Engineering Insurance or Contractors Insurance

1. If the claim be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy or if any loss destruction or damage be occasioned by the wilful act or with the connivance of the Insured all benefit under this Policy shall be forfeited
2. On the discovery of any circumstance or event which may give rise to a claim under this Policy the Insured shall
 - (A) notify the Company in writing forthwith
 - (B) give immediate notice to the Police Authority in respect of loss destruction or damage (other than by fire or explosion) caused by malicious persons or thieves if insured by this Policy
 - (C) carry out and permit to be taken any action which may be reasonably practicable to prevent further loss destruction or damage and to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss
 - (D) as soon as possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require
 - (E) within 30 days (7 days in the case of loss destruction or damage caused by riot civil commotion strikers locked-out workers persons taking part in labour disturbances or malicious persons if insured by this Policy) after the circumstances or event or of the expiry of the Indemnity Period or such further time as the Company may allow at his own expense deliver to the Company
 - (1) full information in writing of the claim
 - (2) details of any other insurance relating to the claim
 - (3) all such business books documents and proofs information explanation and other evidence as may be reasonably required all of which information and details may be produced by the Insured's professional accountants or auditors who are regularly acting as their report being prima facie evidence of such information and details
 - (4) if demanded a statutory declaration of the truth of the claim and of any matter connected with it

If the terms of this condition have not been complied with

- (1) no claim under this Policy shall be payable
 - (2) any payment on account of the claim already made shall be repaid to the Company immediately
3. If the Company elects or becomes bound to reinstate or replace any property the Insured shall at his own expense produce and give to the Company all such plans documents books and information as the Company may reasonably require The Company shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the sum insured thereon
4. (A) On the happening of any loss destruction or damage in respect of which a claim is or may be made under this Policy the Company and every person authorised by the Company may without thereby incurring any liability and without diminishing the right of the Company to rely upon any conditions of this Policy enter take or keep possession of the building or premises where the loss destruction or damage has happened and may take possession of or require to be delivered to them any of the property hereby insured and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner This condition shall be evidence of the leave and licence of the Insured to the Company so to do If the Insured or anyone acting on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company in doing any of the above-mentioned acts then all benefit under this Policy shall be forfeited The Insured shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not
 - (B) No admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company which shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute any claim in the name of the Insured for its own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claimThe Insured shall give all such assistance as the Company may require

5. The Insured shall at the Company's request and expense do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon the Company paying for or making good any loss under this Policy whether such acts and things shall be or become necessary or required before or after the Company indemnifies the Insured

The Company shall not enforce any rights against any company being parent of or subsidiary to the Insured or any company which is a subsidiary of a parent company of which the Insured are themselves a subsidiary in each case within the meaning of Sections 736 and 744 of the Companies Act 1985 or Articles 2 and 4 of the Companies (Northern Ireland) Order 1986

6. Not applicable to Money Personal Accident Personal Injury (Robbery) Legal Expenses and Charity Trustees Insurance

If at the time of any claim there is any other insurance covering the Insured's interest in the property lost destroyed or damaged or the same legal liability the Company's liability under this Policy shall be limited to its rateable proportion of such claim

If any such other insurance is subject to any condition of average this Policy if not already subject to any condition of average shall be subject to average in like manner

If any other insurance effected by or on behalf of the Insured is expressed to cover any of the property hereby insured but is subject to any provision whereby it is excluded from ranking concurrently with this Policy either in whole or in part or from contributing rateably to the loss destruction or damage the Company's liability hereunder shall be limited to such proportion of the loss destruction or damage as the sum hereby insured bears to the value of the property

7. Not applicable to Liability Personal Accident Personal Injury (Robbery) Legal Expenses and Charity Trustees Insurance

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions in that behalf for the time being in force Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the Company

8. Applicable only to Glass Breakage Damage to Neon and Illuminated Signs Electric Light Fittings and Sanitary Earthenware Insurance

Notwithstanding Claims Condition 2(A) of this Policy in the event of any breakage loss or damage the Insured shall give immediate telephone notice to the Company If such breakage relates to stained glass the Company shall only be liable for the cost of repairing the broken glass by stained glass artists of recognised repute and standing and shall not pay any loss arising from alleged inferior artistic merit

9. Applicable only to Liability Insurance

Every letter claim writ summons and process in connection with the event shall be forwarded to the Company immediately on receipt The Insured shall also give the Company written notice immediately the Insured has knowledge of any prosecution or inquest in connection with any occurrence which may give rise to liability under this Policy

10. Applicable only to Personal Accident and Personal Injury (Robbery) Insurance

All certificates information and evidence required by the Company shall be furnished free of expense to and in the form prescribed by the Company The Insured Person shall as often as required submit to medical examination on behalf of and at the Company's expense in connection with any claim

The Insured's or the Insured's personal representative's receipt shall discharge the Company

The Insured Person or the Insured Person's personal representative shall have no right to claim from or sue the Company If the Insured comprises more than one party having an interest in the Insured Person the Benefit shall represent the total amount payable in respect of that Insured Person for all interests covered by this insurance

Applicable only to Professional Indemnity Insurance

11. The Insured shall give written notice to the Company (regardless of the Insured's Contribution) as soon as possible after becoming aware of circumstances which might reasonably be expected to produce a claim against the Insured or loss irrespective of the Insured's views as to the validity of such claim or on receiving information of such a claim for which there may be liability under this insurance Any such claim or loss arising from such circumstances shall be deemed to have been made in the Period of Insurance in which such notice has been given
12. The Insured shall give all such assistance as the Company may require but the Insured shall not be required to contest any legal proceedings unless a Queen's Counsel (or by mutual agreement between the Insured and the Company a similar authority) shall advise that such proceedings could be contested with the probability of success
13. In connection with any claims against the Insured the Company may at any time pay to the Insured the Limit of Indemnity (after deduction of any sums already paid during the Period of Insurance as damages or claimants costs and expenses) or any less amount for which such claims can be settled and thereupon the Company shall relinquish the control of such claims and be under no further liability in connection therewith except for costs and expenses for which the Company may be responsible under this insurance in respect of matters prior to the date of such payment

GENERAL EXCLUSIONS

ELECTRONIC RISK EXCLUSIONS

The definition of Computer Systems Records referred to in this Policy is re-defined as follows

All current backup computer records (excluding fixed discs and paper records of any description) incorporating information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

The following ELECTRONIC RISK EXCLUSIONS are added to this Policy

1. ELECTRONIC RISK EXCLUSION applicable to

- Property Damage Insurance
- Business Interruption Insurance
- Money Insurance
- Fidelity Insurance

insofar as they are contained within this Policy

Notwithstanding anything stated herein to the contrary and subject always to the Terms Exceptions Exclusions and Conditions of the Policy this insurance does not cover

(A) Damage to Data which shall include but shall not be limited to

- (1)** Damage to or corruption of Data whether in whole or in part
- (2)** unauthorised appropriation of use of access to or modification of Data
- (3)** unauthorised transmission of Data to any third parties
- (4)** Damage arising out of any misinterpretation use or misuse of Data
- (5)** Damage arising out of any operator error in respect of Data

(B) (1) Damage to the Property Insured or Money (if insured)

(2) loss resulting from the interruption or interference with the Insured's Business at the Premises caused by Damage arising directly or indirectly from

- (1)** the transmission or impact of any Virus
- (2)** unauthorised access to a System
- (3)** interruption of or interference with electronic means of communication used in the conduct of the Insured's Business including but not limited to any diminution in the performance of any website or electronic means of communication

(4) Failure of a System

(5) Anything described in (A) above

but in respect of (B)(1)(1) (B)(1)(2) (B)(1)(3) (B)(1)(4) (B)(2)(1) (B)(2)(2) (B)(2)(3) (B)(2)(4) this shall not exclude subsequent Damage which itself results from any of the Covers insured provided that such Damage does not arise by reason of any malicious act or omission

2. ELECTRONIC RISK EXCLUSION applicable to

- Computer Equipment Insurance

insofar as it is contained within this Policy

Notwithstanding anything stated herein to the contrary and subject always to the Terms Exceptions Exclusions and Conditions of the Policy this insurance does not cover

(A) Damage to the Property Insured

(B) loss resulting from the interruption or interference with the Insured's Business at the Premises caused by Damage

arising directly or indirectly from

- (1) the transmission or impact of any Virus
- (2) unauthorised access to a System
- (3) of or interference with electronic means of communication used in the conduct of the Insured's Business including but not limited to any diminution in the performance of any website or electronic means of communication
- (4) Failure of a system
- (5) arising out of any misinterpretation use or misuse of Data

in each case other than Damage to Property Insured caused by Covers 1 - 9 provided that such Damage does not arise by reason of any malicious act or omission or theft where such theft is accomplished or effected by electronic means

In respect of Cover 8 (Theft) the Company shall not be liable for Damage to Data unless such Damage results from Theft of the Media on which the Data resides

Definitions in respect of ELECTRONIC RISKS EXCLUSIONS (1) and (2) above

Damage means loss or destruction or damage

Data	means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware
Failure	means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a System whether or not owned by the Insured to operate at any time as desired as specified or as required in the circumstances of the Insured's business activities
System	includes computers other computing and electronic equipment linked to computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation
Microchip	a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers
Virus	programming code designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a System transmitted between Systems by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy discs or CD-ROMs or otherwise and whether involving self replication or not
Media	Computer Equipment Ancillary Equipment hard or floppy discs tapes CD-ROMs DVDs or other repositories of computer software

3. ELECTRONIC RISK EXCLUSION applicable to

- Liability Insurance

insofar as it is contained within this Policy

Definition 5 contained within the Liability Insurance Section of this Policy is re-defined as follows

Property shall mean material property but shall not include Data

Definition 12 is added to the Liability Insurance Section of the Policy as follows

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

4. ELECTRONIC RISK EXCLUSION applicable to

- Professional Indemnity Insurance

The Insurer shall not be liable under Extension of Coverage 4, Loss of or damage to Documents, for any costs or expenses in respect of loss of or damage to Documents arising directly or indirectly from:

- (a) the transmission or impact of any Virus or
- (b) unauthorised access to a System

Definitions

For the purposes of this exclusion:

- System** includes computers other computing and electronic equipment linked to computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation
- Microchip** means a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers
- Virus** means programming code or series of instructions designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a System transmitted between Systems by transfer between computer systems via networks extranets internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self replication or not

5. ELECTRONIC RISK EXCLUSION applicable to

- Contractors All Risks

Notwithstanding anything that appears to the contrary in this Policy and subject always to the Terms Exceptions and Conditions of the Policy this Policy does not cover

(A) any Damage to Data which shall include but shall not be limited to

- (1)** loss destruction or corruption of Data whether in whole or in part
- (2)** unauthorised appropriation use access to or modification of Data
- (3)** unauthorised transmission of Data to any third parties
- (4)** damage arising out of any misinterpretation use or misuse of Data
- (5)** damage arising out of any operator error in respect of Data

(B) any Damage to the Property Insured arising directly or indirectly from

- (1)** the transmission or impact of any Virus
- (2)** unauthorised access to a System
- (3)** interruption of or interference with electronic means of communication used in the conduct of the Insured's business including but not limited to any diminution in the performance of any website or electronic means of communication
- (4)** failure of a System
- (5)** any of the matters described in paragraph (A) above

but this shall not exclude Damage to the Property insured caused by fire lightning explosion earthquake aircraft or other aerial devices or articles dropped therefrom riot civil commotion except in Northern Ireland strikers locked-out workers persons taking part in labour disturbances storm flood escape of water from any tank apparatus or pipe impact by any road vehicle or animal accidental escape of water from any automatic sprinkler installation subsidence ground heave or landslip provided that such Damage does not arise by reason of any malicious act or omission or theft

Definitions

- Damage** means for the purposes of this exclusion accidental loss or destruction of or damage to the Property insured and any accidental loss or destruction or damage to Data
- Data** means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware
- Failure of a System** means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a System whether or not owned by the Insured to operate at any time as desired as specified or as required in the circumstances of the Insured's business activities
- System** includes computers other computing and electronic equipment linked to computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any Computer Installation

Microchip	a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers
Virus	programming code or series of instructions designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a System transmitted between Systems by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self replication or not

6. ELECTRONIC RISK EXCLUSION applicable to

- Engineering Insurance

Notwithstanding anything that appears to the contrary in this Policy and subject always to the Terms Exceptions and conditions of this Policy this Policy does not cover

(A) any Damage to Data which shall include but shall not be limited to

- (1)** loss destruction or corruption of Data whether in whole or in part
- (2)** unauthorised appropriation use access to or modification of Data
- (3)** unauthorised transmission of Data to any third parties
- (4)** damage arising out of any misinterpretation use or misuse of Data
- (5)** Damage arising out of any operator error in respect of Data

other than Damage to Data arising directly as a result of Breakdown, Explosion or Collapse of the Property insured provided always that the liability of the Insurers for Damage to Data shall not exceed in total in any one period of insurance the sum of £10,000

(B) any Damage to the Property insured arising directly or indirectly from

- (1)** the transmission or impact of any Virus
- (2)** unauthorised access to a System
- (3)** interruption of or interference with electronic means of communication used in the conduct of the Business including but not limited to any diminution in the performance of any website or electronic means of communication
- (4)** Failure of a System
- (5)** any other matters described in paragraph (A) above

Definitions

Damage	means for the purposes of this extension accidental loss or destruction of or damage to the Property insured and any accidental loss or destruction of or damage to Data
Data	means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware
Failure of a System	means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a System whether or not owned by the Insured to operate at any time as desired as specified or as required in the circumstances of the Insured's business activities
System	includes computers other computing and electronic equipment linked to computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any Computer Installation
Microchip	a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers
Virus	programming code or series of instructions designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a System transmitted between Systems by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self replication or not

7. ELECTRONIC RISK EXCLUSION applicable to

Legal Expenses Insurance

Notwithstanding anything that appears to the contrary in this Policy and subject always to the Terms Exceptions and conditions of this Policy this Policy does not cover

(A) Any claim or Legal Proceedings which arise from or are caused directly or indirectly by the Failure of a System

Definitions

For the purposes of this exclusion

Failure of a System means the failure or inability of a System (whether or not owned by the Insured)

(1) correctly to recognise or utilise any data concerning a date (whether a date in the Year 2000 or any other date) as being such calendar date as the data is intended to represent

(2) to operate as a result of any command programmed into the System utilising any date (whether a date in the Year 2000 or any other date)

System includes computers other computing and electronic and mechanical equipment linked to a computer hardware software programs data electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation

Microchip includes integrated circuits and microcontrollers

8. ELECTRONIC RISK EXCLUSION applicable to

Trustees Indemnity Insurance

Notwithstanding anything that appears to the contrary in this Policy and subject always to the Terms Exceptions and Conditions of this Policy this Policy does not cover

Losses directly or indirectly caused by or arising in any way out of:

(A) the Failure of a System;

(B) the taking of or failure to take any corrective or other action in connection with the actual Failure of a System;

(C) a Wrongful Act in any way concerning any actual Failure of a System;

(D) the conduct or carrying on of the activities of the Charity or Company in whatever respect in anyway concerning any actual Failure of a System;

For the purposes of this Exclusion the following definitions will apply:

Failure of a System means the failure or inability of any System (whether or not owned by the Insured)

(1) correctly to recognise or utilise any data concerning a date (whether a date in the Year 2000 or any other date) as being such calendar date as the data is intended to represent,

(2) to operate as a result of any command programmed into the System utilising any date (whether a date in the Year 2000 or any other date);

System includes computers and other computing and electronic and mechanical equipment linked to a computer hardware software programmes data electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation;

Microchip includes integrated circuits and Microcontrollers

1) Terrorism Exclusion – Applicable to Property Damage Insurance, Computer Equipment Insurance, Business Interruption Insurance and Contractors All Risks Insurance

This insurance does not cover Damage or loss resulting from Damage occasioned by or happening through or in consequence directly or indirectly of

(A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
and

(B) in Northern Ireland civil commotion

This Policy also excludes Damage or loss resulting from Damage directly or indirectly caused by resulting from or in connection with any action aimed in controlling preventing suppressing or in any way relating to an act of Terrorism

Terrorism means acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing of influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

In any action suit or other proceedings where the Company alleges that by reason of this exclusion any Damage or loss resulting from Damage is not covered by this Policy the burden of proving that such Damage or loss is covered shall be upon the Insured

2) Terrorism Exclusion – Applicable to Employers Liability Insurance

The total amount payable under Section 1 shall not exceed £5,000,000 in respect of any one Event arising directly or indirectly out of Terrorism

Definition of Terrorism

Terrorism shall mean an act of any person acting on behalf of or in connection with any individual or organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any government de jure or de facto

3) Terrorism Exclusion – Applicable to Flexible Engineering Insurance

This insurance does not cover Damage or loss resulting from Damage occasioned by or happening through or in consequence directly or indirectly of

(A) Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss and

(B) in Northern Ireland

(1) riot or civil commotion

(2) strikers locked-out workers or persons taking part in labour disturbances or malicious persons but this shall not apply to damage by fire or explosion

This policy also excludes Damage or loss resulting from Damage directly or indirectly caused by resulting from or in connection with any action aimed in controlling preventing suppressing or in any way relating to an act of Terrorism

Terrorism means acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

In any action suit or other proceedings where the Company alleges that by reason of this exclusion any Damage or loss resulting from Damage is not covered by this Policy the burden of proving that such Damage or loss is covered shall be upon the Insured

PROPERTY DAMAGE INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

If any of the Property Insured described in the Schedule suffers Damage at the Premises by any of the Covers insured the Company will in accordance with the provisions of the insurance pay to the Insured the amount of loss or at its option reinstate or replace such property provided that the Company's liability in any one Period of Insurance shall not exceed in the whole the total sum insured or in respect of any item its sum insured or any other stated limit of liability For the purpose of this insurance Damage shall mean loss destruction or damage

Covers

The following are the Covers insured except as otherwise stated in the Schedule

1. **(A) Fire** excluding Damage
 - (1) by explosion resulting from fire
 - (2) to property caused by its undergoing any process involving the application of heat
- (B) Explosion** excluding Damage
 - (1) caused by the bursting of any boiler economiser or other vessel machine or apparatus belonging to or under the control of the Insured in which internal pressure is due to steam only
 - (2) to any vessel machine or apparatus or its contents resulting from the explosion thereof but this shall not exclude Damage caused by explosion of
 - any boiler
 - gasused for domestic purposes only
- (C) Lightning**
- (D) Aircraft** or other aerial devices or articles dropped therefrom
2. **Earthquake** excluding Damage caused by fire
3. **Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons** excluding Damage
 - (A) arising from confiscation requisition or destruction by order of the government or any public authority
 - (B) arising from cessation of work
 - (C)
 - (1) in the course of theft or attempted theft
 - (2) in respect of any building which is empty or not in usedirectly caused by malicious persons not acting on behalf of or in connection with any political organisation
4. **Storm or flood** excluding damage
 - (A) attributable solely to change in the water table level
 - (B) caused by frost subsidence ground heave or landslip
 - (C) to fences gates and moveable property in the open
5. **Escape of water from any tank apparatus or pipe** excluding Damage
 - (A) by water discharged or leaking from an automatic sprinkler installation
 - (B) in respect of any building which is empty or not in use
6. **Impact by any road vehicle** (including any fork lift truck or other industrial vehicle) or animal

- 7. Accidental escape of water from any automatic sprinkler installation** excluding Damage
- (A) by freezing in any building which is empty or not in use
 - (B) by heat caused by fire
- 8. Theft** (which is deemed to include attempted theft) excluding Damage
- (1) from any part of the building not occupied by the Policyholder for the purpose of the Business
 - (2) from the open or from any outbuilding
 - (3) expedited or in any way brought about by the Policyholder or any director partner or employee of the Policyholder
 - (4) due to a person obtaining any property by deception
 - (5) to Money and securities of any description
 - (6) to Glass if more specifically insured
 - (7) due to disappearance unexplained or inventory shortage
- 9. Subsidence ground heave or landslide** excluding Damage
- (A) arising from the settlement or movement of made-up ground or by coastal or river erosion
 - (B) occurring as a result of the construction demolition structural alteration or structural repair of any property at the Premises
 - (C) arising from normal settlement or bedding down of new structures
 - (D) commencing prior to the granting of cover under this insurance
- 10. Any other accident** excluding Damage
- (A) by any of
 - (1) the Covers
 - (2) the causes expressly excluded from the covers
 specified in the paragraphs 1-9 or 11-12 (whether or not insured)
 - (B) to any property caused by
 - (1) its own faulty or defective design or materials
 - (2) inherent vice latent defect gradual deterioration wear and tear
 - (3) faulty or defective workmanship operational error or omission on the part of the Insured or any of their employees
 but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded
 - (C) caused by
 - (1) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
 - (2) change in temperature colour flavour texture or finish
 - (3) 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
 - (4) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates but this shall not exclude
 - (A) such Damage which itself results from other Damage and is not otherwise excluded
 - (B) subsequent Damage which itself results from a cause not otherwise excluded

- (D) caused by
 - (1) pollution or contamination
 - (2) acts of fraud or dishonesty
 - (3) disappearance unexplained or inventory shortage misfiling or misplacing of information
- (E) to
 - (1) a building or structure caused by its own collapse or cracking
 - (2) moveable property in the open fences and gates by wind rain hail sleet snow flood or dust
 - (3) to property resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair
- (6) to
 - (1) Money and securities of any description
 - (2) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
 - (3) 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

11. (1) Accidental breakage of fixed Glass by fracture extending through its entire thickness

- (2) Damage to neon and illuminated signs and electric light fittings
- (3) Accidental breakage of sanitary earthenware
- (4) Damage by impact or falling glass to
 - (1) the framework and fittings of the ground floor frontage
 - (2) goods on display in windows

excluding

- (1) breakage or Damage
 - (A) consequent upon alterations to the framework or position of any of the Glass or to neon and illuminated signs and electric light fittings or to sanitary earthenware
 - (B) consequent upon settlement or expansion or contraction of frames or fittings in buildings under construction and during a period of six months after the date of completion of the buildings
 - (C) whilst the Premises are empty or disused unless specifically agreed
 - (D) existing prior to the commencement of this insurance and not subsequently replaced
 - (E) in respect of neon and illuminated signs and electric light fittings
 - (1) occasioned by or traceable to wear and tear or gradual deterioration mechanical or electrical breakdown or removal from the fixed position other than by theft or attempt thereat
 - (2) of bulbs or tubes unless consequent upon Damage to signs or fittings
 - (F) of
 - (1) Glass which is bent tinted stained and fired or incorporated in multiple glazed units (other than double glazing units)
 - (2) lettering or decoration or protective film or alarm foil on Glass

unless to comply with the quality recommended in the British Standard Code of Practice BS 6262:1982

(2) any consequence of fire or explosion unless more specifically insured under Cover 1

Provided that

the liability of the Company during any one Period of Insurance in respect of Cover 11 shall not exceed £10,000

12. Damage to Office Machines if insured excluding

(A) Damage caused by

- (1) wear and tear moth vermin atmospheric or climatic conditions or any gradually operating cause
- (2) alterations maintenance repairs or any process of cleaning or restoring
- (3) delay confiscation or detention by order of any Government or Public Authority
- (4) counterfeit substitute or foreign coins
- (5) mechanical or electrical breakdown or derangement

(B) breakage of electrical valves bulbs or tubes unless forming part of the property and fixed therein and happening as the result of Damage to such property

(C) the contents of machines unless such contents are shown in the Schedule

(D) depreciation contamination consequential loss or consequential damage of any kind or description

(E) Damage consequent upon any person obtaining any property by deception

INSURED'S CONTRIBUTION

This insurance does not cover the Insured's Contribution (as shown below or as otherwise specified in the Schedule) being the first part of each and every loss to be borne by the Insured at each separate premises as ascertained after the application of all other terms and conditions of the insurance including the Underinsurance Provision

A.	Cover 9 (Subsidence) if Insured	£1,000
B.	All other Covers	Nil

EXCLUSIONS

This insurance does not cover

A. 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 insurance 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

B. Sonic Bangs

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

C. War and Allied Risks

Damage occasioned by

- (1) riot or civil commotion except to the extent that it is specifically insured
- (2) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

D. Pollution and Contamination

Damage caused by pollution or contamination except (unless otherwise excluded) destruction of or damage to the Property Insured caused by

- (1) pollution or contamination which itself results from any Cover insured (other than Cover 10)
- (2) any Cover insured (other than Cover 10) which itself results from pollution or contamination

E. Radioactive Contamination

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

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

DEFINITIONS OF PROPERTY

Property Insured

- Buildings
 - General Contents
 - Stock
 - Other property or interests
- } at the Premises including within the open yards forming part of the Premises (subject to any specific exclusions)

all as defined below or more fully described in the Schedule and all being the property of the Insured or for which they are responsible but excluding

- property which is more specifically insured
 - unless specifically notified to and accepted by the Company as insured
- (A) lands roads pavements piers jetties bridges culverts or excavations
- (B) livestock growing crops or trees

Buildings

- buildings
- landlord's fixtures and fittings in and on the buildings
- small outside buildings extensions annexes gangways
- walls gates and fences
- services which shall mean
 - telephone gas and water mains electrical instruments meters piping cabling and the like and the accessories thereon extending from the buildings to the perimeter of the premises or to the public mains (including those underground)
- tenants improvements alterations and decorations

General Contents

- machinery plant fixtures fittings and other trade equipment
- all office equipment and other contents
- patterns models moulds plans and designs
- computer records documents manuscripts business books transparencies film negatives video tapes microfilm and microfiche
- tenants improvements alterations and decorations
- insofar as they are not otherwise insured
 - directors partners and employees personal effects including clothing pedal cycles tools instruments and the like for an amount not exceeding £500 per person
- but any cover granted under this insurance for Damage by Theft shall not apply to
 - personal effects partly or wholly of precious metal jewellery watches furs contact lenses portable electronic entertainment equipment cameras Money and securities of any description
- Money and securities of any description but for not more than £4,000 in total and subject to any specific exclusions in this insurance
- wines spirits cigarettes and tobacco held for entertainment purposes
- to the extent that they are not otherwise insured motor vehicles motor chassis and their contents
- curios pictures and other works of art for an amount not exceeding £1,000 in respect of any one loss
- promotional materials including leaflets

Money

- cash bank notes currency notes cheques bankers drafts postal orders money orders current postage stamps and revenue stamps National Insurance stamps National Savings stamps and certificates holiday savings stamps luncheon vouchers credit company sales vouchers VAT purchase invoices Premium Bonds bills of exchange giro cheques and drafts gift tokens trading stamps unused units in franking machines consumer redemption vouchers and credit cards

Stock

- stock and materials in trade work in progress and finished goods

Designation of Property

Where necessary the item heading under which any property is insured shall be determined by the designation under which such property appears in the Insured's books

Glass

Normal flat annealed glass toughened and laminated glass including lettering thereon mirrors bent tinted stained or fired glass decoration or protective film or alarm foil on glass sanitary earthenware unless otherwise shown in the Schedule

Office Machines

Typewriters duplicators photocopying machines calculators accounting machines telephone installations public address systems dictating equipment computer equipment postal and franking machines and similar office machinery belonging to the Insured or for which the Insured is responsible

THE INSURANCE PROVIDED

In respect of Buildings and General Contents (other than motor vehicles directors partners and employees and personal effects)

the Company will pay

A. the cost of reinstatement being

- where the property is destroyed the cost of rebuilding or in the case of General Contents the cost of its replacement by similar property
- where the property is damaged the cost of repairing or restoring the damaged portions to a condition substantially the same as but not better or more extensive than its condition when new

B. the cost of complying with Public Authorities' requirements being such additional cost of reinstatement of the property as may be incurred with the Company's consent in complying with Building Regulations or local authority or other statutory requirements first imposed upon the insured following the Damage provided that the reinstatement is completed within twelve months of the occurrence of the Damage or within such further time as the Company may in writing allow

C. the cost of removing debris being

the cost incurred with the Company's consent in removing debris dismantling demolishing shoring up and propping portions of the property but excluding any costs or expenses

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

D. the cost of professional fees being

those necessarily incurred in the reinstatement of the property but not for preparing any claims

The undernoted provisions apply

1. Public Authorities' Requirements

The Company shall not be liable in respect of cost B for

- requirements relating to undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from the insurance)
- any rate tax duty development or other charge or assessment which may arise out of capital appreciation as a result of complying with any of the regulations or requirements referred to

2. Partial Damage

Where Damage occurs to only part of the property the Company's liability shall not exceed the amount which the Company would have been liable to pay had the property been wholly destroyed

3. Reinstatement on Another Site

The work of reinstatement may be carried out wholly or partially upon another site and in any manner suitable to the requirements of the Insured provided that it does not increase the Company's liability

4. Insurable Amount

For the purpose of the Underinsurance Provision the Insurable Amount shall be the Day One Reinstatement Value
Day One Reinstatement Value shall mean

The total of the insured costs A B C and D in reinstating the Property Insured to a condition substantially the same as when new at the level of costs applying at the commencement of the period of insurance

5. Alternative Basis of Settlement

The Company's liability shall be limited to the Alternative Basis of Settlement (as defined below)

- (A) until the cost of reinstatement has actually been incurred
- (B) if the work of reinstatement is not carried out as quickly as is reasonably practicable
- (C) if at the time of its Damage the property is covered by any other insurance effected by or on behalf of the Insured and such other insurance is not on the identical basis of reinstatement defined in Cost A

(D) if in the Schedule it is stated that the Alternative Basis of Settlement applies

Under the Alternative Basis of Settlement the Company will pay the value of the property at the time of its destruction or the amount of the damage including the cost of

- complying with Public Authorities requirements
- removing debris
- Professional fees

as defined in costs B C and D above and subject to the provisions and exceptions applying to those costs. For the purpose of the Underinsurance Provision the Insurable Amount shall be the total of the value at the time of the Damage of the property insured by the item and the additional costs B C and D

In respect of computer records documents manuscripts and business books the Company will pay

- (A)** the value of the materials as stationery
- (B)** the clerical labour and computer time expended in reproducing such computer records or writing up such documents
- (C)** the costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded

but excluding the value to the Insured of the information and subject to the Company's liability not exceeding the limit stated in the definition of General Contents

In respect of Stock and other insured property not specifically provided for the Company will pay the value of the property at the time of its destruction or the amount of the damage including the cost of removing debris as defined in cost C

The undernoted provisions apply

1. Contract Price

In respect only of goods sold but not delivered for which the Insured is responsible and with regard to which under the conditions of the sale the sale contract is cancelled by reason of any Damage insured under this policy either wholly or to the extent of the Damage the Company's liability shall be based on the contract price

2. Insurable Amount

For the purpose of the Underinsurance Provision the Insurable Amount shall be the contract price of those goods to which provision 1 applies and the value at the time of Damage of all other property

In respect of Rent of Buildings which suffer Damage the Company will pay

- A.** if the loss relates to rent receivable by the Insured
 - the actual reduction in rent received solely in consequence of the Damage
- B.** if the loss relates to rent payable by the Insured
 - the amount of rent which continues to be payable by the Insured in respect of the Building or portions of the Building whilst unfit for occupation in consequence of the Damage but the Company's liability shall be limited to the loss suffered within the period of rent insured (or specified in the Schedule) which commences from the date of the Damage

The undernoted provision applies

Insurable Amount

For the purpose of the Underinsurance Provision the Insurable Amount shall be the annual rent receivable (or in the case of (B) above the annual rent payable) at the commencement of the period of insurance such amount to be proportionately increased to correspond with the period of rent insured where that period exceeds twelve months

SPECIAL PROVISIONS

Underinsurance

If at the time of the Damage

- the Declared Value by the relative item on Buildings or General Contents or
 - the sum insured by the relative item on other property or interests
- is less than the Insurable Amount the amount otherwise payable shall be proportionately reduced

Declared Value shall mean

the base value shown in brackets below the sum insured such value excluding any provision for inflation but if the loss is settled under the Alternative Basis of Settlement the Declared Value shall be 115% of the base value shown or if no base value is shown it shall be deemed to be the sum insured

Reinstatement by the Company

The Company may at its own option reinstate or replace any property destroyed or damaged without being bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner The Insured shall at their own expense produce and provide the Company with all such plans documents books and information as the Company may reasonably require

Extinguishment Expenses

The Company will pay the reasonable costs incurred by the Insured in refilling fire extinguishing appliances and replacing used sprinkler heads solely in consequence of Insured Damage to the Property Insured

Glass Cover Extension

Any cover granted under this insurance in respect of Damage to fixed glass includes the reasonable cost of

- A.** any necessary boarding up or temporary glazing pending replacement of broken glass
- B.** removing and refixing window fittings and other obstacles to replacement

Theft Cover Extension

Any cover granted under this insurance in respect of Theft includes

- A.** the cost of repairing Damage to the Buildings (whether or not the Buildings are insured hereunder) if the Insured is responsible for the repairs and the Damage is not otherwise insured
- B.** the reasonable expenses (not exceeding £1,000) incurred in necessarily replacing locks to the Buildings or safes or strongrooms therein consequent upon the Theft (as insured) of keys from such building or from the residence of any of the authorised keyholding directors partners or employees of the Insured

Seasonal Increase

The sum insured in respect of Stock shall be increased by 50% for the months of November and December and for 31 days immediately preceding Easter Day

Value Added Tax

The insurance by each item on Buildings and General Contents extends to include Value Added Tax paid by the Insured which is not subsequently recoverable

Provided that

- (1)**
 - (a)** the Insured's liability for such tax arises solely as a result of the reinstatement or repair of the Buildings or General Contents to which such item relates following Damage
 - (b)** the Company has paid or agreed to pay for such Damage
 - (c)** if the payment made by the Company in respect of reinstatement or repair of such damage is less than the actual cost of reinstatement or repair any payment under this clause resulting from the Damage shall be reduced in like proportion
- (2)** the Insured's liability for such tax does not arise from the replacement Buildings having greater floor area than or being better or more extensive than the destroyed or damaged Buildings
- (3)** where the Rebuilding on Another Site option has been exercised the Company's liability under this clause shall not exceed the amount of tax that would have been payable had the Buildings been rebuilt on its original site
- (4)** the Company's liability under this clause shall not include amounts payable by the Insured as penalties or interest for non-payment or late payment of tax
- (5)** terms to the contrary elsewhere in this Policy are over-ridden as follows in respect of those items to which this clause applies
 - (i)** for the purpose of the Underinsurance Clause insurable amount shall be exclusive of Value Added Tax
 - (ii)** the liability of the Company may exceed the Sum Insured by an individual item on Buildings or General Contents or in the whole the total Sum Insured where such excess is solely in respect of Value Added Tax

General Provisions Applicable to All Items

The Underinsurance Provision will not be applicable to Buildings where the Insured provides documentary evidence of a professional valuation of the estimated rebuilding cost which has been carried out within three years of the date of loss.

GENERAL MEMORANDA

Property at other locations

Subject to all the provisions and exclusions the cover granted by this insurance is extended to apply to the undernoted Property Insured whilst removed from the premises as indicated below

except that

1. the insurance applies only insofar as the property is not otherwise insured
2. the Company's liability for any one loss shall not exceed the limit stated

Property and Location

Limit of Liability for any one loss

A. Computer records documents manuscripts and business books at any location and whilst in transit	}	The limit stated in the General Contents definition
B. Stock (excluding goods held in trust) at any location used by the Insured for storage		The relative sum insured
C. Other property (excluding vehicles licensed for road use at any location to which the property has been temporarily removed and whilst in transit		
D. Specified Equipment at any location whilst in transit		The sum insured stated in the Schedule

Buildings and General Contents - Alterations and Additions

If during the period of insurance

- alterations or additions are made to any Buildings insured or
- Buildings or General Contents are acquired or constructed

at any Premises covered by this insurance or elsewhere in Great Britain or Northern Ireland and such additional property is not otherwise insured it will be held covered under the relative items of this insurance from the time from which the Insured became responsible for it until the next renewal of the insurance at which date specific insurance shall be effected The sum insured (and declared value) by each item shall be deemed to be increased for that period only by the value of the additional property insured under the item but by not more than 10% and subject to the Company's liability not exceeding £500,000 in respect of additional property at any one Premises

All the provisions and conditions of this insurance (including the Alteration Condition) apply to this extension except as expressly varied

Automatic Reinstatement after a Loss

In the absence of written notice by the Insured or the Company to the contrary within 30 days of the occurrence of any Damage the Company's liability shall not be reduced by the amount of any loss and the Insured shall pay the appropriate additional premium for such automatic reinstatement of cover

Provided that in respect of Damage by Theft (if insured) the automatic reinstatement shall apply on the first occasion only in each Period of Insurance

Index Linking

If shown in the Schedule as applicable the Company will adjust the sum insured (and the declared value where appropriate) by each item on Buildings General Contents and Stock in line with suitable indices of costs and the premium for renewal will be based on the adjusted amounts

Transfer of Interest

If at the time of any insured Damage to any building insured the Insured shall have contracted to sell their interest in the building and the purchase is subsequently completed the purchaser shall be entitled on completion of the purchase to the benefit of this insurance in respect of such Damage if and so far as the property is not otherwise insured by the purchaser or on the purchaser's behalf against such Damage without prejudice to the rights and liabilities of the Insured or the Company under this insurance up to the date of completion

RISK PROTECTIONS

A. Automatic Sprinkler and Fire Alarm Installations

(Applicable if a reduced premium rate is allowed on account of such an installation or if the insurance covers Damage by the accidental escape of water from a sprinkler installation)

The Insured shall

- (1)** take all reasonable steps to
 - (A)** prevent frost and other damage to the installations and insofar as it is their responsibility
 - (B)** maintain the installations (including the automatic external alarm signal) in efficient condition
 - (C)** maintain ready access to the water supply control facilities
- (2)** in the event that changes repairs or alterations to the installations are proposed notify the Company in writing and obtain its prior agreement in writing
- (3)** allow the Company access to the Premises at all reasonable times for the purpose of inspecting the installations
- (4)** carry out the routine tests laid down by the Company and remedy promptly any defect revealed by a test In the event that alterations or repairs become necessary to the automatic sprinkler installation the Company may at its option suspend any cover which is granted against Damage by the accidental escape of water from the installation until the alterations or repairs have been carried out and approved by the Company Notice of any such action will be given by the Company in writing

B. Fire Extinguishing Appliances

(Applicable if a reduced premium rate is allowed on account of the appliances)

The Insured shall maintain all fire extinguishing appliances in efficient working order

C. Security Precautions - Condition Precedent

It is a condition precedent to any liability of the Company in respect of Damage by Theft (if insured) that

- A)** in respect of any Intruder Alarm System required by the Company as a condition of cover
 - 1)** the Intruder Alarm System is maintained in full and effective working order under a contract to provide both corrective and preventative maintenance with the installer or such other contractor agreed by the Company in writing
 - 2)** the Business Premises are not left unattended
 - i)** unless the Intruder Alarm System is tested and set in its entirety and is together with the means of communication used to transmit signals in full and effective operation and where the equipment permits any Alarm Receiving Centre to which the Intruder Alarm System is connected has acknowledged the setting signal
 - ii)** if police response to alarm calls has been withdrawn without the written agreement of the Company
 - 3)** the Intruder Alarm System is installed in accordance with a specification agreed in writing by the Company
 - 4)** no alteration to or substitution of
 - i)** any part of the Intruder Alarm System
 - ii)** the procedures agreed by the Policyholder for police or any other response to any activation of or other warning signal pertaining to the Intruder Alarm System
 - iii)** the maintenance contractshall be made without the written agreement of the Company
 - 5)** no structural alteration of or changes in layout to the Premises that could affect operation of the Intruder Alarm System shall be made without the written agreement of the Company
 - 6)** the Policyholder shall maintain secrecy of codes for operation of the Intruder Alarm System and shall not leave details of such codes at the Business Premises when the Business Premises are unattended
 - 7)** the Policyholder shall appoint at least two Keyholders and shall record details of the Keyholders with

the police and any Alarm Receiving Centre to which the Intruder Alarm System signals

- 8)** any change of Keyholder details shall be notified immediately to the police and any Alarm Receiving Centre to which the Intruder Alarm System signals
 - 9)** in the event of notification of any activation of the Intruder Alarm System or interruption of the means of communication during any period that the system is set a Keyholder shall attend and allow access to the Business Premises without delay
 - 10)** in the event that the Policyholder receives any notification
 - i)** from the police or alarm installer/maintenance contractor or Alarm Receiving Centre that response to alarm signals or line interruptions from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
 - ii)** from a local authority or magistrate imposing any requirement for abatement of nuisance
 - iii)** that the Intruder Alarm System cannot be returned to or maintained in full working order the Policyholder shall advise the Company as soon as possible and in any event not later than 10am on the Company's next working day and comply with any subsequent requirements stipulated by the Company
- B)** whenever the Business Premises are left unattended
- 1)** all locks bolts and other protective devices are in full and effective operation
 - 2)** all keys (including those relating to any part of the Intruder Alarm System) are removed from the Business Premises

INTERPRETATIONS

Intruder Alarm System includes all lines and equipment used to transmit the signals to and from the Premises

Keyholder shall mean any person or keyholding company authorised by the Policyholder who is available at all times when the Intruder Alarm System is set to accept notification of faults or alarm signals or messages relating to the Intruder Alarm System

Business Premises shall mean that part of the Premises occupied by the Policyholder for the purposes of the Business described in the Schedule

BUSINESS INTERRUPTION INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

If Damage by any of the Covers insured occurs at the Premises to property used by the Insured for the purpose of the Business and causes interruption of or interference with the Insured's Business at the Premises

the Company will pay to the Insured the amount of loss resulting from the interruption or interference caused by the Damage in accordance with the provisions of the insurance

provided that

- A. payment has been made or liability admitted for the Damage under an insurance covering the interest of the Insured in the property
- or
- payment would have been made or liability admitted for the Damage but for the operation of a proviso in such insurance excluding liability for losses below a specified amount
- B. the Company's liability in any one period of insurance shall not exceed in the whole the total sum insured or in respect of any item its sum insured or any other stated limit of liability

For the purpose of this insurance Damage shall mean loss destruction or damage

Covers

The following are the Covers insured except as otherwise stated in the Schedule

1. **(A) Fire** excluding Damage
 - (1) by explosion resulting from fire
 - (2) to property caused by its undergoing any process involving the application of heat
- (B) Explosion** excluding
 - (1) Damage caused by the bursting of any vessel machine or apparatus belonging to or under the control of the Insured in which internal pressure is due to steam only
 - (2) loss resulting from the Insured being deprived of the use of any vessel machine or apparatus or its contents as a result of the explosion thereof
but this shall not exclude explosion of
 - any boiler used for domestic purposes only or of any other boiler or economiser on the Premises
 - gas used for domestic purposes only
- (C) Lightning**
- (D) Aircraft** or other aerial devices or articles dropped therefrom
2. **Earthquake** excluding Damage caused by fire
3. **Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons** excluding Damage
 - (A) arising from confiscation requisition or destruction by order of the government or any public authority
 - (B) arising from cessation of work
4. **Storm or flood** excluding Damage
 - (A) attributable solely to change in the water table level
 - (B) caused by frost subsidence ground heave or landslip
 - (C) to fences gates and moveable property in the open
5. **Escape of water from any tank apparatus or pipe** excluding Damage
 - (A) by water discharged or leaking from an automatic sprinkler installation
 - (B) in respect of any building which is empty or not in use

6. **Impact** by any road vehicle (including any fork lift truck or other industrial vehicle) or animal
7. **Accidental escape of water from any automatic sprinkler installation** excluding Damage
 - (A) by freezing in any building which is empty or not in use
 - (B) by heat caused by fire
8. **Theft** (which shall be deemed to include attempted theft) excluding Damage
 - 1) from any part of the building not occupied by the Policyholder for the purpose of the Business
 - 2) from the open or from any outbuilding
 - 3) expedited or in anyway brought about by the Policyholder or any director partner or employee of the Policyholder
 - 4) due to a person obtaining any property by deception
 - 5) due to disappearance unexplained or inventory shortage
9. **Subsidence ground heave or landslip** excluding Damage
 - (A) arising from the settlement or movement of made-up ground or by coastal or river erosion
 - (B) occurring as a result of the construction demolition structural alteration or structural repair of any property at the Premises
 - (C) arising from normal settlement or bedding down of new structures
 - (D) commencing prior to the granting of cover under this insurance
10. **Any other accident** excluding Damage
 - (A) by any of
 - (1) the Covers
 - (2) the causes expressly excluded from the covers specified in the paragraphs 1-9 (whether or not insured)
 - (B) to property caused by
 - (1) its own faulty or defective design or materials
 - (2) inherent vice latent defect gradual deterioration wear and tear
 - (3) faulty or defective workmanship operational error or omission on the part of the Insured or any of their employees

but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded
 - (C) caused by
 - (1) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
 - (2) change in temperature colour flavour texture or finish
 - (3) 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
 - (4) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates
 - (5) the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunications services

but this shall not exclude

 - (A) such Damage which itself results from other Damage and is not otherwise excluded
 - (B) subsequent Damage which itself results from a cause not otherwise excluded

- (D) caused by
 - (1) pollution or contamination
 - (2) acts of fraud or dishonesty
 - (3) disappearance unexplained or inventory shortage misfiling or misplacing of information
 - (4) erasure or distortion of information on computer systems or other records
 - (A) whilst mounted in or on any machine or data processing apparatus or
 - (B) due to the presence of a magnetic flux

unless caused by Damage to the machine or apparatus in which the records are mounted
- (E) to
 - (1) a building or structure caused by its own collapse or cracking
 - (2) moveable property in the open fences and gates by wind rain hail sleet snow flood or dust
 - (3) property resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair
- (F) to
 - (1) property or structures in course of construction or erection and materials or supplies in connection with all such property or structures
 - (2) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
 - (3) land roads pavements piers jetties bridges culverts or excavations
 - (4) livestock growing crops or trees

EXCLUSIONS

The Company shall not be liable for loss resulting from

1. War and Allied Risks

Damage occasioned by

- (A) riot or civil commotion unless such cover is specifically insured and then only to the extent stated
- (B) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power or nationalisation

2. Sonic Bangs

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

3. Pollution and Contamination

pollution or contamination but this shall not exclude loss resulting from Damage (not otherwise excluded) caused by

- (1) pollution or contamination which itself results from any Cover insured (other than Cover 10)
- (2) any Cover insured (other than Cover 10) which itself results from pollution or contamination

4. Radioactive Contamination

Damage occasioned by or happening through or occasioning loss or destruction of or 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

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

THE INSURANCE PROVIDED

Item on Gross Profit (if shown as operative in the Schedule)

Subject to the special provisions below the Company will pay as indemnity -

- A)** In respect of Reduction in Turnover
the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period falls short of the Standard Turnover in consequence of the Damage
- B)** In respect of Increase in Cost of Working
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage
but not exceeding the total of
- the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided
- plus
- 5% of the sum insured by the item (but not more than £250,000)

Item on Gross Revenue (if shown as operative in the Schedule)

Subject to the special provisions below the Company will pay as indemnity -

- A)** In respect of Loss of Gross Revenue
the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of the Damage
- B)** In respect of Increase in Cost of Working
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage
but not exceeding the total of
- the amount of the reduction in Gross Revenue thereby avoided
- plus
- 5% of the sum insured by the item (but not more than £250,000)

Outstanding Debit Balances

Subject to the provisions below the Company will pay as indemnity -

- A)** the difference between
- 1)** the Outstanding Debit Balances
- and
- 2)** the total of the amounts received or traced in connection with such balances
- B)** the additional expenditure incurred with the consent of the Company in tracing and establishing customers' debit balances after the Damage

The following are the provisions referred to above

1 Professional Accountants' Charges

The Company will pay the reasonable charges payable by the Policyholder to their professional accountants for producing information required by the Company under the terms of the Claims Conditions and for reporting that such information is in accordance with the Policyholder's accounts

2 Limit of Liability

The Company's liability in any Period of Insurance shall not exceed in the whole the sum of £50,000 or any other Limit of Liability stated in the Schedule

Special Provisions

1. Alternative Trading

If during the Indemnity Period goods are sold or services rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on the Insured's behalf the money paid or payable in respect of such sales or services shall be taken into account in arriving at the Turnover during the Indemnity Period

2. Savings

If any of the charges or expenses of the Business payable out of Gross Profit shall cease or reduce in consequence of the Damage the amount of such savings during the Indemnity Period shall be deducted from the amount payable

3. Professional Accountant's Charges

The Company will pay the reasonable charges payable by the Insured to their professional accountants for producing information required by the Company under the terms of the Claims Conditions and for reporting that such information is in accordance with the Insured's accounts.

4. Underinsurance

(Not applicable if the insurance is on the Declaration-Linked basis)

If the sum insured is less than the Insurable Amount the amount payable shall be proportionately reduced

DEFINITIONS

The following notes refer to the Definitions stated below

1. To the extent that the Insured is accountable to the tax authorities for Value Added Tax all terms in this insurance shall be exclusive of such tax
2. For the purpose of these definitions any adjustment implemented in current cost accounting shall be disregarded
3. The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods due provision being made for depreciation
4. The Uninsured Variable Costs have the meaning usually attached to them in the Insured's accounts
5. In the definitions of

A) Estimated Gross Profit Actual Gross Profit and Insurable Amount

or

B) Estimated Gross Revenue Actual Gross Revenue and Insurable Amount

the amount of Gross Profit or Gross Revenue shall be proportionately increased to correspond with the Maximum Indemnity Period where it exceeds twelve months

Indemnity Period

the period beginning when the Damage occurs and ending when the results of the Business cease to be affected by the Damage but not exceeding the Maximum Indemnity Period (as shown in the Schedule)

Turnover

the money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the Business at the Premises

Gross Profit

the amount by which the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed the sum of the amounts of the opening stock and work in progress and the amount of the Uninsured Variable Costs

Uninsured Variable Costs

Purchases and related discounts

Bad debts

unless otherwise stated in the Schedule

Estimated Gross Profit

the amount declared by the Insured to the Company as representing not less than the Gross Profit which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the period of insurance (subject to the provision of Note 5 above)

Actual Gross Profit

the Gross Profit earned during the financial year most nearly concurrent with the period of insurance (subject to the provision of Note 5 above)

Rate of Gross Profit

the rate which Gross Profit would have borne to Turnover during the Indemnity Period

Standard Turnover

the Turnover which would have been obtained during the Indemnity Period

Insurable Amount

the Gross Profit which would have been earned in the twelve months immediately following the date of the Damage)

had the Damage not occurred after account has been taken of the trends of the Business and of the variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred (subject to the provision of Note 5 above)

Outstanding Debit Balances

the total recorded under the provisions of Debit Recording adjusted for

- A)** bad debts
 - B)** amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to the credit accounts of the Business in the period between the date to which the last monthly record relates and the date of the Damage
- and
- C)** any abnormal condition of trade which had or could have had a material effect on the Business so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred

EXTENSIONS

The insurance is extended to include loss as insured in consequence of Damage as insured

- A. (1)** at any premises not occupied by the Insured but used by them solely for storage purposes
 - (2) (A)** to computer systems or other records
 - or
 - (B)** to machinery and plant (but not motor vehicles) removed for cleaning renovation repair or other similar purposes whilst temporarily removed from the Premises and in transit by road rail air or inland waterway
- (3) (A)** closure or restrictions placed on the Premises on the advice or with the approval of the Medical Officer of Health of the Public Authority as a result of a notifiable human disease manifesting itself at the Premises
- (B)** injury or illness sustained by any customer or employee arising from or traceable to foreign or injurious matter in food or drink sold from the Premises
- (C)** closing of the whole or part of the Premises by order of the Public Authority for the area in which the Premises are situate consequent upon defects in the drains and other sanitary arrangements at the Premises
- (D)** murder or suicide occurring at the Premises
- (E)** vermin and pests at the Premises

(F) loss destruction or damage caused by any of the Covers to property in the vicinity of the Premises which prevents or hinders the use of the Premises or access thereto whether the Premises or the Policyholder's property therein shall be damaged or not but excluding Damage which prevents or hinders the supply of electricity gas water or telecommunications services provided that the Company's liability after the application of all other terms and Conditions of the Policy shall not exceed £1,000,000 or the Sum Insured by this insurance whichever is the lesser

(4) Damage by any of the Covers insured to property at any generating station or substation of the public electricity supply undertaking land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith with water works or pumping station of the public water supply undertaking from which the Policyholder obtains electricity gas or water shall be deemed to have resulted from Damage to property at the Premises provided that the Company's liability after the application of all other terms and Conditions of the Policy shall not exceed £1,000,000 or the Sum Insured by this insurance whichever is the lesser

B. at any situations (or to property) as specifically mentioned in the Schedule

provided that the Company's liability after the application of all other terms and conditions of the Policy shall not exceed

under (A) 10% of the total of the sums insured or £250,000 whichever is the less (unless otherwise stated in the Schedule)

under (B) the percentage (of the total of the sums insured by the policy) or monetary limit shown in the Schedule against such situations or property

MEMORANDA

Payments on Account

Payments on account may be made during the Indemnity Period if desired

Renewal Clause

(Applicable if the insurance is on the Declaration-Linked basis)

It is a condition of the insurance that prior to each renewal the Insured shall provide the Company with the Estimated Gross Profit for the financial year most nearly concurrent with the ensuing period of insurance

Premium Adjustment

(The Schedule shows which clause applies to this insurance)

The following provisions apply separately to each item on Gross Profit or Gross Revenue

A Where the premium paid is not provisional

At the end of the Period of Insurance the Company will allow a pro rata return of premium (not exceeding 50% of the premium paid) if the premium calculated at the appropriate rate on the Actual Gross Profit or Actual Gross Revenue (as reported by the Policyholder's auditors) is less than the premium paid

provided that if the Actual Gross Profit or Actual Gross Revenue has been affected by Damage as insured the Company will add to the amount declared the additional amount of Gross Profit or Gross Revenue which would have been earned in the relative financial year had the Damage not occurred and the adjusted figure will be deemed to be the declaration

B Where a provisional premium is paid

The premium paid at the commencement of each Period of Insurance is provisional and the Policyholder shall declare to the Company within six months of the expiry of each period the Actual Gross Profit or Actual Gross Revenue as reported by the Policyholder's auditors

The premium will be calculated at the appropriate rate on the declaration and the premium paid will be adjusted as stated below provided that if the Actual Gross Profit or Actual Gross Revenue has been affected by Damage as insured the Company will add to the amount declared the additional amount of Gross Profit or Gross Revenue which would have been earned in the relative financial year had the Damage not occurred and the adjusted figure will be deemed to be the declaration

1 If the insurance is not on the Declaration-Linked basis

If the premium calculated is

a) less than the premium paid
the Company will repay the difference to the Policyholder but not exceeding the difference between the premium paid and the premium payable on 50% of the sum insured

- b)** greater than the premium paid
the Policyholder shall pay the difference but not exceeding the difference between the premium paid and the premium payable on the full sum insured
In the event that no declaration is received within six months of the expiry of the Period of Insurance the sum insured will be deemed to be the declaration and the additional premium due will become payable

2 If the insurance is on the Declaration-Linked basis

If the premium calculated is

- a)** less than the premium paid
the Company will repay the difference to the Policyholder
- b)** greater than the premium paid
the Policyholder shall pay the difference

Automatic Reinstatement after a Loss

In the absence of written notice by the Policyholder or the Company to the contrary the Company's liability shall not be reduced by the amount of any loss the Policyholder undertaking to pay the appropriate additional premium for such automatic reinstatement of cover

COMPUTER EQUIPMENT INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

If any of the Property Insured described in the Schedule suffers Damage at the Premises or whilst temporarily away from the Premises anywhere in the world (unless otherwise stated in the Schedule) by any of the Covers insured the Company will in accordance with the provisions of the insurance pay to the Insured

1. in respect of items A and B the amount of loss or at its option reinstate or replace such property
2. in respect of items C and D the amount of loss resulting from the interruption or interference with the Insured's Business at the Premises caused by the Damage

provided that payment has been made or liability admitted for the Damage under an insurance covering the interest of the Insured in the property

or

payment would have been made or liability admitted for the Damage but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

The Company's liability in any one Period of Insurance shall not exceed in the whole the total sum insured or in respect of any one item its sum insured or any other stated limit of liability

For the purpose of this insurance Damage shall mean loss destruction or damage

Covers

The following are the Covers insured except as otherwise stated in the Schedule

1. **(A) Fire** excluding Damage
 - (1) by explosion resulting from fire
 - (2) to property caused by its undergoing any process involving the application of heat**(B) Explosion** excluding Damage
 - (1) caused by the bursting of any boiler economiser or other vessel machine or apparatus belonging to or under the control of the Insured in which internal pressure is due to steam only
 - (2) to any vessel machine or apparatus or its contents resulting from the explosion thereofbut this shall not exclude Damage caused by explosion of
 - any boiler
 - gasused for domestic purposes only
 - (C) Lightning**
 - (D) Aircraft** or other aerial devices or articles dropped therefrom
2. **Earthquake** excluding Damage caused by fire
 3. **Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons** excluding Damage
 - (A)** arising from confiscation requisition or destruction by order of the government or any public authority
 - (B)** arising from cessation of work
 - (C) (1)** in the course of theft or attempted theft
 - (2)** in respect of any building which is empty or not in use directly caused by malicious persons not acting on behalf of or in connection with any political organisation
 4. **Storm or flood** excluding Damage
 - (A)** attributable solely to change in the water table level
 - (B)** caused by frost subsidence ground heave or landslip
 - (C)** to property in the open

5. **Escape of water from any tank apparatus or pipe** excluding Damage
 - (A) by water discharged or leaking from an automatic sprinkler installation
 - (B) in respect of any building which is empty or not in use
6. **Impact by any road vehicle** (including any fork lift truck or other industrial vehicle) or animal
7. **Accidental escape of water from any automatic sprinkler installation** excluding Damage
 - (A) by freezing in any building which is empty or not in use
 - (B) by heat caused by fire
8. **Theft (which shall be deemed to include attempted theft)** excluding Damage
 - (A) expedited or in any way brought about by the Insured or any director partner or employee of the Insured
 - (B) due to a person obtaining any property by deception
 - (C) due to disappearance unexplained or inventory shortage
 - (D) to property in transit unless it is in the custody of a Director or an employee of the Insured
 - (E) to property in an unattended vehicle unless the property is in a locked boot or glove compartment and all points of access to the vehicle are locked or the vehicle is stolen at the same time
9. **Subsidence ground heave or landslip** excluding Damage
 - (A) arising from the settlement or movement of made-up ground or by coastal or river erosion
 - (B) occurring as a result of the construction demolition structural alteration or structural repair of any property at the Premises
 - (C) arising from normal settlement or bedding down of new structures
 - (D) commencing prior to the granting of cover under this insurance
10. **Any other accident** excluding Damage
 - (A) by any of
 - (1) the Covers
 - (2) the causes expressly excluded from the Covers
 specified in the paragraphs 1-9 or 11 (whether or not insured)
 - (B) to any property caused by
 - (1) its own faulty or defective design or materials
 - (2) inherent vice latent defect gradual deterioration wear and tear
 - (3) faulty or defective workmanship operational error or omission on the part of the Insured or any of their employees
 but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded
 - (C) caused by
 - (1) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
 - (2) change in temperature colour flavour texture or finish
 - (3) 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
 - (4) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates

- (5) the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunication services

but this shall not exclude

- (A) such Damage which itself results from other Damage and is not otherwise excluded
- (B) subsequent Damage which itself results from a cause not otherwise excluded

(D) caused by

- (1) pollution or contamination
- (2) acts of fraud or dishonesty
- (3) disappearance unexplained or inventory shortage misfiling or misplacing of information

(E) to

- (1) a building or structure caused by its own collapse or cracking
- (2) property in the open
- (3) property resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair

(F) to

- (1) property in transit unless in the custody of a Director or employee of the Insured
- (2) property in an unattended vehicle unless the property is in a locked boot or glove compartment and all points of access to the vehicle are locked or the vehicle is stolen at the same time
- (3) property or structures in course of construction or erection and materials or supplies in connection with all such property or structures

(G) recoverable under any guarantee or Maintenance Agreement in force at the happening of the Damage

11. Mechanical or Electrical Breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement occurs excluding Damage

(A) by any of

- (1) the Covers
- (2) the causes expressly excluded from the Covers

specified in the paragraphs 1-9 (whether or not insured)

(B) to any property caused by or consisting of wear and tear or deterioration due to atmospheric conditions rust or corrosion faulty or defective workmanship operational error or omission on the part of the Insured or their employees but this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded

(C) to the property in the open

(D) which would be covered by any guarantee or Maintenance Agreement whether or not in force at the happening of the Damage

(E) to property resulting from

- its undergoing any process of production packing treatment testing commissioning servicing or repair
- pollution or contamination
- acts of fraud or dishonesty
- the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunication services

but this shall not exclude

- such Damage or subsequent Damage which itself results from other Damage and is not otherwise excluded

INSURED'S CONTRIBUTION

This insurance does not cover the Insured's Contribution (as shown below or as otherwise specified in the Schedule) being the first part of each and every loss to be borne by the Insured at each separate premises as ascertained after the application of all other terms and conditions of the insurance including the Underinsurance Provision

A.	Cover 9 (Subsidence) if Insured	£1,000
B.	All other Covers	Nil

EXCLUSIONS

This insurance does not cover

A. 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 insurance 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

B. Sonic Bangs

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

C. War and Allied Risks

Damage occasioned by

- (1) riot or civil commotion except to the extent that it is specifically insured
- (2) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

D. Pollution and Contamination

Damage caused by pollution or contamination except (unless otherwise excluded) destruction of or damage to the Property Insured caused by

- (1) pollution or contamination which itself results from any Cover insured (other than Cover 10)
- (2) any Cover insured (other than Cover 10) which itself results from pollution or contamination

E. Radioactive Contamination

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

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

F. Satellite Telecommunications

Additional Cost of Working or Loss of Gross Revenue arising from

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

G. Computer Systems Records

Computer Systems Records unless at the time of the Damage a back up copy is maintained either at a location other than the Premises or alternatively a back up copy is kept in a fireproof safe or cabinet on the Premises

H. Maintenance Agreement

Additional Cost of Working or Loss of Gross Revenue incurred during the first 48 hours following Damage as provided by Cover 11 unless a Maintenance Agreement is in force at the time of the Damage

DEFINITIONS

Property Insured

- Computer Equipment
- Ancillary Equipment
- Computer Systems Records



at the Premises or whilst temporarily away from the Premises anywhere in the world unless otherwise stated in the Schedule

all as defined below or more fully described in the Schedule and all being the property of the Insured or for which they are responsible but excluding property which is more specifically insured

Computer Equipment

All computer equipment including interconnecting wiring fixed disks and telecommunications equipment used for the storage and communication of electronically processed data owned by or leased hired or rented to the Insured

Ancillary Equipment

Ancillary equipment solely for use with the Computer Equipment comprising air conditioning generating voltage regulating temperature and humidity recording electronic access and heat and smoke detection equipment Halon and other fire extinguishing gas bottles and pipework and computer room partitioning owned by or leased hired or rented to the Insured

Computer Systems Records

All current and backup computer records (excluding fixed disks and paper records of any description) incorporating stored programs and/or information stored thereon

Maintenance Agreement

A maintenance rental hire or lease agreement which provides a minimum service of on-call remedial and/or corrective maintenance at inclusive cost

The following notes refer to the Definitions stated below

1. To the extent that the Insured is accountable to the tax authorities for Value Added Tax all terms in this insurance shall be exclusive of such tax
2. For the purpose of these definitions any adjustment implemented in current cost accounting shall be disregarded
3. In the definition of Insurable Amount the amount of Gross Revenue shall be proportionately increased to correspond with the Maximum Indemnity Period where it exceeds twelve months

Indemnity Period

the period beginning when the Damage occurs and ending when the results of the Business cease to be affected by the Damage but not exceeding the Maximum Indemnity period (as shown in the Schedule)

Gross Revenue

the money paid or payable to the Insured for work done and for services rendered in course of the Business at the Premises

Standard Gross Revenue

the Gross Revenue which would have been obtained during the Indemnity Period

Insurable Amount

the Gross Revenue which would have been earned in the twelve months immediately following the date of the Damage



had the Damage not occurred after account has been taken of the trends of the Business and of the variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred (subject) to the provision of Note 3 above

THE INSURANCE PROVIDED

In respect of Computer and Ancillary Equipment

the Company will pay-

- A.** the cost of reinstatement being
- where the property is destroyed or damaged beyond economic repair replacement by new property of equal performance and/or capacity or if such be impossible replacement by property having the nearest higher performance and/or capacity to the property lost destroyed or damaged
 - where the property is damaged the cost of repairing or restoring the damaged portions to a working condition substantially the same as but not better or more extensive than its condition when new
- B.** the costs incurred by the Insured in taking reasonable but exceptional measures to avoid or mitigate Damage provided that
- the impending Damage does not stem from any reasonably foreseeable cause and that Damage would be the natural outcome to be expected in the absence of such measures
 - the Company is satisfied that Damage has been avoided or reduced in consequence of the measures taken
- C.** the costs necessarily and reasonably incurred in the making of temporary repairs upon and/or the expediting of the repair reinstatement or replacement of property consequent upon the Damage provided that the liability of the Company shall not exceed £5,000
- D.** the costs of removing debris being
- the costs incurred with the Company's consent in removing debris dismantling demolishing shoring up and propping portions of the property but excluding any costs or expenses
- (1)** incurred in removing debris except from the site of such property damaged and the area immediately adjacent to such site
- (2)** arising from pollution or contamination of property not covered by this Policy

Provided that the liability of the Company shall not exceed £5,000

- E.** the cost of professional fees (including Consulting Engineers fees) incurred with the consent of the Company in conducting investigations and/or tests into possible repair (whether or not successful) replacement or reinstatement following Damage
- F.** the costs necessarily and reasonably incurred by the Insured in the reinstatement of programmes and/or information onto fixed disks

The undernoted provisions apply

1. Partial Damage

Where Damage occurs to only part of the property the Company's liability shall not exceed the amount which the Company would have been liable to pay had the property been wholly destroyed

2. Reinstatement on Another Site

The work of reinstatement may be carried out wholly or partially upon another site and in any manner suitable to the requirements of the Insured provided that it does not increase the Company's liability

3. Insurable Amount

For the purpose of the Underinsurance Provision the Insurable Amount shall be the Day One Reinstatement Value
Day One Reinstatement Value shall mean
the total of the insured costs A D E and F in reinstating the Property Insured to a condition substantially the same as when new at the level of costs applying at the commencement of the Period of Insurance

4. Alternative Basis of Settlement

The Company's liability shall be limited to the Alternative Basis of Settlement (as defined below)

- (A)** until the cost of reinstatement has actually been incurred
- (B)** if the work of reinstatement is not carried out as quickly as is reasonably practicable

- (C) if at the time of its Damage the property is covered by any other insurance effected by or on behalf of the Insured and such other insurance is not on the identical basis of reinstatement defined in Cost A
- (D) if in the Schedule it is stated that the Alternative Basis of Settlement applies

Under the Alternative Basis of Settlement the Company will pay the value of the property at the time of its destruction or the amount of the damage including the cost of

- minimising Damage and temporary repairs
- removing debris
- Professional fees

as defined in costs B C D E and F above and subject to the provisions and exceptions applying to those costs.

For the purpose of the Underinsurance Provision the Insurable Amount shall be the total of the value at the time of the Damage of the Property Insured by the item and the additional costs D E and F

In respect of Computer Systems Records

the Company will pay

- the value of the materials as stationery
- the clerical labour and computer time expended in reproducing such Computer Systems Records
- the costs necessarily and reasonably incurred in connection with the reproduction of any information to be recorded

but excluding the value to the Insured of the information

- the cost incurred with the Company's consent in removing debris dismantling demolishing shoring up and propping portions of the property but excluding any costs or expenses

(1) incurred in removing debris except from the site of such property damaged and the area immediately adjacent to such site

(2) arising from pollution or contamination of property not insured by this policy

The undernoted provision applies

For the purpose of the Underinsurance Provision the Insurable Amount shall be the value at the time of Damage

In respect of Additional Cost of Working

Subject to the provision below the Company will pay as indemnity the expenditure necessarily and reasonably incurred in order to minimise any interruption of or interference with the Business during the Indemnity Period in consequence of the Damage

The following is the provision referred to above

Professional Accountants' charges

The Company will pay the reasonable charges payable by the Insured to their professional accountants for producing information required by the Company under the terms of the Claims Conditions and for reporting that such information is in accordance with the Insured's accounts

In respect of Loss of Gross Revenue

Subject to the provisions below the Company will pay as indemnity -

(A) In respect of Loss of Gross Revenue the amount by which the Gross Revenue during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Revenue

(B) In respect of Increase in Cost of Working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Loss of Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the total of

- the amount of the reduction in Gross Revenue thereby avoided

plus

- 5% of the sum insured by the item (but not more than £250,000)

The following are the provisions referred to above

1. Alternative Trading

If during the Indemnity Period work shall be done or services rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on the Insured's behalf the money paid or payable in respect of such work or services shall be taken into account in arriving at the Gross Revenue during the Indemnity Period

2. Savings

If any of the charges or expenses of the Business payable out of Gross Revenue shall cease or reduce in consequence of the Damage the amount of such savings during the Indemnity Period shall be deducted from the amount payable

3. Professional Accountant's Charges

The Company will pay the reasonable charges payable by the Insured to their professional accountants for producing information required by the Company under the terms of the Claims Conditions and for reporting that such information is in accordance with the Insured's accounts.

4. Underinsurance

If the sum insured is less than the Insurable Amount the amount payable shall be proportionately reduced

SPECIAL PROVISIONS

Underinsurance

If at the time of the Damage

- the Declared Value by the relative item on Computer and Ancillary Equipment
- the sum insured by the relative item on Computer Systems Records

is less than the Insurable Amount the amount otherwise payable shall be proportionately reduced

Declared Value shall mean

the base value shown in brackets below the sum insured such value excluding any provision for inflation but if the loss is settled under the Alternative Basis of Settlement the Declared Value shall be 115% of the base value shown or if no base value is shown it shall be deemed to be the sum insured

Reinstatement by the Company

The Company may at its own option reinstate or replace any property destroyed or damaged without being bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner The Insured shall at their own expense produce and provide the Company with all such plans documents books and information as the Company may reasonably require

Extinguishment Expenses

The Company will pay the reasonable costs incurred by the Insured in refilling fire extinguishing appliances and replacing used sprinkler heads solely in consequence of insured Damage to the Property Insured

MEMORANDA

Alterations and Additions

If during the Period of Insurance alterations or additions are made to any of the Property Insured or additional Computer or Ancillary Equipment is acquired at any Premises or elsewhere as covered by this insurance and such additional property is not otherwise insured it will be held covered under the relative items of this insurance from the time from which the Insured became responsible for it until the next renewal of the insurance at which date specific insurance shall be effected The sum insured (and Declared Value) by each item shall be deemed to be increased for that period only by the value of the additional property insured under the item but by not more than 10% in respect of additional property at any one Premises All the provisions and conditions of this insurance (including the Alteration Condition) apply to this extension except as expressly varied

Automatic Reinstatement after a Loss

In the absence of written notice by the Insured or the Company to the contrary within 30 days of the occurrence of any Damage the Company's liability shall not be reduced by the amount of any loss and the Insured shall pay the appropriate additional premium for such automatic reinstatement of cover provided that in respect of Damage by Theft (if insured) the automatic reinstatement shall apply on the first occasion only in each Period of Insurance

Index Linking

If shown in the Schedule as applicable the Company will adjust the sum insured (and the Declared Value where appropriate) by each item on Computer and Ancillary equipment and Computer System Records in line with a suitable index of costs and the premium for renewal will be based on the adjusted amounts

Waiver of Subrogation Rights against users

The Company shall waive any rights of subrogation against any user of the Property Insured Provided that such user

1. has the authority of the Insured to use the Property and
2. shall as if he were the Insured observe fulfil and be subject to the terms exceptions and conditions of this Policy

Additional Computer Rental

The Company will pay the additional rental arising out of the replacement of a lease/hire agreement in respect of the Property Insured by a new contract for similar property consequent upon Damage up to an amount not exceeding £7,500

Incompatibility of Computer Records

The Company will pay

- A. the costs of modifying the Computer Equipment
or
- B. the costs of replacement of Computer Systems Records together with reinstatement of programmes and/or information thereon

(whichever is less) to achieve compatibility in the event Damage to the Computer Equipment has resulted in undamaged Computer Systems Records being incompatible with the replacement Computer Equipment subject to the Company's liability not exceeding £10,000

Accidental Discharge of Gas Systems

The Company will pay the cost of refilling the cylinder(s) of any gas flooding systems installed solely for the protection of the Property Insured arising out of the accidental discharge of such system provided the liability of the Company shall not exceed £5,000

However the Company shall not be responsible for any costs incurred as a direct result of the gas system being installed commissioned or undergoing any form of testing

Payments on Account

(Additional Cost of Working and Loss of Gross Revenue items only)

Payments on account may be made during the Indemnity Period if desired

Special Condition

(Additional Cost of Working and Loss of Gross Revenue items only)

Damage shall be extended to include

- A. accidental loss distortion corruption or erasure of programs and/or information stored on Computer Systems Records caused by Damage as insured by this Policy
- B. Damage recoverable under any guarantee or Maintenance Agreement on the Property Insured
- C. Damage in respect of any item due to its own breakdown or derangement if a Maintenance Agreement is not in force on such item
- D. the accidental failure of fluctuation of the public supply of electricity at the terminal ends of the public supply authority's service feeders at the premises in which the Property is situated not occasioned by the deliberate act of any supply authority nor the exercise by any such authority of its power to withhold or restrict supply other than for the sole purpose of safeguarding life or the authority's property
- E. the accidental failure of the electricity supply in the distribution wiring within the premises in which the Property Insured is situated not occasioned by failure as in (C) above
- F. the accidental failure of any telecommunications system used in connection with the Property Insured not occasioned by
 - (1) the deliberate act of any telecommunications authority nor the exercise by any such authority of its power to withhold or restrict operation of the system nor the inability of any such authority to maintain the system due to industrial action by any of its employees
 - (2) the use by the Insured of machinery and equipment which is not acceptable to the telecommunications authority as properly installed and compatible with the telecommunications system
- G. (1) physical loss of or damage to the premises in which the Property is situated or to any contents thereof or to property in the vicinity at the premises
and/or
 - (2) the exercise by any public and/or police authority of its power for the sole purpose of safeguarding life which prevents the Insured access to and/or using the Computer Equipment

RISK PROTECTIONS

A. Automatic Sprinkler and Fire Installations

(Applicable if a reduced premium rate is allowed on account of such an installation or if the insurance covers Damage by the accidental escape of water from a sprinkler installation)

The Insured shall

- (1) take all reasonable steps to
 - (A) prevent frost and other damage to the installations and insofar as it is their responsibility
 - (B) maintain the installations (including the automatic external alarm signal) in efficient working order
 - (C) maintain ready access to the water supply control facilities
- (2) in the event that changes repairs or alterations to the installations are proposed notify the Company in writing and obtain its prior agreement in writing
- (3) allow the Company access to the Premises at all reasonable times for the purpose of inspecting the installations
- (4) carry out the routine tests laid down by the Company and remedy promptly any defect revealed by a test

In the event that alterations or repairs become necessary to the automatic sprinkler installation the Company may at its option suspend any cover which is granted against Damage by the accidental escape of water from the installation until the alterations or repairs have been carried out and approved by the Company
Notice of any such action will be given by the Company in writing

B. Fire Extinguishing Appliances

(Applicable if a reduced premium rate is allowed on account of the appliances)

The Insured shall maintain all fire extinguishing appliances in efficient working order

Security Precautions - Condition Precedent

It is a condition precedent to any liability of the Company in respect of Damage by Theft (if insured) that

- C. in respect of any Intruder Alarm System required by the Company as a condition of cover
 - 1) the Intruder Alarm System is maintained in full and effective working order under a contract to provide both corrective and preventative maintenance with the installer or such other contractor agreed by the Company in writing
 - 2) the Business Premises are not left unattended
 - i) unless the Intruder Alarm System is tested and set in its entirety and is together with the means of communication used to transmit signals in full and effective operation and where the equipment permits any Alarm Receiving Centre to which the Intruder Alarm System is connected has acknowledged the setting signal
 - ii) if police response to alarm calls has been withdrawn without the written agreement of the Company
 - 3) the Intruder Alarm System is installed in accordance with a specification agreed in writing by the Company
 - 4) no alteration to or substitution of
 - i) any part of the Intruder Alarm System
 - ii) the procedures agreed by the Policyholder for police or any other response to any activation of or other warning signal pertaining to the Intruder Alarm System
 - iii) the maintenance contract shall be made without the written agreement of the Company
 - 5) no structural alteration of or changes in layout to the Premises that could affect operation of the Intruder Alarm System shall be made without the written agreement of the Company
 - 6) the Policyholder shall maintain secrecy of codes for operation of the Intruder Alarm System and shall not leave details of such codes at the Business Premises when the Business Premises are unattended
 - 7) the Policyholder shall appoint at least two Keyholders and shall record details of the Keyholders with the police and any Alarm Receiving Centre to which the Intruder Alarm System signals
 - 8) any change of Keyholder details shall be notified immediately to the police and any Alarm Receiving Centre to which the Intruder Alarm System signals

- 9) in the event of notification of any activation of the Intruder Alarm System or interruption of the means of communication during any period that the system is set a Keyholder shall attend and allow access to the Business Premises without delay
- 10) in the event that the Policyholder receives any notification
- i) from the police or alarm installer/maintenance contractor or Alarm Receiving Centre that response to alarm signals or line interruptions from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
 - ii) from a local authority or magistrate imposing any requirement for abatement of nuisance
 - iii) that the Intruder Alarm System cannot be returned to or maintained in full working order the Policyholder shall advise the Company as soon as possible and in any event not later than 10am on the Company's next working day and comply with any subsequent requirements stipulated by the Company
- B) whenever the Business Premises are left unattended
- 1) all locks bolts and other protective devices are in full and effective operation
 - 2) all keys (including those relating to any part of the Intruder Alarm System) are removed from the Business Premises

INTERPRETATIONS

Intruder Alarm System includes all lines and equipment used to transmit the signals to and from the Premises

Keyholder shall mean any person or keyholding company authorised by the Policyholder who is available at all times when the Intruder Alarm System is set to accept notification of faults or alarm signals or messages relating to the Intruder Alarm System

Business Premises shall mean that part of the Premises occupied by the Policyholder for the purposes of the Business described in the Schedule

MONEY INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

SECTION 1 MONEY

The Company will indemnify the Insured up to the Limit of Liability for any loss of or damage to the Money and property described in Items 1 to 5 below occurring during the Period of Insurance provided that

- A. as regards Item 3 the loss or damage is due to robbery or attempt thereof
- B. as regards Item 5 the loss or damage is due to theft or attempt thereof and
- C. the Company's liability in respect of any one occurrence or number of occurrences arising directly or indirectly from any one source or original cause shall not exceed the relevant Limit of Liability

Item No	Limit of Liability
1. Money as described in Interpretation 1A	any one loss
(A) in the Insured's Premises during Working Hours or in transit or in a bank night safe and thereafter within bank premises until at the bank's risk or at any of the Insured's contract sites during Working Hours	As shown in the Schedule
(B) in the Insured's Premises out of Working Hours	
(1) in locked safes or strongrooms as shown in the Schedule	As shown in the Schedule
(2) in all other locked safes or strongrooms	£1,000 in total
(3) not in a locked safe or strongroom	£250
(C) in the Insured's residence or that of any of the Insured's directors partners employees or volunteers	
(1) while in a locked safe or while an adult is in the residence	£500
(2) otherwise	£250
2. Money as described in Interpretation 1B	£250,000
3. Clothing and person effects (not exceeding £250 per person in personal money) belonging to the Insured or any of the Insured's directors partners employees or volunteers while engaged in the Business	£250 per person
4. Stamped or impressed National Insurance Cards	Unlimited
5. Any postal franking machine safe strongroom or any container or waistcoat used for the carriage of Money belonging to the Insured or for which the Insured is responsible	Unlimited

Exclusions

The Company shall not be liable for

- 1. loss by theft by any director partner employee or volunteer of the Insured not discovered within seven working days of the occurrence
- 2. shortage due to error or omission
- 3. loss from an unattended vehicle
- 4. loss due to the use of counterfeit Money
- 5. loss or damage arising from riot or civil commotion in Northern Ireland
- 6. loss or damage not within Great Britain Northern Ireland the Republic of Ireland the Channel Islands or the Isle of Man
- 7. loss destruction or damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

8. loss or damage arising from war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
9. loss or destruction of or 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
 - (1) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - (2) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

Interpretations

1. Money shall mean
 - (A) cash bank notes currency notes uncrossed cheques (including uncrossed giro cheques giro cash cheques and travellers cheques but excluding pre-signed blank cheques) uncrossed bankers' drafts uncrossed postal orders uncrossed money orders current postage and revenue stamps National Insurance stamps (not fixed to cards) National Savings stamps bills of exchange luncheon vouchers consumer redemption vouchers Holiday with Pay stamps gift tokens trading stamps
 - (B) crossed cheques (including crossed giro cheques and drafts but excluding pre-signed blank cheques) crossed bankers' drafts crossed postal orders crossed money orders unused units in franking machines National Savings Certificates Premium Bonds credit company sales vouchers VAT purchase invoices belonging to the Insured or for which the Insured is responsible and pertaining to the Business
2. Working Hours shall mean the period during which the Premises are actually occupied for Business purposes and during which the Insured or those of the Insured's employees or volunteers who are entrusted with Money are in the Premises or on the Insured's contract sites

SPECIAL CONDITIONS

1. Security Precautions - Condition Precedent

It is a condition precedent to any liability of the Company for loss or damage that

- A) in respect of any Intruder Alarm System required by the Company as a condition of cover
 - 1) the Intruder Alarm System is maintained in full and effective working order under a contract to provide both corrective and preventative maintenance with the installer or such other contractor agreed by the Company in writing
 - 2) the Business Premises are not left unattended
 - i) unless the Intruder Alarm System is tested and set in its entirety and is together with the means of communication used to transmit signals in full and effective operation and where the equipment permits any Alarm Receiving Centre to which the Intruder Alarm System is connected has acknowledged the setting signal
 - ii) if police response to alarm calls has been withdrawn without the written agreement of the Company
 - 3) the Intruder Alarm System is installed in accordance with a specification agreed in writing by the Company
 - 4) no alteration to or substitution of
 - i) any part of the Intruder Alarm System
 - ii) the procedures agreed by the Policyholder for police or any other response to any activation of or other warning signal pertaining to the Intruder Alarm System
 - iii) the maintenance contract shall be made without the written agreement of the Company
 - 5) no structural alteration of or changes in layout to the Premises that could affect operation of the Intruder Alarm System shall be made without the written agreement of the Company
 - 6) the Policyholder shall maintain secrecy of codes for operation of the Intruder Alarm System and shall not leave details of such codes at the Business Premises when the Business Premises are unattended

- 7) the Policyholder shall appoint at least two Keyholders and shall record details of the Keyholders with the police and any Alarm Receiving Centre to which the Intruder Alarm System signals
 - 8) any change of Keyholder details shall be notified immediately to the police and any Alarm Receiving Centre to which the Intruder Alarm System signals
 - 9) in the event of notification of any activation of the Intruder Alarm System or interruption of the means of communication during any period that the system is set a Keyholder shall attend and allow access to the Business Premises without delay
 - 10) in the event that the Policyholder receives any notification
 - i) from the police or alarm installer/maintenance contractor or Alarm Receiving Centre that response to alarm signals or line interruptions from the Intruder Alarm System may be withdrawn or the level of response reduced or delayed
 - ii) from a local authority or magistrate imposing any requirement for abatement of nuisance
 - iii) that the Intruder Alarm System cannot be returned to or maintained in full working order the Policyholder shall advise the Company as soon as possible and in any event not later than 10am on the Company's next working day and comply with any subsequent requirements stipulated by the Company
- B) whenever the Business Premises are left unattended
 - 1) all locks bolts and other protective devices are in full and effective operation
 - 2) all keys (including those relating to any part of the Intruder Alarm System) are removed from the Business Premises
 - C) out of Working Hours all keys and notes of combination lock letters and numbers of safes and strong rooms containing Money are removed from the Business Premises

INTERPRETATIONS

Intruder Alarm System includes all lines and equipment used to transmit the signals to and from the Premises

Keyholder shall mean any person or keyholding company authorised by the Policyholder who is available at all times when the Intruder Alarm System is set to accept notification of faults or alarm signals or messages relating to the Intruder Alarm System

Business Premises shall mean that part of the Premises occupied by the Policyholder for the purposes of the Business described in the Schedule

2 Contribution

If at the time of any claim under this insurance the Policyholder is or would but for the existence of this Policy be entitled to indemnity under any other policy or policies the Company shall not be liable except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this insurance not been effected

3. Money Cover Whilst at the Premises of Volunteers

Cover is extended to cover the loss of Money belonging to the Insured or collected on behalf of the Insured whilst within the premises of any volunteer approved by the Insured providing that such loss shall involve forcible and violent entry to or exit from the premises in which the volunteer shall normally reside

The liability of the Company arising out of this extension shall be limited to a maximum of £100 any one loss and in total £500 during any one Period of Insurance.

SECTION 2 PERSONAL INJURY (ROBBERY)

In the event of the Insured or any director partner employee or volunteer of the Insured (hereinafter called the Insured Person) sustaining accidental Bodily Injury during the Period of Insurance which

- A. is sustained solely and directly as a result of robbery or attempt thereof while such Insured Person is engaged in the Business and
- B. within two years is the sole cause of Death Disablement or incurring of Medical Expenses for which the Benefit is claimed the Company will pay the appropriate Benefit to the Insured in accordance with the number of Units of cover as shown in the Schedule

Bodily Injury does not include sickness or disease or any naturally occurring condition or degenerative process or the result of a gradually operating cause

Exclusions

The Company will not pay the Benefit if

1. Bodily Injury is sustained by any person before such person attains the age of sixteen years or after the expiry of the Period of Insurance during which such person attains the age of eighty years
2. Bodily Injury Death Disablement or Medical Expenses is the result of or is contributed to by the Insured Person having a physical or mental defect of any sort which was known either to the Insured or the Insured Person when the Policy was issued or at renewal
However the exclusion shall not apply if the defect has been notified to the Company and accepted in writing

Interpretations

1. Benefits shall mean
 - 1 Death
Disablement
 - 2 Loss of one or more Limbs or Eyes
 - 3 Permanent Total Disablement other than by Loss of Limb or Eye from gainful employment of any and every kind
 - 4 Temporary Total Disablement from usual occupation
 - 5 Medical Expenses necessarily incurred in the treatment of the Insured Person
2. The amount payable for each Unit of cover shall be:
Benefit
 - 1 £5000
 - 2 £5000
 - 3 £5000
 - 4 £50 per week for a maximum of 104 weeks in all and not necessarily consecutive
 - 5 Reimbursement up to 15% of the amount payable under Benefit 4
3. Loss of Limb shall mean
 - (A) in the case of a leg loss by physical severance at or above the ankle or permanent total loss of use of a complete foot or leg
 - (B) in the case of an arm loss by physical severance of the entire four fingers through or above the meta carpo phalangeal joints or permanent total loss of use of a complete arm or hand
4. Loss of Eye shall mean permanent and total loss of sight which will be considered as having occurred
 - (A) in both eyes if the Insured Person's name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist
 - (B) in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Insured Person should see at 60 feet)
5. Medical Expenses shall mean the cost of medical surgical or other remedial attention treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital nursing home and ambulance charges

SPECIAL CONDITION

Benefits

- A. Benefit shall not be payable for any one Insured Person under more than one of Benefits 1 to 3 in connection with same occurrence of Bodily Injury
- B. On the happening of any occurrence giving rise to a claim under any of Benefits 1 to 3 this Section shall thereafter cease to apply to that Insured Person
- C. Total Disablement shall have lasted for 104 weeks and have been proved to the Company's satisfaction to be permanent and without expectation of recovery before Benefit 3 becomes payable
- D. No sum payable shall carry interest
- E. No Benefit shall be payable due solely to inability to take part in sports or pastimes

LIABILITY INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

Definitions

1. Person Entitled to Indemnity shall mean

- A) the Insured
- B) at the request of the Insured
 - 1) any principal
 - 2) any director or Charity Trustee of the Insured
 - 3) any Person Employed

against legal liability in respect of which the Insured would have been entitled to indemnity under this Policy if the claim had been made against the Insured

- 4) the officers committees and members of the Insured's canteen social sports and welfare organisations and first aid fire ambulance medical and security services in their respective capacities as such but this shall not include medical or dental practitioners in relation to medical services provided
- 5) any director or Charity Trustee of the Insured or Employee in respect of private work undertaken by any Person Employed for such director Charity Trustee or Employee with the prior consent of the Insured

each of whom shall as though the Insured be subject to the terms of this Policy so far as they can apply

2. Employee shall mean any individual under a contract of service or apprenticeship with the Insured

3. Person Employed shall mean any

- A) Employee
- B) labour master and individuals supplied by him
- C) individual employed by labour only sub-contractors
- D) self employed individual (not being in partnership with the Insured)
- E) individual hired to or borrowed by the Insured
- F) Authorised Voluntary Worker
- G) individual undertaking study or work experience while under the supervision of the Insured

} while under the direct control and supervision of the Insured

4. Injury shall mean

Cover 1

bodily injury death disease or illness

Covers 2 3 and 4

bodily injury death disease illness wrongful arrest or false imprisonment

5. Property shall mean material property

6. Business shall mean that which is specified in the Schedule and conducted solely from premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man and shall include

- (A) ownership repair and maintenance of the Insured's own property
- (B) provision and management of canteen social sports and welfare organisations and first aid ambulance and medical services for the benefit of any Person Employed
- (C) fire and security services maintained solely for the protection of premises owned or occupied by the Insured

- (D) private work undertaken by any Person Employed for any director or partner of the Insured or Employee with the prior consent of the Insured

but in respect of Cover 1 shall not include any work undertaken Offshore

- 7. Offshore shall mean embarkation on to a vessel or aircraft for conveyance to an offshore rig or platform until disembarkation from the conveyance on to land upon return from such offshore rig or platform
- 8. Event shall mean one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
- 9. Insured's Contribution shall mean the amount or amounts specified in the Schedule which the Insured agrees to pay
- 10. Intellectual Property Rights shall mean any patent trade mark copyright registered design technical or commercial information or other intellectual property
- 11. Abuse shall mean
 - (A) acts of hurting or injuring mentally or physically by maltreatment or ill-use
 - (B) acts of forcing sexual activity rape or molestation or
 - (C) repeated or continuing contemptuous coarse or insulting words or behaviours
- 12. Authorised Voluntary Worker shall mean any individual undertaking work on behalf of the Insured which involves spending time unpaid (except for travelling and other approved out-of-pocket expenses) undertaking such work which is in connection with the Business
- 13. Charity Trustee shall mean any individual having control and management of the administration of the Insured

The insurance provided by Cover 1 is on a costs inclusive basis whereby the costs and expenses of the claimant and the costs and expenses (incurred by the Company or with the Company's written consent) of any Person Entitled to Indemnity are included within the Limit of Indemnity stated in the Schedule

COVER 1 EMPLOYERS' LIABILITY

The Company will provide indemnity to any Person Entitled to Indemnity

- 1. against legal liability for damages in respect of Injury of any Person Employed caused during any Period of Insurance
 - (A) in Great Britain Northern Ireland the Channel Islands or the Isle of Man
 - or
 - (B) while temporarily outside these territoriesarising out of and in the course of employment by the Insured in the Business
- 2. against legal liability for claimant's costs and expenses in connection with 1 above
- 3. in respect of
 - (A) costs of legal representation at
 - (1) any coroner's inquest or inquiry in respect of any death
 - (2) proceedings in any court arising out of any alleged breach of statutory duty resulting in Injurywhich may be the subject of indemnity under this Cover
 - (B) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 above

incurred with the Company's written consent

Provided that in respect of any one Event

- 1. the total amount payable under this Cover (including all Extensions and Memoranda) shall not exceed the Limit of Indemnity

2. the Company may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any less amount for which at the absolute discretion of the Company the claims arising out of such Event can be settled The Company will then relinquish control of such claims and be under no further liability in respect thereof

Exclusions to Cover 1

The indemnity will not apply to legal liability

1. 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 thereofwhere such legal liability is
 - (1) that of any principal
 - (2) accepted under agreement and would not have attached in the absence of such agreement
2. in respect of injury for which the Insured is required to arrange motor insurance or security in accordance with any road traffic legislation within the European Community

Extensions to Cover 1 (each of which is subject otherwise to the terms of this Policy)

1. Unsatisfied Court Judgements

In the event of a judgement for damages being obtained

- (A) by any Employee or the personal representatives of any Employee in respect of Injury of the Employee caused during any Period of Insurance and arising out of and in the course of employment by the Insured in the Business
- (B) against any company or individual operating from premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man

in any court situate in the territories specified in (B) above and

- (C) remaining unsatisfied in whole or in part six months after the date of such judgement

at the request of the Insured the Company will pay to the Employee or the personal representatives of the Employee the amount of any such damages and any awarded costs to the extent that they remain unsatisfied

Provided that

- (A) there is no appeal outstanding
- (B) if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee shall assign the judgement to the Company

2. Compensation for Court Attendance

In the event of any of the undermentioned persons attending court as a witness at the request of the Company in connection with a claim in respect of which the Insured is entitled to indemnity under this Cover the Company will provide compensation to the Insured at the following rates per day for each day on which attendance is required

- | | |
|--|------|
| (A) any director or partner of the Insured | £500 |
| (B) any Employee or Volunteer | £250 |

COVER 2 PUBLIC/PRODUCTS LIABILITY

The Company will provide indemnity to any Person Entitled to Indemnity

1. up to the Limit of Indemnity against legal liability for damages in respect of
 - (A) accidental injury of any person
 - (B) accidental loss of or damage to Property

- (C) nuisance trespass to land or trespass to goods or interference with any easement right of air light water or way other than legal liability for damages which result from a deliberate act or omission of the Insured or which is a natural consequence of the ordinary conduct of the Business and which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission

happening during any Period of Insurance in connection with the Business

- 2. against legal liability for claimant's costs and expenses in connection with 1 above

- 3. in respect of

- (A) costs of legal representation at

- (1) any coroner's inquest or inquiry in respect of any death

- (2) proceedings in any court arising out of any alleged breach of statutory duty resulting in any occurrence specified in 1 above which may be the subject of indemnity under this Cover

- (B) all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 above

incurred with the Company's written consent

Provided that in respect of

- (A) any one Event

- (B) all Events happening during any Period of Insurance in respect of products supplied

- (C) all incidents considered by the Company to have occurred during any Period of Insurance in respect of pollution or contamination of buildings or other structures or of water or land or of the atmosphere

the following shall apply

- 1. the total amount payable by the Company in respect of 1 above and all Extensions and Memoranda shall not exceed the Limit of Indemnity
- 2. the Insured's Contribution in respect of damages and claimant's costs and expenses will be payable before the Company shall be liable to make any payment
- 3. the Company may at any time pay the Limit of Indemnity (less any sums already paid as damages) or any less amount for which at the absolute discretion of the Company the claims arising out of such Event can be settled The Company will then relinquish control of such claims and be under no further liability in respect thereof except for costs and expenses for which the Company may be responsible prior to the date of such payment
- 4. where the Company is liable to indemnify more than one person the total amount of indemnity in respect of damages shall not exceed the Limit of Indemnity

Exclusions to Cover 2

The indemnity will not apply to legal liability

- 1. arising from or out of the ownership possession or use by or on behalf of the Insured or any Person entitled to Indemnity of any

- (A) mechanically propelled vehicle other than legal liability arising out of

- (1) the use of plant as a tool of trade on site

- (2) the use of plant at the premises of the Insured

- (3) the loading or unloading of any vehicle

except where indemnity is provided by any motor insurance contract or where insurance or security is required by law

- (B) aircraft or other aerial device

- (C) aerospace device

- (D) hovercraft

- (E) water-borne craft (other than hand-propelled or sailing craft in inland or territorial waters)
- 2. for bodily injury to or death disease or illness of any Person Employed arising out of and in the course of employment by the Insured in the Business
- 3. for or arising from loss of or damage to any Property which at the time of the Event giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Insured other than
 - (A) Employees' directors' partners' or visitors' personal effects including vehicles and their contents
 - (B) premises and their contents not owned by or leased or rented to the Insured at which the Insured is undertaking work in connection with the Business
 - (C) premises and their fixtures and fittings leased or rented to the Insured unless such legal liability
 - (1) has been accepted by agreement in which case the indemnity will only be provided to the extent that such liability would have attached in the absence of such agreement
 - (2) arises from an agreement to maintain in force insurance in respect of loss of or damage to such premises and their fixtures and fittings
- 4. caused by or arising out of pollution or contamination of buildings or other structures or of water or land or the atmosphere unless the pollution or contamination is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during any Period of Insurance

Provided that all pollution or contamination which arises out of one incident shall be considered by the Company for the purposes of this Policy to have occurred at the time such incident takes place

- 5. (A) in respect of loss of or damage to any
 - (1) product supplied
 - (2) contract work executed
 } by the Insured
 caused by any defect therein or the unsuitability thereof for its intended purposes
- (B) for the costs of recall removal repair alteration replacement or reinstatement of any
 - (1) product supplied
 - (2) contract work executed
 } by the Insured
 necessitated by any defect therein or the unsuitability thereof for its intended purpose

- 6. arising from or in connection with
 - (A) advice
 - (B) design
 - (C) specification
 } provided for a fee

- 7. arising from or in connection with any
 - (A) product supplied
 - (B) contract work executed
 } by the Insured

where such legal liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement

- 8. for the costs of remedying any defect or alleged defect in premises disposed of by the Insured
- 9. for
 - (A) fines or penalties
 - (B) compensation ordered or awarded by a Court of Criminal Jurisdiction
 - (C) aggravated exemplary or punitive damages awarded by any court outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

- 10. 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
- 11. arising from any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- 12. arising from abuse
- 13. arising out of or in connection with any breach of Professional Duty

Extensions to Cover 2 (each of which is subject otherwise to the terms of this Policy)

1. Cross Liabilities

If the Insured comprises more than one party the Company will provide indemnity to each in the same manner and to the same extent as if a separate Policy had been issued to each

Provided that the total amount payable in respect of damages shall not exceed the Limit of Indemnity

2. Compensation for Court Attendance

In the event of any of the undermentioned persons attending court as a witness at the request of the Company in connection with a claim in respect of which the Insured is entitled to indemnity under this Cover the Company will provide compensation to the Insured at the following rates per day for each day on which attendance is required

- (A) any director or partner of the Insured £500
- (B) any Employee or Volunteer £250

3. Contingent Motor Liability

Notwithstanding Exclusion 1(A) the Company will provide indemnity to the Insured against legal liability arising out of the use in the course of the Business by any Employee of any mechanically propelled vehicle not the property of nor provided by the Insured

The indemnity will not apply to legal liability

- (A) in respect of loss of or damage to such vehicle or to property conveyed therein
- (B) arising while such vehicle is being driven by the Insured
- (C) in respect of which the Insured is entitled to indemnity under any other insurance
- (D) arising outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

4. Overseas Personal Liability

The Company will provide indemnity to the Insured and if the Insured so requests any Employee or director or partner of the Insured against legal liability incurred in a personal capacity while temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man in connection with the Business

The indemnity will not apply

- (A) to legal liability arising out of the ownership or occupation of land or buildings
- (B) where indemnity is provided by any other insurance

5. Data Protection Act 1998

The Business shall include the provision of any reciprocal arrangement for the storage or processing of computer data or for use of computer facilities

Provided that the indemnity will not apply to legal liability in respect of any loss or damage sustained by any party to such an arrangement

The Company will also provide an indemnity to the Insured and if the Insured so requests any Employee or director or partner of the Insured against legal liability to pay damages and claimant's costs and expenses for damage or distress as described in Section 13 of the Data Protection Act 1998

Provided that the Insured is registered in accordance with the terms of the Act or has applied for such registration which has not been refused or withdrawn and has taken all reasonable care to comply with the requirements of the Data Protection Act 1998

This Extension shall not apply in respect of

- (A) the payments or fines or penalties
- (B) the costs of replacing reinstating rectifying erasing blocking or destroying any personal data
- (C) liability arising from or caused by a deliberate or intentional act by or omission of any person eligible for indemnity by this Extension if the result thereof could reasonably have been expected by the Insured or any other person having regard to the nature and circumstances of such act or omission
- (D) claims which arise out of circumstances notified to previous insurers or known to the Insured at inception of this Extension
- (E) legal liability where indemnity is provided by any other insurance

6. Member to Member Liability

For all the purposes of this Insurance the Insured shall be deemed to mean all members of the organisation defined in the schedule and any visitors to the organisation each of whom shall separately be called the Insured.

COVER 3 - LEGAL DEFENCE COSTS

The Company will provide indemnity to the Insured and if the Insured so requests any Employee or director or partner of the Insured

up to the Limit of Indemnity in respect of

- (A) legal costs and other expenses incurred with the Company's written consent
- (B) costs awarded against the Insured or any director partner or Person Employed

in connection with the defence of criminal proceedings brought or in appeal against a conviction arising from such proceedings relating to an offence alleged to have been committed during any Period of Insurance in the course of the Business but only in respect of proceedings brought as stated in Parts **A** and **B** below

Part A

In respect of a breach of

1. the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 where the proceedings relate to the health safety and welfare of any Person Employed director or partner of the Insured

Part B

In respect of a breach of

1. the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 where the proceedings relate to the health safety and welfare of any person other than a Person Employed director or partner or the Insured
2. Part II of the Consumer Protection Act 1987

Provided that in respect of Part **A** and **B**

1. the indemnity will not apply
 - (A) to fines or penalties of any kind
 - (B) to compensation ordered or awarded by a Court of Criminal Jurisdiction
 - (C) where Injury of any person or loss of or damage to Property has occurred
 - (D) where indemnity is provided by any other insurance
 - (E) to proceedings consequent upon any deliberate act or omission by
 - (1) the Insured
 - (2) any partner or director of the Insured
 - (3) any Employee with any specific responsibility for compliance with the legislation specified in this Cover which could reasonably have been expected to constitute a breach of the legislation specified in this Cover
2. the indemnity will apply only where shown in the Schedule
3. the Company may at any time pay the Limit of Indemnity (less any sums already paid) or any less amount for which at the absolute discretion of the Company the claims arising can be settled but including any amount for which the Company may be responsible prior to the date of such payment
The Company will then relinquish control of such claims and be under no further liability in respect thereof
4. where the Company is liable to indemnify more than one person the total amount of indemnity shall not exceed the Limit of Indemnity

Special Provision

The Company shall pass notification to a third party supplier approved by Royal & Sun Alliance Insurance plc which shall thereafter administer claims settlement on the Company's behalf

COVER 4 - PROFESSIONAL INDEMNITY INSURANCE

THIS IS A 'CLAIMS MADE' INSURANCE

This insurance covers only claims or losses notified to the Company during the Period of Insurance

The Company will indemnify the Insured against liability at law for damages and claimant's costs and expenses in respect of claims arising out of the conduct of the Business made against the Insured and notified to the Company during any Period of Insurance for

1. **Breach of professional duty** by reason of any neglect error or omission occurring or committed in good faith by
 - (A) the Insured
 - (B) any Employee
 - (C) any Agent
 - (D) the Predecessors
 - (E) any other person firm or company acting jointly with the Insured
 - (F) any Volunteer
2. **Dishonesty** arising out of any dishonest or fraudulent act or omission on the part of any Employee or Agent provided that
 - (A) no person committing or condoning such dishonest or fraudulent act or omission shall be entitled to indemnity
 - (B) if the Company so requests the Insured shall take all reasonable steps to effect recovery from the person committing or condoning such dishonest or fraudulent act or omission or from the legal representatives of such person
 - (C) the following shall be deducted from any amount payable under this insurance
 - (1) any monies which but for such dishonest or fraudulent act or omission would be due from the Insured to the person committing or condoning such act or omission
 - (2) any monies held by the Insured and belonging to such person
 - (3) any monies recovered following action as described in 2(B) above
 - (D) the Company shall not be liable for any claim arising from any dishonest or fraudulent act or omission committed by
 - (1) any person after the discovery in relation to that person of reasonable cause for suspicion of fraud or dishonesty
 - (2) any director of the Insured
3. **Libel and slander** committed in good faith by any partner former partner or principal of the Insured or any Agent Employee Volunteer or the Predecessors

In addition the following insurance will be provided

4. **Loss of or damage to Documents**

Notwithstanding Exclusion 3 the Company will in the event of loss of or damage to Documents occurring in the course of the conduct of the Business and advised to the Company during any Period of Insurance indemnify the Insured in respect of

- (A) all sums which the Insured shall become liable at law to pay in consequence of such loss or damage
- (B) all costs and expenses reasonably incurred by the Insured in replacing or restoring such Documents up to a maximum of £50,000 during any Period of Insurance

Provided that such loss or damage is sustained while the Documents are either in transit or in the custody of the Insured or of any person to whom the Insured has entrusted them

Limit of Indemnity applying to Insurance Clauses 1-4

The liability of the Company shall not exceed the Limit of Indemnity specified in the Schedule Provided that where the Company is liable to indemnify more than one person firm company or body the total amount of indemnity payable under this insurance shall not exceed the Limit of Indemnity

5. Compensation for court attendance

In the event of the legal advisers acting on behalf of the Insured with the consent of the Company requiring any of the Insured to attend court as a witness in connection with a claim made against the Insured and notified under this insurance the Company will provide compensation at the following rates for each day on which attendance is required

- | | |
|---|------|
| (A) Any principal partner or director of the Insured | £200 |
| (B) Any Employee or Volunteer | £100 |

Other costs

The Company will in addition pay all other costs and expenses (other than costs incurred in endeavouring to effect recovery in accordance with provision (B) of Insurance Clause 2) which are incurred by the Company or by the Insured with the Company's written consent in connection with any claim made against the Insured and notified under this insurance

Provided that if the amount of such claim exceeds the amount available under this insurance the liability of the Company for other costs and expenses shall be only that proportion which the amount available bears to the total amount payable to dispose of such claim

The Insured's Contribution shall not apply to Other costs

Exclusions

The Company shall not be liable in respect of

1. the Insured's Contribution
2. any liability arising out of the death disease or illness of or bodily injury to an Employee arising out of and in the course of his employment for or on behalf of the Insured
3. any liability arising out of the death disease or illness of or bodily injury to any other person or loss of or damage to property unless arising out of advice design specification or omission to perform a professional duty
4. any claim arising from the provision of advice design or specification where the Insured contracts to
 - (A)** manufacture construct erect or install or
 - (B)** supply materials or equipment
5. any claim arising from an agreement by the Insured to pay penalties or liquidated damages insofar as liability under such agreement exceeds the amount of the Insured's liability in the absence of such agreement
6. any claim arising from any breach of any obligation owed by the Insured as employer to any Employee or former Employee
7. the consequence of any circumstance
 - (A)** notified under any policy which was in force prior to the inception of this insurance or
 - (B)** known to the Insured at the inception of this insurance which might reasonably be expected to produce a claim
8. **(A)** loss or destruction of or 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
 - (1)** ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - (2)** the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof**(B)** loss destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

Interpretations

For the purposes of Professional Indemnity Insurance

1. Insured's Contribution

the amount for which the Insured is responsible under Insurance Clauses 1 2 and 4(A) of this insurance in respect of any one claim made against the Insured for damages and claimant's costs and expenses All claims attributable to

the same act error or omission or series of acts errors or omissions consequent upon or attributable to the same original cause or source will be regarded as one claim

2. Employee

any person including any trainee or consultant under a contract of service with the Insured or the Predecessors at the time of any neglect error or omission giving rise to a claim against the Insured

3. Agent

any person or firm including sub-consultants directly appointed by the Insured or the Predecessors to act on their behalf

4. Predecessors

any person practice or other firm to which the Insured has succeeded

5. The Insured

the Insured as named in the Schedule The following will be indemnified in like manner to the Insured in respect of claims arising out of the conduct of the Business or that of the Predecessors provided that each shall as though the Insured observe and be subject to the terms of this insurance so far as they can apply

(A) any partner or former partner of the Insured or if deceased incapacitated insolvent or bankrupt the legal representatives thereof in respect of liability at law incurred by such partner or former partner

(B) at the Insured's request any Employee or if deceased incapacitated insolvent or bankrupt the legal representatives thereof in respect of liability at law incurred by such Employee

6. Documents

all

(A) documents (excluding bearer bonds coupons bank or currency notes or other negotiable instruments)

(B) computer systems records
the property of the Insured or for which the Insured is responsible

Renewal Procedure

Prior to Renewal Date each year the Company will request the Insured to complete a renewal declaration form

The renewal premium (and if applicable any adjustment of premium for the past year) will be calculated on the information provided by the Insured

Special Benefits

1. In the event of the Company being entitled to avoid this insurance from inception or from the time of any variation in cover (including at renewal) the Company may at its discretion maintain this insurance in full force but exclude the consequences of any matter which ought to have been disclosed at inception or at the time of any variation in cover (including at renewal)

2. In the event of non-disclosure or misrepresentation at any renewal the Company will waive its rights to avoid this insurance provided that

(A) the Insured is able to establish to the satisfaction of the Company that such non-disclosure or misrepresentation was innocent and free from any fraudulent conduct or intent to deceive

(B) the Premium and terms shall be adjusted at the discretion of the Company to those which would have applied had such circumstances been disclosed

(C) where the Insured should have notified during a preceding Period of Insurance either a claim made against the Insured or circumstances which could give rise to a claim and the indemnity or cover to which the Insured would have been entitled was in any way more restricted than that provided at the date of notification the Company shall be liable only to the extent applicable during such preceding Period of Insurance

For the purposes of this Special Benefit this insurance shall be deemed to be a renewal of any immediately preceding Professional Indemnity policy issued by the Company under which the Insured was entitled to indemnity

3. The Company shall not avoid any claim on the grounds of the breach of Conditions 1 or 2 of this insurance subject to provision (C) in Special Benefit 2 but where in the opinion of the Company the Insured has prejudiced the handling or settlement of any claim the amount payable in respect of such claim (including costs and expenses) shall be reduced to such sum as in the Company's opinion would have been payable in the absence of such prejudice

Conditions

1. The Insured shall give written notice to the Company (regardless of the Insured's Contribution) as soon as possible after becoming aware of circumstances which might reasonably be expected to produce a claim against the Insured or loss irrespective of the Insured's views as to the validity of such claim or on receiving information of such a claim for which there may be liability under this insurance Any such claim or loss arising from such circumstances shall be deemed to have been made in the Period of Insurance in which such notice has been given
2. Every letter claim writ summons and process shall be forwarded to the Company immediately on receipt No admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company
3. The Company shall be entitled to take over and conduct in the name of Insured the defence or settlement of any claim or to prosecute in the name of the Insured for its own benefit any claim and shall have full discretion in the conduct of any proceedings and in the settlement of any claim
4. The Insured shall give all such assistance as the Company may require but the Insured shall not be required to contest any legal proceedings unless a Queen's Counsel (or by mutual agreement between the Insured and the Company a similar authority) shall advise that such proceedings could be contested with the probability of success
5. In connection with any claims against the Insured the Company may at any time pay to the Insured the Limit of Indemnity (after deduction of any sums already paid during the Period of Insurance) or any less amount for which such claims can be settled and thereupon the Company shall relinquish the control of such claims and be under no further liability in connection therewith except for costs and expenses for which the Company may be responsible under this insurance in respect of matters prior to the date of such payment
6. If at the time any claim arises under this insurance the Insured is or would but for the existence of this insurance be entitled to indemnity under any other policy or policies the Company shall not be liable except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this insurance not been effected

The insurance provided by Cover 5 is on a claims made basis with the costs and expenses of the claimant and the costs and expenses (incurred by the Company or with the Company's written consent) of any Person Entitled to Indemnity included within the Limit of Indemnity stated in the Schedule

COVER 5 ADDITIONAL LIABILITIES INSURANCE - ABUSE

Definitions applicable to Cover 5

1. Person Entitled to Indemnity shall mean
 - (A) the Insured
 - (B) the personal representatives of the Insured in respect of legal liability incurred by the Insured
 - (C) at the request of the Insured
 - (1) any principal
 - (2) any manager or governor of the Insured

against legal liability in respect of which the Insured would have been entitled to indemnity under this Cover if the claim had been made against the Insured and each of whom shall as though the Insured be subject to the terms of this Policy so far as they can apply

other than

- (A) any natural person committing or alleged to have committed Abuse against any other natural person
- (B) any Person who has or has been alleged to have
 - (i) authorised or permitted Abuse
 - (ii) disregarded knowledge of Abuse

- (iii)** had actual or constructive knowledge of Abuse and failed to notify a person with specific responsibility for the protection of children or vulnerable adults from Abuse
- (iv)** aided or contributed to or supported Abuse or
- (v)** intentionally or wilfully failed to comply with any procedure regulation or licence designed to protect children or vulnerable adults from Abuse

2. Abuse shall mean

- (A)** acts of hurting or injuring mentally or physically by maltreatment or ill-use
- (B)** acts of forcing sexual activity rape or molestation or
- (C)** repeated or continuing contemptuous coarse or insulting words or behaviours

3. Injury shall mean bodily injury mental injury death disease or illness

4. Person shall mean

- (A)** an individual (a natural person) whether operating in the individual's own name or under a trade name
- (B)** an individual's personal agent or representative or
- (C)** any legal or commercial entity including but not limited to
 - (1)** a body corporate
 - (2)** a corporation sole
 - (3)** a body politic
 - (4)** a partnership
 - (5)** any association or body of persons whether incorporated or not
 - (6)** a charity or
 - (7)** a trust

5. Loss shall mean any claim or all claims of a series that are causally connected and arise out of an isolated repeated or continuing incidence of Abuse committed by one or more natural persons

COVER 5 ADDITIONAL LIABILITIES INSURANCE - ABUSE

The Company will provide indemnity to any Person Entitled to Indemnity

1. against legal liability for damages and claimant's costs and expenses for accidental Injury resulting from Loss where any claim is
 - (A) first made in writing to the Insured (or any other Person Entitled to Indemnity) during the Period of Insurance and
 - (B) notified to the Company during or within thirty days after expiry of the same Period of Insurance
2. in respect of
 - (A) costs of legal representation at
 - (1) any coroner's inquest or inquiry in respect of any death
 - (2) proceedings in any court arising out of any alleged breach of statutory duty resulting in any Injury specified in 1 abovewhich may be the subject of indemnity under this Cover
 - (B) all other costs and expenses in relation to any matter which may form the subject of indemnity under 1 above incurred with the Company's written consent

Provided that in respect of any Loss the following shall apply

1. the total amount payable under this Cover (including all Memoranda) shall not exceed the Limit of Indemnity stated in the Schedule
2. where the Company is liable to indemnify more than one Person the total amount payable in respect of all damages and claimant's costs and expenses arising out of all claims during any Period of Insurance shall not exceed the Limit of Indemnity
3. the Company may at any time pay the Limit of Indemnity (less any sums already paid or incurred) or any less amount for which at the absolute discretion of the Company the claim can be settled
The Company will then relinquish control of such claim and be under no further liability in respect thereof
4. all Loss shall be deemed to be made in the Period of Insurance when
 - (A) the first claim in respect of Loss was first made in writing to the Insured (or any other Person Entitled to Indemnity) and notified to the Companyor
 - (B) the first notification of any circumstance in respect of Loss was first made in writing to the Company
5. where Loss involves one or more claimants
 - (A) the Company shall not provide indemnity against the consequences of any circumstances
 - (1) where the first claim in respect of Loss was made against the Insured (or any other Person Entitled to Indemnity) and notified to the Company under any policy which was in force prior to the Period of Insurance or
 - (2) where the first notification of any circumstance in respect of Loss was first made to the Company under any policy which was in force prior to the Period of Insurance
 - (B) the total amount payable shall not exceed the Limit of Indemnity

Special Provisions applicable to Cover 5

1. If during the Period of Insurance the Insured becomes aware of any circumstance which may reasonably be expected to give rise to a claim under this Cover and notifies the Company of such circumstance during the Period of Insurance or within 30 days after expiry of the Period of Insurance then such subsequent claim shall be deemed for the purpose of this Cover to have been made during the Period of Insurance

Exclusions applicable to Cover 5

The indemnity will not apply to legal liability

1. arising from or out of the ownership possession or use by or on behalf of the Insured or any Person Entitled to Indemnity of any
 - (A) mechanically propelled vehicle other than legal liability arising out of
 - (1) the use of plant as a tool of trade on site
 - (2) the use of plant at the premises of the Insured
 - (3) the loading or unloading of any vehicleexcept where indemnity is provided by any motor insurance contract or where insurance or security is required by law
 - (B) aircraft or other aerial device
 - (C) aerospace device
 - (D) hovercraft
 - (E) water-borne craft (other than hand-propelled or sailing craft in inland or territorial waters)for Injury to any Person Employed arising out of and in the course of employment by the Insured
3. for
 - (A) fines or penalties
 - (B) compensation ordered or awarded by a Court of Criminal Jurisdiction
 - (C) aggravated exemplary or punitive damages awarded by any court outside Great Britain Northern Ireland the Channel Islands or the Isle of Man
4. arising from any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
5. in the event of any failure to comply with the procedural guidelines established by the Insured concerning Abuse
6. in respect of claims arising from Loss caused prior to the Retroactive Date
7. in respect of claims arising out of circumstances
 - (A) known to the Insured or any other Person Entitled to Indemnity prior to inception of this insurance or
 - (B) notified under any other policy which was in force prior to the inception of this insurancewhich might be reasonably expected to give rise to a claim

ASBESTOS - FEAR OF ASBESTOS AND REMOVAL COSTS EXCLUSION

The following changes are made to the policy wording in respect of Liability Insurance Cover 2 Public/Products Liability

Definitions

The definition of Injury is amended as follows:

Covers 2 3 and 4

bodily injury mental injury death disease illness wrongful arrest or false imprisonment

The following Definitions are added:

Asbestos

Asbestos shall mean crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those minerals

Asbestos Dust

Asbestos Dust shall mean fibres or particles of Asbestos

Asbestos Containing Materials

Asbestos Containing Materials shall mean any material containing Asbestos or Asbestos Dust

The following changes are made to Exclusions to Cover 2:

2. for bodily injury or mental injury to or death disease or illness of any Person Employed arising out of and in the course of employment by the Insured in the Business

8. for the costs of remedying

(A) any defect or alleged defect

(B) the presence of Asbestos Asbestos Dust or Asbestos Containing Materials

in the premises disposed of by the Insured

The following Exclusions are added to Cover 2:

13(A) for metal injury or fear of suffering bodily injury death disease or illness arising out of actual or suspected exposure to Asbestos Asbestos Dust or Asbestos Containing Materials

13(B) for the costs of management (including those of any persons under any statutory duty to manage) removal repair alteration recall replacement or reinstatement of any property or part thereof arising out of the presence of Asbestos Asbestos Dust or Asbestos Containing Materials

COVER 4 ENDORSEMENTS - APPLICABLE IF NOTED ON THE POLICY SCHEDULE

1. Limit of Indemnity "Any One Claim" - Amendments to Policy Conditions

Memorandum

Condition 14 is cancelled and replaced by the following:-

In connection with any claim against the Insured the Company may at any time pay to the Insured the Limit of Indemnity (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 the Company shall relinquish the control of such claim and be under no further liability in connection therewith except for costs and expenses for which the Company may be responsible under this Insurance in respect of matters prior to the date of such payment

2. Retroactive Cover Exclusion Clause

Memorandum

The Company shall not be liable in respect of any Claim or costs or expenses arising out of neglect error or omission occurring or committed prior to the date shown on the Policy Schedule

3. Policy Wording Construction Clause

Memorandum

The Insurance shall be governed by and construed in accordance with the Laws of England and Wales

4. Policy Wording Construction Clause (Scotland)

Memorandum

The Insurance shall be governed by and construed in accordance with Scots Law

5. Limit of Indemnity "Aggregate" - Amendment to Policy Conditions

Condition 14 is cancelled and replaced by the following:-

In connection with any Claims against the Insured the Company may at any time pay to the Insured the Limit of Indemnity (after deduction of any sums already paid during the Period of Insurance as damages or claimant's costs and expenses) or any less amount for which such Claims can be settled and thereupon the Company shall relinquish the control of such Claims and be under no further liability in connection herewith except for costs and expenses for the Company may be responsible under this Insurance in respect of matters prior to the date of such payment

6. USA/Canada Exclusion Clause

Memorandum

The Company shall not be liable in respect of:-

- (a) Damages or other monetary awards judgements or negotiated settlements claimant's costs and expenses and other costs and expenses connected with or arising out of any Claim made to suit brought against the Insured before any Arbitrator Tribunal or Court in the United States of America its territories and possession or Canada
- (b) The enforcement upholding or registration against the Insured by an Arbitrator Tribunal or Court outside the United States of America, its territories and possessions of Canada of any damages or other monetary awards judgements or negotiated settlements claimant's costs and expenses and other costs and expenses connected with or arising out of any Claim made or suit brought against the Insured before an Arbitrator Tribunal or Court of the United States of America its territories and possessions or Canada

7. Pollution Exclusion

Memorandum

The Company shall not be liable to indemnify the Insured against any claim or claims based upon or arising out of or relating directly or indirectly to or in consequence of or in any way involving seepage pollution or contamination of any kind

8. Additional Cover - Dishonesty

The Company will indemnify the Insured under the terms of this Policy for

Dishonesty arising out of any dishonest or fraudulent act or omission on the part of any Employee Volunteer or Agent provided that

- (a) no person committing or condoning such dishonest or fraudulent act or omission shall be entitled to indemnity
- (b) if the Company so requests the Insured shall take all reasonable steps to effect recovery from the person committing or condoning such dishonest or fraudulent act or omission or from the legal representative of such person
- (c) the following shall be deducted from any amount payable under this insurance
 - (1) any monies which but for such dishonest or fraudulent act or omission would be due from the Insured to the person committing or condoning such act or omission
 - (2) any monies held by the Insured and belonging to such person
 - (3) any monies recovered following action as described in 2b above

(d) the Company shall not be liable for any claim arising from any dishonest or fraudulent act or omission committed by

(1) any person after the discovery in relation to that person of reasonable cause for suspicion of fraud or dishonesty

(2) any director of the Insured

9. Additional Cover - Libel and Slander

The Company will indemnify the Insured under the terms of the policy for

Libel and slander committed in good faith by any partner former partner principal of the Insured or any Agent Employee Volunteer or the Predecessors

CONTRACTORS' 'ALL RISKS' - SPECIFIED CONTRACT INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

The Company will indemnify the Insured by payment for the amount of or at the Company's option by repair reinstatement or replacement of Damage (meaning physical loss physical destruction or physical damage) to the Property Insured arising during the Period of Insurance from any cause whatsoever which is not specified in the Exclusions

Provided that

1. such Property Insured belongs to or is the responsibility of the Insured
2. the Insured's Contribution (meaning the amount or amounts specified in any memorandum which the Insured agrees to pay) will be payable before the Company shall become liable to make any payment
3. the measure of indemnity shall be the cost of repair reinstatement or replacement by similar property less an appropriate deduction for wear and tear
4. the liability of the Company will not exceed
 - (A) the Sum Insured applicable to each Item
 - (B) the Sum Insured where more than one Item is included but no individual Sums Insured are showninclusive of any payment or payments under Extension 4 5 6 10 and 13 to this insurance relating to Damage to the Property Insured under such item

Definitions applicable to Contractors' 'All Risks' Insurance

Estimated Contract Price

The sum agreed between the Insured and his principal or employer as payment for completion of the works or where there is no principal or employer the value of the works to be completed at the site of the Contract

Contract

Contract means the constructional work as described in the Business

Property Insured

Item 1 Permanent and Temporary Works

The permanent works and temporary works executed in performance of the Contract and materials for incorporation therein while on the site of the Contract or in transit by road rail or inland waterway within the Territorial Limits

Item 2 Temporary Buildings

Temporary buildings including fixtures and fittings therein for use in connection with the Contract (but excluding any hired-in property) while on the site of the Contract or elsewhere for the purposes of the Contract within the Territorial Limits

Item 3 Constructional Plant Tools and Equipment

Constructional plant tools and equipment for use in connection with the Contract (but excluding hired-in property and property described in Items 1 2 and 5 herein) while on the site of the Contract or elsewhere for the purposes of the Contract within the Territorial Limits

Item 4 Hired-in Property

Hired-in property as otherwise described in Items 2 and 3

Item 5 Employees' Personal Effects

Employees' personal tools and effects while on the site of the Contract within the Territorial Limits

Territorial Limits

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

Speculative Development

Property built for sale or letting by the Insured other than under a contract for a principal

Substantial Completion

A building shall be deemed to be substantially complete when the work remaining relates only to the prospective purchaser's or tenant's choice of decoration fixtures and fittings

Exclusions to Contractors' 'All Risks' Insurance

The indemnity will not apply to

1. Damage for which the Insured is relieved of responsibility under any contractual agreement
2. Damage to
 - (A) deeds bonds bills of exchange promissory notes cash bank notes cheques securities for money or stamps
 - (B) any vessel or craft or thing made or intended to be water-borne or air-borne or any property therein or thereon
 - (C) any mechanically propelled vehicle or plant for which a Certificate of Insurance or security is required in accordance with the applicable Road Traffic Act but this Exclusion shall not apply to any such vehicle or item of plant which is not otherwise insured and which at the time of the Damage is being used at the site of the Contract as a tool of trade or while it is being carried to or from such site
 - (D) any item of machinery plant tools or equipment caused by its own breakdown or its own explosion
 - (E) any property (including that being altered or repaired) existing at the time of the commencement of the Contract other than materials supplied and delivered for incorporation in the works
 - (F) the permanent works or any part thereof
 - (1) in respect of which a Certificate of Completion has been issued by or to the Insured or
 - (2) which has been completed and handed over or
 - (3) which has been taken into use with the permission of the Insured for a purpose other than for the performance of the Contract or
 - (4) which on a Speculative Development arises after Substantial Completionexcept as provided by Extensions 2 3 and 8
 - (G) any property insured by Items 2 3 and 4 while such property is away from the site of any Contract unless it is temporarily
 - (1) at permanent premises of the Insured or
 - (2) stored in a locked premises compound or garage or
 - (3) in transit
3. the cost of
 - (A) repairing replacing or rectifying any property which is defective
 - (1) in design plan specification materials or workmanship or which relies for its support or stability on such property which is defective
This exclusion shall not apply to the remainder of the property which is free of such defect but is accidentally damaged as a consequence of such defect
 - (2) by reason of wear tear rust mildew or other gradual deterioration
 - (B) normal upkeep or normal making good
4. penalties under contract for delay or non-completion or consequential loss of any nature whatsoever except as otherwise specifically provided by this Policy
5. loss of property either by disappearance or by shortage if such disappearance or shortage is only revealed when an inventory is made or is not traceable to an identifiable event
6. (A) any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection military or usurped power confiscation commandeering nationalisation or requisition or Damage to any property by or under the order of any government de jure or de facto or public municipal or local authority

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

7. Damage

- (A) directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

Extensions to Contractors' 'All Risks' Insurance

(each of which is subject otherwise to the terms of this Policy)

1. Automatic reinstatement following claim

The Sums Insured will not be reduced by the amount of any claim

In consideration of this Extension the Insured shall pay an additional premium at a rate to be agreed on the amount of each claim for the period from the date of the incident to the date of the expiry of the Period of Insurance and any such additional premium will be disregarded for the purpose of any adjustment of premium under General Condition 5

2. Sub-contract works

In respect of any Contract for which the Insured is acting as the main contractor the reference under Exclusion 2F) herein to a Certificate of Completion will be deemed not to apply to a Certificate of Completion issued in respect of sub-contract work or works where such a Certificate is issued inter alia to transfer responsibility for such work or works to the Insured

3. Maintenance or Defects Liability period and I.C.E. Standard Conditions of Contract

Notwithstanding the provisions of Exclusion 2F) the Company will indemnify the Insured for Damage to the permanent works or any part thereof occurring during

- (A) any maintenance or defects liability period not exceeding 12 months duration or as specified in the Schedule but only in respect of Damage for which the Insured is liable arising from a cause occurring prior to the commencement of the maintenance period
- (B) a period of 14 days after the Engineer shall have issued a Certificate of Completion where required under Clause 21 of the Institute of Civil Engineers' Contract Conditions (Fifth Edition) if applicable (or any subsequent revision or substitution thereof)

or for Damage to work actually being undertaken during such maintenance period solely in connection with the Insured's obligations under the Contract to remedy a defect or complete any snagging list and any constructional plan insured under items 2 3 4 and 5 for use in connection therewith

4. Professional fees

The Company will indemnify the Insured for architects' surveyors' and consulting engineers' fees necessarily incurred in the repair reinstatement or replacement of the Property Insured consequent upon Damage thereto for which Indemnity is provided by this Policy (but not for preparing any claim) The amount payable for such fees shall not exceed that authorised under the scales of the various institutes and bodies regulating such charges

5. Debris removal

The Company will indemnify the Insured for costs and expenses necessarily incurred by the Insured with the consent of the Company in respect of

- (A) debris removal and disposal
 - (B) dismantling and/or demolition
 - (C) shoring up or propping
 - (D) cleaning and/or repairing drains and service mains on site
- } of the portion or portions of the Property Insured subject to Damage

resulting from any Damage for which indemnity is provided by this Policy but excluding any costs or expenses arising from pollution or contamination of property not insured by this Policy

6. Public Authorities requirements

The Company will indemnify the Insured for such additional cost of reinstatement of the property as may be incurred with the Company's consent in complying with Building Regulations or local authority or other statutory requirements first imposed upon the Insured following the Damage provided that the reinstatement is completed within twelve months of the occurrence of the Damage or within such further time as the Company may in writing allow

Provided that the Company shall not be liable in respect of costs for

- requirements relating to undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from the insurance)
- any rate tax duty development or other charge or assessment which may arise out of capital appreciation as a result of complying with any of the regulations or requirements referred to

7. Principals clause

This insurance extends to indemnify any employer or principal of the Insured but only to the extent required by the contract between the Insured and the said employer or principal Provided that the employer or principal shall observe and be subject to the terms exceptions and conditions of the insurance insofar as they can apply

8. Speculative Development (applicable to Item 1 only)

Notwithstanding Exclusion 2F)4) if the Contract involves Speculative Development the insurance under this Item shall continue for a period of up to 90 days beyond the date of Substantial Completion of the last building on the site of the Contract pending transfer of ownership or letting Damage to the contents of any building used as a showhouse showflat show office and the like is subject to the terms of Extension 9

Nothing in this Extension shall be deemed to extend cover beyond the date of expiration or non renewal of the Policy

9. Showhouse contents

This insurance is extended to include damage to the contents of showhouses or showflats or show offices and the like on the site of the contract(s) until sold provided that

- (A) cover shall cease no later than 90 days from the date that the last building on the site is substantially complete
- (B) the liability of the company shall not exceed £25,000 in respect of any one unit
- (C) during the period from 01 December to 01 March an efficient heating system shall be left on at all times or the water system drained
- (D) damage due to theft or malicious damage is restricted to that following forcible and violent entry or exit

10. Offsite storage (applicable to Item 1 only)

The insurance under this Item in respect of materials or goods designated for incorporation in the contract works is extended to apply while such materials or goods are temporarily held in store away from the site of the Contract but not while such materials or goods are being worked upon in order to complete the same up to the point of their incorporation in the works

The Company's liability under this Extension shall be limited to 15 per cent of the Sum Insured by Item 1 or £25,000 (whichever is the less) at any one location but this limitation shall not apply where and insofar as it is necessary for the Insured to comply with Clauses 16 and 30.3 of the JCT Conditions of Contract or Clause 54(3) of the ICE Form of Contract or any equivalent thereof

11. Contract price increase (applicable to Item 1 only)

If the final price of the Contract exceeds the Sum Insured by Item 1 then the Sum Insured by this Item shall be increased proportionately to a figure not exceeding 125 per cent of the Sum Insured

12. Immobilised plant (applicable to Items 3 and 4 only)

The insurance under these Items is extended to include the cost of recovery or withdrawal of constructional plant or equipment which is unintentionally immobilised provided that such recovery or withdrawal is not necessitated solely by reason of electrical or mechanical breakdown or derangement

13. Other interests

The interest in the Property Insured of any party entering into an agreement with the Insured (or any principal of the Insured) is noted in this insurance to the extent that the agreement entered into with the Insured (or any principal of the Insured) requires such interest to be noted and is in respect of that of the Property Insured to which the agreement relates

14. Free issue materials (applicable to Item 1 only)

Reference to materials under this Item is deemed to include free issue materials provided that the value of such materials is included within both the Sum Insured and declaration of value in accordance with General Condition 5 of this insurance

15. Plans and documents

The Company will indemnify the Insured for clerical costs necessarily incurred in re-writing redrawing or reproducing plans drawings or other Contract documents damaged within the Territorial Limits provided that the liability of the Company shall not exceed £50,000 in respect of any one occurrence of Damage

16. Expediting expenses

In the event of Damage to the Property Insured the cost of repair reinstatement or replacement admitted under this insurance shall subject to the consent of the Company include the additional cost of overtime weekend and shift working plant hire charges express delivery (including air freight) necessarily and reasonably incurred in expediting repair reinstatement or replacement of such Damage provided that the liability of the Company shall not exceed £50,000 in respect of any one occurrence of Damage

17. Contract period extension

In the event that the Contract is not fully completed by the last day of the Period of Insurance cover will be extended to the final completion date provided that written notification is given to the Company as soon as reasonably practicable but in any case within 30 days of the expiry of the Period of Insurance subject to any additional terms or premium the Company may require

18. Series losses

Where Damage of or to the property insured on any one contract site arises during any one period of 72 consecutive hours caused by storm tempest flood or earthquake it shall be deemed to be a single event and therefore constitute one loss with regard to the application of the Insured's contribution

Conditions applicable to Contractors' 'All Risks' Insurance

1. Cessation of Work
If from any cause work ceases on the site of the Contract for a continuous period in excess of 90 days immediate notice in writing must be given to the Company with the details of work completed and outstanding and the Company on receipt of such notice may at its discretion agree continuation of this insurance at special terms to be agreed
2. The Insured shall ensure that all plant and equipment requiring inspection under any Statute or Order is so inspected
3. The Insured shall give to the Company and every person authorised by the Company access to the Property Insured at all reasonable times
4. On the happening of any Damage the Insured shall
 - (A) notify the Company in writing immediately
 - (B) inform the Police immediately if the Damage is caused by thieves or malicious persons
 - (C) provide the Company with full details of Damage by riot civil commotion strikers locked-out workers or persons taking part in labour disturbances within seven days of its happening
 - (D) send to the Company a written claim not later than thirty days or such further time as the Company may in writing allow after the Damage has happened providing at the Insured's own expense all the detailed particulars and evidence regarding the cause and amount of the claim as the Company may reasonably require together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith
 - (E) do with due diligence and concur in doing and permit to be done all things which may be reasonably practicable to avoid or diminish the Damage and to prevent repetition
5. (A) The Company shall be entitled without incurring any liability under the Policy to
 - (1) enter any building or premises where Damage has happened and take and keep possession of the property
 - (2) deal with salvage in any reasonable waybut no property may be abandoned to the Company
- (B) If the Company elects or becomes bound to reinstate or replace any property the Insured shall at his own expense produce and give to the Company all such plans documents books and information as the Company may reasonably require The Company shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the Items insured more than the Sum Insured thereon
- (C) This Policy shall be proof that the Insured has given the Company the licence and authority that it may need to exercise its rights under this Condition
6. If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on their behalf to obtain any benefit under this Policy all benefits hereunder shall be forfeited
7. If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an Arbitrator to be appointed by the parties in accordance with the Statutory provisions in that behalf for the time being in force Where any difference is by this Condition to be referred to arbitration the making of an award shall be a Condition precedent to any right of action against the Company
8. Any claimant under this Policy shall at the request and at the expense of the Company take and permit to be taken all necessary steps in the name of the Insured for enforcing rights against any other party before or after any payment is made by the Company

The Company will not pursue any rights

- (A) against any Company being Parent of or Subsidiary to the Insured or any Company which is a Subsidiary of a Parent Company of which the Insured is also a Subsidiary in each case within the meaning of Sections 736 and 744 of the Companies Act 1985 or Articles 2 and 4 of the Companies (Northern Ireland) order 1986
 - (B) against any sub-contractor engaged by the Insured if the contract is being performed under the JCT Standard Forms of Building Contract incorporating the 1986 Amendments to the Insurance and Related Liability Provisions (or the equivalent thereof)
- but this shall only apply to the extent that such waiver of subrogation is required in the above mentioned Amendments and only insofar as such a waiver is required by the sub contract

9. Any information provided to the Company in accordance with General Condition 5 relating to turnover or final contract values shall include
- (A) the value of any materials and equipment provided by the employer or principal for incorporation in the Contract
 - (B) professional fees incurred in the design and construction of the Contract
 - (C) Value Added Tax which is irrecoverable by the Insured

FIDELITY INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

SECTION A - FIDELITY

The Company will indemnify the Insured up to the Limits of Indemnity in respect of

1. loss of Property as a direct result of a Fraudulent Act committed during the Period of Insurance
2. auditor's fees necessarily incurred with the Company's written consent to substantiate the amount of any loss covered by this Section
3. the reasonable cost of rewriting or amending the software programs or systems where such rewriting or amending is necessary to correct the programs or amend the security codes following the fraudulent use of computer hardware or software programs or computer systems the subject of a claim for which liability is admitted under this Section
4. Public Relations Consultancy Fees

SECTION B - THIRD PARTY COMPUTER AND FUNDS TRANSFER FRAUD

The Company will indemnify the Insured up to the Limits of Indemnity in respect of

1. loss of Property as a direct result of Third Party Computer or Funds Transfer Fraud committed by a Third Party during the Period of Insurance
2. auditor's fees necessarily incurred with the Company's written consent to substantiate the amount of any loss covered by this Section
3. the reasonable cost of rewriting or amending the software programs or systems where such rewriting or amending is necessary to correct the programs or amend the security codes following the fraudulent use of computer hardware or software programs or computer systems the subject of a claim for which liability is admitted under this Section

SPECIAL CONDITIONS

Application of the Limits of Indemnity

The Company's liability for loss resulting from a Fraudulent Act or Third Party Computer or Funds Transfer Fraud will not exceed the amounts stated in the Schedule in respect of

1. Any One Claim
2. The Aggregate for all claims under the Policy

The Limit of Indemnity in respect of Any One Claim shall be the amount stated in the Schedule at the time of the occurrence of the Fraudulent Act or Third Party Computer or Funds Transfer Fraud (or if a series of related acts then the last act in the series)

Where different limits of indemnity are stated in the Schedule to apply to different Employees the Limit of Indemnity Any One Claim where two or more Employees are Acting in Collusion shall be the higher or highest of the limits of indemnity applicable to those Employees as stated in the Schedule

Irrespective of the number of premiums which shall be paid or payable and the number of years cover shall continue in force under this Policy (or any other insurance substituted by or issued in substitution for this Policy) the liability of the Company in respect of Any One Claim and in the Aggregate shall not be cumulative whether from one Period of Insurance to another Period of Insurance or otherwise

To the extent that the Aggregate Limit of Indemnity for any one Period of Insurance is not exhausted the unused element of the limit will not be available for any other Period of Insurance

Previous Insurance

If this insurance immediately supersedes a Fidelity Insurance effected by the Insured (the "Superseded Insurance") the Company will indemnify the Insured in respect of any Fraudulent Act Discovered during the continuation of this insurance but committed during the continuation of the Superseded Insurance if the loss is not recoverable thereunder solely because the period allowed for Discovery has expired

Provided that

1. such insurance had been continuously in force from the time of the loss until inception of this insurance
2. the loss would have been insured by this insurance had it been in force at the time of the loss
3. the liability of the Company shall not exceed whichever is the lesser of
 - (A) the amount recoverable under the insurance in force at the time of the loss or
 - (B) the Limits of Indemnity under this insurance

In any event the total liability of the Company in respect of Any One Claim continuing through both the term of the Superseded Insurance and the continuation of this insurance shall not exceed the Limit of Indemnity for Any One Claim stated in the Schedule

One Contract of Insurance

For all purposes including but not limited to the application of the Limits of Indemnity and consideration of when and how the Policy will respond all parties included in the definition of the Insured in the Schedule shall constitute one Insured and there shall be only one contract of insurance between that Insured and the Company during the Period of Insurance

CONDITIONS PRECEDENT

It shall be a condition precedent of any liability of the Company under this Policy that the Insured shall ensure compliance in full with each of the following:

1. Termination of Employment

Upon the termination of service of any Employee the Employer shall take all reasonable precautions to prevent a Fraudulent Act by that Employee

For these purposes the Employer shall mean any party included within the definition of the Insured

2. References

The Insured shall ensure that satisfactory written or verbal references are obtained to confirm the honesty of each Employee who will be responsible for Property computer operations or computer programming engaged after commencement of this Policy

Such references shall be obtained directly from former employers for the three years immediately preceding engagement and before the Employee is entrusted without supervision

References need not be obtained in respect of Employees who have satisfactorily and continuously served the Insured for at least one year in another capacity before being entrusted with the duties referred to above

In respect of Employees joining directly from school or government sponsored youth training schemes one character reference shall be obtained

A written record of any verbal reference shall be made at the time it is obtained and the original copy of each written reference and the record of any verbal reference shall be retained by the Insured and shall be made available for inspection by the Company

3. Minimum Standards of Control

The Insured shall ensure that the Minimum Standards of Control are operated or brought in to force and shall not make any change to the Minimum Standards of Control unless the Company are advised and their written approval obtained

The Minimum Standards of Control stated below shall be maintained in full operation throughout the currency of this Policy unless the Company are advised and their written approval obtained

All Employees shall be instructed as to their duties or responsibilities in respect of the Minimum Standards of Control and be expected to comply

MINIMUM STANDARDS OF CONTROL

Auditors

The Accounts of the Insured including all Subsidiary Companies shall be examined by external auditors every twelve months

Cash Receipts

Insured persons receiving cash and cheques in the course of their duties shall be required to remit all monies received and/or bank in full on the day of receipt or next banking day

Reconciliation

Independently of insured persons responsible bank statement receipts counterfoils and supporting documents shall be checked at least monthly against the cash book entries and balance tested with cash and unrepresented cheques

Cheque Signing

- (a) All manually prepared cheques or other bank instruments drawn for more than £25,000 shall require two manually applied signatures to be added after the amount has been inserted. No cheque or instrument shall be signed until one signatory has examined the supporting documentation
- (b) In the case of computer or machine prepared cheques or other bank instruments the supporting documentation shall be examined and authorised before the requisition for the cheque or instrument is input

All such cheques or instruments drawn for an amount in excess of £25,000 shall require one manually applied signature added after the cheque or instrument is prepared

The Insured's bankers shall be advised of the above requirements as to signatures

Cash and Petty Cash

Cash in hand and petty cash shall be checked independently of insured persons responsible at least monthly and additionally without warning every six months

Payroll

In respect of employees not paid by crossed cheque or credit transfer the cast of the payroll will be subject to an independent check before payment to ensure that the total amount drawn is correct

Stocktaking

There will be a physical check on all stock and materials held against verified stock records independent of employees responsible at intervals of not more than 12 months except where otherwise stated herein

Ordering Goods

Different employees acting independently shall be responsible for the ordering of stock and materials the recording of receipt of such and the authorising of payment for them

Statements of Account

Statements of Account for all amounts due will be issued at least monthly and direct to customers independently of employees receiving or collecting monies

Action by Management shall be taken if an account becomes three months overdue

Cash Till Checks

Independently of the till operator the total of all cash cheques and credit sales vouchers received through cash tills shall be reconciled against the till roll daily and material discrepancy investigated

COMPUTER SECURITY

Security checks will be built into all computer functions with reconciliations made as necessary. Responsibility for authorisation of transactions processing of transactions and handling of output shall be exercised by different employees

CLAIMS CONDITIONS

1. Fraudulent Claims

If any claim shall be in any respect fraudulent or if any fraudulent means are used by the Insured or anyone acting on behalf of the Insured to obtain any benefit under this Policy or if any loss is occasioned by the willful act or with the connivance of the Insured all benefit under this Policy shall be forfeited

2. Notice and Proof of Claims

On the Discovery of any act which may give rise to a claim the Insured shall

- a) report it in writing to the Insurers as soon as possible
- b) immediately take all steps possible to prevent further losses
- c) within 30 days after the Discovery or such additional time as the Insurers may in writing agree provide the Insurers at the Insured's own expense (except as otherwise provided for by this Policy) with full details of any claim and give all evidence information proofs and assistance as the Insurers may require

3. Reimbursement

The Insurers shall be entitled if they so wish to take over and conduct in the name of the Insured all claims and rights of action of the Insured in respect of any act giving rise to a claim under this Policy The Insured shall give all assistance as the Insurers may require

4. Other Insurances

If at the time any claim arises under this Policy there be any other insurance fund indemnity or guarantee covering the same loss the Insurers shall not be liable except to the extent of any excess beyond the amount payable under such other insurance guarantee or indemnity had this Policy not been effected

5. Deduction from Loss

All monies belonging to or the entitlement of the Employee in respect of whom a claim is made in the hands of the Insured shall insofar as legally permissible be deducted from the amount of the loss before a claim is made under this Policy

6. Recoveries

Any recoveries made by either the Insured or the Insurers on account of such loss shall be applied in the following order

- a) to reimburse the Insured in full for that part (if any) of the loss which exceeds the Limits of Indemnity (disregarding the amount of any Excess applicable)
- b) to reimburse the Insurers if payment has already been made or if not to reduce that part of the loss for which the Insurer is responsible under this Policy
- c) finally to reduce that part of the loss for which the Insured is responsible by virtue of any Excess under this Policy or for which other insurers under any other policy of insurance of which this Policy is in excess

7. Arbitration

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions in that behalf for the time being in force

Where any difference is by this condition referred to arbitration the making of an award shall be a condition precedent to any right of action against the Insurers

8. Valuation

In the case of Securities the Insurers shall not be liable for more than the actual cash value of the Securities at the close of business on the business day immediately preceding the day on which the loss was Discovered or for more than the actual cost of replacing the Securities whichever is the less

EXCLUSIONS

The Insurers shall not be liable for

1. loss of interest penalties fines or consequential loss of any kind
2. the amount of the Excess
3. any loss caused by any Fraudulent Act of any Employee committed prior to the Commencement Date applicable to that Employee
4. any loss Discovered more than 24 months after
 - a) the termination of the Policy or
 - b) such loss was caused or commenced to be caused or
 - c) the resignation dismissal retirement or death of any Employee whose Fraudulent Act gave rise to a claim whichever occurs first
5. any loss where proof of the existence of Property or the amount of the loss is dependant solely upon an inventory computation or a profit and loss computation
6. any loss where the Fraudulent Act is committed by an Employee not resident within the Geographical Limits stated in the Schedule
7. any further Fraudulent Act committed by an Employee subsequent to the date of Discovery of a Fraudulent Act for which cover is provided under this Policy
8. under SECTION B for any loss or losses caused by any Employee insured under SECTION A of this Policy
9. under SECTIONS A and B for any loss or losses caused by the fraudulent use of the telephone or other telecommunication system operated by the Insured

DEFINITIONS

Acting in Collusion shall mean

all circumstances where two or more Employees are concerned or implicated together or materially assist each other in committing a Fraudulent Act

Aggregate shall mean

The maximum aggregate amount (howsoever arising) for which the Insurers shall be liable in respect of insurance available under the Policy in relation to the applicable Period of Insurance

Any one claim shall mean

all loss or losses caused by any Fraudulent Act or Third Party Computer and Funds Transfer Fraud either resulting from a single act or any number of related acts committed throughout the continuation of this insurance (or any insurance issued in substitution thereof or for which this insurance is substituted) irrespective of whether such acts are committed or caused prior to the inception of the Policy or during the Period of Insurance stated in the Schedule or during any subsequent Period of Insurance

Nothing in this definition will make the Insurers liable for acts committed prior to the Commencement Date or after the termination date except to the extent that cover is provided under the Previous Insurance section

Commencement Date shall mean

the date from which insurance in respect of any Employee commenced

Computer Clean-up Costs shall mean

the reasonable costs stated in 1 and 2 below following the fraudulent use of computer hardware software or Computer System which are subject of a loss covered by this Policy

1. Rewriting or amending the software programs or systems where such rewriting or amending is necessary to correct the programmes systems or security codes.
2. Duplicating destroyed or damaged electronic data or computer programmes from other electronic data or computer programmes which shall have been furnished by the Insured and in the event that destroyed or damaged computer programmes cannot be duplicated from other computer programmes the cost incurred for computer time computer programmers consultants or other technical specialists as is reasonable necessary to restore the programmes to substantially the previous level of operational capability but shall not include costs arising
 - A) as a result of the reconstitution of Data recorded on magnetic or optical media if there are no analysis files specifications or backups of software or Data held outside the Insured's premises or
 - B) as a result of the reconstitution of Data if the Insured knowingly uses illegal copies of programmes
 - i) to render the information usable by replacement processing equipment or
 - ii) to design update or improve the software or programmes or to perfect their operation or performance or
 - C) as a result of an alteration in Data held on magnetic media due to the effect of magnetic fields their incorrect use or the obsolescence of the Computer System

Computer System shall mean

a computer or network with its input output processing storage and communication facilities and shall include off-site media libraries

Corporate Card shall mean

any corporate credit debit or charge card issued to an Employee equity partner or Member of the Insured for Business purposes other than such cards issued by the Insured

Corporate Card Fraud shall mean

the fraudulent use of any Corporate Card provided that

1. the Insured has complied fully with the provisions conditions or other terms under which the card was issued and
2. the Insured is legally liable for such loss

Data shall mean

Information contained in a manuscript record account microfilm tape or other record whether or not contained in a Computer System

Discovery or **Discovered** shall mean

when a director partner departmental director senior manager trustee or officer of the Insured becomes aware of acts which would cause a reasonable person to assume that a loss covered by this Policy has been or will be incurred even though the exact amount or details of such loss may not then be known

Employee shall mean any person who is

- A** under a contract of service or apprenticeship with the Employer or being trained under a Government approved training scheme under the control of the Employer
- B** a director employed by the Employer under a contract of service and who controls no more than 5% of the issued share capital of the Employer
- C** retired from full time employment with the Employer who is working for the Employer as a consultant under the control and direction of the Employer
- D** acting in a voluntary capacity

in connection with the Business of the Employer whilst in the service of the Employer

Whilst in the service of the Employer shall include the period of 30 days immediately following the termination of service

The term Employee shall include:

any person supplied by a staff employment agency who by arrangement with such agency is working for the Employer on a temporary or part-time basis in connection with the business to perform the functions and duties of an employee under the control or direction of the Employer but not including persons employed as drivers or in connection with warehouse duties or with computer operations or computer programming unless specifically stated as insured herein

Provided that any Condition relating to the obtaining by the Employer of references shall not apply to the temporary agency staff described above

For these purposes the term Employer shall mean any party included within definition of the Insured

Excess shall mean

The first part of any One Claim borne by the Insured as specified in the Schedule at the time of the occurrence of the Fraudulent Act or Third Party Computer or Funds Transfer Fraud (or if a series of related acts the last act in the series) or as otherwise provided for by this Policy

Fraudulent Act shall mean

any act of fraud or dishonesty committed by any Employee alone or Acting in Collusion with others committed with the clear intent of obtaining an improper personal financial gain (which shall not include salaries fees commission and other earnings in the normal course of employment) for themselves or for any other person or organisation intended by such Employee to receive such gain

Minimum Standards of Control shall mean

the minimum standards of supervision accounting procedures and for checking the security of Property agreed between the Insurers and the Insured from time to time as set out in the latest Schedule

Money shall mean

1. currency coins bank notes in current use and bullion
2. travellers cheques postage stamps luncheon vouchers consumer redemption vouchers gift tokens trading stamps petrol cards all in current use and unused credits in franking machines
3. monetary balances held at a financial institution to the credit of the Insured

Property shall mean

Money Securities or goods belonging to the Insured or for which they are legally responsible

Public Relations Consultancy Fees shall mean

Fees necessarily incurred by the Insured to employ the services of an external public relations consultant solely to provide advice to minimise adverse publicity following Discover of a loss covered by this Policy

Securities shall mean

1. share certificates allotment letters bonds or debentures
2. promissory notes except
 - a) those issued or purporting to have been issued for use as currency
 - b) those secured or purporting to be secured directly or indirectly by assigned accounts or what purports to be assigned accounts
3. deeds of trust mortgages upon real property and upon interests in real property and assignments of such mortgages
4. letters of credit

Third Party shall mean

any person other than an Employee partner director or volunteer of the Insured

Third Party Computer and Funds Transfer Fraud shall mean

any act of fraud or dishonesty committed by a Third Party with the intent of obtaining an improper personal financial gain involving

- a) the manipulation of the Insured's computer hardware or software programs or systems
- b) fraudulent electronic instructions which purport to have been transmitted by the Insured

This is a "claims made" policy.

This policy covers only claims notified to us during the period of insurance.

LEGAL EXPENSES INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

DEFINITIONS

Company

Royal & Sun Alliance Insurance PLC

We/Us/Our

A third party provider approved by Royal & SunAlliance administers this insurance on the Company's behalf. Any notification of a claim must be addressed (via Keegan & Pennykid Insurance Brokers Ltd) to:

Legal Expenses Claims Department
FirstAssist Insurance Services Limited
Marshall's Court
Marshall's Road
Sutton
Surrey
SM1 4DU
Tel: 020 8652 1313
Fax: 020 8661 7604

Insured

1. Sections A - H

The person or company named as insured in the schedule and at the request of the insured in respect of:

- i). Sections A - Employment Protection, B - Employment Protection and Consultancy Services, C - Prosecution, a director, partner or employee of the insured;

2. Sections J - K

Any director, partner or employee of the insured, if requested by the insured.

Appointed Representative

A solicitor, our Employment Advocacy Service or any appropriately-qualified person who is appointed to act in a professional capacity for the insured in accordance with the terms of this policy.

Any One Claim

All legal proceedings (including any appeal against judgment) arising from or relating to the same original cause, event, series of events or circumstance shall be regarded as one claim.

Acts of Parliament

All Acts of Parliament referred to in this policy include any subsequent amendments or re-enactments of those Acts and any equivalent legislation which is enforceable within the territorial limits.

Business

The insured's business as declared to us and specified in the schedule.

Court

A court, tribunal or other competent authority.

Employee

Any person under a contract of service or apprenticeship with the insured in connection with the business. This includes any trainee under the insured's control in connection with a government-approved training scheme.

Equipment

Computers and anything else which contains a microchip. Computers include hardware, software, data, electronic data processing equipment, microchips (including integrated circuits) and micro-controllers, and any other computing and electronic equipment linked to a computer.

Insured's Contribution

The proportion of each and every claim for legal expenses which is the responsibility of the insured and is shown in the schedule.

Legal Proceedings

The pursuit or defence of legal or taxation disputes.

Limit of Indemnity

During any one period of insurance the maximum liability of the Company shall not exceed the amounts shown in the schedule.

Territorial Limits

The United Kingdom of Great Britain and Northern Ireland, the Isle of Man, the Channel Islands and any other territory specified in the schedule.

Additional Awards

Awards made under Section 117(3)(b) of the Employment Rights Act 1996 (as amended) or under Article 148 and 151 of the Employment Rights (Northern Ireland) Order 1996 (as amended).

Protective Awards

Awards payable under Section 189 of the Trade Union and Labour Relations (Consolidation) Act 1992 or Article 217 of the Employment Rights (Northern Ireland) Order 1996.

Interim Relief

Awards as defined in Section 128 and quantified in Sections 130 and 132 of the Employment Rights Act 1996 or defined in Section 161 and quantified in Sections 164 and 166 of the Trade Unions and Labour Relations (Consolidation) Act 1992 and contained in Articles 163 to 167 of the Employment Rights (Northern Ireland) Order 1996.

Legal Expenses

Fees and Costs, Witness Attendance Allowance and in respect of:

- Section A - Employment Protection - Basic and Compensatory Awards;
- Section B - Employment Protection - Basic and Compensatory Awards, Re-engagement /Reinstatement Awards, Awards of Pay and Awards of Damages;
- Section G - Data Protection - Data Protection Awards.

1. Fees

Any fees and disbursements reasonably and properly incurred by the appointed representative, or by us, in connection with any legal proceedings.

2. Costs

Any costs payable by the insured following:

a) an award of costs by any court;

or

b) an out-of-court settlement made in connection with any legal proceedings. The insured must have obtained our written agreement to any such settlement in accordance with Claims Settlement Condition 8(g).

3. Witness Attendance Allowance

The actual loss of earnings incurred when the insured is absent from work attending court as:

a) a witness for the insured at the request of the appointed representative;

or

b) a defendant;

provided that a claim has been admitted under Sections A - H & J of this policy. The sum payable shall not exceed the amounts shown in the schedule.

4. Data Protection Awards

a) An award of compensation made against the insured under Section 13 of the Data Protection Act 1998;

or

b) an out-of-court settlement of a claim under 4a) above to which we have given our prior written consent.

5. Basic and Compensatory Awards

a) A basic or compensatory award of compensation which the insured must pay as a result of judgment in a dispute under employment legislation;

or

b) an out-of-court settlement of a claim under 5a) above to which we have given our prior written consent.

6. Reinstatement/Re-engagement Awards

Amounts payable by the insured when a court makes an order for reinstatement or re-engagement under Section 113 of the Employment Rights Act 1996 or under Articles 148 to 150 of the Employment Rights (Northern Ireland) Order 1996.

7. Awards of Pay

Awards made under Section 93(a) of the Employment Rights Act, 1996 or under Article 125 of the Employment Rights (Northern Ireland) Order 1996 when a court adjudges the "written reasons" to have been inadequate or untrue.

8. Awards of Damages

Awards of damages made against the insured by a court of civil jurisdiction, or settlements thereof to which we have given our prior written consent. Such awards must be payable as a result of a dispute with an employee, ex-employee or prospective employee, which arises out of or relates to his/her actual or alleged contract of employment with the insured, provided that a legal action has been commenced against the insured.

9. Jury Service Allowance

The income, salary or wages of the insured, or any director of, partner in or employee of the insured in respect of that individual's obligation to attend court for jury service insofar as it is not recoverable from the relevant court. The sum payable shall not exceed the amounts shown in the schedule.

COVER

The Company will indemnify the insured, subject to the insured's contribution as shown in the schedule, in respect of legal expenses which arise from legal proceedings that:

- i)** are notified to us during the period of insurance; and
- ii)** arise from the conduct of the insured's business; and
- iii)** are made by or brought against the insured within the jurisdiction of a court within the territorial limits

in respect of:

Section A - Employment Protection

- i)** the defence of any legal proceedings arising from a dispute with an employee, ex-employee or prospective employee relating to:
 - a)** the contract of employment with the insured;
 - b)** actual or alleged breaches of their statutory rights under employment legislation
- ii)** the pursuit of any legal proceedings to recover possession of premises which are owned by the insured but occupied by an employee or ex-employee

provided that:

- i)** the insured has sought and followed advice from our Legal Consultants before materially changing or attempting to change the particulars of an employee's contract of employment or dismissing an employee (whether or not by reason of redundancy);
- ii)** the insured agrees to appoint our Employment Advocacy Service as its appointed representative in relation to any proceedings before an employment tribunal.

Exclusions specific to Section A

The Company will not pay legal expenses arising from or relating to:

- i)** any benefit due under a contract of employment;
- ii)** any payment made in respect of redundancy;
- iii)** an additional award;
- iv)** a protective award;
- v)** any compensatory award specified in a reinstatement or re-engagement order or made because of the insured's failure to provide written reasons for a dismissal;
- vi)** any interim relief or other interim payment;
- vii)** any award made because of the insured's failure to provide written reasons for dismissal;
- viii)** any awards to the extent that they relate to contractual rights accruing to the employee, ex-employee or prospective employee prior to the actual or alleged breach of the actual or alleged contract of employment.

Section B - Employment Protection and Consultancy Services

- i)** the pursuit or defence of any legal proceedings arising from a dispute with an employee, ex-employee or prospective employee relating to:
 - a)** the contract of employment with the insured;
 - b)** actual or alleged breaches of their statutory rights under employment legislation
- ii)** the pursuit of any legal proceedings to recover possession of premises which are owned by the insured but occupied by an employee or ex-employee

provided that:

- i)** during the twelve months following inception of this policy, the insured has sought and followed advice of our Regional Employment Consultants before materially changing or attempting to change the particulars of an employee's contract of employment or dismissing an employee (whether or not by reason of redundancy);
- ii)** the insured agrees to appoint our Employment Advocacy Service as its appointed representative in relation to any proceedings before an employment tribunal.

In addition, we will provide consultancy services to the insured.

Exclusions specific to Section B

The Company will not pay legal expenses arising from or relating to:

- i)** any benefit due under a contract of employment;
- ii)** any payment made in respect of redundancy;
- iii)** any award made because of the insured's failure to provide written reasons for dismissal;
- iv)** any awards to the extent that they relate to contractual rights accruing to the employee, ex-employee or prospective employee prior to the actual or alleged breach of the actual or alleged contract of employment
- v)** an additional award;
- vi)** a protective award;
- vii)** any interim relief or other interim payment;

Section C - Prosecution

the defence of any legal proceedings arising from:

- 1)** any actual or alleged act or omission by the insured which results in the service of an improvement, prohibition or suspension notice under the:
 - i)** Health and Safety at Work, etc. Act 1974 or the Health and Safety (Northern Ireland) Order 1978;
 - ii)** Food Safety Act 1990;
 - iii)** Consumer Protection Act 1987

against which the insured wishes to appeal.

- 2)** civil action taken against the insured for:
 - i)** wrongful arrest in respect of an accusation of theft;
 - ii)** any activities as a trustee of a pension fund set up for the benefit of the insured's employees.
- 3)** the insured's prosecution in a court of criminal jurisdiction.

Exclusions specific to Section C - Prosecution

The Company will not pay legal expenses arising from or relating to:

- i)** the ownership, possession, hiring or use of a motor vehicle, aircraft or water craft;
- ii)** any alleged deliberate or intentional act unless charges are dismissed or the insured is acquitted.

Section D1 - Contract

the pursuit or defence of legal proceedings arising from a dispute with a customer or supplier, in respect of a contract with that customer or supplier, for the sale, purchase, hire or supply of goods or services. The amount in dispute must exceed the minimum amount in dispute specified in the schedule.

Exclusions specific to Section D1

The Company will not pay legal expenses arising from or relating to:

- i)** an undisputed debt owed to the insured;
- ii)** any licence or franchise agreements;
- iii)** a dispute about either the amount an insurance company should pay to settle an insurance claim or the way a claim should be settled;
- iv)** the letting or tenancy of property;
- v)** the construction, extension, alteration, demolition, repair, renovation or refurbishment of any property;
- vi)** the ownership, possession, hiring or use of a motor vehicle, aircraft or water craft.

Section D2 - Debt Recovery

the pursuit of legal proceedings arising from a dispute with a customer in respect of an uncontested debt that arises from the sale or provision of goods or services

provided that:

- i)** the amount in dispute exceeds the minimum amount in dispute specified in the schedule;
- ii)** we are notified of the claim within three months of the debt becoming due and payable;
- iii)** the insured has exhausted all credit control and accounting procedures as declared to us;
- iv)** the insured agrees to appoint our nominated debt recovery service as the appointed representative;
- v)** we have the right to select the method of enforcement;
- vi)** we are satisfied that the defendant has sufficient assets to satisfy any judgment debt;
- vii)** the number of claims notified in the period of insurance does not exceed the amount specified in the schedule.

Exclusions specific to Section D2

The Company will not pay legal expenses arising from or relating to:

- i)** the recovery of a disputed debt;
- ii)** a lease or tenancy of land or buildings;
- iii)** the ownership, possession, hiring or use of a motor vehicle, aircraft or water craft.

Section E - Property

Section E1 - Property Occupied by the Insured

the pursuit or defence of legal proceedings relating to the insured's rights as the owner or occupier of property that is physically occupied by the insured

Section E2 - Property Occupied by the Insured (Construction)

the pursuit or defence of legal proceedings relating to the construction, extension, alteration, repair, refurbishment or renovation of any property that is physically occupied by the insured

provided that:

- i)** the contract for such works (and any amendments to it) are made in writing and that the written contract represents the entire agreement between the parties;
- ii)** the contract was entered into during the period of insurance;

- iii) the amount in dispute exceeds £1,000;
- iv) the contract has been declared to us, and accepted by us in writing

Section E3 - Property not Occupied by the Insured

the pursuit or defence of legal proceedings relating to the insured's rights as the owner of property that is not physically occupied by the insured

provided that in respect of any claim under sections E1, E2 and E3:

- i) the insured has suffered or could suffer a financial loss if legal proceedings are not pursued or defended;
- ii) the insured agrees to use alternative dispute resolution to attempt to settle any dispute, if we consider it to be appropriate;
- iii) the property has been disclosed to us in writing.

Exclusions specific to Section E - Property

The Company will not pay legal expenses arising from or relating to:

- i) any review of the rent payable for leasehold property;
- ii) the recovery of rent payable;
- iii) mining or other subsidence or heave;
- iv)
 - a) any dispute arising from the compulsory purchase, confiscation, nationalisation, requisition, destruction of or damage to any property;
 - b) any disputes over restrictions or controls placed on any property;
 - c) any disputes arising from actual, planned, or proposed construction, closure, adaptation or repair of roads, buildings, housing or other works

by or on behalf of any government or public or local authority, except insofar as the claim relates to accidental damage arising from such activities.

Section F - Taxation

- 1) entering a response to an in-depth accounts investigation or a full enquiry by the Inland Revenue into a self-assessment return. This includes responding at any appeal or tribunal hearing which shall include an Inland Revenue Commissioners' Hearing;
- 2) entering a response to an examination by either the Inland Revenue or the Department of Social Security following an Employer Compliance visit which arose from and related to an expression of dissatisfaction with the insured's PAYE or National Insurance Contribution affairs;
- 3) an appeal against a written VAT decision or assessment issued by HM Customs and Excise. This includes the local review procedure and any VAT Tribunal.

Exclusions specific to Section F

The Company will not pay legal expenses arising from or relating to:

- i) any tax avoidance scheme undertaken by the insured;
- ii) an enquiry undertaken under Section 60 or 61 of the VAT Act 1994 or any investigation or enquiry by the Investigations Division of HM Customs and Excise, the Inland Revenue Board's Investigation Office or the Special Compliance Offices of the Inland Revenue;
- iii) any investigation or inspection by the Inland Revenue, HM Customs and Excise or Department of Social Security that commenced prior to the inception of this policy;
- iv) any work in connection with the normal reconciliation of annual accounts and VAT returns where such reconciliation has not been undertaken prior to the dispute or investigation arising;
- v) the insured's actual or alleged misstatement with intent to deceive contained in any relevant business books, records or returns. If such intent to deceive is shown the Company shall be entitled to recover such indemnity as it has provided;

- vi) any issue of law, practice or procedure not directly connected with the particular investigation, dispute or legal proceedings which are the subject of an indemnity under this policy;
- vii) any investigation or enquiry where the accounts submitted are being investigated solely because earlier books, records or returns have been investigated or are already under investigation;
- viii) disputes where any returns have been submitted in a penalty position except where a return is rendered within six months of the last filing date and the Inland Revenue has accepted that there was a reasonable excuse for the delay;
- ix) any criminal prosecution.

Section G - Data Protection

- 1) the defence of any legal proceedings brought against the insured for compensation under Section 13 of the Data Protection Act 1998;

provided that the insured is already registered with the Data Protection Commissioner.

- 2) an appeal by the insured against:
 - i) the refusal of the insured's application for registration by the Data Protection Commissioner;
 - ii) the refusal of an application for alteration of registered particulars by the Data Protection Commissioner;
 - iii) an enforcement notice;
 - iv) a de-registration notice;
 - v) a transfer prohibition notice.

Exclusions specific to Section G

The Company will not pay legal expenses arising from or relating to:

- i) any criminal prosecution;
- ii) any legal action concerning the grant and/or execution of a warrant of entry.

Section H - Statutory Licence

- 1) a representation to a registration authority following proposals to suspend, revoke, alter the terms of or refuse to renew the insured's registration;
- 2) an appeal to the relevant statutory body or court concerning the decision of a registration authority if a representation under H1) has been unsuccessful

provided that:

- i) such licences have been declared to us prior to the period of insurance;
- ii) no appeal was made in the twelve months prior to the inception of this policy;
- iii) the insured has suffered or could suffer a financial loss if legal proceedings are not pursued.

Section I - Motor Vehicle

This Section is not operative.

Section J - Bodily Injury

the pursuit of compensation following an event which causes the death of or bodily injury to the insured. This section extends to cover members of the insured's family who suffer bodily injury following an event that also causes bodily injury to the insured

provided that the insured agrees to appoint a representative nominated by us as the appointed representative.

Exclusions specific to Section J

The Company will not pay legal expenses arising from or relating to:

- i) any illness or bodily injury which develops gradually or is not caused by a specific or sudden accident;
- ii) the defence of any claim for bodily injury.

Section K - Counselling

We will provide the employees of the insured with a confidential telephone counselling service. To access this service contact our Advice and Counselling Division on 01455 251500 quoting the verification number specified in the schedule.

This service is available 24-hours a day, 365 days a year. We accept no responsibility for failure of this service for reasons outside our control.

(In addition to the covers available under Sections A - H J & K, this policy also provides the following):

Jury Service Allowance

The Company will indemnify the insured in respect of jury service allowance provided that such attendance commences during the period of insurance and within the territorial limits.

Legal Advice

We will provide the insured with confidential advice and guidance on legal matters affecting the business. To access this service contact our Legal Consultants on 01455 251500 quoting the verification number specified in the schedule.

This service is available 24-hours a day, 365 days a year. We accept no responsibility for failure of this service for reasons outside our control.

GENERAL EXCLUSIONS

The Company shall not be liable for legal expenses in respect of:

1. any matter to which we have not given our written consent.
2. the defence of any civil legal proceedings made or brought against the insured arising from any actual or alleged:
 - i) death, bodily injury, disease or illness of any person;
 - ii) loss, destruction or damage to any property;
 - iii) breach of any professional duty;
 - iv) breach of any duty owed as a director or officer of any company. This does not apply where the actual or alleged breach relates to taxation disputes and cover is provided under Section F - Taxation.
3. any non-contentious matters with the exception of cover under Section D2 - Debt Recovery.
4. any legal proceedings brought or transferred outside the territorial limits.
5. any legal proceedings where a reasonable estimate of the likely irrecoverable element of any legal expenses to be paid would exceed a realistic financial valuation of the insured's claim.
6. any legal proceedings where the insured is indemnified by or entitled to be indemnified by any other insurance policy or any policy which the insured is required to hold by law.
7. any actual or alleged act, omission or dispute occurring prior to, or existing at inception or renewal of this policy and which the insured knew (or ought reasonably to have known) was likely to give rise to legal proceedings.
8. any legal proceedings arising from:
 - i) the insured's intentional wrongdoing; or
 - ii) an act or omission with reckless disregard as to its consequences.
9. any dispute between the insured and any subsidiary, parent, associated or sister company or between shareholders, directors, partners or any other person who is or would be entitled to indemnity at the insured's request.
10. damages, fines or penalties of any nature incurred by the insured in legal proceedings.
11. the defence of any legal proceedings arising from or relating to any actual or alleged dishonesty, fraud or malicious conduct of the insured unless such proceedings are successfully defended.
12. the pursuit or defence of any action alleging defamation or malicious falsehood.
13. the pursuit or defence of any legal proceedings relating to patents, copyrights, design rights, moral rights, trade or service marks, registered designs, passing off, trade secrets or confidential information.
14. the pursuit or defence of legal proceedings between the insured and a central or local government authority concerning the imposition of statutory charges except where an appeal is allowed at law.
15. the defence of any legal proceedings arising from or relating to seepage, pollution or contamination of any kind.
16. any legal proceedings arising directly or indirectly from:
 - i) equipment failing correctly to recognise data representing year 2000 or any other date in such a way that it does not work properly or at all;
 - ii) computer viruses, including any program or software which prevents any operating system, computer program or software working properly or at all.

This does not apply to any claim relating to compensation for bodily injury.

17. any legal proceedings directly or indirectly caused by, contributed to, or arising from:
 - i) ionising radiations or contamination by radioactivity from an irradiated nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

GENERAL CONDITIONS

1. Observance of Terms

The insured must observe and comply with the terms, provisions and conditions of this policy. Any terms and conditions of this policy insofar as they relate to anything to be done or complied with by the insured, shall be conditions precedent to any liability of the Company to make any payment under the policy.

2. Premiums

The premiums payable under this insurance may be based on the estimates of exposure during the period of insurance.

Having regard to the basis of calculation of premiums the insured shall keep a proper record of exposure. The insured shall allow us or our representatives to inspect such records and accounts at any reasonable time.

The insured shall provide us with a correct account of exposure within one month of the expiry of a period of insurance. If and to the extent that this declaration varies from the information on which the premium was based, the difference in premium shall be met by a further payment to the Company or by a refund from the Company as the case may be.

3. Record Keeping

The insured must take all reasonable care in keeping business books, records and accounts. Tax returns are to be submitted without undue delay and accounts and related taxation computations are to be submitted to the proper government department within the statutory period laid down at the end of the relevant period of account.

4. Cancellation

This policy may be cancelled at any time at the insured's written request and the premium shall be adjusted on the basis of the Company receiving or retaining the customary short-term premium.

This policy may be cancelled by us giving fourteen days' notice sent in writing to the insured's last known address and the premium shall be adjusted on the basis of the Company receiving or retaining pro-rata premium.

No return of premium shall be allowed if the insured has given notification of a claim to us during the period of insurance.

5. Renewal

If we are willing to continue to provide cover and we advise the insured beforehand of our renewal terms the insured authorise us to renew this policy and any subsequent policy on expiry in accordance with our renewal terms at that time unless the insured advise us otherwise before the renewal date.

CLAIMS SETTLEMENT CONDITIONS

1. Consent

Our consent to pay legal expenses must be obtained in writing. Legal expenses incurred before such consent is given will not be covered. We will give the insured our consent if the insured can satisfy us that:

i) there are reasonable prospects of successfully pursuing or defending the legal proceedings;

and

ii) it is reasonable in all the circumstances for legal expenses to be provided.

The decision to grant consent will take into account the advice of the insured's appointed representative as well as that of our own advisors. We may require, at the insured's expense, an opinion of counsel on the merits of legal proceedings. If the claim is subsequently admitted the costs of such opinions will be covered under the policy.

The Company may discontinue indemnity if during the legal proceedings we consider that reasonable prospects of successfully pursuing or defending the legal proceedings no longer exist.

If the insured decides to commence or continue legal proceedings for which we have denied consent on ground 1(i) above and is successful, the Company will pay legal expenses as if we had given our consent in the first instance.

2. Minimising Claims or Legal Proceedings

The insured must take all reasonable measures to minimise the risk or likelihood of claims, and the cost of legal proceedings. This includes, but is not limited to, the insured and any agent or appointed representative of the insured complying with any pre-action, costs or other protocol that applies to any legal proceedings which form the basis of a claim under this policy.

3. Arbitration

Any dispute between the insured and us in respect of this policy may be referred to a single arbitrator who shall be either a solicitor or barrister agreed upon by both parties. Failing agreement, the arbitrator shall be nominated by the President of the appropriate Law Society, Bar Council or other professional body within the territorial limits.

The party against whom the decision is made shall meet the costs of the arbitration in full. If the decision is not clearly made against either party the arbitrator shall have the power to apportion costs. If the decision is made in favour of us, the insured's costs shall not be recoverable under this policy.

4. Fraudulent Claims

This policy shall be voidable at the discretion of the Company if the insured makes any request for payment under this policy:

i) knowing it to be fraudulent or false in any way; or

ii) in circumstances where the insured ought reasonably to have known that the claim was false or fraudulent in any way; or

iii) where there is collusion between the parties to this dispute.

Any premiums paid shall be forfeited.

5. Insolvency of Insured

If the insured is insolvent when a claim is notified to us or becomes insolvent during the course of any legal proceedings, to which the Company has given support, the Company has the right to refuse to admit or immediately to withdraw its support from a claim. The insured shall be deemed insolvent upon the appointment of an office-holder within the meaning given by section 233 (1) or 372 (1) of the Insolvency Act 1986.

6. Notification of Claims

It is a condition precedent to the Company's liability that we must be notified in writing immediately the insured is aware of any actual or alleged act, omission or dispute which has given or may give rise to any legal proceedings involving the insured. If the insured fails to notify us of any actual or alleged act, omission or dispute during the period of insurance any claim arising from such actual or alleged act, omission or dispute will not be admitted.

Where such notification has been given, the Company agrees to treat any subsequent legal proceedings in respect of the circumstances notified as though the legal proceedings had been made or brought during the period of insurance.

SPECIAL PROCEDURE

If a form ET1 (Originating Application) is received from an employment tribunal the insured must immediately forward it to us with form ET3 (Notice of Appearance By Respondent) which should be left blank.

In view of the 21 days' statutory time limit this must be done immediately.

7. Appeal Procedure

Our consent must be obtained if the insured wishes to appeal against the judgment of a court. A written application must be submitted to us at least ten working days before the final date for lodging the appeal. The application must state the reasons for bringing the appeal. We will inform the insured of our decision.

The insured must co-operate in an appeal against the judgment of a court at our request.

8. Conduct of Legal Proceedings

a) Nomination of the appointed representative

Other than in relation to those sections which state the contrary, the insured is free to choose an appointed representative to act in any legal proceedings to which we have consented. At the insured's request we will assist in choosing one. The name and address of the nominee must be sent to us on appointment. We may refuse to accept such a nomination. Any dispute arising from the nomination procedure may be referred to arbitration in accordance with Claims Settlement Condition 3.

In selecting the appointed representative the insured shall have regard to the common law duty to minimise the cost of legal proceedings. In all cases the appointed representative shall be appointed in the name of and on behalf of the insured.

b) All information to be given to the appointed representative

The appointed representative must be given all information and assistance required. This must include a complete and truthful account of the facts of the case and all relevant documentary or other evidence in the insured's possession. The insured must obtain or execute all documents as may be necessary and attend any meetings or conferences when requested.

c) Access to the appointed representative

We are entitled to obtain from the insured's appointed representative any information, document, or advice relating to a claim under this insurance, whether or not privileged. On request the insured will give any instructions necessary to ensure such access.

d) Instruction of counsel or appointment of expert witnesses

If the appointed representative wishes to instruct counsel or appoint expert witnesses we will not unreasonably withhold our consent. The names of counsel or the expert witnesses must be submitted to us together with an explanation of the necessity for such action.

e) Where a claim for the amount in dispute is unlikely to exceed the small claims track limit

Where a claim for the amount in dispute is unlikely to exceed the small claims track limit we may carry out our own investigation and may attempt to negotiate a settlement. The insured will not unreasonably withhold agreement to any such settlement.

f) Our right to pay the insured instead of paying legal expenses

We may elect to pay the insured a reasonable sum not exceeding the realistic estimated value of any claim instead of paying any legal expenses. Such a decision will be entirely at our discretion and will be in full and final settlement of the insured's claim.

g) Offer of settlement

The insured must inform us in writing as soon as an offer to settle legal proceedings is received or a payment into court is made. The insured will not unreasonably withhold consent to the appointed representative making an offer to settle the legal proceedings.

The insured must not enter or offer to enter into any agreement to settle without our prior written consent. Any such agreement must take into account the Company's interest in the recovery of costs.

If the insured unreasonably withholds agreement to a settlement we reserve the right to withdraw our support.

h) Withdrawal by the insured

Where the Company has provided an indemnity for legal expenses and the insured withdraws from the legal proceedings without our agreement, the Company shall be entitled to reimbursement of all legal expenses paid.

i) Payment of legal expenses

All bills relating to any legal proceedings which the insured receives from the appointed representative should be forwarded to us without delay.

Bills must be certified by the insured to the effect that the charges have been properly incurred and that we are authorised to settle on the insured's behalf. Gross sum bills must be accompanied by a breakdown setting out the work done and rates applied.

If requested the insured must ask the appointed representative to submit the bill of costs for assessment or certification by the appropriate Law Society or court in accordance with the provisions of the Solicitors Act 1974 and/or the Solicitors Remuneration Order 1994.

The provision of indemnity for any legal expenses does not imply that all legal expenses will be paid. If the insured is in doubt we should be consulted.

The insured must not, without our written consent, enter into any agreement with the appointed representative as to the payment of legal expenses.

j) Recovery of costs and expenses

The insured, through the appointed representative, shall be responsible for the repayment to the Company of any:

i) award of costs made in favour of the insured;

or

ii) costs agreed to be paid to the insured as part of any settlement.

When the total amount of legal expenses incurred is within the limit of indemnity, the insured and the Company will share any legal expenses that are recovered according to the proportion paid.

Where the total cost of the legal action exceeds the limit of indemnity, the insured and the Company shall have priority over any other parties with an interest in any costs recovery. The insured and Company shall share such recovery according to the proportion paid, subject to the Company's right of recovery being restricted to the limit of indemnity.

Telephone Calls

Please note that for our mutual protection telephone calls to FirstAssist may be monitored and/or recorded.

Fraud prevention, detection & claims history

In order to prevent and detect fraud we may at any time:

- Share information about you with other organisations and public bodies including the Police;
- Check and/or file your details with fraud prevention agencies and databases, and if you give us false or inaccurate information and we suspect fraud, we will record this. We and other organisations may also search these agencies and databases to:
 - Help make decisions about the provision and administration of insurance, credit and related services for you and members of your household;
 - Trace debtors or beneficiaries, recover debt, prevent fraud and to manage your accounts or insurance policies;
 - Check your identity to prevent money laundering, unless you furnish us with other satisfactory proof of identity
 - Undertake credit searches and additional fraud searches.

We can supply on request further details of the databases we access or contribute to.

LOSS OF LICENCE INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

In the event of the forfeiture suspension or withdrawal of the Licence in force in respect of the Premises the Company will pay to the Insured

- (A) the loss of Gross Profit and the amount payable as indemnity shall be the aggregate of
- (1) Shortage in Turnover less Turnover from Alternative Trading multiplied by the Rate of Gross Profit
 - (2) Additional Expenditure less Savings in Costs
- (B) the reduction in the value of the Premises if the Insured is unable to obtain a licence for a period of twelve months from the date of the forfeiture suspension or withdrawal of the Licence and the Insured sells the Premises
- (C) all costs and expenses incurred by the Insured with the written consent of the Company but not exceeding in any one Period of Insurance the Limit of Indemnity

Exclusions

The Company shall not be liable for loss arising from

1. such refusal to renew a Licence as entitles the Insured to claim compensation under any Statute
2. (A) actual or proposed compulsory acquisition of the Premises
(B) any scheme of town or country planning improvement or redevelopment
(C) redistribution reduction in number or extinguishment of Licences as a result of war damage whether such loss be direct or indirect
3. alteration after the commencement of the Period of Insurance of the law governing the grant surrender renewal suspension forfeiture withdrawal or transfer of Licences unless the Company confirms in writing that the insurance will apply after such alteration
4. failure
(A) other than for good cause to keep open the Premises during the permitted hours
(B) to comply with any direction or requirement of the licensing justices or other authority
(C) to maintain the Premises in good sanitary and general repair
5. refusal to renewal or forfeiture of Licence occasioned wholly or in part by any act or omission by the Insured or by the failure of the Insured to take all reasonable action to maintain the Licence in force
6. the removal suspension or failure to grant or renew any late night afternoon or morning extension of the standard opening hours (England and Wales) or Permitted Hours as defined in Section 53 of the Licensing (Scotland) Act 1976 unless such removal suspension or failure to grant or renew is ancillary to the Licence being removed suspended or not renewed

Interpretations

Licence

The Justices Licence from time to time in force in respect of the Premises (England and Wales) or the licence granted pursuant to the Licensing (Scotland) Act 1976

Turnover

The money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the Business at the Premises

Indemnity Period

The period beginning with the loss of the Licence and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence of the loss of Licence provided that if the Premises are disposed of within the Maximum Indemnity Period after the loss of Licence the Indemnity Period shall terminate either

(A) upon disposal or

(B) 12 months from the loss of Licence whichever is the earlier

Maximum Indemnity Period

12 months

Shortage in Turnover

The amount by which the Turnover during the Indemnity Period shall in consequence of the forfeiture suspension or withdrawal of the Licence fall short of the Turnover which but for the loss of Licence would have been achieved during the Indemnity Period

Turnover from Alternative Trading

The money paid or payable for goods sold and delivered and for services rendered during the Indemnity Period elsewhere than at the Premises either by or on behalf of the Insured for the benefit of the Business

Gross Profit

The amount by which the sum of the amounts of the Turnover Closing Stock shall exceed the sum of the amounts of the Uninsured Working Expenses and Opening Stock

(Note The amounts of the Opening and Closing Stocks shall be arrived at in accordance with the Insured's normal accountancy methods due provision being made for depreciation The words and expressions used in the definition of Uninsured Working Expenses shall have the meaning usually attached to them in the books and accounts of the Insured)

Rate of Gross Profit

The rate which but for the loss of Licence Gross Profit would have borne to Turnover during the Indemnity Period subject to the Other Circumstances Clause

Annual Turnover

The turnover during the twelve months immediately before the date of the Loss of Licence subject to the Other Circumstances Clause

Additional Expenditure

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Shortage in Turnover which would have occurred but for that expenditure but not exceeding the reduction in Gross Profit thereby avoided

Savings in Costs

Any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the loss of Licence

Accountants' or Auditors' Charges

The reasonable charges payable by the Insured to their professional accountants or auditors for producing such particulars or details or any other proofs information or evidence as the Company may require under the terms of the Claims Condition of this Policy and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents

Uninsured Working Expenses

Purchases and discounts relative thereto and bad debts

Special Provisions

1. To the extent that the Insured is accountable to the tax authorities for Value Added Tax all terms in this insurance shall be exclusive of such tax
2. For the purpose of the Interpretations contained in this insurance any adjustment implemented in current cost accounting shall be disregarded
3. Other Circumstances Clause

In arriving at any figure subject to this clause regard shall be taken of the trend of the Business and of all circumstances that affected the Business either before or after the loss of Licence or which would have affected the Business had the loss of Licence not occurred

4. Production of Information Clause

Any particulars or details contained in the Insured's books of account or other Business books or documents which the Company may require under the terms of the Claims Conditions of this Policy for the purpose of investigating or verifying any claim for loss of Gross Profit may be produced by professional accountants or auditors if at any time they were regularly acting for the Insured as such and their report shall be prima facie of the particulars and details to which such report relates

Special Conditions

1. The Duties of the Insured

The Insured shall give the Company written notice within forty-eight hours of receiving information whether oral or written that

- (A) any notice caution or complaint has been given or made against the Premises or the tenant manager occupier or Licence holder or that such person has been summoned or charged with or convicted of or committed for trial for any offence whatsoever
- (B) an application for renewal is to be opposed or that its consideration is adjourned or referred to the compensation authority or the Licence holder is required to give any undertaking or structural alterations are required
- (C) the Licence holder has died become bankrupt absconded or been rendered incapable by sickness or other infirmity of carrying on business

2. Claims

Notwithstanding Claims Condition 2 of this Policy

The Insured shall give the Company written notice within twenty four hours of the forfeiture suspension or refusal to renew any licence or of any event likely to prejudice the Licence coming to the knowledge of the Insured stating (as far as the Insured are able) the grounds on which any order was made or the particulars of such event and the Company shall be entitled to appeal name of the Insured against any such refusal to renew forfeiture or suspension and shall have full discretion in the conduct of any proceedings The Insured shall give the Company all such assistance as the Company may require

3. Alterations

No alteration to the Premises shall be made without the sanction of the licensing and other competent authorities and no application shall be made for the removal of the Licence to other premises nor shall any offer be made to surrender or discontinue any Licence without the written consent of the Company The Insured shall from time to time give all such information as the Company may require for any purpose connected with this insurance and the risk hereby insured against and any of the duly authorised representatives of the Company may at all reasonable times enter and inspect the Premises.

4. The Rights of the Company

The Company shall exercise against the tenant manager or occupier of any Premises and the Licence holder all rights powers and privileges which the Insured may be entitled so to exercise and which may be calculated to protect any Licence against loss or to protect the interest of the Insured The Insured shall make all such applications including application to the Magistrates Court for a protection order and generally do all such acts or things which the Insured may be entitled to do under the Licensing Acts or otherwise and which are calculated or intended to prevent the loss of any Licence by non-renewal forfeiture or suspension In the event of the death bankruptcy or incapacity of any tenant manager occupier or Licence holder or if any such person shall abscond or be convicted of any offence the Insured shall procure a suitable person to replace him and forthwith make application for the transfer of the Licence or grant of the Licence by way of renewal to such other person

PERSONAL ACCIDENT AND TRAVEL INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

GENERAL DEFINITIONS

Accident

A sudden unexpected unforeseen and identifiable incident

Aircraft Accumulation

All Insured Persons travelling in any aircraft or airship

Annual Salary

The total annual remuneration as declared and upon which the premium is based excluding payments for overtime commission or bonus (unless specifically agreed otherwise) payable by the Insured to the Insured Person at the date bodily injury following an Accident is sustained

Assault

While the Insured Person is engaged upon duties incidental to the Business and as a direct result of assault other than by the explosion of any bomb or explosive device Cover will also apply where the assault is a direct consequence of the Insured Person's employment with the Insured

Baggage

Personal effects business equipment and trade samples belonging to in the custody or control of or for which the Insured Person is responsible for at the time of the loss

Britain

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

Business

The Business description as detailed in the Schedule

Child

Any child of an Insured Person who is unmarried and dependent and under 18 years of age or under 25 years of age if in full-time education

Detention

Unlawful prevention of an Insured Person from returning to Britain or country of residence

Director

Any person holding the position of director with the Insured but excluding non-executive directors unless otherwise agreed in writing with the Company

Employee

Any person under a contract of service or apprenticeship with the Insured excluding any Director

Hijack/Hijacked

Unlawful seizure of an aircraft or other conveyance in which the Insured Person is travelling

Hospital

Any institution which meets fully every one of the following criteria

- A** maintains permanent and full time facilities for the care of overnight resident patients and
- B** has diagnostic and therapeutic facilities for the surgical and medical diagnosis treatment and care of injured and sick persons by or under the supervision of a staff of Medical Practitioners and

- C** continuously provides 24 hours a day nursing service supervised by state registered nurses or by persons with equivalent qualifications and
- D** is not other than incidentally an institution which provides full time facilities for
 - i)** mentally ill or mentally handicapped persons
 - ii)** nursing or convalescing
 - iii)** aged persons of 70 years or more
 - iv)** drug addicts
 - v)** alcoholics

Incident

All individual losses arising out of and directly occasioned by one sudden unexpected specific event occurring at an identifiable time and place

Insured

As detailed in the Schedule

Insured Journey

As detailed in the Schedule

Insured Person

Any person or category of persons as detailed in the Schedule

Kidnap

Unlawful seizure of an Insured Person

Loss of Eye

Permanent and total loss of sight which will be considered as having occurred

- A** in both eyes if the Insured Person's name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist
- B** in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Insured Person should see at 60 feet)

Loss of Limb

- A** in the case of a leg loss by permanent physical severance at or above the ankle or permanent and total loss of use of a complete foot or leg
- B** in the case of an arm loss by permanent physical severance of the four fingers at or above the meta carpo phalangeal joints (where the fingers join the palm of the hand) or permanent and total loss of use of a complete arm or hand

Medical Expenses

The cost of medical surgical or other remedial attention treatment or appliances given or prescribed by a Medical Practitioner and all Hospital nursing home and ambulance charges

Medical Practitioner

Any legally qualified medical practitioner other than

- A** an Insured Person
- B** a member of the immediate family of an Insured Person
- C** a Director or Employee of the Insured

Money and Credit Cards

Coins bank and currency notes cheques postal and money orders travellers cheques travel tickets and petrol and other coupons which have current monetary value and any credit charge cheque bankers or cash card issued in Britain or country of residence to the Insured or the Insured Person provided that such Money and Credit Cards had been obtained for travel accommodation meals and personal spending during the Insured Journey and belonged to or was in the custody and control of or for which the Insured Person was responsible for at the time of the loss

Nuclear Chemical or Biological Cause

Use of any nuclear weapon or device or the deliberate emission discharge dispersal release or escape of any solid liquid or gaseous chemical agent and/or Biological agent

Biological agent shall mean any pathogenic micro-organism and/or biologically produced toxin(s) including genetically modified organisms and chemically synthesised toxins

Proposal

The Proposal or Statement of Fact including any renewal declaration and information supplied by or on behalf of the Insured in addition to or in connection with or in substitution thereof

Spouse

The legally married spouse of an Insured Person or any other person who is not a Child who the Insured consents to be covered by this Policy

Terrorism

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

War

War invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

DEFINITION OF OPERATIVE TIMES

24 Hour

At any time

Occupational Accidents Only

While engaged on the Insured Person's occupation in the Business including at any time while travelling with the express permission of the Insured excluding Commuting or as a result of Assault

While travelling Insurance operates from the departure of the Insured Person from residence or place of Business (whichever occurs first) until arrival back at such residence or place of Business (whichever occurs last) at the end of the journey

Commuting

While in the course of daily travel directly between residence (normal or temporary) and place of Business (normal or temporary)

Away from Premises

While the Insured Person is travelling on the Business of the Insured and is not on any of the Insured's premises Insurance operates from the departure of the Insured Person from residence or normal place of Business (whichever occurs first) until arrival back at such residence or place of Business (whichever occurs last) at the end of the journey whether the accident occurs in the course of the Insured Person's business duties or not excluding Commuting

External Journey

Any journey undertaken by the Insured Person on the Business of the Insured (including incidental holiday taken in conjunction with the trip) which commences during the Period of Insurance and involves travel from the Insured Person's normal country of residence

The duration of an External Journey shall not exceed 12 months duration unless otherwise agreed in writing with the Company

Insurance operates from the departure of the Insured Person from the Insured Person's residence or place of Business in their normal country of residence (whichever occurs first) until arrival back at such residence or place of Business (whichever occurs last) at the end of the journey

Internal Journey

Any journey undertaken by the Insured Person on the Business of the Insured (including incidental holiday taken in conjunction with the trip) which commences during the Period of Insurance and involves travel within the Insured Person's normal country of residence but only if the journey requires the Insured Person to obtain overnight accommodation away from their normal residence or involves flying as a passenger where the flight has been booked before commencing the journey

Insurance operates from the departure of the Insured Person from the Insured Person's residence or place of Business in their normal country of residence (whichever occurs first) until arrival back at such residence or place of Business (whichever occurs last) at the end of the journey

Occupants of Vehicles

While the Insured Person is mounting into travelling in dismounting from or undertaking roadside repair of any vehicle owned by the Insured or hired by the Insured or any vehicle being used as a temporary replacement for such vehicle including bodily injury following an Accident sustained in direct connection with such vehicle

Assault

While the Insured Person is engaged upon duties incidental to the Business and as a direct result of assault other than by the explosion of any bomb or explosive device Cover will also apply where the assault is a direct consequence of the Insured Person's employment with the Insured

Robbery

While the Insured Person is engaged or thought to be engaged upon duties incidental to the Business and as a direct result of robbery or hold up (actual or attempted)

Inching and Crawling

While the Insured Person is working on the Insured's printing machinery as it is being inched or crawled

GENERAL CONDITIONS

Acquisition Clause

If during the Period of Insurance the Insured acquires or creates any new office branch subsidiary or Associated Company either directly or through one of its subsidiaries cover shall automatically apply from such date of acquisition or creation (provided either the wageroll or number of Insured Persons or travel pattern does not increase by more than 10% of the estimate provided at inception or renewal) at no additional charge

Otherwise the Company agrees to provide cover from the date of creation or acquisition for a period of 30 days during which time the Insured shall provide any additional information and pay any additional premium as may be reasonably required by the Company

Associated Companies

Where this Policy covers associated companies a list of these companies shall be provided to the Company

Cancellation of Terrorism or War Risks Cover

The Company may cancel any insurance provided by this Policy against War or Terrorism by giving 7 days notice to the Insured at the Insured's last known registered address The insurance in respect of any journey involving travel outside the Insured Person's country of residence which commences before the expiry of such notice shall not be affected

GENERAL CLAIMS SETTLEMENT CONDITIONS

Assignment

The Company will not be bound to accept or be affected by any trust charge lien assignment or other dealing with or relating to this Policy

Claims Notification

As a condition precedent to the Insured's right to be indemnified under this Policy the Insured must provide notification to the Company no later than 90 days of the occurring of any Accident Incident event or circumstance which may give rise to a loss which is covered under this Policy except as provided herein

Evidence Required

The Insured must produce for the Company at the Insured's own expense all the detailed particulars and evidence relating to the cause and amount of the loss damage or expenses If the Company considers it necessary each Insured Person must also agree to have a medical examination (which the Company will pay for) as often as the Company may require in connection with any claim

Foreign Currency

Claims involving foreign currency will be converted into the appropriate currency at the selling rate of exchange published in the Financial Times on the day nearest to the date of the loss or as otherwise paid via documented credit card transaction or as agreed in advance in writing with the Company

Interest

Interest will not be added to any amount paid

Other Insurances

If at the time of an event giving rise to a claim there is any other insurance policy in force in the Insured's name which also covers the Insured or the Insured Person concerned for the same expense loss damage or liability then the Company will only pay a proportion of the claim such proportion being determined by reference to the cover provided under each of the relevant policies Personal Accident Benefits will be payable in full subject to the Maximum Incident Limit (and inner limits where applicable)

Other Interests

The Insured's receipt shall discharge the Company's liability to pay any amount in respect of a claim The Insured Person or the Insured Person's personal representatives shall have no right to claim from or sue the Company If the Insured comprises more than one party having an interest in the Insured Person or the property insured the settlement made by the Company shall represent the total amount payable in respect of that Insured Person or property for all interests covered by this Policy

Reasonable Care

The Insured and each Insured Person must take all reasonable steps to avoid or minimise any loss or damage and must also make every reasonable effort to recover any property which has been lost or stolen

Third Party Contract Rights

No person other than the Insured or the Company may enforce the terms of this Policy and the provisions of the Contract (Rights of Third Parties) Act 1999 do not apply

GENERAL POLICY EXCEPTIONS

The Company will not pay any claim

- 1** which is directly or indirectly as a result of or contributed to by War in Britain or the Insured Person's normal country of residence
- 2** after the expiry of the Period of Insurance in which the Insured Person attains the age of 80 years

PERSONAL ACCIDENT INSURANCE SECTION

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

The Cover

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death or Disablement the Company will pay to the Insured the appropriate Benefit shown in the Schedule subject to the Maximum Incident Limit (and inner limits where applicable) as detailed in the Schedule

Special Definitions applying to this Section Benefits

A under Standard Scale

- 1 Death
- 2 Loss of two or more Limbs or Loss of both Eyes or one of each
- 3 **A)** Loss of one Limb or Loss of one Eye
B) Permanent total loss of speech
C) Permanent total loss of hearing
 - i) in both ears
 - ii) in one ear (see Special Condition G)
- 4 Permanent Total Disablement from the Insured Person's usual occupation in the Business
- 5 Temporary Total Disablement from the Insured Person's usual occupation in the Business
- 6 Temporary Partial Disablement i.e. disablement from a substantial part of the Insured Person's usual occupation in the Business

B under Continental Scale

- 1 Death
- 2 Loss of two or more Limbs or Loss of both Eyes or one of each

The amount payable for Benefit 3 shall be a percentage of the amount shown in the Schedule The following scale states the percentages applicable to the forms of disablement specified For forms of permanent disablement not specified the degree of disability will be assessed by comparison with the percentages shown in the scale without taking into account the Insured Person's occupation The appropriate percentage shall be applied to the amount for Benefit 3 shown in the Schedule or to the Limit per Person under Benefit 3 whichever is the lesser

- 3 **A)** Loss of Eye 100%
B) Permanent and total loss of speech 100%
C) Permanent and total loss of hearing
 - i) in both ears 100%
 - ii) in one ear 25%

Loss by permanent physical severance or permanent and total loss of use of

- D)** one Limb 100%
- E)** one big toe 15%
- F)** any other toe 6%
- G)** one thumb 30%
- H)** one forefinger 20%
- I)** any other finger 10%

Permanent total loss of use of

J) shoulder or elbow 25%

K) wrist hip knee or ankle 22%

Removal by surgical operation of

L) lower jaw 30%

4 Permanent Total Disablement from the Insured Person's usual occupation in the Business

5 Temporary Total Disablement from the Insured Person's usual occupation in the Business

6 Temporary Partial Disablement i.e. disablement from a substantial part of the Insured Person's usual occupation in the Business

Disablement

Benefits 2 to 6

Definition of Operative Times

The Operative Time shown in the Schedule shall have the meanings as shown in the Definitions of Operative Times

Maximum Incident Limit

The maximum amount the Company will pay under this Policy and any other policy of Personal Accident Insurance issued by the Company in the Insured's name in respect of all losses and in respect of all Insured Persons arising out of one and the same Incident

The duration and radius of any one Incident shall be limited to

A 72 consecutive hours

B 100 miles

No loss which occurs outside this distance or period shall be included in that Incident

Special Conditions applying to this Section

Benefits

- A** The Company will not pay in respect of any one Insured Person more than one of Benefits 1 to 4 in connection with the same Accident
- B** On the happening of an Accident giving rise to a claim for 100% of the amount for any of Benefits 2 to 4 this Policy will not cover any further Accident to that Insured Person
- C** The Company will pay any amount claimed for Benefit 5 or 6 in addition to any amount claimed under Benefits 1 to 4 in connection with the same Accident
- D** Loss of Limb or Eye or speech or hearing must be proved to the reasonable satisfaction of the Company to be permanent and without expectation of recovery before the Company will pay for Benefit 2 or 3 Permanent Total Disablement must be proved to the reasonable satisfaction of the Company to be permanent and without expectation of recovery and any claim for Benefit 5 or 6 must have been settled in full before the Company will pay for Benefit 4
- E** **i)** If Benefit 1 is not included for an Insured Person the Company will not pay for Loss of Limb or Eye or speech or hearing until at least thirteen weeks after the date of the Accident and the Company will only then pay if the Insured Person has not in the meantime died as a result of the Accident
- ii)** If Benefit 1 is included but the amount payable thereunder is less than the amount for Loss of Limb or Eye or speech or hearing the Company will not pay more than the amount for Benefit 1 until at least thirteen weeks after the date of the Accident and the Company will only then pay the balance if the Insured Person has not died in the meantime as a result of the Accident
- F** If Benefit 3 under Continental Scale is claimed in respect of the same Insured Person for more than one form of permanent disablement as the result of the same Accident the total of the percentages payable shall not exceed 100% of the amount for Benefit 3 If a claim is payable for loss of use of a whole member of the body a claim for parts of that member cannot also be made

- G** If Benefit 3 under Standard Scale is claimed for permanent total loss of hearing in one ear the Company will not pay more than 25% of the amount which would have been payable had the claim been for permanent total loss of hearing in both ears

Disappearance

In the event of the disappearance of an Insured Person if after a suitable period of time it is reasonable to believe that Death has occurred as a result of bodily injury following an Accident Benefit 1 shall become payable subject to a signed undertaking by the Insured that if the belief is subsequently found to be wrong such amount shall be refunded to the Company

Exposure

If an Insured Person suffers Death or Disablement as a result of exposure to the elements the Company will consider that as having been caused by bodily injury following an Accident

Minors

If the Insured Person is i) under the age of 16 or ii) aged 16 or 17 and is not one of the Insured's Employees

- A** The amount for Benefit 1 will be limited to £20,000
- B** Benefit 4 shall be defined as Permanent Total Disablement from gainful employment of any and every kind
- C** No amount will be payable under Benefit 5 or 6

Non-Employees

If the Insured Person is not an Employee or Director of the Insured Benefit 4 shall be defined as Permanent Total Disablement from any gainful employment for which the Insured Person is fitted by way of training education or experience

Special Extensions applying to this Section

Accident Medical Expenses

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of the incurring of Accident Medical Expenses the Company will pay up to 25% of any amount paid under Benefits 1 to 6 subject to a maximum of £20,000 any one Insured Person

Catastrophe

If during an External Journey or Internal Journey an Incident results in payment of the Death benefit for five or more Directors or Employees of the Insured who are covered under the Personal Accident Section of this Policy the Company will pay to the Insured an additional 25% of the total Sum Insured payable relative to those five Directors or Employees subject to the Maximum Incident Limit (and inner limits where applicable) as detailed in the Schedule

Coma Benefit

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within 90 days is the sole and independent cause of the Insured Person being in a continuous unconscious state the Company will pay £50 per full 24 hours up to a maximum of one hundred and four weeks any one Insured Person while they remain in a continuous unconscious state

Disability Assistance

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of permanent disablement for which Benefit 2 3 or 4 is claimed the Company will pay necessary expenses incurred with the Company's prior written consent to make alterations to the Insured Person's home or car as a direct and necessary result of the permanent disability suffered up to a maximum of £20,000

Funeral Expenses

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death the Company will pay the necessary costs incurred with the Company's prior written consent for funeral expenses up to a maximum of £10,000 any one Insured Person subject to this not being included in any claim under the Medical and Emergency Travel Expenses Insurance Section

Hospitalisation

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of the Insured Person being admitted to Hospital on the recommendation of a Medical Practitioner the Company will pay £50 per full 24 hours up to a maximum of fifty two weeks any one Insured Person while they are a Hospital in-patient subject to this not being included in any claim under the Medical and Emergency Travel Expenses Insurance Section

Retraining

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of the Insured Person suffering Permanent Total Disablement from the Insured Person's usual occupation in the Business for which the benefit is claimed the Company will pay reasonable expenses incurred in retraining the Insured Person for an alternative occupation with the Insured up to a maximum of £10,000

Exceptions to this Section

The Company will not pay any Benefit where bodily injury following an Accident is the result of or is contributed to by

- 1** the Insured Person committing or attempting to commit suicide or as a result of self inflicted injury
- 2** the Insured Person engaging in flying of any kind other than as a passenger
- 3** illness or disease (not resulting from bodily injury following an Accident)
- 4** any naturally occurring condition or degenerative process
- 5** any gradually operating cause
- 6** post traumatic stress disorder or any psychological or psychiatric condition (not resulting from bodily injury following an Accident)
- 7** radioactive contamination whether arising directly or indirectly
- 8** War or Terrorism occasioned by any Nuclear Chemical or Biological Cause other than as provided under the Personal Accident Nuclear Chemical or Biological Cause Extension

PERSONAL ACCIDENT INSURANCE SECTION - NUCLEAR CHEMICAL OR BIOLOGICAL CAUSE EXTENSION

The cover provided hereunder is an extension to the Personal Accident Section of this Policy but only where the Personal Accident Section of the Policy provides cover for an operative time of 24 Hour Occupational Accidents Only or Occupational Accidents Only including Commuting for any Category of Insured Persons

The Cover

If whilst on any Premises of the Insured the address of which has been declared to the Company at inception and at each subsequent renewal the Insured Person sustains bodily injury following an Accident occasioned by any Nuclear Chemical or Biological Cause as a direct or indirect result of Terrorism which within 26 weeks is the sole and independent cause of Death or Disablement for which the Benefit is claimed the Company will pay to the Insured the appropriate Benefit shown in the Personal Accident Schedule subject to the Maximum Incident Limit (and inner limits where applicable) as detailed in the Schedule

General Definitions applying to this Extension

The General Definitions applying to this Policy apply to this Extension with the exception of Incident which shall be amended below

Incident

All individual losses arising out of and directly occasioned by one sudden unexpected specific event occurring at an identifiable time within 50 metres of the Insured's Premises

Special Definitions applying to this Extension

The Special Definitions applying to the Personal Accident Insurance Section of this Policy apply to this Extension except as amended below

Disablement

Benefits 2 - 4

The following additional Special Definition applies to this Extension

Premises

Interior portion of a building with a singular identifiable address in Britain owned or leased by the Insured in the conduct of their Business

Special Conditions applying to this Extension

Special Conditions applying to the Personal Accident Insurance Section apply to this Extension

Special Claims Settlement Condition applying to this Extension

The Special Claims Settlement Conditions applying to this Policy apply to this Extension except as amended below

Claims Notification

As a condition precedent to the Insured's right to be indemnified under this Extension the Insured must provide written notification to the Company no later than 35 days of the occurring of any Accident Incident event or circumstance which may give rise to a loss which is covered under this Extension

Special Extensions to this Extension

Special Extensions applying to the Personal Accident Insurance Section apply to this Extension with the exception of Catastrophe which does not apply

Exceptions to this Extension

Exceptions applying to the Personal Accident Insurance Section apply to this Extension

The following additional Exceptions also apply to this Extension

- 1.** The Company will not pay any Benefit where bodily injury following an Accident is the result of or is contributed to by deliberate emission discharge release or escape from an aircraft of
 - a)** any nuclear weapon or device or
 - b)** any solid liquid or gaseous chemical agent and/or Biological agentas a direct or indirect result of Terrorism as defined
- 2.** The Company will not pay any Benefit where bodily injuring following an Accident is the result of or is contributed to by
- 3.**
 - a)** the Insured Person taking an active part in the creation transportation use or release of any nuclear weapon or device or the deliberate emission discharge dispersal release or escape of any solid liquid or gaseous chemical and/or Biological agent
 - b)** bodily injury has not been diagnosed by a qualified Medical Practitioner within 28 days of the Insured Person's exposure to any Accident Incident event or circumstance

BAGGAGE INSURANCE SECTION

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

The Cover

If during an Insured Journey an Insured Person's Baggage is lost damaged stolen or destroyed the Company will indemnify the Insured on behalf of the Insured Person concerned for the cost of repair or replacement

The Company will pay

the cost of replacement as new (or at the Company's option will replace as new) except for items that can be economically repaired (including clothing) where the cost of repair will be paid up to the appropriate Sum Insured shown in the Schedule in respect of any one Insured Person less any amount recoverable from the transport provider

Special Extensions applying to this Section

Delayed Baggage

In the event of the Insured Person's Baggage being lost for more than 4 hours the Company will reimburse the Insured on behalf of the Insured Person concerned up to £1,000 towards the cost of purchasing emergency replacement clothing toilet requisites and similar items

Loss of Keys

If during an Insured Journey the keys to the external doors safes or alarms of the Insured Person's home are lost damaged stolen or destroyed the Company will indemnify the Insured on behalf of the Insured Person concerned for the replacement of the lock mechanisms up to £500

Automatic reinstatement of Sum Insured after a loss

In respect of any one Insured Person the Sum Insured shall not be reduced by the amount of any loss during any one Insured Journey and no additional premium shall be payable for such automatic reinstatement of cover

Exceptions to this Section

The Company will not pay

- 1 more than £1,000 or 25% of the appropriate Sum Insured whichever is the greater in respect of any one item pair or set
- 2 for loss or damage theft or destruction of Money and Credit Cards bonds negotiable instruments securities of any kind
- 3 for loss or damage or destruction caused by
 - a) wear and tear depreciation moth vermin atmospheric or climatic conditions or any other gradually operating cause
 - b) any process of cleaning dyeing repairing or restoring
 - c) delay confiscation or detention by order of any Government or Public Authority
- 4 for mechanical or electrical breakdown or derangement
- 5 for loss damage theft or destruction of trade samples exceeding £1,000 in total or where insured under a more specific insurance
- 6 for any Baggage that is lost damaged stolen or destroyed while being shipped as freight or under a bill of lading
- 7 for any consequential loss other than provided for under the Loss of Keys Special Extension

CANCELLATION CURTAILMENT (INCLUDING REPLACEMENT AND REARRANGEMENT) AND CHANGE OF ITINERARY INSURANCE SECTION

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

The Cover

Cancellation

If the Insured or the Insured Person is forced to cancel an Insured Journey as a direct and necessary result of any cause outside the Insureds or the Insured Person's control the Company will reimburse the Insured for all deposits advance payments and other charges for transport and accommodation

Curtailement

If the Insured or the Insured Person is forced to cut short an Insured Journey and return to their normal country of residence as a direct and necessary result of any cause outside the Insureds or the Insured Persons control the Company will reimburse the Insured

- A** on a pro rata basis for all deposits advance payments and other charges for transport and accommodation
- B** for the additional cost of travel and accommodation necessarily incurred to return the Insured Person to their normal country of residence

Replacement and Rearrangement following Curtailement

Following the Curtailement of an Insured Journey the Company will reimburse the Insured for the additional cost of travel and accommodation necessarily incurred as a direct result of

- A** the sending of a replacement for the Insured Person to assume the duties of that Insured Person
- or
- B** rearrangement of the Insured Person's Insured Journey to resume his or her duties within six months of Curtailement

Change of Itinerary including Missed Departure

If after departure the Insured or the Insured Person is forced to alter pre-booked arrangements in connection with an Insured Journey as a direct and necessary result of any cause outside the Insured's or the Insured Person's control the Company will reimburse the Insured for the additional cost of travel and accommodation necessarily incurred to enable the Insured Person to continue that Insured Journey

The Company will pay

up to the cost of the Insured Journey including those trips on the Insured's Business funded for wholly or in part by air miles but not exceeding the appropriate Sum Insured in respect of any one Insured Person subject to the Incident Limit as detailed in the Schedule

Exceptions to this Section

The Company will not pay

in respect of any claim as a result of

- 1** disinclination to travel
- 2** the Insured Person committing or attempting to commit suicide or as a result of self inflicted injury
- 3** the Insured Person engaging in flying of any kind other than as a passenger
- 4** redundancy of the Insured Person or any of the Insured's Employees
- 5** the Insured's financial circumstances
- 6** the financial failure or omission or neglect of any provider (or their agent) of transport or accommodation
- 7** regulations made by any Government or Public Authority

- 8** withdrawal from service temporarily or permanently of any means of transport on the orders or recommendation of any Port Authority or the Civil Aviation Authority or any similar body in any country
- 9** strike labour dispute mechanical breakdown or failure of the means of transport other than where the departure of any means of transport on which the Insured Person is booked to travel is delayed by at least 4 hours unless the delay is due to a strike or industrial action which existed or of which advance warning had been given prior to the date on which the journey was booked
- 10** circumstances involving a person who is travelling or intending to travel against the advice of a Medical Practitioner or for the purpose of obtaining treatment

HIJACK KIDNAP AND DETENTION INSURANCE SECTION

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

The Cover

If in the course of an Insured Journey the means of transport in which the Insured Person is travelling is Hijacked or the Insured Person is kidnapped or illegally detained in the country visited the Company will compensate the Insured on behalf of the Insured Person concerned as detailed below

The Company will pay

in respect of each Insured Person

- A** £300 for each day or part of a day during which the Insured Person is detained by the hijackers or kidnapers or is illegally detained
- B** the additional cost of travel and accommodation necessarily incurred as a direct result of the Insured Person being Hijacked kidnapped or illegally detained
- C** for expenses necessarily incurred in the engagement of independent advisers including security public relations legal and medical advisers with the knowledge and agreement of the Company up to a maximum of £50,000 per Insured Person

LEGAL EXPENSES INSURANCE SECTION

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

The Cover

If an Insured Person sustains Injury during an Insured Journey and within the Period of Insurance the Company will pay to the Insured on behalf of the Insured Person Legal Expenses incurred by the Insured Person or their Legal Personal Representative in pursuit of compensation against the third party who has caused the Injury

The Company will pay

up to a maximum of £50,000 Any One Claim any one Insured Person

Special Definitions applying to this Section

Any One Claim

All Legal Proceedings including appeals arising from or relating to the same original cause or event

First Assist Insurance Services Limited ("FISL") handle claims on behalf of the Company FirstAssist is a third party service provider approved by Royal & Sun Alliance Insurance plc

First Assist Insurance Services Limited
Claims Department
Marshall's Court
Marshall's Road
Sutton SURREY
SM1 4DU
Telephone: 020 8652 1313

Injury

Physical injury to or death disease or illness of the Insured Person

Legal Expenses

- A** Any fees (other than those charged only on the successful outcome of the Legal Proceedings) expenses or other disbursements including costs and fees of expert witnesses reasonably incurred by the Legal Personal Representative in connection with the Legal Proceedings or in appealing or resisting an appeal against the judgement of any court in connection with any Legal Proceedings
- B** Any costs payable by the Insured Person following an award of costs by any court and any costs payable following an out of court settlement to which FISL has agreed and which is made in connection with any Legal Proceedings

Legal Personal Representative

A solicitor or other suitably qualified person appointed to act for the Insured Person or their Legal Personal Representatives in any Legal Proceedings

Legal Proceedings

The pursuit of a legal action in a civil court

Claims Settlement Conditions applying to this Section

Arbitration

If there is a dispute between the Insured Person and the Company or FISL about this Section of the Policy it can be taken to an independent arbitrator The arbitrator will be a solicitor or barrister whom the Insured Person and FISL agree to If FISL cannot agree with the Insured Person or an arbitrator the President of the Law Society (or similar organisation) will choose the arbitrator The side that loses the arbitration will pay the costs of the arbitration If the decision is not totally in favour of one side the arbitrator will decide who pays the costs If the Insured Person loses or is asked to pay a share of the costs these costs will not be covered under this Section

Co-operation

FISL must be able to contact the Legal Personal Representative The Insured Person and the Legal Personal Representative must co-operate with FISL about developments concerning the Insured Persons case FISL must be able to have access to the Legal Personal Representatives files if FISL requests this

Notification

As a condition precedent to the Insured's right to be indemnified under this Policy the Insured must inform FISL by filling in a claim form within 90 days of the occurrence of the event giving rise to the claim. The Insured must give FISL a full and truthful account of the details of the claim. Until FISL have been told about the claim and FISL has given its agreement the Company will not be responsible for any Legal Expenses.

Payment of Bills

The Insured Person must send FISL all bills for the Legal Personal Representative's Legal Expenses as soon as the Insured Person receives them. The Insured Person must confirm that any charges to be paid are acceptable and that FISL may pay the bill for the Insured Person. If FISL asks the Insured Person must ask the Legal Personal Representative to submit the bill of costs for taxation or ask the Law Society to certify them according to the Solicitors Act 1974 or the Solicitors Remuneration Order 1972.

Recovery

The Insured Person and the Legal Personal Representative must take every step to recover Legal Expenses. If the Company pay Legal Expenses up to the maximum for Any One Claim and the Insured Person pays more Legal Expenses to end the case the Company and the Insured Person will share any Legal Expenses that are recovered. The Company and the Insured Person will each receive the same percentage as was paid.

Selection of the Legal Personal Representatives

Outside the European Union FISL shall have complete control over the Legal Proceedings and the selection, appointment and control of any Legal Personal Representatives.

For claims within the European Union

In the period before FISL and the Insured Person can agree that Legal Proceedings are necessary, FISL may take on and carry out any negotiations in the Insured Person's name. The Insured Person must agree to a settlement which is reasonable.

If FISL agrees that Legal Proceedings are necessary but is not able to act for the Insured Person (or the Insured Person does not want FISL to act) then FISL will agree with the Insured Person or a representative to act. FISL will suggest representatives who will be willing and able to act for the Insured Person. If the Insured Person prefers not to use a representative from this list FISL will consider this choice. The Insured Person will need to satisfy FISL that the chosen representative has the necessary expertise to deal with the Legal Proceedings. The Insured Person must also confirm that he or she will not charge more than a representative on the list unless the Insured Person agrees to pay this difference personally.

If FISL and the Insured Person cannot agree on whether Legal Proceedings are necessary or on the choice of Legal Personal Representative the Insured Person can take the matter to an independent arbitrator. This process is set out in the Arbitration condition above. Any representative chosen is appointed to act for the Insured Person.

Settlement

The Insured Person must tell FISL if an offer is made to settle the Legal Proceedings and must not negotiate or agree to settle the dispute without having FISL's agreement beforehand. If the Insured Person does not accept a reasonable offer the Company may not continue to support the claim.

Exceptions to this Section

The Company will not pay any Legal Expenses in respect of

- 1 any Legal Expenses incurred either prior to the granting of support by FISL or without FISL's written consent
- 2 costs in excess of £100,000 where the same original cause event or circumstance gives rise to claims by more than two Insured Persons
- 3 Legal Proceedings between any Insured Person and the Insured or any other Insured Person
- 4 any claim where FISL considers
 - a) that there are not reasonable prospects of successfully pursuing or defending the Legal Proceedings or achieving a reasonable outcomeor
 - b) that a reasonable estimate of the Insured Person's total irrecoverable Legal Expenses is greater than the amount in dispute. However where it is fair and reasonable to do so the Company may at FISL's sole discretion offer the Insured Person a cash settlement in substitution for the reimbursement of Legal Expenses.

- 5** any costs relating to a claim or counterclaim made against the Insured Person by any other party
- 6** fines damages or penalties of any nature
- 7** any claim against FISL or the Company or any person or business acting on their behalf in respect of the cover terms conditions and limitations of this Policy or any service advice or arrangements given in connection with this policy
- 8** any claim arising out of any wilful deliberate reckless or intentional action taken by an Insured Person
- 9** actions undertaken in more than one country
- 10** any Legal Proceedings directly or indirectly caused by contributed to or arising from or in connection with any accident involving a mechanically propelled vehicle or trailer owned by the Insured Person
- 11** any Legal Proceedings in respect of which the Insured is or but for the existence of this Policy would be entitled to indemnity under any other insurance policy held by the Insured or any policy which the Insured is required to hold by law
- 12** the pursuit or defence of any action alleging defamation or malicious falsehood
- 13** the defence of civil Legal Proceedings made or brought against the Insured that arise out of or relate to
 - a)** the death disease or illness of or bodily injury to any person
 - b)** the actual or alleged breach of any duty owed as a Director or officer of any company
 - c)** the Insured's profession trade or occupation
 - d)** the loss destruction or damage of or to any property This also includes loss of use of property which cannot be used because of the loss destruction or damage
- 14** Legal Proceedings in constitutional international or supranational Courts or tribunals other than the European Court of Justice and the Commission and Court of Human Rights
- 15** any consequence of War

MEDICAL AND EMERGENCY TRAVEL EXPENSES INSURANCE SECTION

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

The Cover

If during an Insured Journey an Insured Person falls ill or sustains bodily injury following an Accident the Company will indemnify the Insured in respect of Medical and Emergency Travel Expenses which are necessarily incurred as a direct result

The Company will pay

up to the appropriate Sum Insured shown in the Schedule for all Medical and Emergency Travel Expenses incurred in respect of any one Insured Person

Special Definitions applying to this Section

Medical Expenses

The cost of medical surgical or other remedial attention treatment or appliances given or prescribed by a Medical Practitioner and all Hospital nursing home and ambulance charges

- A** incurred on an External Journey and within two years of the date that the need for treatment first arises
- B** incurred within Britain or the Insured Person's country of residence on return from an External Journey for an amount not exceeding £25,000 per Insured Person and incurred within three months of the Insured Person's return to Britain or normal country of residence

Dental and optical expenses are included only if necessitated by bodily injury following an Accident or incurred for emergency treatment

Emergency Travel Expenses including Repatriation

The additional costs incurred on an Insured Journey (less any saving by or recovery available to the Insured Person concerned) of travel accommodation rescue and repatriation incurred upon the recommendation of FirstAssist in respect of the Insured Person or of any business colleague relative or friend (up to a maximum of two persons) who have necessarily to travel to or remain with or escort the Insured Person

Funeral Expenses

If during the course of an Insured Journey the Insured Person dies the Company will pay up to a maximum of £10,000 for the necessary cost incurred with the Company's prior consent of funeral expenses and in the case of death outside the Insured Person's normal country of residence the necessary cost of transporting the body or ashes and the Insured Person's Baggage to their normal country of residence

Hospitalisation Benefit

If during the course of an Insured Journey the Insured Person is admitted to a Hospital on the recommendation of a Medical Practitioner the Company will pay £50 per full 24 hours up to a maximum of 52 weeks while the Insured Person is a Hospital in-patient outside Britain

Exceptions to this Section

The Company will not pay

- 1** for any Medical Expenses incurred in Britain or the country where the Insured Person is normally resident (other than as provided under Special Definition Medical Expenses B above)
- 2** for routine Medical Expenses resulting from pregnancy or childbirth
- 3** for any Medical Expenses resulting from pregnancy or childbirth incurred within four weeks of the expected date of childbirth
- 4** as a result of the Insured Person committing or attempting to commit suicide or as a result of self inflicted injury
- 5** as a result of the Insured Person engaging in flying of any kind other than as a passenger
- 6** if the Insured Person has taken a drug unless it was taken on proper medical advice or instruction and not for treatment of drug addiction

- 7 any claim if the Insured Person is travelling against medical advice given by a Medical Practitioner or for the purpose of obtaining treatment
- 8 any claim handled by FirstAssist where it is subsequently found that the person receiving treatment or incurring costs is not an Insured Person on an Insured Journey in which event such costs will be the sole responsibility of the Insured
- 9 War or Terrorism occasioned by any Nuclear Chemical or Biological Cause

TRAVEL ASSISTANCE FROM FIRSTASSIST

FirstAssist is a third party service provider approved by Royal & Sun Alliance Insurance plc

All advice and assistance from FirstAssist is accessed via the following contact numbers

Telephone: +44 (0) 20 8763 3155

Fax: +44 (0) 20 8763 3035

Web: www.firstassist.co.uk

FirstAssist operate 24 hours a day 365 days a year

For your protection telephone calls may be recorded or monitored

FirstAssist Pre Travel Advice

Even before the Insured Journey commences FirstAssist can help with the following advice on

- customs regulations
- currency limits and rules
- banking procedures and hours
- health matters and inoculation requirements
- visa requirements and procedures

FirstAssist Emergency Medical Assistance

In an emergency an Insured or Insured Person can obtain immediate assistance by telephoning First Assist Insurance Services Limited Assistance is supported by

- in house doctors and nursing staff
- a network of doctors and nurses throughout the world
- multi lingual assistance co-ordinators speaking more than 15 languages
- specialist travel agencies for immediate repatriation arrangements in the event of a medical emergency natural disaster or terrorist attack

FirstAssist Travellers Helpline

As well as medical assistance the FirstAssist Travellers Helpline will provide the following assistance

- advice on replacement of lost or stolen tickets passport or travel documents
- assistance in liaison with carrier on location of lost luggage items
- uninsured motoring assistance if the Insured Person's vehicle breaks down on the way to the airport
- uninsured domestic assistance for the duration of the Insured Journey - FirstAssist will call out a tradesman to attend to an emergency at home but repairs and services necessary are payable by the Insured Person (with the exception of the cover provided under the Loss of Keys Special Extension to the Baggage Insurance Section)
- emergency message relay to family or business associate where normal channels fail
- referral to Embassy or Consulate where legal consultation is needed

N.B. the services of the **FirstAssist Travellers Helpline** are to provide advice and assistance only - there is no insurance cover in connection with these services (with the exception of the cover provided under the Loss of Keys Special Extension to the Baggage Insurance Section)

MONEY AND CREDIT CARDS INSURANCE SECTION

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

The Cover

The Company will reimburse the Insured on behalf of the Insured Person concerned if during

- A** an Insured Journey or the 120 hours immediately preceding its commencement or subsequent to its completion an Insured Person loses Money
- B** an Insured Journey an Insured Person suffers financial loss solely as a result of a Credit Card being stolen or lost and subsequently used by any person other than the Insured Person or a member of the Insured Person's family

The Company will pay

up to the appropriate Sum Insured detailed in the Schedule in respect of any one Insured Person

Special Conditions applying to this Section

Automatic reinstatement of Sum Insured after a loss

In respect of any one Insured Person the Sum Insured shall not be reduced by the amount of any loss during any one Insured Journey and no additional premium shall be payable for such automatic reinstatement of cover

Exceptions to this Section

The Company will not pay

- 1** for losses exceeding £2,000 in respect of coin bank and currency notes
- 2** for confiscation errors or omissions in receipts payments or accountancy or depreciation in value
- 3** any claim for loss of a Credit Card unless the Insured or the Insured Person has complied with all the terms and conditions under which the card was issued where reasonably able to do so
- 4** for any consequential loss

PERSONAL LIABILITY INSURANCE SECTION

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

The Cover

The Company will indemnify the Insured on behalf of the Insured Person in respect of legal liability for damages arising from accidental

A Injury to any person

Or

B loss of or damage to material property

happening during an Insured Journey

The Company will pay

A up to £5,000,000 for damages in respect of any one Event and

B claimant's costs and expenses for which the Insured Person is legally liable in connection with the Event giving rise to the claim and

C all other costs and expenses incurred with the written consent of the Company

Special Definitions applying to this Section

Event

One occurrence or all occurrences of a series consequent on or attributable to one source or original cause

Injury

Bodily injury mental injury death disease or illness

Insured Person

The Insured Person detailed in the Schedule or the Insured Person's personal representatives

Claims Settlement Conditions applying to this Section

Admission of Liability

No admission offer promise payment or indemnity may be made or given by or on behalf of the Insured or the Insured Person without the written agreement of the Company

Final Settlement

The Company may at any time pay the Insured Person the amount for which a claim can be settled up to a limit of £2,000,000 (less any sums already paid as damages) The Company will then be under no further liability in respect thereof other than for costs and expenses incurred prior to the Company making such a payment

Notification

As a condition precedent to the Insured's right to be indemnified under this Policy the Insured shall give to the Company immediate written notice with full particulars of any claim or occurrence which may give rise to a claim

Every letter claim form writ summons and process must be forwarded to the Company immediately

The Insured shall notify the Company immediately upon becoming aware of any prosecution inquest or inquiry in connection with any occurrence which may give rise to a claim

Subrogation Rights

The Company shall be entitled to take over the defence or settlement of any claim or to prosecute any claim in the name of the Insured Person for the Company's own benefit and shall have full discretion in the conduct of any proceedings and the settlement of any claim

Exceptions to this Section

The indemnity will not apply to legal liability

- 1** arising out of
 - a)** the Insured Person's profession trade or business
 - b)** the ownership possession or use by or on behalf of the Insured Person of any caravan mechanically propelled vehicle aircraft or other aerial device hovercraft or water-borne craft (other than hand-propelled or sailing craft in inland or territorial waters)
 - c)** War
- 2** in respect of loss of or damage to any property which at the time of the Event giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Insured Person This Exception shall not apply to loss or damage to premises including their fixtures and fittings leased or rented to the Insured Person where such legal liability has not been accepted by agreement

TRAVEL DELAY INSURANCE SECTION

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

The Cover

If the departure (both original and subsequent) of the means of transport on which the Insured Person is booked to travel on an Insured Journey is delayed as a direct and necessary result of any cause outside the Insured or Insured Person's control the Company will compensate the Insured for the inconvenience caused

The Company will pay

£50 for each consecutive 4 hours up to a maximum of £500 in respect of any one Insured Person

Exceptions to this Section

The Company will not pay if

- 1 the delay is due to strike or industrial action which existed or of which advance notice had been given on or before the date on which the journey was booked
- 2 the delay is due to the withdrawal from service temporarily or permanently of any means of transport on the orders or recommendations of any Port Authority or the Civil Aviation Authority or any similar body in any country
- 3 the Insured Person has received any compensation from the airline concerned in respect of over booking of seats

TRAVEL DOCUMENT INSURANCE SECTION

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

The Cover

If during an Insured Journey the Insured Person loses or damages their passport visa travel tickets or other essential travel documents the Company will reimburse the Insured for the necessary additional cost of travel and accommodation and other costs necessarily incurred to enable the Insured Person to obtain replacements

The Company will pay

up to £2,000 any one Insured Person

Exception to this Section

The Company will not pay

- 1** if the loss has not been reported to the consular representative of the relevant issuing country within 24 hours of discovery

CHARITY TRUSTEE ASSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

I. DEFINITIONS

When used in the Policy:

- A.** Agent means any person, firm or other entity directly appointed by the Charity to act on their behalf and for whose acts the Charity is legally liable.
- B.** Charity means the charity or charities specified in Item 2. of the Policy Schedule (and shall be deemed to include any other charity named or identified in the Proposal and any Subsidiary wholly or mainly engaged within or in furtherance of the charitable purposes of the charity).
- C.** Circumstance means any incident, occurrence, fact, matter, act, error or omission of which the Insured becomes aware which is likely to give rise to a Claim against them.
- D.** Claim means:
- 1.** a Claim Form, Counterclaim, Other Additional Claim, Application Notice, Notice of Appeal, Witness Summons or similar legal document including an application for any related injunction served upon any Insured in respect of a Wrongful Act;
 - 2.** any arbitration proceeding or request to nominate an arbitrator served upon any Insured in respect of a Wrongful Act;
 - 3.** any written communication (including electronic communications), whether or not containing a demand for compensation or damages, received by any Insured threatening commencement of proceedings in respect of a Wrongful Act, and any written demand against any Insured for monetary damages, reinstatement or other non-monetary relief;
 - 4.** any criminal prosecution of any Insured resulting from a Wrongful Act; or
 - 5.** any notice of an Investigation commenced by the filing of a notice of charge, formal investigative order, questionnaire or similar document:
 - (a)** into the affairs of the Charity and where a Trustee is required to attend and/or give evidence;or
 - (b)** involving a Wrongful Act alleged to have been committed by a Trustee or in respect of which a Trustee is required to attend and/or give evidence by reason of his acting in the capacity of a Trustee;provided that it is first made against, or received by, any Trustee during the Policy Period.
- E.** Company means Royal & Sun Alliance Insurance plc.
- F.** Corporate Trustee means a company incorporated for the purpose of administering the Charity or of acting as a Trustee of the Charity.
- G.** Defence Costs means that part of Loss consisting of reasonable and necessary costs, charges, fees (including but not limited to lawyers' and agents' fees) and expenses (other than regular or overtime wages, salaries, fees or benefits of the Trustee or Employee) incurred by the Insurer or (with the Insurer's prior written consent) the Insured, in defending, investigating or settling Claims or assisting the Insurer in investigating, defending or settling Claims (including the premiums paid for any insurance instruments or bonds which may be required in certain jurisdictions to institute an appeal or enter an appearance but without any obligation to apply for or furnish any such bonds). For the purposes of Standard Extension of Cover IV.H only, Defence Costs shall include those incurred:
- 1.** in respect of the attendance and/or giving of evidence by any Trustee at an Investigation into the affairs of the Charity; or
 - 2.** in respect of any Investigation involving a Wrongful Act alleged to have been committed by a Trustee or in respect of which a Trustee is required to attend and/or give evidence by reason of his acting in the capacity of a Trustee.
- H.** Director means any natural person who was, is, or becomes:
- 1.** a director of the Charity and/or the Corporate Trustee including a de facto or shadow director (as defined under section 741(2) of the Companies Act 1985 or any equivalent provision in the jurisdiction in which the Charity or the Corporate Trustee is incorporated); or

2. a shadow director of any company directly as a result of his activities as a Trustee of the Charity or as a Director of the Corporate Trustee.

For the avoidance of doubt, the Policy covers a Director solely in relation to his activities for and on behalf of the Charity and not in relation to any other activities.

- I. Discovery means when a Trustee (not in collusion with a dishonest Trustee or Employee or any other person) first becomes aware of facts which would cause a reasonable person to believe that a Fidelity Loss covered by the Policy has been or is likely to be incurred, regardless of when the act or acts causing or contributing to such Fidelity Loss occurred, even though the exact amount or details of such Fidelity Loss may not then be known, and Discovered shall be construed accordingly.
- J. Discovery Period means the period following the expiry of the Policy Period during which the Policyholder may continue to notify Claims, Circumstance or Discovery of Fidelity Loss but only in relation to Wrongful Acts committed or Fidelity Losses occurring prior to the expiry of the Policy Period. Any Claim made, or Fidelity Loss Discovered during the Discovery Period shall be deemed to have been made or Discovered during the immediately preceding Policy Period.
- K. Documents means:
 1. documents (excluding bearer bonds, coupons, bank or currency notes or other negotiable instruments); or
 2. computer systems records

the property of the Insured or for which the Insured is legally responsible.

- L. Employee means a natural person:
 1. whilst employed under a contract of service or apprenticeship with the Charity in the ordinary course of its business whether temporary, permanent, full-time, part-time or seasonal;
 2. who personally performs duties or services under the control of the Charity in the ordinary course of its business whilst:
 - (a) serving an apprenticeship;
 - (b) being trained under a Government approved training scheme;
 - (c) directly engaged by the Charity to work with or without payment; or
 - (d) provided to the Charity by an agency on a permanent or temporary basis.

For the purposes of Employee Fidelity Loss only, the definition stated above includes the first sixty days following termination of employment or engagement with the Charity.

- M. Employee Fidelity Loss means direct loss of Property, Money or Securities belonging to the Charity or for which the Charity is legally responsible, such loss caused by a Fraudulent Act (not committed or occurring prior to the Inception Date specified in Item 8. of the Policy Schedule) committed by any Employee whilst resident within Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.
- N. Employment Wrongful Act means any error, misstatement, misleading statement, act, omission, neglect or breach of duty actually or allegedly committed or attempted by any one or more Trustees in their capacities as such against any past, present or prospective Employee or Trustee, in connection with any actual or alleged violation of employment discrimination laws (including but not limited to sexual or other workplace harassment and discrimination on the grounds of racial or national origin, sex, sexual orientation, religion, maternity, pregnancy, age and disability).
- O. European Union means the member states of the European Union and shall be extended to include the Channel Islands and the Isle of Man.
- P. Fidelity Loss means Trustee Fidelity Loss and shall extend to include Employee Fidelity Loss where such cover is noted as purchased in Item 6. (a) of the Policy Schedule.
- Q. Fraudulent Act means any act, or series of related acts, of fraud or dishonesty committed alone or in collusion with others with the clear intent of making improper personal financial gain for themselves or for any other person or organisation intended by such person(s) to receive such gain.

“improper personal financial gain” shall not include salary, commissions, fees, bonuses, promotions, awards profit sharing pensions or other emoluments or benefits earned in the normal course of employment.

- R. Full Annual Premium means the annual premium payable by the Policyholder, including any additional premium which becomes payable subsequent to renewal pursuant to the provisions of the Policy, immediately prior to the expiry of the policy period in question.

S. Inception Date means the date from which Employee Fidelity Loss cover (if purchased) commences under the Policy as specified in Item 8. of the Policy Schedule.

T. Insured means:

1. the Charity; and
2. the Trustees.

For the avoidance of doubt, the Insured shall not include any Agent of the Insured, any sub-consultant or any joint venture partner of the Insured.

U. Investigation means any formal or official investigation (other than the Charity's own internal investigation), examination or other proceedings made or commenced during the Policy Period by a governmental body, professional body or other institution duly authorised to carry out such investigation, including, without limitation, any such proceedings initiated by the Charity Commissioners; the Board of the Inland Revenue and the Commission for Racial Equality or similar body or institution at which the affairs of the Charity are being investigated.

V. Limit of Liability means the aggregate limit specified in Item 5. (a) of the Policy Schedule.

W. Loss means:

1. damages, compensation, contributions, judgments or (if concluded with the Company's prior written consent) settlements;
2. claimant's legal costs and expenses;
3. exemplary damages awarded in respect of libel, slander or defamation to the extent only that such damages are insurable by law;
4. all other costs and expenses ordered by a court or other legally authorised tribunal, or incurred with the Company's prior written consent, and
5. Defence Costs.

The Company shall advance Defence Costs in accordance with the provisions of section VIII.A.2.(b)

Loss shall not include taxes, fines, penalties and/or any other form of loss which is uninsurable under the law of the state or country to which the Claim is subject or the multiple portion of any multiplied damage award.

X. Merger means the occurrence of any of the following events:

1. the Policyholder consolidating with or merging into or selling all or substantially all of its assets to any other person or entity or group of persons and/or entities acting in concert; or
2. any person or entity, whether individually or together with any other person or entity, acquiring an amount of share capital representing more than fifty per cent (50%) of the voting power for the election of Trustees of the Policyholder, or acquiring the voting rights for such an amount of the shares.

Y. Money means currency, coins and bullion, or monetary balances held at a financial institution to the credit of the Charity.

Z. North America means the United States of America and Canada and in each case its territories and possessions and any state or political sub-division thereof.

AA. Officer means any natural person who was, is, or becomes:

1. an officer of the Charity, other than its external auditor, liquidator, administrator, receiver or solicitor;
2. any Employee of the Charity whilst acting in a managerial or supervisory capacity;
3. any Employee of the Charity who is named as a co-defendant in respect of a Claim made against an officer acting as Trustee; and
4. any Employee of the Charity in respect of an Employment Wrongful Act.

BB. Original Inception Date means the date from which Trustee Fidelity cover commences as specified in Item 8. of the Policy Schedule.

CC. Policy means, collectively, the Proposal or Statement of Fact (including any memoranda and endorsements thereto) and the Policy Schedule.

DD. Policyholder means the Charity designated in Item 1. of the Policy Schedule.

- EE.** Policy Period means the period of time stated in Item 3. of the Policy Schedule.
- FF.** Policy Schedule means the schedule attached to the Policy.
- GG.** Pollutants means any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by, the United States Environmental Protection Agency or a country, state, county, municipality or locality counterpart thereof. Such substances shall include, without limitation, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials. Pollutants shall also mean any other air emission, odour, waste water, oil or oil products, infectious or medical waste, biological contaminants, asbestos or asbestos products, electric or magnetic or electromagnetic fields and noise, any ionising radiations or contamination by radioactivity.
- HH.** Pollution means the actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of Pollutants into or on real or personal property, water or the atmosphere.
- II.** Premium means the initial premium specified in the Policy Schedule together with any additional or return premium due in respect of the Policy.
- JJ.** Professional Indemnity Wrongful Act means any act or omission actually or allegedly committed arising out of the provision of Professional Services.
- KK.** Professional Services means the services specified in Item 6. (b) of the Policy Schedule when performed within or in furtherance of the charitable purposes of the Charity, other than by a trust corporation or by a Trustee in the course of carrying on his profession.
- LL.** Property means tangible property other than Money or Securities.
- MM.** Proposal means the signed proposal form or statement of fact and declaration completed in respect of the Policy including any renewal declaration and any information supplied by or on behalf of the Insured in addition to or in connection with or in substitution therefor.
- NN.** Related Claims means all Claims based on, arising out of, or in any way involving the same or related facts, circumstances, situations, transactions or events or the same or related series of facts, circumstances, situations, transactions or events.
- OO.** Retention means that part of each and every Claim or Fidelity Loss, as applicable, which is payable by the Insured, the amount of which is specified in Item 5.(b) of the Policy Schedule. The Retention does not form part of the Limit of Liability and it shall be payable by the Insured before the application of the Limit of Liability.
- PP.** Securities means negotiable and non-negotiable instruments representing either Money or Property but not including Money or Property.
- QQ.** Spouse means a lawful spouse, civil partner or any person deriving similar status by reason of the common law.
- RR.** Subsidiary means any body corporate wholly or mainly engaged within or in furtherance of the charitable purposes of the Charity, which within the meaning of Section 736 of the Companies Act 1985 or any amendment or re-enactment thereof:-
1. is a subsidiary of the Charity at the date of the commencement of the Policy Period; or
 2. becomes a subsidiary of the Charity within the Policy Period and is so notified to the Insurer which has received such additional information relating to the Subsidiary and such additional premium as it may require and has agreed to extend this insurance accordingly.
- SS.** System means computers, other computing and electronic equipment linked to computer hardware, electronic data, processing equipment, microchips and anything which relies on a microchip for any part of its operation and includes for the avoidance of doubt any computer installation.
- TT.** Terrorism means any act of any person acting on behalf of or in connection with any individual or organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any government de jure or de facto.
- UU.** Trustee means any natural person who was, is, or becomes:
1. a trustee of the Charity, or the Employee thereof to whom any duty of such trustee is delegated;
 2. a trustee of any trust other than a trust corporation or a pension fund trust which was, is, or may hereafter be or be deemed to be the Charity or wholly or mainly engaged within or in furtherance of the charitable purposes of the Charity;
 3. a Director or Officer of the Charity and/or the Corporate Trustee other than its external auditor, liquidator, administrator, receiver or solicitor; and

4. an officer or member of the committee of management of any unincorporated association which was, is or may hereafter be or be deemed to be the Charity or wholly or mainly engaged within or in furtherance of the charitable purposes of the Charity.
- VV.** Trustee Fidelity Loss means direct loss of Property, Money or Securities belonging to the Charity or for which the Charity is legally responsible, such loss caused by a Fraudulent Act (not committed or occurring prior to the Original Inception Date specified in Item 8. of the Policy Schedule) committed by any Trustee whilst:
1. acting in that capacity or in the first 60 days following ceasing to act in that capacity; and
 2. resident within Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.
- WW.** Virus means programming code or series of instructions designed to achieve an unexpected, unauthorised and/or undesirable effect or operation when loaded onto a System, transmitted between Systems by transfer between computer systems via networks, extranets, internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self replication or not.
- XX.** Wrongful Act means any actual or alleged error, misstatement, misleading statement, omission, neglect, breach of statutory law, breach of trust, libel, slander, breach of contract, breach of warranty of authority, Wrongful Trading, Employment Wrongful Act or other wrongful act actually or allegedly committed or attempted by a Trustee solely by reason of his serving in that capacity; or any matter claimed against a Trustee solely by reason of his serving in that capacity.
- YY.** Wrongful Trading shall bear the meaning set out in Section 214 of the Insolvency Act 1986 (or analogous legislation in any jurisdiction in which the Charity is incorporated).

II. INTERPRETATION

In this Policy the singular includes the plural and vice versa. The male gender includes the female and neutral genders. Person includes bodies corporate.

A reference in this Policy to any statute, statutory provision or subordinate legislation (whether of the United Kingdom or elsewhere) shall be construed as including a reference to any such enactment which that enactment has directly or indirectly replaced (whether with or without modification) and that enactment as re-enacted, replaced or modified from time to time.

The titles and headings to the various parts, sections, sub-sections and endorsements of the Policy are included solely for ease of reference and do not in any way limit or expand or otherwise affect the provisions of such parts, sections, sub-sections or endorsements.

III. INSURING CLAUSES

A. Trustee Liability Cover

The Company shall pay, on behalf of the Trustee, Loss arising from Claims first made during the Policy Period or any applicable Discovery Period for which the Charity has not provided indemnity.

B. Charity Reimbursement Cover

The Company shall pay, on behalf of the Charity, Loss arising from Claims first made during the Policy Period or any applicable Discovery Period if and to the extent that the Charity is required or permitted to indemnify the Trustee for such Loss.

C. Trustee Fidelity Cover

The Company shall indemnify the Charity for Trustee Fidelity Loss first Discovered during the Policy Period or any applicable Discovery Period to the extent that such loss is not reasonably recoverable from the said Trustee subject to a maximum aggregate limit as noted in Item 5.(c) of the Policy Schedule (such limit being part of and not in addition to the Limit of Liability).

D. Loss of or damage to Documents

The Company shall pay, on behalf of the Charity and/or the Trustee, all costs and expenses reasonably incurred by the Charity and/or the Trustee in replacing or restoring Documents subject to a maximum aggregate limit as noted in Item 5.(d) of the Policy Schedule (such limit being part of and not in addition to the Limit of Liability) provided that:

1. such loss of or damage to Documents is first Discovered during the Policy Period or any applicable Discovery Period;
2. where the Documents are in electronic format, the Insured can demonstrate to the reasonable satisfaction of the Insurer that sufficient and proper procedures were in place for the security and daily back-up of the Documents; and

3. the Company shall not be liable for any costs or expenses in respect of loss of or damage to Documents directly based on, arising out of or in any way involving:
 - (a) the transmission or impact of any Virus; and/or
 - (b) unauthorised access to a System.

IV. STANDARD EXTENSIONS OF COVER

A. Pollution

The Company shall pay the Trustees, that part of the Loss arising from Claims first made during the Policy Period which relates to Defence Costs only, subject to a maximum aggregate limit as noted in Item 5.(e) of the Policy Schedule (such limit being part of and not in addition to the Limit of Liability) incurred by the Trustees in defending themselves against criminal or regulatory proceedings in respect of Pollution of any kind which results from a Wrongful Act except where there is a conviction for a criminal offence or such a conviction is upheld on final appeal.

B. Retired Trustees

Any Trustee who retired or retires at any time prior to the expiry of the Policy Period shall be entitled to a free Discovery Period of 72 months after the date of such expiry, provided always that this extension shall not apply where:

1. the Policyholder renews or replaces the Policy (whether with the Company or any other insurer); or
2. a Merger takes place.

C. Legal Representatives

This Policy shall afford cover for Claims made against Trustees which are pursued against the estates, heirs, executors or other legal representatives of such Trustees who are deceased, or against the legal representatives or trustees in bankruptcy of such Trustees who are incompetent, incapacitated or bankrupt to the extent that in the absence of such death, incompetence, incapacity or bankruptcy, such Claims would have been covered by this Policy.

D. Spouses

If a Claim against a Trustee includes a claim against the Trustee's Spouse solely by reason of (i) such Spouse's legal status as a spouse of the Trustee, or (ii) such Spouse's ownership interest in property which the claimant seeks as recovery for Claims made against the Trustee, all loss which such Spouse becomes legally liable to pay by reason of such Claim shall be treated for the purposes of this Policy as Loss which the Trustee becomes legally liable to pay on account of the Claims made against the Trustee. All terms and conditions of this Policy, including without limitation the Retention applicable to Loss incurred by such Trustee in the Claim shall also apply to such spousal loss. This cover extension does not apply to the extent the Claim alleges any wrongful act, error or omission by the Trustee's Spouse.

E. Retention Reimbursement

Any Retention borne by the Insured in respect of any Claim shall be reimbursed by the Company if final judgment or adjudication is given in favour of the Insured by a court or tribunal of competent jurisdiction. For the purposes of this sub-section, final judgment or adjudication shall only be deemed to have been given when all rights of appeal to higher tribunals have been foregone or exhausted.

F. Acquisitions

1. Subject to sub-section IV.F.2. below, if any Charity creates or acquires, during the Policy Period, a new Subsidiary, either directly or indirectly, that new Subsidiary shall be automatically covered under the Policy in relation to:-
 - (a) Wrongful Acts committed or alleged to have been committed after the date the new Subsidiary was created or acquired by the Charity;
 - (b) Fidelity Loss first occurring after the date the new Subsidiary was created or acquired by the Charity; and
 - (c) loss of or damage to Documents first occurring after the date the new Subsidiary was created or acquired by the Charity.

The Charity shall not have to provide the Company with any particulars of the new Subsidiary so created or acquired until the next renewal date.

2. Automatic cover pursuant to sub-section IV.F.1. above shall not apply where a new Subsidiary created or acquired by the Charity has:
 - (a) any of its assets in North America; or

- (b) any of its Securities listed on any exchange in North America; or
 - (c) its registered office outside the European Union; or
 - (d) gross consolidated assets that increase the gross consolidated assets of the Charity by more than twenty five percent (25%) (by reference to the Charity's most recent consolidated annual accounts).
3. If any Charity acquires or creates a Subsidiary that falls within the parameters specified in sub-section IV.F.2. above, then cover shall be extended to such new Subsidiary in relation to the Wrongful Acts committed or alleged to have been committed after the date the new Subsidiary was created or acquired by the Charity; Fidelity Loss first occurring after the date the new Subsidiary was created or acquired by the Charity and loss of or damage to Documents first occurring after the date the new Subsidiary was created or acquired by the Charity, provided that, and as a condition precedent to such cover being provided, the Policyholder:
- (a) gives the Company written notice of any such creation or acquisition as soon as practicable, together with any such additional information as the Company may require;
 - (b) accepts any notified alteration in the terms of the Policy; and
 - (c) pays any additional premium required by the Company.

Subject to these conditions precedent having been met and the Company agreeing, the Company shall include the new Subsidiary within the scope of the Policy by way of endorsement.

4. In addition, the Company shall consider the provision of retroactive cover for any new Subsidiary in respect of Wrongful Acts committed, or alleged to have been committed, and Fidelity Loss first occurring prior to the date of any such acquisition or creation, upon specific request. If the Company agrees to provide such cover it shall be recorded by way of endorsement.

G. Discovery Period

1. If the Company declines to offer any terms for renewal of the Policy and the Policyholder does not replace the Policy with a similar policy with any other insurer, the Policyholder shall be entitled to elect a Discovery Period on the terms set out below. The offer of renewal terms and conditions or premiums different from those in effect prior to renewal shall not constitute the Company declining to renew.
2. The terms of the Discovery Period shall be 12 months for fifty per cent (50%) of that part of the Full Annual Premium payable in respect of the Policy.
3. The application to elect any Discovery Period must be received by the Company within 15 days from the expiry of the Policy Period, and payment of the premium must be made within 30 days of the same date (such premium being non-refundable). For the avoidance of doubt, any time delay between the expiry of the Policy Period and the election of any Discovery Period shall be part of and not in addition to the Discovery Period elected.
4. If a Merger takes place, the Policyholder shall not be entitled to purchase a Discovery Period on the terms set out above. However the Policyholder shall have the right within 15 days of the expiry of the Policy Period to request an offer from the Company of a Discovery Period of up to 72 months. The Company shall offer a Discovery Period on such terms as it may reasonably consider appropriate.
5. During the 15 day application period referred to above and during any Discovery Period and without prejudice to sub-section VII.D.1.(a) and sub section VII.D.2.(a) the Policyholder may continue to notify:
 - (a) Claims but only in respect of Wrongful Acts committed prior to the expiry of the Policy Period;
 - (b) Fidelity Loss committed prior to the expiry of the Policy Period; and
 - (c) loss of or damage to Documents occurring prior to the expiry of the Policy Period.

H. Defence Costs

The Company shall provide cover in respect of Defence Costs only incurred in respect of any criminal proceedings, including those for corporate killing or manslaughter (or other similar criminal offence in any jurisdiction in which the Charity operates) resulting from a Wrongful Act or Investigation except where there is a conviction for a criminal offence or such a conviction is upheld on final appeal.

V. OPTIONAL EXTENSIONS OF COVER

The following extensions of cover are operative only if they are noted as purchased in Item 6. of the Policy Schedule:

A. Employee Fidelity Cover

The Company shall indemnify the Charity for Employee Fidelity Loss first Discovered during the Policy Period or any applicable Discovery Period subject to a maximum aggregate limit as noted in Item 5. (c) of the Policy Schedule (such limit being part of and not in addition to the Limit of Liability).

B. Professional Services

The Company shall pay, on behalf of the Charity, the Trustee and/or (at the request of the Charity) the Employee, Loss resulting from Claims first made against the Charity, the Trustee and/or the Employee during the Policy Period or any applicable Discovery Period in respect of any civil liability for Professional Indemnity Wrongful Acts.

VI. EXCLUSIONS

A. Exclusions Applicable to both Loss and Fidelity Loss

The Company shall not be liable for Loss and/or Fidelity Loss:

- 1.** directly or indirectly based on, arising out of, or in any way involving any fact, matter or situation or deriving from the same matter, fact or situation:
 - (a)** which has been or should have been the subject of any written notice given under any policy of which the Policy is a direct or indirect renewal or replacement; or
 - (b)** alleged in, relating to or underlying any written demand for monetary damages or other relief or any civil, criminal or administrative or regulatory proceeding (including arbitration) commenced or issued or otherwise began on or prior to the date of the commencement of the Policy Period;
- 2.** directly or indirectly based on, arising out of, or in any way involving:
 - (a)** ionising radiations or contamination by radioactivity, from any nuclear fuel, from any nuclear waste, or from the combustion of nuclear fuel; or
 - (b)** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- 3.** directly or indirectly based on, arising out of, or in any way involving any contractual liability, where such liability would not arise but for such contract. This Exclusion VI.A. 3 shall not apply to Professional Services where such cover is noted as purchased in Item 6. (b) of the Policy Schedule.
- 4.** directly or indirectly based on, arising out of, or in any way involving declared or undeclared war, civil war, insurrection, Terrorism, riot, rebellion or revolution, military, naval or usurped power, governmental intervention, expropriation or nationalisation.

B. Additional Exclusions only Applicable to Loss

The Company shall not be liable for Loss:

- 1.** directly or indirectly based on, arising out of, or in any way involving a Trustee found by way of judgment or other final adjudication:
 - (a)** to have gained any profit or advantage to which he was not legally entitled; or
 - (b)** to have received any remuneration to which he was not legally entitled; or
 - (c)** to be guilty of dishonesty, fraud, or wilful or reckless conduct.
- 2.** sustained by the Charity and directly or indirectly based on, arising out of, or in any way involving a Wrongful Act committed or attempted by the Trustee when he:
 - (a)** knew, or must be assumed to have known, that it was not in the best interests of the Charity;or
 - (b)** did not care whether or not it was in the best interests of the Charity.
- 3.** directly or indirectly based on, arising out of, or in any way involving bodily injury, mental anguish or emotional distress, damage to reputation, illness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof, save that this exclusion shall not apply:

- (a) in relation to any actual or alleged mental anguish or emotional distress by a past, present or prospective Employee of the Charity for any Employment Wrongful Act;
 - (b) insofar as such Loss is covered by Standard Extension of Cover IV.H.;
 - (c) where Optional Extension of Cover V.B. is noted as purchased in Item 6. of the Policy Schedule and is so indemnifiable by reason of advice, design specification or omission in the performance of Professional Services.
4. directly or indirectly based on, arising out of, or in any way involving the trusteeship or administration by an Insured of any pension, profit share or other employee benefit programme or an Insured acting in a fiduciary capacity in respect thereof, including any obligation incurred under the Pensions Act 1995 or for any actual or similar law or regulation;
 5. directly or indirectly based on, arising out of, or in any way involving:
 - (a) Pollution;
 - (b) any direction or request that the Charity and/or the Trustees test for, monitor, clean up, remove, contain, treat, detoxify or neutralise Pollutants, or any voluntary decision to do so, including without limitation any Claim for financial loss to the Charity or its creditors based on, arising out of, or in any way involving the matters described in sub-sections (a) or (b) of this sub-section VI.B.6.

provided that this exclusion shall not apply insofar as such Loss is covered by sub-section IV.A. above;

6. where legal action is brought or commenced in a court of law or other tribunal outside the European Union, or is brought outside those territories to enforce a judgment or award in those territories whether by reciprocal agreement or otherwise;
 7. in relation to unfair or wrongful dismissal and other employment disputes, other than relating to Employment Wrongful Acts;
 8. directly or indirectly based on, arising out of, or in any way involving any failure or omission by the Charity and/or the Trustees to effect and maintain insurance for them and on their behalf;
 9. arising out of any claim made against a Trustee based upon or alleging or originating from breach of any professional duty owed to the claimant except where cover for Professional Services is purchased;
 10. directly or indirectly based on, arising out of, or in any way involving any goods or products sold, supplied, recalled, repaired, altered, manufactured, installed or maintained by the Charity or by any Agent of the Charity;
- or
11. directly or indirectly based on, arising out of, or in any way involving taxes, fines, punitive damages, penalties and/or any other form of loss which is uninsurable under the law of the state or country to which the Claim is subject or the multiple portion of any multiplied damage award.

C. Additional Exclusions only Applicable to Fidelity Loss

The Insurer shall not be liable for Fidelity Loss:

1. or any part of any Fidelity Loss which is dependent solely upon (a) a profit and loss computation or comparison or (b) a comparison of inventory records with an actual physical count, provided, however, that where the Charity establishes wholly apart from such comparison that it has sustained loss covered under the Policy caused by an identified Employee or Trustee then it may offer its inventory records and actual physical count of inventory in support of the amount of loss claimed;
2. caused by an Employee or Trustee which is sustained after Discovery by another Trustee of any fraud, or dishonesty committed by such Employee or Trustee; or
3. sustained by one Insured or one part of an Insured to the advantage of any other Insured or other part of an Insured.
4. directly or indirectly based on, arising out of, or in any way involving taxes, fines or other penalties, punitive or exemplary damages or any multiplied portion of damages.
5. which amounts to indirect or consequential loss of any kind, including but not limited to interest, profits, dividends or other income.

D. Exclusions Applicable to Professional Services where such cover is noted as purchased in Item 6.(b) of the Policy Schedule

The Company shall not be liable for Loss directly or indirectly based on, arising out of or in any way involving:

1. any trading losses or trading liabilities incurred in connection with any business managed or carried on by the Charity including loss of any client account or business; or
2. the ownership, use, occupation or leasing of mobile or immobile goods or property by or on behalf of the Charity.
3. arising from the contractual agreement in respect of:
 - (a) any express guarantee given by the Insured; or
 - (b) any express contractual penalty made between the Insured and a third party; or
 - (c) any acceptance by the Insured of liability for liquidated damages

insofar as liability assumed by the Insured exceeds the amount of the Insured's liability in the absence of such agreement.

E. Severability of Exclusions

No fact pertaining to or knowledge possessed by any Trustee shall be imputed to any other Trustee for the purposes of applying the exclusions set forth in this section VI.

VII. GENERAL CONDITIONS

A. PROPOSAL, REPRESENTATIONS AND SEVERABILITY

1. In granting cover under this Policy, the Company has relied upon the statements and representations in the Proposal and it is agreed that the Proposal shall form the basis of and is incorporated into the Policy. The Insured shall not conceal or misrepresent any material fact or circumstance when completing the Proposal.
2. The Proposal shall be construed as a separate application for cover by each of the Insured with respect to the declarations and statements contained therein. Other than with respect to sub-section A.3 below, no fact relating to, or statement of, or knowledge possessed by, any Insured shall be imputed to any other Insured for the purpose of determining the availability of cover.
3. The Insured agree that in the event that any statements or representations made in the Proposal are inaccurate or incomplete, the Company shall be entitled to avoid the Policy with respect to any of the following Insured:
 - (a) any Trustee who knew the facts that were not fully and accurately disclosed in the Proposal;
 - (b) the Charity, to the extent it indemnifies any Trustee referenced in sub-section A.3 (a) above.

B. AUTHORISATION CLAUSE

It is a condition of this Policy that the Policyholder shall act on behalf of all Insured with respect to the giving and receiving of notice of any Claim, Circumstance or Fidelity Loss, the payment of premiums and the receiving of any return premiums that may become due under this Policy, the negotiation, agreement to and payment of Claims and/or Fidelity Loss, the negotiation, agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this Policy (except the giving of notice to apply for the Discovery Period), and the Insured agree that the Policyholder shall so act on their behalf.

C. ALTERATION AND ASSIGNMENT

No change in, modification of, or assignment of interest under this Policy shall be effective except when made by written endorsement to this Policy which is signed by an authorised signatory of the Company.

D. COMPANY'S WAIVER OF RIGHTS

1. Save where the circumstances set out in sub-section VII.D.2. below apply, in the event of the Company being entitled to avoid this Policy from inception or from the time of any variation in cover (including at renewal) the Company may at its discretion maintain this insurance in full force but exclude the consequences of any matter which ought to have been disclosed at inception or at the time of any variation in cover (including at renewal).
2. In the event of non-disclosure or misrepresentation at any renewal the Company shall waive its rights to avoid this Policy provided that:
 - (a) the Insured is able to establish to the satisfaction of the Company that such non-disclosure or misrepresentation was innocent and free from any fraudulent conduct or intent to deceive;
 - (b) the premium and terms shall be adjusted at the discretion of the Company to those which would have applied had such circumstances been disclosed; and

- (c) where the Policyholder should have notified during a preceding policy period a Claim, Circumstance or Fidelity Loss, and the indemnity or cover to which the Insured would have been entitled was in any way more restricted than that provided at the date of notification, the Company shall be liable only to the extent applicable during such preceding policy period.

E. PARTIAL INVALIDITY

Should any provision of this Policy be, or become, invalid or unenforceable pursuant to the law to which this Policy is subject, such provision shall be deemed to be deleted and all other terms and conditions of this Policy shall remain in full force and effect.

F. THIRD PARTY RIGHTS

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

G. ACQUISITIONS PRIOR TO THE POLICY PERIOD

If a new Subsidiary has been acquired by the Charity prior to the Policy Period, such Subsidiary shall be covered under the Policy in relation only to:

1. Wrongful Acts committed or alleged to have been committed; or
2. Fidelity Loss first occurring;

after the date on which such Subsidiary was acquired by the Charity unless agreed in writing by the Company and endorsed to the Policy.

H. CESSATION OF SUBSIDIARIES

If during the Policy Period an organisation ceases to be a Subsidiary, cover with respect to such Subsidiary shall continue in full force and effect until the expiry of the Policy Period but only with respect to:

1. Wrongful Acts committed or alleged to have been committed;
2. Fidelity Loss first occurring; and
3. loss of or damage to Documents first occurring

prior to the date such organisation ceased to be a Subsidiary.

Any claim arising pursuant to this section VII.H. may be notified during the Policy Period and any applicable Discovery Period.

I. TAKEOVERS & MERGERS

If during the Policy Period a Merger takes place, cover shall continue in full force and effect until the expiry of the Policy Period but only with respect to:

1. Wrongful Acts committed or alleged to have been committed;
2. Fidelity Loss committed; and
3. loss of or damage to Documents first occurring

prior to the date of such Merger.

Any claim arising pursuant to this section VII.I. may be notified during the Policy Period and any applicable Discovery Period.

J. LIMITS OF LIABILITY

A. Aggregate Liability

Subject to the sub-limits noted in the Policy Schedule the amount stated at Item 5. (a) of the Policy Schedule shall be the maximum aggregate liability of the Company for all Fidelity Loss first Discovered and all loss of Documents first discovered during the Policy Period and all Loss resulting from all Claims first made during the Policy Period regardless of the number of Insured the Company is liable to indemnify.

B. Discovery Period

Any applicable Discovery Period shall not increase or reinstate the Limit of Liability which shall be the Company's maximum liability for the Policy Period and Discovery Period, combined.

C. Defence Costs

Defence Costs incurred by the Company, or by the Insured with the prior written consent of the Company, are part of and not in addition to the Limit of Liability and the payment by the Company of Defence Costs reduces the Limit of Liability.

D. Loss

All Loss of any kind sustained as a result of one occurrence, act, omission or event or a series of acts, omissions or events shall be deemed to be one Loss for the purpose of the calculation of the Limit of Liability and Retention regardless of when during the Policy Period or prior thereto, such acts occurred or the number of Insureds who sustained such Loss.

K. FIDELITY LOSS

1. All Fidelity Loss of any kind shall be subject to a maximum aggregate limit as noted in Item 5.(c) of the Policy Schedule such limit being part of and not in addition to the Limit of Liability.
2. All Fidelity Loss of any kind sustained as a result of any act, or series of related acts, of fraud or dishonesty committed alone or in collusion with others shall be deemed to be one Fidelity Loss for the purpose of the calculation of the Limit of Liability and Retention regardless of the number of Insureds who sustained such Fidelity Loss.
3. All acts committed by any Employee or Trustee or in which such Employee or Trustee is concerned or implicated shall be considered as one occurrence or event.
4. Regardless of the number of years the Policy remains in effect and the total premiums due or paid, the Limit of Liability shall not be cumulative from year to year or from policy period to policy period.

VIII. CLAIMS CONDITIONS

A. DEFENCE AND COOPERATION

1. The Company shall have the right but is not obliged to conduct in the name of the Insured the defence and settlement of any Claim covered by this Policy, and to appoint lawyers or other representatives for this purpose even if any of the allegations are groundless, false or fraudulent. The Company's right to defend shall cease upon exhaustion of the Limit of Liability.
2. With respect to any Claim or Circumstance notified:
 - (a) the Insured shall execute all papers required and shall do everything necessary to defend such Claim and provide the Company with all information, documentation, assistance and co-operation as the Company reasonably requests; and
 - (b) the Company shall advance Defence Costs excess of any applicable Retention, provided that if and to the extent it is finally established that any such Defence Costs are not covered under this Policy, the Insured, severally according to their interests, hereby agree to repay the Company such non-covered Defence Costs.
3. The Insured shall not settle or offer to settle any Claim, incur any Defence Costs or otherwise assume any contractual obligation or admit any liability with respect to any Claim, without the Company's prior written consent. The Company shall not be liable for, and any applicable Retention shall not be depleted or exhausted by, any settlement, Loss or Defence Costs, assumed obligation or admission to which it has not consented.
4. The Company shall not unreasonably withhold any consent referred to in this section.

The Insured agrees that in the event of a Claim the Insured shall do nothing that shall prejudice the Company's position or its potential or actual rights of recovery. The Insured shall at all times use reasonable endeavours to do, and concur in doing, all such things as are reasonably practicable to avoid or diminish any Loss and to assist with the defence and/or settlement of any Claim. The Company may make any investigation it deems necessary.

B. NOTICE

1. Claims

- (a)** The Policyholder shall, as a condition precedent to its rights under this Policy, give to the Company written notice as soon as practicable after receipt of notice of any Claim or after the Policyholder becomes aware of any Circumstance and in any event notice shall be given to the Company:
 - (i)** during the Policy Period or any applicable Discovery Period; or
 - (ii)** (in respect of any Claim) within 60 days after the end of the Policy Period or any applicable Discovery Period.
- (b)** Notification of any Claim and/or Circumstance must be sent to the Company at the Claims Department, Professional & Financial Risks, PO Box 509, Horsham, West Sussex, RH12 1WS, for the attention of the Professional & Financial Risks Claims Manager. Each notification shall so far as practicable provide full details of the Claim or Circumstance including, but not limited to:
 - (i)** the identity of the claimant or potential claimant;
 - (ii)** the nature of the Claim;
 - (iii)** the likely quantum of the Claim; and
 - (iv)** the Policyholder's preliminary views (if any) on the merits of such Claimand the Policyholder shall provide the Company with such further information and documentation as it may reasonably require.
- (c)** Any Claim arising from any notification of a Circumstance shall be deemed to have been made in the Policy Period (including any applicable Discovery Period) in which the Circumstance was first notified to the Company.
- (d)** Subject to the provisions of sub-section VII.D.2. above, the Company shall not avoid any Claim on the grounds of the breach of this section but where in the opinion of the Company the Policyholder has prejudiced the handling or settlement of any Claim the amount payable in respect of such Claim (including costs and expenses) shall be reduced to such sum as in the Company's opinion would have been payable in the absence of such prejudice.

2. Fidelity Loss

- (a)** It shall be a condition precedent to the obligations of the Company under this Policy that the Policyholder shall give the Company written notice as soon as practicable after Discovery of a Fidelity Loss, and in any event no later than 60 days after such Discovery. Such notice shall be sent to the Company at the address set out in section VIII.B.1.(b) above.
- (b)** Within 6 months after Discovery of any such Fidelity Loss, the Policyholder shall furnish to the Company, at the address set out in section VIII.B.1.(b) above proof of loss with full particulars including all relevant information in their possession in relation to the Fidelity Loss and such further information as may be required by the Company.
- (c)** Legal proceedings for the recovery of any Fidelity Loss hereunder shall not be brought prior to the expiration of 60 days after proof of loss is filed with the Company or after the expiry of 24 months from Discovery of such Fidelity Loss.

C. RELATED CLAIMS

All Related Claims shall be deemed one Claim, and such Claim shall be deemed to be first made on the date the earliest of such Claims is first made, regardless of whether such date is before or during the Policy Period or the Discovery Period.

D. SUBROGATION AND RECOVERIES

- 1.** In the event of any payment under this Policy, the Company shall be subrogated to the extent of such payment to all the Insured's rights of recovery. The Insured shall do everything necessary to secure and preserve such rights, including the execution of such documents as are necessary to enable the Company effectively to bring proceedings in the name of the Insured.
- 2.** Provided however that in no event shall the Company exercise its rights of subrogation against an Insured except where such Insured has been fraudulent, committed a criminal act or obtained any profit or advantage to which he was not legally entitled. This exception shall not apply to Fidelity Loss.

3. All recoveries obtained by the Insured from other parties shall be allocated, after the settlement of any claim under the Policy as follows:
 - (a) firstly, to the benefit of the Insured to reduce or extinguish the amount of the Insured's Loss or Fidelity Loss to the extent that it would have been paid under the Policy but for the fact that such Loss or Fidelity Loss exceeds the Limit of Liability together with any Retention where applicable;
 - (b) secondly, to the benefit of the Company for all sums paid in settlement of Loss arising under the Policy;
 - (c) thirdly, to the benefit of the Insured for the amount of the Retention under the Policy.

All recoveries shall be applied as herein only after deduction of the reasonable cost of obtaining such recovery. All recoveries made prior to settlement of any claim under the Policy shall be held for the benefit of the Company and applied as stated herein after settlement if any is made.

E. OTHER INSURANCE

This Policy shall be specifically excess of any other valid and collectible insurance (including but not limited to any insurance which is stated to be primary, contributory, excess, contingent or otherwise), unless such other insurance is specifically excess of this Policy.

For the avoidance of doubt, a Loss or a Fidelity Loss which is covered partly by this Policy and partly by another policy (including policies of which this is a renewal) issued by the Company to the Insured for which any previous applicable discovery period has not expired, shall be limited to the larger amount of cover under the previous policy or this Policy and shall on no account be cumulative.

F. ARBITRATION

Any dispute arising out of or in connection with this Policy shall be referred to a sole arbitrator, who shall be a Queen's Counsel specialising in insurance law. The sole arbitrator shall be appointed by agreement between the parties or, failing such agreement within 30 days of one party receiving written notice of a nomination being made by the other party, by the Chairman for the time being of the Bar Council. The arbitration shall be held in London and in the English language.

G. DISPUTES AS TO CONTESTING LEGAL PROCEEDINGS

1. Subject to the provisions of sub-section G.2. below, in the event of a disagreement arising between the Company and the Insured as to whether or not to contest or settle legal proceedings or proceed with appeals, the issue shall be remitted to a Queen's Counsel whose decision on the probability of successfully defending the Claim or the acceptability of the proposed terms of settlement or the probability of succeeding on appeal shall be final. The identity of such Queen's Counsel shall be agreed by the parties or, failing such agreement within 30 days of one party receiving written notice of a nomination being made by the other party, by the Chairman for the time being of the Bar Council.
2. In the event that Queen's Counsel or Junior Counsel is instructed in connection with the defence of a Claim, the parties shall remit any issue between them to the said Counsel as to whether or not to contest or settle legal proceedings or proceed with appeals.
3. Any appointment under the provisions of this section shall be as expert and not as arbitrator.
4. The costs of the said expert determination shall be deemed to form part of the Defence Costs.
5. All references to Queen's Counsel in this section include, where proceedings have been commenced in jurisdictions outside England and Wales, a lawyer of similar status.
6. Reference to the Chairman for the time being of the Bar Council in this section include, where proceedings have been commenced in jurisdictions outside England and Wales, a similar appointee.

H. VALUATION

The Company shall not be liable for more than:

1. the actual market value of Securities at the close of business on the business day immediately preceding the day on which the Fidelity Loss was Discovered or the actual cost of replacing Securities whichever is less plus the cost of posting any required lost instrument bond (which cost shall be paid by the Company on behalf of the Insured);
2. the value of a foreign currency calculated in pounds sterling at the rate of exchange published as the Financial Times closing mid point rate on the date of Discovery;
3. the actual cash value of Property at the time of the loss or the actual cost of repairing or replacing the Property with property of similar quality or value whichever is less.

FLEXIBLE ENGINEERING INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

Please read this Policy carefully to ensure that it meets your requirements

This policy the Schedule (including any Schedule issued in substitution) and any Memoranda or Endorsements shall be read together as one document and shall be collectively referred to as the Policy

Any word or expression to which a specific meaning has been given in any part of this Policy shall bear such meaning wherever it appears

The Insured having paid or agreed to pay the Premium the Insurance Premium Tax and the Value Added Tax (if applicable) the Company will (subject to the terms definitions exclusions and conditions) provide the Cover described in this Policy for the Period of Insurance stated in the Schedule and any subsequent period for which the Insured shall pay and the Company shall agree to accept the Premium the Insurance Premium Tax and the Value Added Tax (if applicable)

DEFINITIONS APPLICABLE TO FLEXIBLE ENGINEERING

Boiler and Pressure Plant

Boiler and Pressure Plant shall mean

- (a) boilers
- (b) Property subject to internal steam pressure
- (c) Property used for storage of fluids under pressure
- (d) vacuum vessels
- (e) piping associated with any of the above

Breakdown

Breakdown shall mean

- (a) the actual failure breaking distortion or burning out of any part of the Property whilst in use arising out of
 - (i) mechanical or electrical defects in the Property
 - (ii) failure or fluctuation of electricity supply
 - (iii) DAMAGE caused by the error or omission of the operator(s) during the normal operation of the Property other than in respect of any failure to maintain
- (b) the fracturing of any part of the Property by frost when such fracture renders that part of the Property inoperative

Collapse

Collapse shall mean the sudden and dangerous distortion (whether or not attended by rupture) of any part of the Boiler and Pressure Plant caused by crushing stress by force of steam or other fluid pressure (other than pressure or ignition of gases in the furnaces or flues)

Damage

DAMAGE in capital letters shall mean physical loss destruction or damage

Pressure Explosion

Pressure Explosion shall mean the sudden and violent rending of the Property by force of internal steam or other fluid pressure (other than pressure of chemical action or ignition of the contents or pressure or ignition of gases in the furnaces or flues) causing bodily displacement of any part of the Property together with the forcible ejection of the contents

Insurance Premium Tax

To the extent that the Insured is accountable to the tax authorities for Insurance Premium Tax all premiums in this Policy shall be inclusive of such tax

Situation

Situation shall mean the location of the Property as detailed in the Schedule

Value Added Tax

To the extent that the Insured is accountable to the tax authorities for Value Added Tax all terms in this Policy shall be exclusive of such tax

Property

Property includes Boiler and Pressure Plant (unless otherwise stated in the Schedule) and shall mean all integral parts of any item of machinery and plant described in the Schedule but excludes even if integral to the Property (unless specifically stated as being covered)

- (a) chimneys masonry brickwork foundations racking shelving and supporting structures
- (b) computer or data processing equipment (unless linked and wholly dedicated to the control of any machine or production or treatment process)
- (c) office equipment including but not limited to communications or alarm systems vending machines games machines and office equipment including but not limited to typewriters adding machines calculators facsimile machines and equipment for the printing or reproduction of documents or other records
- (d) any item or part of Property sold supplied processed serviced manufactured or stored in the course of the Insureds trade or business
- (e) exchangeable or detachable tools equipment and appliances or parts requiring renewal in the normal course of operation

DEFINITIONS CONTINUED

- (f) vehicles other than purpose-built lifting and handling machinery
- (g) the contents of Boiler and Pressure Plant

Reinstatement

Reinstatement shall mean

- (a) where any item of Property suffers DAMAGE to the extent that it cannot be economically repaired replacement by new Property of equal performance and/or capacity or if such be impossible replacement by new Property having the nearest overall performance and/or capacity to the Property which has suffered DAMAGE
- (b) where any item of Property otherwise suffers DAMAGE the repair of the DAMAGE and the restoration of the portion of Property suffering DAMAGE to a working condition substantially the same as but not better or more extensive than its condition when new

COVER

Cover

The Cover which applies is indicated by the Cover Reference(s) set against each Item in the Schedule

In the event of DAMAGE (subject to any exclusions) to Property happening during the Period of Insurance whilst at the Situation where the Property suffering DAMAGE is

1. (a) Boiler and Pressure Plant or
(b) Property which is less than or equal to 2 years old from the date of sale as new or the DAMAGE is by Pressure Explosion of Property to any other surrounding property (excluding stock in trade or goods in process of manufacture)

owned by the Insured or for which the Insured is responsible the amount payable by the Company shall be Reinstatement

2. Property not stated in 1 the Company will pay to the Insured the value of the Property at the time of the DAMAGE or the cost of repair of the DAMAGE to a condition substantially the same as but not better or more extensive than the condition at the time of the DAMAGE or at the Company's option reinstate or replace such Property

and such additional cost of reinstatement as may be incurred in complying with Building Regulations or local authority or statutory requirements

Limit of Liability

The liability of the Company shall not exceed in total in respect of any one incident of DAMAGE or series of incidents of DAMAGE from a common cause any limit of liability or sum insured stated in the Policy

Where DAMAGE occurs

- (a) to only part of the Property
- (b) and where the Policy provides such Cover for Pressure Explosion of Property to any other surrounding property (excluding stock in trade or goods in process of manufacture)

the liability of the Company shall not exceed the amount that the Company would have been liable to pay had the Property been wholly destroyed

In the event that the Insured consists of more than one party or legal entity the liability of the Company shall not exceed the amount for which the Company would have been liable had such DAMAGE been sustained by any one of the Insured parties or legal entities

Where the basis of payment is to be Reinstatement payment of Reinstatement shall not be made

- (a) unless Reinstatement commences and proceeds without unreasonable delay
- (b) until Reinstatement has been carried out
- (c) if the Property and where the Policy provides Cover for Pressure Explosion of Property to any other surrounding property (excluding stock in trade or goods in process of manufacture) at the time of its DAMAGE shall be insured by any other insurance effected by or on behalf of the Insured which is not upon the same basis of Reinstatement

If at the time of Reinstatement the sum representing 85% of the cost which would have been incurred in reinstating

- (a) the whole of the Property
- (b) where the Policy provides such Cover for Pressure Explosion of Property to any other surrounding property (excluding stock in trade or goods in process of manufacture)

exceeds the sum insured thereon at the commencement of any DAMAGE the liability of the Company shall not exceed that proportion of the amount of the DAMAGE which the sum insured shall bear to the sum representing the cost of reinstating the whole of the Property at that time

COVER REFERENCE FR

Fragmentation DAMAGE by impact to surrounding property belonging to the Insured or for which the Insured is responsible resulting from fragmentation of any part of the Property

Exclusions to FR Cover

This Cover Reference does not cover

Testing Overloading and Repair DAMAGE caused by and occurring during testing or intentional overloading of the Property or by the application of any tool or process in the course of any modification maintenance repair or overhaul of the Property except for DAMAGE caused by and occurring during the checking of the correct working of the Property or during the checking of safety installations in connection therewith during the normal operations of the Property

Chemical Action DAMAGE caused by explosion resulting from chemical action or ignition of contents of the Property

Resulting Damage DAMAGE resulting from lack of heat light power steam refrigeration or air conditioning

Machine and Contents DAMAGE to the Property itself or to the contents of the Property or to the load handled by the Property

Liquid or Gaseous Gaseous Fluid DAMAGE caused by any liquid or gaseous fluid

Fire DAMAGE caused by fire howsoever the fire may have been caused

COVER REFERENCE EXP

PRESSURE EXPLOSION AND COLLAPSE DAMAGE to the Property caused by and solely due to Pressure Explosion or Collapse thereof

Exclusions to EXP Cover

This Cover Reference does not cover

Testing Overloading and Repair DAMAGE caused by and occurring during testing or intentional overloading of the Boiler and Pressure Plant except for DAMAGE caused by and occurring during the checking of the correct working of the Boiler and Pressure Plant or during the checking of safety installations in connection therewith during the normal operations of the Property

FIRE DAMAGE caused by fire howsoever the fire may have been caused

COVER REFERENCE BDN

Breakdown DAMAGE to any part of the Property by Breakdown including any resultant loss of coolant lubricant or insulant refrigerant or brine

Exclusions to BDN Cover

This Cover Reference does not cover

Testing Overloading and Repair DAMAGE caused by and occurring during testing or intentional overloading of the Property except for DAMAGE caused by and occurring during the checking of the correct working of the Property or during the checking of safety installations in connection therewith during the normal operations of the Property

Fire DAMAGE caused by fire howsoever the fire may have been caused

Explosion DAMAGE caused by explosion

Collapse DAMAGE caused by Collapse

Rubber Tyres DAMAGE to rubber tyres unless such DAMAGE arises out of an accident for which Cover is provided under this Policy to other parts of the Property or unless such DAMAGE arises out of malicious act which necessitates replacement of such tyres repair thereof being impracticable

COVER REFERENCE SUD

Sudden and Unforeseen Damage DAMAGE to the Property by Pressure Explosion Collapse Breakdown or any other sudden and unforeseen cause not excluded including any resultant loss of coolant lubricant or insulant refrigerant or brine

Exclusions to Sub Cover

This Cover Reference does not cover

Fire and Other Perils DAMAGE caused by

- (a) fire howsoever the fire may have been caused
- (b) lightning earthquake flood
- (c) aircraft and other aerial devices or articles dropped therefrom water discharged or leaking from an installation of automatic sprinklers
- (d) theft
- (e) explosion (other than Pressure Explosion) except to the extent stated in Memorandum Temporary Removal

This exclusion does not apply to Breakdown arising out of failure or fluctuation of electricity supply

Testing Overloading and Repair DAMAGE caused by and occurring during testing or intentional overloading of the Property except for DAMAGE caused by and occurring during the checking of the correct working of the Property or the checking of safety installations in connection therewith during the normal operations of the Property

Rubber Tyres DAMAGE to rubber tyres unless such DAMAGE arises out of an accident for which Cover is provided under this Policy to other parts of the Property or unless such DAMAGE arises out of malicious act which necessitates replacement of such tyres repair thereof being impracticable

MEMORANDA

Pressure Explosion Damage to owned Property

In the event of DAMAGE to any Boiler or item of Pressure Plant for which cover is provided by Cover Reference(s) EXP or SUD caused by Pressure Explosion the Company will also indemnify the Insured against DAMAGE to surrounding property belonging to the Insured or for which the Insured is responsible caused by the Pressure Explosion provided that the Company's liability under this extension shall not exceed £1,000,000

This cover does not include

- (a) DAMAGE resulting from lack of heat light power steam refrigeration or air conditioning
- (b) DAMAGE arising from fire howsoever the fire may have been caused

Temporary Removal

The cover provided by this Policy also applies whilst the Property is temporarily located away from the Situation at any other premises or working sites in the European Community or European Free Trade Area for the purpose of repair maintenance overhaul or inspection of the Property including transit between the Situation and such temporary locations

During such temporary relocation the cover under Cover Reference SUD is extended to include DAMAGE caused by

- (a) fire or explosion howsoever the fire or explosion may have been caused
- (b) lightning earthquake flood
- (c) aircraft and other aerial devices or articles dropped therefrom water discharged or leaking from an installation of automatic sprinklers
- (d) riot strike lock-out civil commotion
- (e) theft

Provided that the Company's liability under this extension shall not exceed £25,000 during transit by sea or air in respect of any one incident of DAMAGE or series of incidents of DAMAGE from a common cause

Additional Property

Any additional Property owned by or leased to the Insured of a similar class type function and capacity to the Property described in the Schedule is deemed to be included in this Policy once installation is completed and the Property is handed-over to the Insured and is ready to commence normal working at the Situation stated in the Schedule provided that

- (a) such Property is suitable for service free from material defects and in sound working condition
- (b) such Property shall not be worked until any relevant legal requirements for inspection and certification have been fulfilled
- (c) such Property shall be insured only to the same extent as similar items of Property described in the Schedule
- (d) if any such Property proves to be unacceptable to the Company the Cover on that part of the Property shall terminate from the date of notification to the Insured

Testing Repairs or Expediting Costs

In respect of each claim for DAMAGE for which cover is provided by this Policy the Company will pay the reasonable cost (if previously approved by the Company) of effecting temporary repair and of expediting permanent repair of such DAMAGE provided that the Company's limit of liability under this extension shall not exceed £10,000

Debris Removal

Subject to the Sum Insured stated in the Schedule the Company will pay for costs incurred with the Company's consent in the removal of Property consequent upon DAMAGE for which cover is provided by this Policy but excluding any costs or expenses arising from pollution or contamination of property not covered by this Policy

Measures Taken in Avoidance of Damage

Subject to the terms and conditions of this Policy and the Sum Insured stated in the Schedule the Company will pay reasonable costs incurred by the Insured in taking exceptional measures to avoid or mitigate impending DAMAGE for which cover is provided by this Policy provided that

- (a) the impending DAMAGE does not stem from any defect within any Property and
- (b) DAMAGE would be reasonably expected in the absence of such measures and
- (c) the Company are satisfied that DAMAGE has been avoided or reduced in consequence of the measures taken

Payments on Account

Where liability under this Policy is admitted the Insured shall be entitled to receive payment(s) as agreed between the Insured and the Company in advance of final settlement

EXCLUSIONS (applicable to all Cover References)

This Policy does not cover

Insureds Contribution	the Excess stated in the Schedule being the first part of each and every claim to be borne by the Insured as ascertained after the application of all other terms and conditions of the Policy other than those stated in Memorandum – Terrorism Provision
Pollution or Contamination	DAMAGE caused by pollution or contamination except (unless otherwise excluded) DAMAGE caused by pollution or contamination which itself results from any DAMAGE
Corrosion or Erosion	DAMAGE consisting of or caused by any form of corrosion or erosion howsoever the same may arise but this exclusion shall not apply to DAMAGE to any other part of the Property free from such corrosion or erosion
Wear and Tear	DAMAGE consisting of or caused by gradually occurring wear and tear or deterioration which is both predictable and inevitable from the normal operation or usage of the Property but this exclusion shall not apply to DAMAGE to any other part of the Property free from any such condition
Other Damage	<ul style="list-style-type: none">(a) scratching of painted or polished surfaces(b) damage to non-metallic protective linings pipes or hoses and driving or conveyor belts and batteries(c) damage to ropes (other than DAMAGE resulting in complete severance)
Financial Loss	Loss of any kind whatsoever not specifically covered by this Policy including financial loss loss of profits loss due to delay or any consequential loss of any kind whatsoever not specifically covered by this Policy
Riot Strike and civil Commotion	DAMAGE caused by riot strike lock-out or civil commotion
War	DAMAGE caused by war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power nationalisation confiscation requisition seizure or destruction by the government or any public authority
Radioactive Contamination	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 <ul style="list-style-type: none">(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
Building Regulations	<ul style="list-style-type: none">(a) the cost of complying with Building Regulations or local authority or statutory requirements<ul style="list-style-type: none">(i) relating to undamaged property or undamaged portions of property(ii) under which notice has been served prior to DAMAGE(c) any rate tax duty development or other charge or assessment arising out of capital appreciation as a result of complying with any of the said regulations or requirements

SPECIAL CONDITIONS

Condition Precedent	All of the Special Conditions are conditions precedent to the liability of the Company under this Policy
Reasonable Precautions	The Insured shall take all reasonable precautions to prevent DAMAGE
Special Precautions	The Insured shall maintain the Property in an efficient condition and fit for its purpose and shall ensure that any Property requiring inspection or test under any statute or order or regulation shall be so inspected or tested

Multiple Lifting Any lifting operations in which a single load is shared between more than one item of lifting equipment at the same time (of which at least one item of the equipment involved in such lifting operations is covered by this Policy) must conform to BS7121 specification for multiple lifting

Contracts (Rights of Third Parties) ACT 1999

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

GENERAL CONDITIONS APPLICABLE TO FLEXIBLE ENGINEERING

- Alteration** This Policy shall be avoided with respect to any of the Property in regard to which there is any alteration after the commencement of this Policy
- (a) whereby the risk of DAMAGE is increased either temporarily or permanently or
 - (c) whereby the interest of the Insured ceases except by will or operation of law
- unless admitted by the Company in writing
- Policy Voidable** This Policy shall be avoidable in the event of misrepresentation misdescription or nondisclosure in any material particular
- Cancellation** This Policy may be cancelled
- (a) by the Company sending thirty days notice to the Insureds last known address who shall be entitled to a proportionate return of premium provided that no claims have been or will be notified to the Company
 - (b) by the Company sending seven days notice to the Insureds last known address in the event of non payment of any monthly premium on its due date where the Policy is issued or renewed on the basis of monthly premiums
 - (c) by the Insured who shall be entitled to a proportionate return of premium provided that no claims have been or will be notified to the Company
- Currency** All premiums and claims under this Policy shall be paid in the United Kingdom in pounds Sterling
- Inspection** The Company shall have the right to inspect the insured Property at all reasonable times during the Period of Insurance
- The Company may make periodical inspections of the Property described in the Plant Schedule and the Insured agrees to properly prepare and make available the Property at no expense to the Company to enable the Company to carry out such inspections and report thereon
- Unless otherwise agreed the Company shall not carry out or witness any ultrasonic radiographic or other special tests of a non-routine character nor any proof load stability anchorage or similar test

CLAIMS CONDITIONS APPLICABLE TO FLEXIBLE ENGINEERING

Action by the Insured	<p>(a) In the event of any incident of DAMAGE in consequence of which a claim is or may be made under this Policy the Insured shall</p> <ul style="list-style-type: none">(i) notify the Company immediately(ii) notify the police authority immediately it becomes evident that any loss has been caused by malicious persons(iii) carry out and permit to be taken any action which may be reasonably practicable to prevent further loss(iv) deliver to the Company at the Insureds expense<ul style="list-style-type: none">(1) full information in writing of the loss(2) details of any other insurances on any Property hereby insuredwithin 30 days after such DAMAGE (7 days in the case of DAMAGE caused by riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons) or such further time as the Company may allow(3) all such proofs and information relating to the claim as may be reasonably required(4) if demanded a statutory declaration of the truth of the claim and of any matters connected with it <p>(b) No claim under this Policy shall be payable unless the terms of this condition have been complied with</p>
Fraud	<p>If a claim is dishonest or fraudulent in any respect or if dishonest or fraudulent means are used by the Insured or by anyone acting on his behalf to obtain any benefit under this Policy or if any DAMAGE is caused by the willful act or with the connivance of the Insured all benefit under this Policy shall be forfeited</p>
Contribution	<p>If at the time any claim arises there is any other insurance effected by or on behalf of the Insured insuring any DAMAGE covered by this Policy the liability of the Company hereunder shall be limited to its rateable proportion of such loss</p>
Subrogation	<p>Any claimant under this Policy shall at the request and expense of the Company provide such information and co-operation as the Company may require and shall take and permit to be taken all steps for enforcing rights against any other party in the name of the Insured before or after any payment is made by the Company</p>
Arbitration	<p>If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by agreement between the parties or in default of agreement upon the application of either party to the President for the time being of the Chartered Institute of Arbitrators where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the Company</p>

LOSS OF NO CLAIMS BONUS AND PAYMENT OF EXCESS PROTECTION

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

Definition

The Excess is:

Any voluntary excess under a current private motor car policy together with any standard printed policy excess or compulsory excess.

Insured Person is:

Any Employee or Volunteer authorised to use a car on the business of the Organisation and whose name has been shown in the register of participating employees or volunteers.

The Cover

The Company will compensate the Insured Person following:

- (a) loss of or reduction in No Claims Bonus under a current private motor car policy held by the Insured Person
- (b) payment of the Excess

following an accident notified to the Company during the period of Insurance, which term shall include accidental loss or damage, theft, malicious damage and windscreen breakage, involving a private motor car which at the time of the accident is being used by an Insured Person whilst engaged solely on the business of the Organisation including direct travel from home to duty and return, excluding commuting, within Great Britain, Northern Ireland, the Isle of Man and the Channel Islands and which is the sole cause of loss or reduction in a) and/or b) above.

The liability of the Company shall not exceed the sum of £250 in respect of any one accident in respect of the Excess.

In the event of loss of No Claims Bonus the Company will pay the loss of or reduction in the ensuing year's No Claims Bonus. The calculation(s) of the amounts to be paid shall be based on the scale of bonus in force at the time of the accident such amount payable not exceeding in all the sum of £500 or the amount of the damage if less than the bonus reduction. No payment will be made for any temporary loss of No Claims Bonus.

Special Conditions

1. In substantiation of a claim under this Section the Insured Person shall provide a letter from the private motor car Company stating:
 - (a) the amount of No Claims Bonus permanently lost
 - (b) the scale of bonus
 - (c) the date of the occurrence and accident location
 - (d) the amount of the Excess and whether this was voluntary, part of the standard policy printed wording or compulsorily imposed

The Insured Person shall also provide any further documentation which may be reasonably required by the Company.

2. Cover commences when a participant is listed as such by a competent officer before the occurrence of an accident.
3. This insurance does not cover loss of or reduction in bonus or payment of contributions arising from accidents to motor vehicles occurring otherwise than in the course of the activities/business of the Insured.

ALL RISKS TERRORISM INSURANCE

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

Notwithstanding any provisions to the contrary within this Policy the insurance in respect of all items insured by the Applicable Sections is extended to include Terrorism Insurance as specified below

This Policy includes Damage or loss resulting from Damage to the Property Insured and consequential loss resulting therefrom insofar and to the extent that it is insured by this Policy in the Territories stated below caused by or resulting from an Act of Terrorism

provided always that Terrorism Insurance is

- A. subject to Exclusions 1 - 3 specified below
- B. not subject to any other exclusions stated in this Policy

provided also that the Company's liability in any one period of insurance shall not exceed

- A. in the whole the total sum insured
- B. in respect of any item its sum insured or any other stated limit of liability specified in the Schedule or elsewhere in the Policy

whichever is the lower subject always to the limit(s) applying to Terrorism Insurance shown against the Territories stated below after application of all the provisions of the insurance including any Insured's Contribution

Territory	Limit of Liability
1. Great Britain	
2. (a) The Channel Islands (b) The Isle of Man	} As otherwise specified in this Policy As otherwise specified in this Policy but not exceeding in total £10,000,000
3. Elsewhere in the world	Not Insured

Exclusions

Terrorism Insurance does not cover

1. Riot Civil Commotion War and Allied Risks

any loss whatsoever or any consequential loss directly or indirectly occasioned by or happening through or in consequence of riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

2. Electronic Risks

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 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 the Insured or not where such Damage is caused by Virus or Similar Mechanism or Hacking or Denial of Service Attack

3. Nuclear Risks and Chemical Biological and Radiological Contamination

in respect of

- (i) property situated in the Channel Islands and the Isle of Man
- (ii) Residential Property insured in the name of a Private Individual

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 an 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

DEFINITIONS APPLICABLE TO ALL RISKS TERRORISM INSURANCE

Damage means

accidental loss destruction or damage

Act of Terrorism means

acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

Great Britain means

England and Wales and Scotland but not the territorial seas adjacent thereto (as defined by the Territorial Sea Act 1987)

Virus or Similar Mechanism means

any 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 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 the insured or not

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 or network services or network connectivity or information systems

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

Residential Property means

houses and blocks of flats and other dwellings (including household contents and personal effects of every description)

Private Individual means

any person other than

- (a) a Trustee or body of Trustees where insurance is arranged under the terms of a trust
- (b) a person who owns Residential Property for the purpose of their business as a sole trader

The definition of Private Individual shall include two or more persons where insurance is arranged in their several names and/or the title of the Insured includes the name of a bank or building society or other financial institution for the purpose of noting their interest in the Property Insured

Special Conditions

1. In any action suit or other proceedings where the Company alleges that any Damage or loss resulting from Damage is not covered by this Policy the burden of proving that such Damage or loss is covered shall be upon the Insured
2. Any terms in this Policy which provide for adjustments of premium based upon declarations on expiry or during the period of insurance do not apply to Terrorism Insurance
3. If this Policy is subject to any Long Term Agreement / Undertaking it does not apply to Terrorism Insurance

All the terms and conditions of the Policy apply except insofar as they are hereby expressly varied

COMPLAINTS PROCEDURE

We aim to provide you with a first class service. If we have not delivered the service that you expect or you are concerned with the service provided, we would like the opportunity to put things right.

Our complaints process

Initially please raise your concerns with Keegan & Pennykid Insurance Brokers Ltd.

If your complaint is not resolved or you are not happy with our response and the course of action proposed, you can progress your complaint to our Customer Relations Office.

A separate investigation will then be carried out in an attempt to resolve your complaint and a final decision issued. However if resolution is not possible they will issue a response within 8 weeks of your original complaint.

Customer Relations Contact Details:

Customer Relations Office
Royal & Sun Alliance Insurance plc
Bowling Mill
Dean Clough Industrial Park
Halifax
HX3 5WA

Tel: 0800 1076160
Fax: 01422 325146
e-mail: halifax.customerrelationsoffice@uk.royalsun.com

What to do if you are still not satisfied

If you are still not satisfied, Royal & SunAlliance is regulated by the Financial Services Authority whose arbitration service is the Financial Ombudsman Service and you may be able to refer your complaint to them.

Financial Ombudsman Service

South Quay Plaza
183 Marsh Wall
London
E14 9SR

Tel: 0845 0801800
e-mail: enquiries@financial-ombudsman.org.uk
web: www.financial-ombudsman.org.uk

Your rights

Your rights as a customer to take legal action remain unaffected by the existence or use of any complaints procedures referred to above. However the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.

For your protection, telephone calls may be recorded or monitored

Confidence in the product and the supplier.
Reliable and unbiased advice.
Cost effectiveness.

These are the hallmarks by which Charity Trustees should judge decisions when fulfilling their duty to insure against the unexpected risks and liabilities they face in the daily running of their activities. Liabilities to staff, clients and the public; compensation for theft of property; harm arising from accident, are typical of the risks to be insured.

Now, the Encompass suite of Insurance Policies is available and setting new standards for all of these hallmarks - and to meet the interests of voluntary organisations, quickly and reliably.

Compare it with your present arrangements and see for yourself.

Designed by Keegan & Pennykid in partnership with a leading Insurance Company, Encompass delivers:

- Employers and Public Liability insurance and Professional Indemnity cover
- Volunteer insurance
- Event insurance
- Trustees Liability insurance
- Legal expenses cover
- Office insurance for contents and buildings
- Charity Shop insurance for contents and buildings
- Project insurance
- Advice - on risk assessment, claims and valuations
- Simple administration
- Low cost. Premiums start at £50 plus insurance premium tax
- Security. Policy underwritten by Royal & SunAlliance
- Flexibility. Cover can be extended and tailored to your needs

For advice and premium quotations please contact:

Keegan & Pennykid (Insurance Brokers) Ltd

50 Queen Street, Edinburgh EH2 3NS

Tel: 0131 225 6005 Fax: 0131 226 3811

Email: mail@keegan-pennykid.com Website: www.keegan-pennykid.com

Underwritten by:



Royal & Sun Alliance Insurance plc (No. 93792).
Registered in England and Wales at St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL.
Authorised and regulated by the Financial Services Authority.