

# Recruitment Insurance Policy Wording

## Combined Insurance Policy for Recruiters

### Important Contact details

If you need to amend or discuss your policy cover please call us on **0800 454 632**

If you need to make a complaint about our services please call the Professional Risks Team Manager on **01452 229394**

If you need to discuss a matter under your Legal Expenses cover please call DAS on **0344 893 0859** quoting scheme reference number **TS56772782**

If you need to discuss a possible claim for any other section of cover, please call us on **0345 266 8982** quoting your Policy Number

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## About your policy

This Policy has been prepared in accordance with *Your* instructions.

It is a legal contract. Please read it carefully to ensure that it is in accordance with *Your* requirements and that *You* understand its limits, terms, conditions and exclusions.

Thistle Insurance Services should be contacted immediately if any correction is necessary.

This Policy consists of:

- the **Introduction** which explains the basis on which cover is provided;
- the **Schedule**, which states who is the *Insured*, the *Business* being covered and other particulars, such as the *Period of Insurance* and details of which Sections are operative. It also shows such details as the property or occurrences insured, limits of liability, and matters and amounts for which the *Insured* is responsible;
- **Definitions**, which define particular words and expressions applying to the whole of this Policy or, where specifically stated, applying to a particular Section;
- the **Sections** of the Policy which give precise details of the cover being provided;
- the **General Conditions** and **General Exclusions** of cover applying to the whole of this Policy or, where specifically stated, applying to a particular Section;
- any **Endorsement(s)** which might apply to the Policy or individual Sections, which incorporate extensions, limitations, amendments, and such like.

*You* should immediately notify **Thistle Insurance Services** of any changes which may affect the insurance provided by this Policy.

Alterations in the cover required after issue of the Policy will be confirmed by separate *Schedule(s)* and/or *Endorsement(s)* which *You* should file with the Policy. *You* should refer to these *Schedule(s)* and/or *Endorsement(s)* and the Policy to ascertain precise details of cover currently in force.

## General Insuring Clause

This Policy, the *Proposal*, the *Schedule* (including any *Schedule* issued in addition or substitution) and any Endorsements or 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.

In return for the *Insured* named in the *Schedule* having paid or agreeing to pay the *Premium*, the *Insurers* hereby bound shall by payment, or at their option by reinstatement or repair, indemnify the *Insured* to the extent hereafter described in respect of loss, destruction or damage, accident or *Injury* occurring during the *Period of Insurance* subject to the limits, terms, conditions and exclusions contained herein or endorsed hereon.

The *Insurer* agrees that it will apply section 9 of the Insurance Act 2015 (the “Act”) with immediate effect so that:

- i) to the extent the *Insured* has made any representations prior to the commencement of this contract, or
- ii) if the *Insured* subsequently makes any representations in connection with any amendment to or variation of this contract,

nothing in this contract or anything that relates to it (including the proposal form and all other pre-contractual documentation) shall operate to convert such representations into a warranty in this contract.

The *Insurer* agrees that to the extent any provisions of the Act relating to the subject of this clause are more favourable to the insured than this clause, the provisions of the Act shall apply.

## Duty of Fair Presentation

By entering into this insurance contract *We* accept that *You* have made a presentation to *Us*, which is in a reasonably clear and accessible format, in accordance with Section 3 of the Insurance Act 2015.

*You* must either disclose all material circumstances or provide *Us* with sufficient information to put *Us* on notice to make further enquiries. (A matter is material if it would influence the judgement of a prudent insurer as to whether to accept the risk, or the terms of the insurance (including premium)).

*You* should contact *Us* or *Your* insurance agent for clarification of any matters which are not clear to *You* regarding the scope of disclosure required or the provisions of this policy.

## Remedy for breach of the duty of fair presentation

### Reckless or deliberate misrepresentation or non-disclosure

If *You* deliberately or recklessly failed to disclose or misrepresented material information, the policy will be cancelled from its start date and no return premium will be given.

### Unintended non-disclosure or misrepresentation

If *We* had known the non-disclosed or misrepresented information before the start of the contract and:

- a) would not have entered into the contract as a result, *We* may apply additional terms and/or premium, being effective from the date of the discovery. *We* will continue to pay any *Claims* made or arising during the *Period of Insurance*, provided *You* have paid any additional *Premium* *We* have requested because of this breach, but will not renew the policy once it reaches its renewal date;  
If the breach results in reputational harm to us the policy will be cancelled from its start date and no return premium will be given;
- b) would have applied different terms, we will apply those different terms from the date of the discovery. Any claims already made will not be affected by our discovery;
- c) would have charged a higher premium, we will charge an additional premium calculated from the start of the period of insurance. Any claims already made will not be affected by our discovery;

- d) would have applied different terms and charge a higher premium we will apply those different terms and charge the additional premium (calculated from the start of the policy) from the date of discovery. Any claims already made will not be affected by our discovery.

### Remedy for fraud

If you provide fraudulent information or documentation or make a fraudulent claim under this policy we may refuse to pay the claim. We may also have the option to cancel the policy from the date of the discovery of the fraud and keep any premium paid to us. This will not affect claims already made unless they too were fraudulent.

If your policy covers more than one insured and a fraudulent claim is made by one of those insureds, we will treat that claim in accordance with the above, but the rights of the other insured(s) under the policy will not be affected.

### Remedy for breach of warranty

If you breach a warranty under your policy, cover will be suspended from the time of the breach until the time the breach has been remedied (where possible to do so). We will not decline or reduce the payment of any claim made during the period of suspension unless by breaching the warranty you contributed to the claim being made or its severity.

### Remedy for breach of other terms

In the event we discover that any policy term has been breached, but that failure to fulfil that term did not directly affect the actual loss, we will not decline or reduce the payment of that claim, provided it is not a condition we consider defines the risk as a whole. Please refer to the quotation provided by us which will show those terms (if any) applicable.

## Definitions

**These Definitions are applicable to the whole Policy or, where specifically stated, to a particular Section of the Policy wherever the words appear in italics starting with a capital letter. These Definitions are subject to the terms, conditions, limits and exclusions of the Policy.**

### Accident

means a single, sudden and unexpected event by violent, external and visible means, which occurs at an identifiable time and place and includes exposure resulting from a mishap to a conveyance in which the *Insured Person* is travelling.

### Additional Insured

means

1. The personal representatives of the *Insured* in respect of legal liability incurred by the *Insured* against legal liability in respect of which the *Insured* would have been entitled to indemnity under this Policy if the claim for which indemnity is sought had been made against the *Insured*;
2. The officers, committees and members of the *Insured's* canteen, social, sports and welfare organisations and first aid, fire, medical and security services in their respective capacities as such;
3. Any director or partner of the *Insured* or *Person Employed* in respect of private work undertaken by any *Person Employed* for such director, partner or *Person Employed* with the prior consent of the *Insured*;

each of whom shall as if they were the *Insured* be subject to the limits, terms, conditions and exclusions contained in this Policy so far as they can apply.

### Air Travel

means being in or on or boarding an aircraft for the purpose of flying therein or alighting therefrom following a flight.

### Ancillary Equipment

means equipment solely used for the specific purpose of creating a suitable operating environment for *Computer Equipment*, including air conditioning equipment, generating equipment, voltage regulating equipment, temperature and humidity recording equipment, electronic access equipment, heat and smoke detection equipment and computer room partitioning.

### Annual Income

means the *Income* during the 12 (twelve) months immediately before the date of the *Incident*.

*Annual Income* and *Standard Income* are subject to such adjustments as may be necessary to provide for the trend of the *Business* and for variations in or other circumstances affecting the *Business* either before or after the *Incident* or which would have affected the *Business* had the *Incident* not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the *Incident* would have been obtained during the relative period after the date of the *Incident*.

### Any One Claim

means all claims or legal proceedings arising from the same originating cause or series of events or occurrences attributable to one originating cause.

### Appointed Representative

The preferred law firm, law firm, Tax consultancy, accountant or other suitably qualified person who has been appointed to act for an *Insured Person* in accordance with the terms of Section 12.

### Aspect Enquiry

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

### Assault

means actual or attempted physical assault, robbery or hold-up.

### Auditor's Fees

means necessary and reasonable fees payable by the *Insured* to its auditors or professional accountants for producing such particulars or details contained in the *Insured's* books of account or other business documents, or such other proofs, information or evidence as may be required by the *Insurers*.

### Benefit

means the amount payable under the *Schedule* of Compensation in Section 4B – Personal Accident Assault.

### **Bodily Injury**

means bodily injury which:

- a) is sustained by the *Insured Person* while working under the control of the *Insured* in connection with the *Business* during the *Period of Insurance*;
- b) is caused by an *Accident*; and
- c) solely and independently of any other cause occasions the death or disablement of the *Insured Person* within 24 (twenty-four) calendar months from the date of the *Accident*.

### **(Section 14&15 only) means bodily injury which**

- a) is sustained by the *Insured Person* or *Temporary Worker* whilst in pursuit of normal occupational duties working under a contract with the *Insured* during the *Period of Insurance*;
- b) is caused by an *Accident*; and
- c) solely and independently of any other cause occasions the death or disablement of the *Insured Person* within 24 (twenty-four) calendar months from the date of the *Accident*.

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

### **Breakage**

means accidental fracture extending through the entire thickness of the *Glass* or *Sanitary Fittings*.

### **Breakdown**

means the failure of any part or all of the *Computer Equipment* owned, leased, hired or rented by the *Insured*.

### **Building(s)**

Means

1. the *Building(s)* situated at the *Premises* being constructed of brick, stone or concrete and roofed with slates, tiles, concrete, metal or asbestos unless otherwise agreed by the *Insurers*; and
2. landlord's fixtures and fittings in or on the said *Building(s)*;

which are the property of or leased to the *Insured*.

Unless more specifically insured, *Building(s)* also includes:

- a) annexes and *Outbuildings*;
- b) tenants' improvements (where the *Building(s)* are not insured the *Sum Insured* under the *Building(s)* Item relates to tenants' improvements);
- c) conveyors, trunks, lines, wires, service pipes and similar property on the *Premises* and extending to the public mains;
- d) walls, gates and fences;

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which are the property of the *Insured* or for which the *Insured* is legally responsible.

*Building(s)* in the course of construction are excluded.

### **Business**

means the business of the *Insured* as stated in the *Schedule*.

(Sections 5, 7, 8 and 9) means the business of the *Insured* as stated in the *Schedule*, which shall include:

1. the ownership, repair, maintenance and decoration of the *Insured's Premises*;
2. the provision and management of canteen, social, sports and welfare organisations for the benefit of any *Person Employed* and first aid, fire, medical and security services;
3. private work undertaken by any *Person Employed* for any director, partner of the *Insured* or *Person Employed* with the prior consent of the *Insured*.

### **Business Hours**

means any period during which the *Premises* are open for *Business* and attended by the *Insured* or any authorised *Insured Person* entrusted with *Money*.

### **Circumstance**

Any *Circumstance* of which the *Insured* first becomes aware during the *Period of insurance* which is likely to give rise to a *Claim* against them and is subject to the indemnity provided under this Policy.

### **Claim**

(Section 5) means

1. The receipt by the insured of any written or verbal notice of demand for compensation made by a third party against the insured;
2. Any writ, statement of claim, claim form, summons, application or other originating legal or arbitral process, crossclaim, counterclaim or third or similar party notice served upon the insured;
3. Communication invoking any pre-action protocol;

(section 14) means any judicial, administrative, extradition or regulatory proceeding initiated against the *Directors and Officers* for damages or other relief or any investigation which may give rise to *Investigation Costs*.

#### Claims Administrator

means the company stipulated in the *Schedule* or appointed subsequently by the *Insurers* which administers the claims under Section 12 of this Policy on the *Insurers'* behalf and to whom any notification of a claim must be made.

#### Company

(Section 16) means the company named in the *Schedule* and shall include any subsidiary.

#### Compensation Awards

means the *Insured's* liability for any judgement made against it under the Data Protection Act 1998 concerning the inaccuracy, loss, destruction or unauthorised disclosure of data.

#### Computer Equipment

means *Hardware, Peripheral Equipment and Ancillary Equipment* including any equipment, which having more than one function, can be used as *Computer Equipment*.

#### Computer Record

means a unit of *Electronic Data* representing a particular transaction or inter-related data which describes an event, person or other entity.

#### Computer Systems

means Your own computer network including third party software programs.

#### Contents

means machinery, plant, equipment, *Computer Equipment*, furniture, fixtures, fittings, alterations and decorations and all other contents, the property of the *Insured* or held by it in trust for which the *Insured* is legally responsible and is contained within the *Premises*. Excluding:

1. *Building(s)*;
2. *Stock in Trade*;
3. *Money*;
4. Documents, manuscripts and business books except for an amount not exceeding £10,000 in respect of the value of the materials as stationery, together with the cost of the clerical labour expended in reproducing such documents, manuscripts and business books;
5. *Computer Records* except for an amount not exceeding £10,000 in respect of the value of the *Data Media* together with the cost of the clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein);

6. patterns, models, moulds, plans and designs except for an amount not exceeding £25,000 in respect of the value of the materials together with the cost of labour expended in reinstatement;
7. the personal effects including tools, clothing, and pedal cycles of employees, directors, partners and visitors except for an amount not exceeding £500 in respect of any one person;
8. glass;
9. motor vehicles and their accessories;
10. wines, spirits, cigarettes and tobacco goods except for an amount not exceeding £500;
11. works of art except for an amount not exceeding £5,000 during the *Period of Insurance* nor £1,000 in respect of any one item.

#### Consequential Loss

means loss resulting from interruption of or interference with the *Business* carried on by the *Insured* at the *Premises* in consequence of accidental loss of or destruction of or damage to property used by the *Insured* at the *Premises* for the purpose of the *Business*.

#### Contracting Party

means a company, firm or individual who has a direct contractual relationship with the *Insured*.

#### Corruption

means the loss, distortion, corruption or erasure of any software *Programme(s)* or data forming part of the *Data Media*.

#### Costs and Expenses

- a) All reasonable and necessary costs chargeable by the *Appointed Representative* on a standard basis and agreed by *DAS* in accordance with the *DAS Standard Terms of Appointment*.
- b) The costs incurred by opponents in civil cases if an *Insured Person* has been ordered to pay them or pays them with *DAS's* consent.
- c) Attendance expenses  
The *Insured Person's* net salary or wages for the time that the *Insured Person* is off work to attend any arbitration court or tribunal hearing at the request of the *Appointed Representative* or while attending jury service *DAS* will pay for each half or whole day that the court tribunal or the *Insured Person's* employer will not pay for.

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

- i) the time the *Insured Person* is off work including the time it takes to travel to and from the hearing This will be calculated to the nearest half day assuming that a whole day is eight hours

- ii) if the *Insured Person* works full time the salary or wages for each whole day equals 1/250th of the *Insured Person's* yearly salary or wages
- iii) if the *Insured Person* works part- time the salary or wages will be a proportion of the *Insured Person's* weekly salary or wages.

#### Costs, Charges and Expenses

(Section 16) means any costs, fees and expenses incurred by or on behalf of any Directors and Officers, with the prior written consent of the Insurer

1. in defence of a claim;
2. as Investigation Costs;
3. in relation to a Personal Liability Notice enquiry brought under the Social Security Administration Act 1992 or similar legislation

excluding salaries, wages and other expenses of the Directors and Officers or employees of the Firm.

#### Cross-Tax Enquiry

A full enquiry which includes a review of Value Added Tax and/or Employer Compliance.

#### Damage

means accidental physical loss of, destruction of or damage to the *Property Insured*.

#### Damage to Property

means physical loss of, destruction of or damage to material property.

#### DAS

means DAS Legal Expenses Insurance Company Limited

#### DAS Standard Terms of Appointment

The terms and conditions (including the amount *We* will pay to an *Appointed Representative*) that apply to the relevant type of claim, which could include a conditional fee agreement (no win, no fee).

#### Data Media

means data carrying materials of all types (other than paper records) both current and back-up incorporating any stored *Programme(s)* and/or *Electronic Data* that is the property of the *Insured* or is leased, hired, rented or licensed to the *Insured*.

#### Date of Occurrence

- a) For civil cases (other than under Insured Incident Tax Protection), the date of the event that leads to a claim. If there is more than one event arising at different times from the same originating cause, the *Date of Occurrence* is the date of the first of these events. (This is the date the event happened, which may be before the date *You* or an *Insured Person* first becomes aware of it).
- b) For criminal cases the *Insured Person* began, or is alleged to have begun, to break the law.
- c) For insured incident statutory licence appeal, the date when *You* first became aware of the proposal by the relevant licensing or regulatory authority to suspend, alter terms, refuse to renew or cancel *Your* licence, mandatory registration or British Standard Certificate of Registration.
- d) For insured incident Tax protection, the date when *You* first became aware of the proposal by relevant authority, first notifies *You* of its intention to carry out an enquiry. For VAT or *Employer Compliance Disputes*, the date the dispute arises during the *Period of Insurance*.
- e) For insured incident Legal defence 5. Statutory notice appeals, the date when the *Insured Person* is issued with the relevant notice and has the right to appeal.

#### Debris Removal

means costs and expenses necessarily and reasonably incurred by the *Insured* with the prior consent of the *Insurers* to:

1. remove debris from;
2. dismantle and/or demolish;
3. shore-up or prop up;

the portion or portions of the *Property Insured* following *Damage*.

The *Insurers* will not pay for any costs or expenses:

1. incurred in removing debris except from the site of the *Property Insured* and the area immediately adjacent to such site;
2. arising from pollution or contamination of property not insured by this Policy.

#### Defence Costs

All costs and expenses incurred with the prior written consent of the *Insurers* in the investigation, defence or negotiation of the settlement of any claim or *Circumstance*.

The *Excess* does not apply to *Defence Costs*.

#### Deferment Period

The initial period of *Temporary Total Disablement* shown in the Personal Accident Schedule of Benefits, at the beginning of a period of temporary disablement in respect of any one accident, during which the benefit under item 5 of Sections 12 and 13 is not payable.



#### **Defined Peril**

means fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, lockedout workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any tank, apparatus or pipe or impact by any vehicle or animal.

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

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

*Denial of Service Attack* includes, but is not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or nongenuine traffic between and amongst networks.

#### **Director and Officer**

means any natural person who was, is now or in the future becomes a director or officer or manager of the *Firm*. *Director and Officer* also includes any *employee* named as co-defendant to a director, officer or manager of the *Firm*.

#### **Documents**

means all forms of *Documents* of whatsoever nature including computer system records (provided the *Insured* maintains duplicates of computer system records).

Documents shall not include stamps, currency, coins, bank notes and bullion, travellers' cheques, cheques, postal orders, money orders, securities, bonds, certificates and any other negotiable instrument

#### **Electronic Data**

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

#### **Employee**

See – *Person Employed*

(Section 5) Any person currently or previously employed under a Contract of Services with the *Insured* including partners, executives and non executive directors, consultants and temporary employees employed by the *Insured*.

(Section 12) *Employee* means an individual under a Contract of Service or a Contract for Services with the *Insured*.

(Section 14) *Employee* means any temporary worker or employee who is under a Contract of Service or a Contract for Services with the *Insured* as declared to the *Insurers*.

(Section 15) *Employee* means a Director or Senior Partner who is under a Contract of Service or a Contract for Services with the *Insured* as declared to the *Insurers*.

#### **Employment Practice Disputes**

any actual or alleged violation of employment laws or any other legal provisions relating to any individual's actual or prospective employment relationship with the *Insured*.

#### **Employer Compliance Dispute**

A dispute with HM Revenue & Customs concerning Your compliance with Pay As You Earn, Social Security, Construction Industry or IR35 legislation and regulations.

#### **Event**

means any occurrence, including the continuous or repeated injurious exposure to substantially the same general conditions, which results in *Bodily Injury*, *Injury* or *Damage to Property* or *Nuisance*. All *Events* or series of *Events* consequent upon or attributable to one source or original cause shall be regarded as a single Event for the purpose of this *Policy*.

#### **Excess**

(Sections 1 to 4, 6 and 11) means the amounts as stated either in this *Policy* wording or in the *Schedule*, as applicable, that are to be deducted from any loss and which amounts shall be borne by the *Insured*. Under Section 1 Property Damage All Risks this shall apply to each loss after the application of any Average (underinsurance) Condition.

(Sections 5, 7, 8 9 and 14) means the amounts as stated in the *Schedule*, which the *Insured* shall pay in respect of all damages, compensation, claimant's costs, *Legal Costs* and expenses before the *Insurers* shall be liable to make any payment. The *Excess* shall apply to each *Event* other than legal liability arising out of *Injury* unless otherwise stated in the *Schedule*.

(Section 12) means the amount specified in the Section that the *Insured* must bear in *Legal Expenses*, *Professional Expenses* or *Compensation Awards* in respect of *Any One Claim* before *DAS* are liable to provide any indemnity under this *Policy*.

#### **Firm**

- (a) The Firm(s) identified as the *Insured* in the *Schedule* and named in the *Proposal* being either a partnership comprised solely of the partners and former partners, sole trader or corporate body.
- (b) Any firm(s) or business(es) or any subsidiary firm(s) or subsidiary business(es) for which the *Insured* is legally liable in consequence of their acquisition (whether partial or otherwise) either prior to the inception of this Policy or during the *Period of insurance* provided the *Insurers* have been notified in writing of their existence and have agreed to insure such firm(s) or business(es).

#### **Full Enquiry**

An extensive examination by HM Revenue & Customs which considers all aspects of the *Assured's* tax affairs excluding those enquiries which are limited to one or more specific aspects of the *Assured's* self assessment and/or corporation tax return.

#### **Fungal Pathogens / Fungi**

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

#### **Geographical Limits**

means anywhere in the world.

**(Section 5 and 14)** means Worldwide excluding the United States of America and Canada, unless stated otherwise in the *Schedule*.

#### **Glass**

means

1. Fixed plain or wired glass and mirrors in or at the *Premises*;
2. Window alarm foil, ornamental glass, lettering and silvering;
3. Fixed external signs including neon signs;

the property of the *Insured* or for which the *Insured* is responsible.

#### **Governing Law**

This Policy shall be governed by and construed in accordance with the laws of England and Wales.

#### **Hacker**

Anyone who specifically and maliciously targets *You* and gains access to *Your Computer System* or *Website* via the internet or other external electronic link, solely by circumventing the security systems in place to protect against access.

#### **Hacking**

means unauthorised access to any computer or other equipment or component or system or item which processes, stores or retrieves data, whether or not the property of the *Insured*.

#### **Hardware**

means the physical equipment or units that make up the *Computer Equipment*.

#### **Incident**

means loss or destruction of or damage to property used by the *Insured* at the *Premises* for the purpose of the *Business*.

#### **Income**

means the money paid or payable to the *Insured* for goods sold (less the cost of purchases) and services rendered in the course of the *Business* activities as stated in the *Schedule* either at the *Premises* or elsewhere or as amended by endorsement.

#### **Indemnity Period**

means the period beginning with the occurrence of the *Incident* and ending not later than the end of the *Maximum Indemnity Period* thereafter during which the results of the *Business* shall be affected in consequence of the *Incident*.

(Section 13) means the period beginning with the occurrence of the *Breakdown* and ending not later than the *Maximum Indemnity Period* thereafter during which the results of the *Business* shall be affected in consequence of the *Breakdown*.

#### **Information**

means processed data.

#### **Injury**

means bodily injury, death, disease (or sickness), illness, nervous shock or mental injury.

(Section 12) means bodily injury or death but does not mean any sickness, disease or naturally occurring condition or degenerative process.

### Insured

means the *Insured* as stated in the *Schedule*.

(Section 5) means;

- (a) the *Firm*;
- (b) any partner, director or principal of the *Firm* including any person appointed to such position during the *Period of Insurance*;
- (c) any former partner, director or principal of the *Firm*;
- (d) the estate, personal representatives or trustee or assignee in bankruptcy of (a), (b) and/or (c).

(Section 12) means the company, firm or individual specified in the *Schedule* and at the *Insured's* request any *Employee*, director or partner of the *Insured*.

### Insured Person

means any partner, director or employee of the *Insured* whose usual place of employment is at the *Premises* or as otherwise stated in the *Schedule*.

(Section 14 and 15) means the person identified in the *Schedule* or endorsement provided such person is not under 16 (sixteen) or over 65 (sixty-five) years of age at the commencement of the *Period of Insurance*.

### Insured Incidents

The specific insurance cover provided by Section 12.

### Insurers

(Section 12) means DAS Legal Expenses Insurance Company Limited

(All other Sections) means those Lloyd's Underwriters subscribing to the *Policy*.

The liability of the *Insurers* is several and not joint and is limited solely to the extent of their individual proportions. The *Insurers* are not responsible for the subscription of any co-subscribing underwriter or any other insurer or co-insurer who for any reason does not satisfy all or part of its obligations.

### Intruder Alarm System

means an electrical installation to detect and indicate the presence, entry or attempted entry of an intruder into *Protected Premises*.

### Investigation Costs

(Section 16) means any costs, fees and expenses incurred in attending and being represented at any investigation initiated by a formal, regulatory, administrative, criminal or investigative enquiry into the *Firm's business*, where the investigating body has the powers to carry out such an enquiry, and where the *Firm* are required to attend such an enquiry.

### Keyholder

means the *Insured* or any person or keyholding company authorised by the *Insured* who must be available at all times to accept notification of faults or alarm signals relating to the *Intruder Alarm System*, attend, and allow access to the *Premises*.

### Legal Costs

means

1. costs of legal representation at:
  - a) any coroner's inquest or fatal accident inquiry in respect of any death;
  - b) proceedings in any court arising out of any alleged breach of statutory duty resulting in any *Event*; which may be the subject of indemnity under Sections 7, 8 and 9 of this Policy;
2. all other legal costs and expenses in relation to any *Event* which may form the subject of a claim for indemnity under Sections 7, 8 or 9 of this Policy;

incurred with the written consent of the *Insurers*.

### Limit of Indemnity

(Section 5 only)

The sum stated in the *Schedule* which applies in respect of each and every claim, for which indemnity is provided under this Policy.

For the avoidance of doubt it should be noted that the indemnity afforded under the terms of this policy is provided jointly to all parties constituting the *Insured* and for all purposes this Policy shall be considered as a joint policy with one *Limit of Indemnity*.

For the purposes of determining the *Limit of Indemnity* and the application of the *Excess*, all claims resulting from one and the same act, error or omission or a series of acts, errors or omissions arising out of the same cause or the acts, errors or omissions of one person or persons acting together or in which such person or persons is/are concerned or implicated shall be deemed to be one claim.

### Limit of Liability

(Section 16) means the sum stated in the *Schedule* and is the limit of the *Insurer's* liability under this policy which shall be in the aggregate including *Costs, Charges and Expenses*.

### Loss

(Section 16) means damages, settlements entered into with the *Insurer's* prior written consent and *Costs, Charges and Expenses*, excluding:

- a. punitive or exemplary damage;
- b. criminal or civil fines or penalties
- c. taxes;
- d. matters deemed uninsurable under the laws of England and Wales

### Loss of Limbs

means total irredeemable and irrecoverable loss of use or loss by physical separation at or above the ankle or wrist of one or more limbs.

### Loss of Sight

means total irredeemable and irrecoverable loss of sight of one or both eyes.

### Maximum Indemnity Period

means the number of months as stated in the *Schedule* of Locations attaching to and forming part of this Policy.

(Section 13) means as stated in the *Schedule*.

### Money

means money that is the property of the *Insured* or for which the *Insured* is legally responsible that is either:

1. negotiable instruments which must be current coinage, bank and currency notes, uncrossed cheques, Giro cheques, uncrossed postal and money orders, unexpired units in franking machines, unused postage stamps, revenue stamps, National Savings and National Insurance stamps, business travel tickets, luncheon and customer redemption vouchers, trading stamps, holiday with-pay stamps, bills of exchange, promissory notes, traveller's cheques, dividend warrants, gift tokens, sales vouchers, land registry stamps or telephone cards; or
2. non-negotiable instruments which must be any crossed instrument being a cheque, money or postal order, traveller's cheque, Giro draft, banker's draft, National Savings Certificates, premium bonds, credit cards and reservation vouchers, VAT purchase invoices, used National Insurance stamps, stamped National Insurance cards, credit and charge card counterfoils, or stamped pension cards.

### Non-Executive Director

Non-Executive Director means any natural person who was, is now, or in the future becomes a director of the *Company* and:

- a does not serve and has not served as an employee of the *Company*;
- b does not receive and has not received compensation, either directly or indirectly, from the *Company* for services rendered as a consultant or in any capacity other than as a director; and
- c does not perform and has not performed any management function within the *Company*.

### Non Standard Contract Terms

Means any contract that You sign to supply *Temporary Workers* to a hirer / third party that are not Your own *Standard Terms of Business*. This can include either contracts that are provided by a hirers / third party or where the hirer / third party has requested amendments to the liability clause within Your own *Standard Terms of Business*.

### Nuisance

means nuisance, trespass or interference with any easement; right of air; right of light; right of water; right of way.

### Occurrence

means any one loss or series of losses consequent upon or attributable to one source or original cause.

(Section 6) means all individual losses arising during a continuous period of 72 (seventy two) hours of which the proximate cause is the same Act of Terrorism.

### Offshore

means from the time of embarkation onto a conveyance at the point of final departure to any *Offshore* installation, including but not limited to any *Offshore* rig or platform, whilst on any *Offshore* installation or support or accommodation vessel for an *Offshore* installation, until disembarkation onto land upon return from such installation.

### Outbuildings

means any building that is subsidiary to the *Building*, which does not incorporate permanent foundations below ground level and which is not capable of being properly secured, including but not limited to any stable, garage, shed, hut, lean-to, greenhouse, hay loft or barn.

### Outstanding Debit Balances

means the total outstanding debit balances last recorded by the *Insured* before the date of the *Incident*, adjusted for:

1. bad debts;
2. amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the *Incident*) to customers' accounts in the period between the date to which the last record relates and the date of the *Incident*;
3. 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 *Incident* had the *Incident* not occurred.

### Period of Insurance

means the period as stated in the *Schedule*.

(Section 12) means the period for which *DAS* have agreed to cover the *Insured Person* and for which the *Premium* has been paid.

### Peripheral Equipment

means hardware not contained within the main processing computer such as but not limited to terminals, modems, local area network cabling and infrastructure, separate storage devices and other devices that can be operated under computer control.

### Permanent Total Disablement

means permanent total disablement which prevents the *Insured Person* from engaging in or attending to business of any kind.

### Person Employed

means

(Applicable to Section 5, 7 to 10)

- i) any person under a Contract of Service or apprenticeship with the *Insured*,
- ii) any person who is hired to or borrowed by the *Insured*,
- iii) any person engaged in connection with a work experience or training scheme,
- iv) any labour master or person supplied by him,
- v) any person engaged by labour only sub-contractors,
- vi) any self-employed person working on a labour only basis under the control or supervision of the *Insured*,
- vii) any voluntary person

- viii) any person who is a temporary worker or self-employed person under a contract for service provided that all sums paid to such persons are declared to the *Insurers* while working for the *Insured* in connection with the *Business*.

(applicable to all other Sections of the Policy)

- i) any person under a contract of service or apprenticeship with the *Insured*,
- ii) any person who is hired to or borrowed by the *Insured*,
- iii) any person engaged in connection with a work experience or training scheme,
- iv) any labour master or person supplied by him,
- v) any person engaged by labour only sub-contractors,
- vi) any self-employed person working on a labour only basis under the control or supervision of the *Insured*,
- vii) any voluntary person while working for the *Insured* in connection with the *Business*.

### Personnel

means any person or group of persons supplied on a temporary contract or assignment by the *Insured* to a third party.

### Pollutants

means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste.

### Pollution or Contamination

means pollution or contamination of building(s) or other structures, or of water or land, or the atmosphere and all loss or destruction or damage or *Injury* directly or indirectly caused by such pollution or contamination.

### Premises

means the location(s) as stated in the *Schedule* used by the *Insured* for the purposes of the *Business*.

### Preferred Law Firm or Tax Consultancy

A law firm, barristers' chambers or tax expert *We* choose to provide legal or other services. These specialists are chosen as they have the proven expertise to deal with the *Insured Person's* claim and must comply with *Our* agreed service standard levels, which *We* audit regularly. They are appointed according to the *DAS Standard Terms of Appointment*.

### Premium

means the amount specified in the *Schedule*.

**Product(s)**

means any item of office furniture (other than electrical equipment or *Computer Equipment*), promotional material, merchandise or souvenirs including packaging, containers and labels sold, supplied, distributed, erected, repaired, altered, treated, installed, processed or tested by or on behalf of the *Insured* and no longer in the possession of, or under the control of, the *Insured*.

**Professional Business**

The *Business* as stated in the *Schedule* and any other *Business* as may be specifically stated in any Endorsement to this Policy.

**Professional Fees**

means architects', surveyors', consulting engineers' and legal fees necessarily and reasonably incurred with the *Insurers'* consent in the reinstatement of the *Property Insured* directly consequent upon its *Damage* by an event insured hereby but not for the preparation of any claim. The amount payable for such fees shall not exceed those authorised under the scales of the professional institutions and/or bodies regulating such charges prevailing at the time of the *Damage*, and the amount payable under any Item including or consisting of *Professional Fees* shall not exceed in total its *Sum Insured*.

**Programme(s)**

means the set of instructions significant to the computer's central processor which is composed to enable a user to achieve the desired result with data input by the user.

**Property**

(Section 12) means land (including buildings thereon) or an interest in land.

**Property at Exhibition**

means exhibits including the stand, its furnishings and equipment that is the property of the *Insured* or held by the *Insured* in trust for which the *Insured* is legally responsible whilst such property is at any exhibition or in transit to or from any exhibition including loading, temporary housing enroute and unloading.

**Property Insured**

means the subject matter insured as stated in Section 1 and/or Section 3 and in the *Schedule*, but not intellectual property.

**Proposal**

means any information supplied by the *Insured* in connection with this insurance and any declaration made in connection therewith by or on behalf of the *Insured* or its agents.

**Protected Premises**

means the *Premises* or those portions of the *Premises* protected by the *Intruder Alarm System*.

**Reasonable Prospects**

- a. For civil cases, the prospects that the *Insured Person* will recover losses or damages or a reduction in tax or National Insurance liabilities (or obtain any legal remedy that *We* have agreed to, including an enforcement of judgement), make a successful defence or make a successful appeal or defence of an appeal, must be at least 51%. *We* or a *Preferred Law Firm or Tax Consultancy on Our* behalf, will assess whether there are *Reasonable Prospects*.
- b. For criminal cases there is no requirement for there to be prospects of successful outcome, however for appeals the prospects must be at least 51%

**Rent**

means *Rent* which continues to be legally payable by the *Insured* whilst the *Premises* are rendered unusable as a result of *Damage* but only in respect of the period reasonably necessary for their reinstatement and not exceeding the maximum period stated in the *Schedule*.

**Rent Receivable**

means the money paid or payable to the *Insured* for accommodation provided in the course of the *Business* at the *Premises*.

**Responsible Person**

means the *Insured* or any other person authorised by the *Insured* to be responsible for the security of the *Premises*.

**Sanitary Fittings**

means fixed items of sanitary ware, the property of the *Insured*, or for which the *Insured* is responsible, situated within the *Premises*.

**Schedule**

means the *Schedule* of Insurance attaching to and forming part of this Policy.

**Software**

means any *Programme(s)* which is/are characterised as systems and/or application software and which is/are designed to invoke processing and/or facilitate the writing of any *Programme(s)*.

### Standard Income

means the *Income* during that period in the 12 (twelve) months immediately before the date of the *Incident* which corresponds with the *Indemnity Period*.

*Annual Income* and *Standard Income* are subject to such adjustments as may be necessary to provide for the trend of the *Business* and for variations in or other circumstances affecting the *Business* either before or after the *Incident* or which would have affected the *Business* had the *Incident* not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the *Incident* would have been obtained during the relative period after the date of the *Incident*.

### Standard Terms of Business (See also, *Non Standard Terms*)

means *Your* own standard contract terms that are used when placing Temporary Worker(s) into assignments with a hirer / third party. Your standard contract terms will mirror the model contract terms of business recommended by the Recruitment and Employment Confederation (REC), or contract terms that have been notified to and accepted by the *Insurer*.

### Stock in Trade

means stock and materials in trade, including trade samples, finished stock and work in progress, the property of the *Insured* and goods in trust for which the *Insured* is responsible.

### Sum Insured

means the *Sum Insured* as stated in the *Schedule* applicable to the particular Item or Section.

### Temporary Partial Disablement

means temporary disablement entirely preventing the *insured Person* from engaging in or attending to a substantial part of his or her usual occupation.

### Temporary Total Disablement

means temporary disablement entirely preventing the *Insured Person* from engaging in or attending to his or her usual occupation.

### Temporary Worker (Section 14 only)

Any person who is a temporary worker or self employed person under a contract for services with the *Insured*.

### Territorial Limits

means unless expressly stated to the contrary in any Section of this Policy, the *Schedule* or any memoranda or endorsement which may be attached to this Policy, Great Britain, Northern Ireland, the Channel Islands and the Isle of Man. In respect of Sections 7, 8 and 9 cover is extended to include:

1. the non-manual activities of any director and/or partner of the *Insured* and/or *Person Employed* ordinarily resident in the territories named above, but temporarily engaged in the *Business* elsewhere in the world;
2. elsewhere in the world, excluding any country or territory which operates under the law of the United States of America or Canada, in connection with any *Event*, arising out of the *Products*.
3. elsewhere in the world, excluding any country or territory which operates under the law of the United States of America or Canada, in connection with a *Temporary Worker* ordinarily resident in the territories named above, while placed under contract by the *Insured*.

### Section 12 only

For *Insured Incidents* 2 Legal Defence (excluding 2(d)) and 3(b) Bodily Injury The European Union the Isle of Man the Channel Islands Albania Andorra Bosnia Herzegovina Croatia Gibraltar Iceland Liechtenstein Macedonia Monaco Montenegro Norway San Marino Serbia Switzerland and Turkey (west of the Bosphorus).

For all other insured incidents under Section 12

The United Kingdom of Great Britain and Northern Ireland the Isle of Man the Channel Islands and any other Extension agreed with DAS.

### Terrorism

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

### Unlawful Association

means any organisation which is engaged in *Terrorism* and includes an organisation which at any time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973 or any amendment thereto.

**Unoccupied**

means closed for business or not occupied for its usual business purposes, for any period of more than 30 (thirty) consecutive days.

**VAT**

A dispute with HM Revenue & Customs following the issue of an assessment, written decision or notice of a civil penalty relating to *Your* VAT affairs.

**Vehicle**

means any vehicle including a caravan or trailer constructed to be towed by such a vehicle on the public highway, which is owned by the *Insured* or leased to the *Insured* other than one used in connection with racing and/or rallies and/or competition of any kind.

**Virus or Similar Mechanism**

means any Programme code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect any computer *Programme(s)*, data files or operations, whether involving self replication or not. *Virus or Similar Mechanism* includes but is not limited to trojan horses, worms and logic bombs.

**Waste**

means all waste including materials to be recycled, reconditioned or reclaimed.

**Website**

Any website(s), internet or extranet where *You* have full control over the content and which *You* run for the promotion of *Your* business.

**We/Us/Our**

these terms have their usual meaning with reference to Thistle Insurance Services Ltd.

**Witness Attendance Allowance**

means costs not to exceed £100 per day or £1,000 *Any One Claim* when any director, partner or *Employee* of the *Insured* is absent from work consequent upon attending a court or tribunal hearing of a claim to which the *Claims Administrator* has given written consent under this Policy.

**Wrongful Act**

Means any actual or alleged act or omission by the *Directors and Officers* in the discharge of their duties solely in their capacity as *Directors and Officers of the Company*, individually or collectively

**You/Your/Yours**

these terms have their usual meaning with reference to the *Insured*.



## Section 1 - Property Damage All Risks

(Only insured if stated within the *Schedule*)

### The Cover

The *Insurers* will indemnify the *Insured* as stated in the *Schedule* against *Damage* arising from any accidental cause not being an Excepted Cause, occurring during the *Period of Insurance*, subject always to the *Excess(es)* and the limits, terms, conditions and exclusions of this Section and the Policy.

### Limit of Liability

The liability of the *Insurers* under this Section shall not exceed in the whole the Total *Sum Insured* or the *Sum Insured* in respect of any individual Item subject to any other limit of liability as stated herein or in the *Schedule*.

### The Excess

The *Insurers* shall not indemnify the *Insured* for the amount of the *Excess*.

### The Property Insured

- A) *Building(s)*;
- B) *Contents* (including *Computer Equipment*);

Unless as otherwise stated in the *Schedule*, any insurance by this Section in respect of *Building(s)* or *Contents* shall include provision for *Professional Fees* and *Debris Removal*;

- C) *Stock in Trade*;
- D) *Rent*;
- E) Any other property specified in Section 1 of the *Schedule*;

all the property of the *Insured* or for which the *Insured* is legally responsible whilst at the *Premises* to which this Insurance applies.

## Section 1 Exclusions

### Excepted Causes

The *Insurers* shall not indemnify the *Insured* for:

1. *Damage* caused directly or indirectly by or consisting of:
  - a. inherent vice, latent defect, gradual deterioration, wear and tear, frost, its own faulty or defective design or materials;
  - b. faulty or defective workmanship, operational error or omission on the part of the *Insured* or any of its employees;
  - c. the operation of machinery, plant, apparatus or equipment unless such operation is in accordance with the manufacturers' instructions or specification;
  - d. explosion occasioned by the bursting of a boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the *Insured*; (in respect of any vessel, machinery or apparatus or its contents belonging to, or under the control of the *Insured* which requires examination to comply with any Statutory Regulations, cover against destruction or damage thereto caused by an explosion originating therein is subject to the provision that such vessel, machinery or apparatus shall be the subject of a policy or other contract providing the required inspection service)

but this shall not exclude subsequent *Damage* which itself results from a cause not being an Excepted Cause or otherwise excluded.

2. *Damage* caused directly or indirectly by or consisting of:
  - a. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, humidity, action of light, marring, scratching, vermin or insects;
  - b. change in temperature, colour, flavour, texture or finish;
  - c. joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith;

but this shall not exclude:

- i) such *Damage* which itself results from a *Defined Peril* or from any other cause not being an Excepted Cause or otherwise excluded;
- ii) subsequent *Damage* which itself results from a cause not being an Excepted Cause or otherwise excluded.

- 3) *Damage* caused directly or indirectly by or consisting of mechanical or electrical breakdown, derangement or overloading in respect of the particular machine, apparatus or equipment in which such breakdown, derangement or overloading originates

but this shall not exclude:

- a. loss of, or damage to, surrounding property not forming part of the same machine, apparatus or equipment;
- b. such *Damage* which itself results from a *Defined Peril* or from any other cause not being an Excepted Cause or otherwise excluded;
- c. subsequent *Damage* which itself results from a cause not being an Excepted Cause or otherwise excluded.

4. *Damage* caused directly or indirectly by or consisting of theft or attempted theft from yards, gardens, open spaces or *Outbuildings* unless the contents thereof are specifically insured by this Section.

5. *Damage* caused directly or indirectly by or consisting of:

- a. subsidence, ground heave or landslip, unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe;
- b. normal settlement or bedding down of new structures.

6. *Damage* caused directly or indirectly by or consisting of:

- a. acts of fraud or dishonesty on the part of the *Insured* or any partner, director or employee of the *Insured*, members of their families or any other person to whom *Property Insured* has been entrusted;
- b. unexplained disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
- c. erasure or distortion of information on computer systems or other records:
  - i) whilst mounted in or on any machine or data processing apparatus; or
  - ii) due to the presence of a magnetic flux;

unless caused by *Damage* not being the result of an Excepted Cause in respect of the machine or apparatus in which the records are mounted.

7. *Damage* in respect of buildings or structures caused directly or indirectly by their own collapse or cracking unless such *Damage* results from a *Defined Peril* and is not otherwise excluded.

8. *Damage* caused directly or indirectly by wind, rain, hail, sleet, snow, flood or dust to:
- a) moveable property in the open or in open sided buildings or contained in *Outbuildings*;
  - b) fences and gates.

9. *Damage* caused directly or indirectly by fire resulting from its undergoing any process involving the application of heat.

10. *Damage* (other than by fire) resulting from:

- a) its undergoing any process of production;
- b) its undergoing any process of packing, treatment, testing, commissioning, cleaning, servicing, repair or any other process;

but this shall not exclude loss of or damage to surrounding property not forming part of:

- i) the same machine;
- ii) the same process of production;
- iii) the same process of packing, treatment, testing, commissioning, cleaning, servicing, repair or other process.

11. *Damage*:

- a) caused directly or indirectly by the escape of water from any tank, apparatus or pipe;
- b) caused directly or indirectly (other than by fire or explosion) by malicious persons not acting on behalf of or in connection with any political organisation;
- c) caused directly or indirectly by freezing;
- d) caused directly or indirectly by theft or attempted theft;

in respect of any *Unoccupied Building*.

12. *Damage* caused directly or indirectly by or consisting of or occasioned by the voluntary parting with title or possession of any property or rights to property.

13. *Damage* caused directly or indirectly by or consisting of or resulting from cessation of work.

14. Delay, loss of market, loss of use or consequential loss or damage of any kind except loss of *Rent* when such loss is included in the cover by this Section.

15. the first £250 of each and every loss arising hereunder

### Excepted Property

The *Insurers* shall not indemnify the *Insured* in respect of loss of or damage to:

- 1
  - a. jewellery, precious stones, precious metals, bullion, furs, curiosities or rare books;
  - b. *Glass or Sanitary Fittings*;
  - c. glass (other than *Glass*), china, earthenware, marble statuary or other fragile or brittle objects; but this shall not exclude *Damage* caused by a *Defined Peril* and not otherwise excluded.
- 2 property in transit except as provided for in Extensions 16 Temporary Removal, 17 Temporary Removal Computer Records and 18 Temporary Removal Documents.
- 3
  - a. vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
  - b. 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;
  - c. working dynamos, motor wires, main or electrical apparatus through short circuiting, overrunning or excessive pressure;
  - d. land, roads, pavements, piers, jetties, bridges, culverts or excavations;
  - e. livestock, growing crops or trees;

unless specifically mentioned in the *Schedule* as insured by this Section.

### Section 1 Clauses

#### 1 Designation

For the purpose of determining where necessary the heading under which any property is insured, the *Insurers* agree to accept the designation under which such property has been entered into the *Insured's* books of accounts.

#### 2 Electrical Apparatus

If any electrical apparatus or fittings are damaged by fire due to self ignition, over-running, excessive pressure, short circuiting, self heating or leakage of electricity, the *Insurers* shall not be liable for *Damage* to the equipment which contained the particular piece of apparatus or fitting which has caused the fire, but the *Insurers* shall be liable for *Damage* to any other apparatus or fittings in consequence of such fire if such other apparatus or fittings are otherwise insured under this Section.

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### 3 Non-Invalidation

The Insurance under this Section shall not be invalidated by any act or omission or by any alteration whereby the risk of *Damage* is increased unknown to or beyond the control of the *Insured*, provided that the *Insured* shall give notice to the *Insurers* as soon as reasonably practicable after such act or omission or alteration comes to the notice of the *Insured* and shall pay any additional premium required by the *Insurers*.

### 4 Replacement or Reinstatement

In the event of *Damage* under Item A (*Building(s)*) and/or Item B (*Contents*) insured hereby, the basis upon which the amount payable by the *Insurers* is to be calculated shall be the reinstatement of the *Property Insured* suffering *Damage*, subject to the following Special Provisions and subject also to the limits, terms, conditions and exclusions of the Policy except insofar as the same may be varied hereby.

For the purpose of this Clause "reinstatement" shall mean the carrying out of the after-mentioned work, namely:

- a. where *Property Insured* is lost or destroyed, the rebuilding of the property, if a *Building*, or, in the case of other property, its replacement by similar property, in either case in a condition equal to but not better or more extensive than its condition when new;
- b. where *Property Insured* is damaged, the repair of the *Damage* and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.

### Special Provisions for Clause 4

- a. The work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the *Insured* subject to the liability of the *Insurers* not being thereby increased) must be commenced and carried out with reasonable despatch; otherwise no payment beyond the amount which would have been payable under this Policy if this Clause had not been incorporated herein shall be made.
- b. When any *Property Insured* under Item A (*Building(s)*) and/or Item B (*Contents*) is damaged or destroyed in part only the liability of the *Insurers* shall not exceed the sum representing the cost that the *Insurers* could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- c. No payment beyond the amount which would have been payable by the *Insurers* under this Policy if this Clause had not been incorporated therein shall be made until the cost of reinstatement shall have been actually incurred by the *Insured*.

- d. Item A (*Building(s)*) and Item B (*Contents*) are declared to be separately subject to the following condition of Average:

If at the time of reinstatement the sum representing 85% (eighty five percent) of the cost which would have been incurred by the *Insured* in reinstatement if the whole of the *Property Insured* under the Item had been destroyed, exceeds the *Sum Insured* at the commencement of the *Damage*, then the *Insured* shall be considered as being their own insurers for the difference between the *Sum Insured* and the sum representing the cost of reinstatement of the whole of the *Property Insured* and shall bear a rateable proportion of the loss accordingly.

- e. Where by reason of any of the above Special Provisions no payment is to be made by the *Insurers* beyond the amount which would have been payable under the Policy if these Special Provisions had not been incorporated herein, the rights and liabilities of the *Insurers* and the rights and liabilities of the *Insured* in respect of the loss, destruction or damage shall be subject to the limits, terms, conditions and exclusions of this Policy, including any conditions of Average herein as if these Special Provisions had not been incorporated herein.

## Section 1 Conditions

### 1 Fire Extinguishing Appliances

This Insurance takes into consideration the installation of fire extinguishing appliances in accordance with details provided by the *Insured* to the *Insurers* and the *Insured* undertakes to maintain the said appliances in full and effective working order and under a contract for maintenance during the *Period of Insurance*. Subject to the observance of this Condition, this Section shall not be invalidated by any defect in any of the said appliances due to any circumstances unknown to or beyond the control of the *Insured*.

### 2 Stock in Trade

The *Insured* warrants that all *Stock in Trade* when stored below ground level shall be on racking that is not less than 150mm (one hundred and fifty millimetres) above the floor.

### 3 Roof Maintenance

The *Insured* warrants that:

- a. in respect of all areas of flat felted roofs which are greater than 10 (ten) years old:
  - i) these will be inspected at least once every 2 (two) years by a qualified builder or property surveyor and all defects identified by that inspection will be repaired immediately;

- ii) all guttering will be inspected for blockages or defects by a competent person at inception date or renewal date and at 6 (six) monthly intervals thereafter and all blockages or defects identified by that inspection will be repaired immediately;

- b. in respect of any roofs that have valley gutters such gutters will be inspected for blockages or defects by a competent person at inception date or renewal date and at 6 (six) monthly intervals thereafter and all blockages or defects identified by that inspection will be repaired immediately;
- c. a record of all inspections referred to above will be made and retained by the *Insured* and is to be available for inspection by the *Insurers* if they so require.

## Section 1 Extensions

Unless otherwise stated in the *Schedule* the following Extensions shall apply, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

### 1 Additional Costs

This Section extends to include cover for reasonable additional costs necessarily incurred by the *Insured* to maintain security, habitability and tenability at the *Premises* following *Damage* insured hereby, other than the loss of keys by theft, subject to a limit of £5,000 or 5% (five percent) of the Total *Sum Insured* as stated in the *Schedule*, whichever is the lesser, in respect of the *Premises* at which the *Damage* occurred.

### 2 Automatic Reinstatement of Sums Insured

In consideration of the *Sums Insured* not being reduced by the amount of any loss, the *Insured* undertakes to pay the appropriate additional premium on the amount of the loss from the date thereof to the expiry of the *Period of Insurance*, and to carry out any measures that the *Insurers* may require to prevent further *Damage* or enhance the security of the *Premises*. Subject to the *Insurers'* liability not exceeding the *Sum Insured* in respect of any one Item in respect of any one *Occurrence*.

### 3 Breakage of Glass and Sanitary Fittings

This Section extends to indemnify the *Insured* for the costs of repair or replacement in the event of *Breakage of Glass or Sanitary Fittings*.

The liability of the *Insurers* under this Extension shall not exceed the replacement value of the *Glass or Sanitary Fittings* at the time of the *Breakage*.

The basis of claim settlement shall be the value of *Glass or Sanitary Fittings* or at the *Insurers'* option its repair, replacement or reinstatement.

The *Insurers* will also pay:

- a. for damage to frames or framework which has to be removed to replace the *Glass*;
- b. for the cost of necessary boarding-up and the provision of a temporary door, consequent upon the *Breakage of Glass*;
- c. for damage to goods displayed for an amount not exceeding £1,000 any one *Occurrence* provided such damage was not a direct result of theft or attempted theft.

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

1. *Breakage* arising directly from alteration to or repair or restoration of the *Premises*;
2. *Breakage of Glass or Sanitary Fittings*:
  - i) already damaged at inception of the *Period of Insurance*;
  - ii) forming part of the *Insured's Stock in Trade*;
3. scratching or chipping of *Glass* unless it extends through the complete fabric of the *Glass*;
4. *Breakage* caused by wear and tear, any gradually operating cause or the costs of maintenance;
5. *Breakage* in respect of any *Unoccupied* building;
6. *Breakage* of bulbs or tubes unless consequent upon damage to neon or illuminated signs;
7. *Breakage* caused by mechanical or electrical breakdown or the application of electrical energy;
8. *Breakage* arising from a *Defined Peril*;
9. the first £250 of each and every loss arising hereunder.

#### 4 Capital Additions, Alterations and Improvements

The insurance of Item A (*Building(s)*) and Item B (*Contents*) extends to include cover for capital additions, alterations and improvements subject to the following conditions:

- a. the *Insured* shall declare to the *Insurers* the date and value of such capital additions, alterations and improvements at intervals of not more than 6 months and shall pay an appropriate additional premium from the time such additional cover applies;
- b. the maximum additional cover granted by this Extension shall not exceed 10% (ten percent) of the total *Sum Insured* under Items A (*Building(s)*) and B (*Contents*) or £250,000 whichever the lesser;
- c. this Extension does not include cover for appreciation in value.

#### 5 Changing Locks

This Section extends to include costs incurred by the *Insured* as a result of the necessary replacement of locks, if any of the keys of the *Premises* are stolen from the *Premises* or from the homes of principals, partners, directors or authorised employees, provided that if such keys relate to a safe or strong-room they shall not be left on the *Premises* outside the *Insured's* normal business hours. Subject to a limit of £1,000 in respect of any one *Occurrence*. The *Excess* as stated in the *Schedule* does not apply in respect of this Extension.

#### 6 Customers Goods

It is agreed that the *Insured* having intimated to their customers that they will accept responsibility for loss of or destruction of or damage to goods the property of such customers or for which the said customers may be legally responsible whether manufactured by the *Insured* or not, upon which work is to be, is being or has been done on behalf of customers by the *Insured* or which may be left in the *Insured's* hands for storage or despatch or otherwise temporarily in the *Insured's* custody, then all such goods shall be held to be insured by Item C (*Stock in Trade*) of this Section unless they are more specifically insured elsewhere.

#### 7 Damage to Surfaces

The insurance by this Section is extended to include the costs of restoration of the surfaces of car parks, yards, roadways and similar surfaces adjacent to the *Buildings* for which the *Insured* is responsible arising out of *Damage* insured hereby.

The *Insurers'* liability under this Extension is limited to £1,000 in respect of any one *Occurrence*.

#### 8 Day One Basis (Non Adjustable) Extension

The amounts shown as *Sums Insured* in respect of Item A (*Building(s)*) and Item B (*Contents*) in the *Schedule* represent the Declared Values of such Items it being understood and agreed that in the event of *Damage* such *Sums Insured* shall be uplifted by 15% (fifteen per cent) in accordance with and subject always to the provisions of this Extension.

Day One Basis (Non Adjustable) applicable to Item A (*Building(s)*) and Item B (*Contents*) unless otherwise stated in the *Schedule*:

- a. The *Insured* having stated in writing the Declared Value incorporated in each Item to which this Extension applies, the premium has been calculated accordingly.

Declared Value shall mean the *Insured's* assessment of the cost of reinstatement of the *Property Insured* arrived at in accordance with paragraph a of Clause 4 at the level of cost applying at the inception of the *Period of Insurance* (ignoring inflationary factors which may operate subsequently) together with, in so far as the insurance by the Item provides, due allowance for:

- i) the additional cost of reinstatement to comply with Public Authority requirements;
  - ii) *Professional Fees*;
  - iii) *Debris Removal*.
- b. At the inception of the *Period of Insurance* the *Insured* shall notify the *Insurers* of the Declared Value of the *Property Insured* by the said Item. In the absence of such declaration the last amount declared by the *Insured* shall be taken as the Declared Value for the ensuing *Period of Insurance*.
- c. Notwithstanding any General Condition or Endorsement to the contrary, the following wordings shall apply to the Special Provisions to Clause 4, paragraphs **d** and **e** of which are restated as follows:
- i) Each Item insured under this Extension is declared to be separately subject to the following condition of Average:
 

If at the time of *Damage* the Declared Value of the *Property Insured* covered by such Item is less than the cost of reinstatement (as defined in paragraph a of Clause 4) at the inception of the *Period of Insurance* then the *Insurers'* liability for any *Damage* hereby insured shall be limited to that proportion thereof which the Declared Value bears to the cost of reinstatement.
  - ii) Where by reason of any of the Section Extensions, no payment is to be made beyond the amount which would have been payable under this Policy if this Extension had not been incorporated therein the rights and liabilities of the *Insurers* and the rights and liabilities of the *Insured* in respect of the loss, destruction or damage shall be subject to the limits, terms, conditions and exclusions of this Policy including any condition of Average therein, as if this Extension had not been incorporated therein except that the *Sums Insured* shall be limited to the percentage as stated herein.
- d. The provisions of Section Extension 4 (Capital Additions, Alterations and Improvements) shall not be subject to this Extension.

#### 9 Drain Clearing

This Section extends to include cover for reasonable expenses necessarily incurred by the *Insured* in clearing, cleaning and/or repairing drains, gutters, sewers and the like for which the *Insured* are legally responsible in consequence of *Damage* insured hereby. Subject to the maximum liability of the *Insurers* not exceeding £2,500 any one *Occurrence* and in the aggregate during the *Period of Insurance*.

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#### 10 Landscaped Grounds

It is agreed that the insurance by this Section extends to include the costs necessarily and reasonably incurred by the *Insured* in making good the landscaped grounds of the *Premises* damaged by the Fire Brigade or any other Emergency Service in consequence of *Damage* to *Property Insured*. The *Insurers'* liability under this Extension is limited to £5,000 in respect of any one *Occurrence*.

#### 11 Loss of Metered Water Charges

This Section extends to include cover for additional metered water charges incurred by the *Insured*, following *Damage* insured hereby, at the *Premises* during the *Period of Insurance*. The *Insurers* shall not be liable for any such charges incurred by the *Insured* in respect of any *Unoccupied Building(s)*. The basis upon which the amount payable is to be calculated shall be the amount of the water charges for the period during which *Damage* occurs, less the charge made to the *Insured* for the corresponding period in the preceding year, adjusted for changes in the water suppliers' charges and for variations affecting the water consumption of the *Insured* during the intervening period. Subject to the maximum liability of the *Insurers* not exceeding £2,500 any one *Occurrence* and in the aggregate during the *Period of Insurance*.

#### 12 Other Interests

In the event of the *Insured* having property under the terms of any hire purchase or similar form of agreement then the interest of such parties is noted in this Insurance, and the nature and extent of such interest is to be declared to the *Insurers* in the event of *Damage*.

#### 13 Property at Exhibitions

The Insurance of Item B (*Contents*) and Item C (*Stock in Trade*) extends to include cover for *Damage* insured hereby to *Property at Exhibition* whilst within the *Territorial Limits*. Subject to the maximum liability of the *Insurers* not exceeding £2,500 any one *Occurrence*.

#### 14 European Union and Public Authorities

The Insurance by Item A (*Building(s)*) or Item B (*Contents*) extends to include such additional cost of reinstatement of the lost, destroyed or damaged *Property Insured* as may be incurred by the *Insured* solely by reason of the necessity to comply with the Stipulations of:

- a. European Union legislation; or
- b. Building or other Regulations under or framed in pursuance of any Act of Parliament or with Bye Laws of any municipal or local authority or other Codes of Practice;

(hereinafter referred to as the Stipulations) in respect of the lost, destroyed or damaged *Property Insured* and undamaged portions thereof provided always that the amount recoverable under this Extension shall not include:

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

Provided that:

- a. the work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within 12 (twelve) months after the *Damage*, or within such further time as the *Insurers* may (during the said 12 (twelve) months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Stipulations so necessitate) subject to the liability of the *Insurers* under this Extension not being thereby increased;
- b. if the liability of the *Insurers* under any Item of the *Schedule* apart from this Extension shall be reduced by the application of any of the terms and conditions of the Section and the Policy then the liability of the *Insurers* under this Extension in respect of any such Item shall be reduced in like proportion;
- c. the total amount recoverable under any Item of the *Schedule* shall not exceed:
  - i) in respect of the lost, destroyed or damaged *Property Insured* – its *Sum Insured*;
  - ii) in respect of undamaged portions of property (other than foundations) – 15% (fifteen percent) of the total amount for which the *Insurers* would have been liable had the *Property Insured* by the Item at the *Premises* where the *Damage* has occurred been wholly destroyed;

- iii) in respect of European Union legislation:
  - a) 15% (fifteen percent) of its *Sum Insured*;
  - b) where the *Sum Insured* by the Item applies to property at more than one *Premises* 15% (fifteen percent) of the total amount for which the *Insurers* would have been liable had the *Property Insured* by the Item at the *Premises* where *Damage* has occurred been wholly destroyed;
- iv) in respect of building or other regulations under or framed in pursuance of any Act of Parliament or Bye Laws of any municipal or local authority or other Codes of Practice its *Sum Insured* being part of and not in addition to the *Sum Insured* shown in the *Schedule*;
- d) all the terms, limits, exclusions and conditions of this Section and the Policy except in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

#### 15 Services

The *Property Insured* includes telephone, gas, water and electric instruments, meters, pipes, ducts, cables and the like and the accessories thereof including similar property in adjoining yards or roadways or underground (and pertaining to the *Building(s)* or *Contents* insured under the respective Items of this Section) all the property of the *Insured* or for which the *Insured* is legally responsible.

#### 16 Temporary Removal

The *Property Insured* under this Section (other than *Stock in Trade* or *Rent*) is covered whilst temporarily removed for cleaning, renovation, repair or similar purposes, elsewhere on the same or to any other premises and in transit thereto and therefrom by road, rail or inland waterway within the *Territorial Limits*, subject to a limit of 15% (fifteen percent) of the relevant *Sum Insured* as stated in the *Schedule*. The *Insurers* shall not be liable for losses arising elsewhere than at the *Premises* from which the property is temporarily removed to vehicles licensed for road use in so far as they are insured by this Section.

#### 17 Temporary Removal Computer Records

The Insurance of *Data Media* extends to cover such property for an amount not exceeding 10% (ten percent) of the total value of such property whilst temporarily removed to any premises not in the *Insured's* occupation and whilst in transit thereto and therefrom all within the *Territorial Limits*.

### 18 Temporary Removal Documents

Deeds and other documents (including stamps thereon), manuscripts, plans and writings of every description and books (written and printed) are insured for an amount not exceeding 10% (ten percent) of the total value of such property whilst temporarily removed to any premises not in the *Insured's* occupation and whilst in transit thereto and therefrom all within the *Territorial Limits*.

### 19 Temporary Repairs

Within the limits of the *Sum Insured*, this Section extends to include cover for the cost actually incurred by the *Insured* in making temporary repairs to any of the insured *Buildings* and erecting temporary buildings in place of any of the insured *Building(s)* following *Damage* insured hereby.

### 20 Theft Damage to Buildings

Where *Buildings* are not insured under Item A (*Building(s)*), cover is extended to include *Damage* to *Buildings* for which the *Insured* is legally responsible as a result of theft or attempted theft involving forcible and violent entry to or exit from *Buildings* at the *Premises*.

The liability of the *Insurers* under this Extension and this Policy shall not exceed the Total *Sum Insured* by this Section arising out of any one *Occurrence*. Provided that if such *Damage* is insured elsewhere no liability shall be admitted by the *Insurers* under this Extension.

### 21 Trace and Access

In the event of *Damage* during the *Period of Insurance* resulting from escape of water or fuel oil from any tank, apparatus or pipe, the *Insurers* shall pay costs necessarily and reasonably incurred by the *Insured* in locating the source of such *Damage*, and in the subsequent making good of *Damage* caused as a consequence of locating such source, up to an amount of £5,000 any one *Occurrence* and in the aggregate during the *Period of Insurance*.

### 22 Transfer of Interest

It is agreed that notwithstanding General Condition 15 Insurable Interest that, if at the time of *Damage* to any *Building(s)* insured by Item A of this Section, the *Insured* shall have contracted to sell their interest in such *Building(s)* and the purchase shall not have been completed but shall thereafter be completed, the purchaser on the completion of the purchase, if and so far as the property is not otherwise insured by or on behalf of the purchaser against such *Damage*, shall be entitled to the benefit of this Section so far as it relates to such *Damage*, without prejudice to the rights and liabilities of the *Insured* or the *Insurers* under this Section, but only up until the date of completion.

### 23 Workmen

Workmen shall be allowed on the *Premises* for the purpose of carrying out minor repairs, decorations or alterations without prejudice to this Insurance.

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### Special Extension

This Special Extension shall only apply if stated as 'Included' in the *Schedule*.

### Subsidence Extension

It is hereby understood and agreed that:

1. Excepted Causes 5 a and 5 b are deleted and of no further effect;
2. this Section is extended to include *Damage* caused by subsidence, landslip or ground heave of any part of the site on which the *Property Insured* stands, excluding *Damage*:
  - a. resulting from:
    - i) collapse, cracking, shrinkage or settlement of *Building(s)* or any part thereof;
    - ii) coastal or river erosion;
    - iii) defective design or workmanship or the use of defective materials, including inadequate construction of foundations;
    - iv) settlement or movement of made up ground;
    - v) the normal settlement or bedding down of new structures;
  - b. to forecourts, car parks, driveways, footpaths, walls, gates, hedges or fences, unless specifically insured hereunder where such *Damage* also affects the *Building(s)* insured herein against such *Damage*;
  - c. which originated prior to the inception of this cover;
  - d. resulting from:
    - i) demolition, construction, structural alteration or repair of any *Building(s)*;
    - ii) groundworks or excavation; at the same *Premises*.
  - e. the first £1000 of each and every loss arising hereunder

### Special Conditions

- a. The *Insured* warrants that it shall notify the *Insurers* immediately it becomes aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site.
- b. The *Insurers* shall then have the right to vary the terms or cancel cover in respect of subsidence, ground heave or landslip.

Subject always to the limits, terms, conditions and exclusions of this Section and the Policy



## Section 2 - Business Interruption All Risks

(Only insured if stated within the *Schedule*)

### The Cover

The *Insurers* will indemnify the *Insured* as stated in the *Schedule* against *Consequential Loss* arising from any accidental *Incident* occurring during the *Period of Insurance* and not otherwise being excluded, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

Provided that:

at the time of the happening of the *Incident* there shall be in force an insurance covering the interest of the *Insured* in the property at the *Premises* against such loss or damage and that:

- a. payment shall have been made or liability admitted therefor; or
- b. payment would have been made or liability admitted therefor but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.

The *Insurers* will also indemnify the *Insured* in respect of Auditor's Fees, subject to the *Sum Insured*.

### Notes

1. To the extent that the *Insured* is accountable to the tax authorities for Value Added Tax, all terms in this Section shall be exclusive of such tax.
2. For the purpose of any Definitions applicable to this Section, any adjustment implemented in current cost accounting shall be disregarded.
3. The undefined words in this Section shall have the meaning usually attached to them in the *Insured's* books and accounts.

### Limit of Liability

The liability of the *Insurers* under this Section shall not exceed in the whole the total *Sum Insured* or the *Sum Insured* in respect of any individual Item or any other limit of liability stated herein or in the *Schedule*.

### The Excess

The *Insurers* shall not indemnify the *Insured* for the amount of the *Excess*.

### Section 2 Exclusions

The *Insurers* shall not indemnify the *Insured* for:

1 *Consequential Loss* caused directly or indirectly by or consisting of:

- a. inherent vice, latent defect, gradual deterioration, wear and tear, frost, its own faulty or defective design or materials;
- b. faulty or defective workmanship, operational error or omission on the part of the *Insured* or any of their employees;
- c. the operation of machinery, plant, apparatus or equipment unless such operation is in accordance with the manufacturers' instructions or specification;
- d. explosion occasioned by the bursting of any vessel, machine or apparatus (not being a boiler or economiser on the *Premises*) in which internal pressure is due to steam only and belonging to or under the control of the *Insured*;

but this shall not exclude subsequent *Consequential Loss* which itself results from a cause not being an excepted cause or otherwise excluded.

2 *Consequential Loss* caused directly or indirectly by or consisting of:

- a. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, humidity, action of light, marring, scratching, vermin or insects;
- b. change in temperature, colour, flavour, texture or finish;
- c. joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith;
- d. a deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services;

but this shall not exclude:

- i) such *Consequential Loss* which itself results from a *Defined Peril* or from any other accidental loss or damage not otherwise excluded;
- ii) subsequent *Consequential Loss* which itself results from a cause not otherwise excluded.

**3 Consequential Loss** caused directly or indirectly by or consisting of mechanical or electrical breakdown, derangement or overloading in respect of the particular machine, apparatus or equipment in which such breakdown, derangement or overloading originates but this shall not exclude:

- a. *Consequential Loss* in respect of surrounding property not forming part of the same machine, apparatus or equipment;
- b. such *Consequential Loss* which itself results from a *Defined Peril* or from any other accidental loss or damage not otherwise excluded;
- c. subsequent *Consequential Loss* which itself results from a cause not otherwise excluded.

**4 Consequential Loss** caused directly or indirectly by or consisting of:

- a. subsidence, ground heave or landslip, unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe;
- b. normal settlement or bedding down of new structures.

**5 Consequential Loss** caused directly or indirectly by or consisting of:

- a. acts of fraud or dishonesty on the part of the *Insured* or any partner, director or employee of the *Insured*, members of their families or any other person to whom property has been entrusted;
- b. unexplained disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
- c.
  - i) erasure, loss, distortion or corruption of information on computer systems or other records, *Programmes* or *Software* caused deliberately by rioters, strikers, lockedout workers, persons taking part in labour disturbances or civil commotions or malicious persons;
  - ii) other erasure, loss, distortion or corruption of information on computer systems or other records, *Programmes* or *Software* unless resulting from a *Defined Peril* insofar as it is not otherwise excluded.

**6 Consequential Loss** in respect of buildings or structures caused directly or indirectly by their own collapse or cracking unless resulting from a *Defined Peril* and not otherwise excluded.

**7 Consequential Loss** in respect of moveable property in the open or in open sided buildings or contained in *Outbuildings*, fences and gates caused directly or indirectly by:

- a. theft or attempted theft;
- b. wind, rain, hail, sleet, snow, flood or dust.

**8 Consequential Loss** caused directly or indirectly by fire resulting from property undergoing any process involving the application of heat.

**9 Consequential Loss** resulting from:

- a. property undergoing any process of production;
- b. property undergoing any process of packing, treatment, testing, commissioning, cleaning, servicing, repair or any other process;

but this shall not exclude *Consequential Loss* in respect of surrounding property:

- i) not forming part of the same machine;
- ii) not forming part of the same process of production;
- iii) not forming part of the same process of packing, treatment, testing, commissioning, cleaning, servicing, repair or other process.

**10 Consequential Loss:**

- a. caused directly or indirectly by escape of water from any tank, apparatus or pipe;
- b. caused directly or indirectly (other than by fire or explosion) by malicious persons not acting on behalf of or in connection with any political organisation;
- c. caused directly or indirectly by freezing;
- d. caused directly or indirectly by theft or attempted theft;

in respect of any *Unoccupied* building.

**11 Consequential Loss** occasioned by the voluntary parting with title or possession of any property or rights to property.

**12 Consequential Loss** in respect of:

- a) jewellery, precious stones, precious metals, bullion, furs, curiosities or rare books;
- b) *Glass* or *Sanitary Fittings*;
- c) glass (other than *Glass*), china, earthenware, marble, statuary or other fragile or brittle objects;

but this shall not exclude *Consequential Loss* caused by a *Defined Peril* and not otherwise excluded.

**13 Consequential Loss** in respect of *Computer Equipment* but this shall not exclude *Consequential Loss* caused by a *Defined Peril* or theft or attempted theft and not otherwise excluded.

**14 Consequential Loss** in respect of property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection unless specifically mentioned within the Definition of the *Business* and such sites of construction or erection are specifically mentioned within the Definition of the *Premises* or otherwise added by endorsement to the cover by this Section subject to:

- a) such *Consequential Loss* being caused by a *Defined Peril* and not otherwise excluded;
- b) all other terms, Conditions and Exclusions of the Policy.

**15 Consequential Loss** in respect of:

- a) land, roads, pavements, piers, jetties, bridges, culverts or excavations;
- b) vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft;
- c) livestock, growing crops or trees.

#### Item A Income

The Insurance under Item A (*Income*) is limited to:

1. Loss of *Income*; and
2. Increase in Cost of Working.  
The amount payable by the *Insurers* as indemnity there under shall be:
  - a) In respect of Loss of *Income*: the amount by which the *Income* during the *Indemnity Period* stated in the *Schedule* shall, in consequence of the *Incident*, fall short of the *Standard Income*;
  - b) In respect of Increase in Cost of Working: the additional expenditure necessarily and reasonably incurred by the *Insured* for the sole purpose of avoiding or diminishing the reduction in *Income*, which but for that expenditure would have taken place during the *Indemnity Period* in consequence of the *Incident*, but not exceeding the amount of the reduction in *Income* thereby avoided;

less any sum saved during the *Indemnity Period* in respect of such of the charges and expenses of the *Business* as may cease or be reduced in consequence of the *Incident*.

#### Special Condition to Item A – Underinsurance

If the *Sum Insured* under Item A (*Income*) is less than the *Annual Income* (or proportionate to a multiple thereof where the *Maximum Indemnity Period* exceeds 12 (twelve) months), the amount payable by the *Insurers* shall be proportionately reduced.

#### Special Provisions to Item A – Income

1. The premium paid for Item A (*Income*) may be adjusted on receipt by the *Insurers* of a declaration of *Income* earned during the financial year most nearly concurrent with the *Period of Insurance*, as reported by the *Insured's* auditors. If any *Incident* shall have occurred giving rise to a claim for loss of *Income*, the above-mentioned declaration shall be increased for the purposes of premium adjustment by the amount by which the *Income* was reduced during the financial year solely in consequence of the *Incident*.
2. If the declaration (adjusted as provided for above and proportionately increased where the *Maximum Indemnity Period* exceeds 12 (twelve) months) is less than the *Income Sum Insured* for the relative *Period of Insurance*, the *Insurers* will allow a pro rata return premium not exceeding 50% (fifty percent) of the premium paid.

#### Automatic Extensions for Item A (Income)

The following Extensions shall apply, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

##### 1 Denial of Access

The insurance by Item A (*Income*), extends to include interruption of or interference with the *Business* in consequence of accidental loss, destruction or damage as insured by this Section to any property within 250 metres (two hundred and fifty metres) of the *Premises* which prevents or hinders the use of the *Property Insured* or access to the *Premises* (whether or not the *Property Insured* or the *Premises* suffer similar loss, destruction or damage). The *Insurers* shall not be liable for any claim in excess of £25,000 unless otherwise stated in the *Schedule*.

##### 2 Disease, Infestation and Defective Sanitation

The insurance of Item A (*Income*) extends to include interruption of or interference with the *Business* in consequence of the occurrence at the *Premises* of:

- a. murder, suicide or food or drink poisoning;
- b. a notifiable, human, infectious or contagious disease excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition;
- c. vermin, pests or defective sanitation;

which causes restrictions on the use of the *Premises* on the order or advice of the competent local authority; or

- d. accidental loss, destruction or damage as insured by this Section, to the drains or sanitary apparatus at the *Premises* which results in closure of the *Premises* for the *Business*.

The *Insurers* shall not be liable for any claim in excess of 5% (five percent) of the *Sum Insured* under Item A (*Income*) or £25,000 whichever is the lesser unless otherwise stated in the *Schedule*.

#### Clarification of Notifiable Human Infectious or Contagious Disease

It is hereby understood and agreed that for the purposes of the cover afforded by this Extension, the reference to a notifiable, human, infectious or contagious disease contained in paragraph b shall be deemed to mean solely the following diseases:

#### Diseases notifiable under the Public Health (Control of Disease) Act, 1984 or the Public Health (Infectious Diseases) Regulations, 1988, namely:

Acute encephalitis, Acute poliomyelitis, Anthrax, Cholera, Diphtheria, Dysentery, Food poisoning, Leptospirosis, Malaria, Measles, Meningitis, (Meningococcal, Pneumococcal, Haemophilus influenzae, Viral, Other specified, Unspecified), Meningococcal septicaemia (without meningitis), Mumps, Ophthalmia neonatorum, Paratyphoid fever, Plague, Rabies, Relapsing fever, Rubella, Scarlet fever, Smallpox, Tetanus, Tuberculosis, Typhoid fever, Typhus fever, Viral haemorrhagic fever, Viral hepatitis, Hepatitis A, Hepatitis B, Hepatitis C, Whooping cough and Yellow fever.

No other disease shall be added to the above list without the prior written consent of the *Insurers*.

#### 3 Public Utilities

The insurance of Item A (*Income*) extends to include interruption of or interference with the *Business* in consequence of accidental loss, destruction or damage as insured by this Section, to property at the premises of the following public utilities in the *Territorial Limits* from which the *Insured* obtains supplies or services:

- a. any generating station or sub-station of the public electricity supply undertaking from which the *Insured* obtains electricity;
- b. any land-based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith from which the *Insured* obtains gas;
- c. any water works or pumping station of the public water supply undertaking from which the *Insured* obtains water;
- d. any land-based telecommunication services to the *Premises*.

The *Insurers* shall not be liable for any claim in excess of 5% (five percent) of the *Sum Insured* under Item A (*Income*) or £25,000, whichever is the lesser, unless as otherwise stated in the *Schedule*.

The *Insurers* shall not be liable for total or partial failure occasioned by strike or lock-out, total or partial withdrawal of labour, or total or partial cessation of work.

#### 4 Unspecified Suppliers and Unspecified Customers

The insurance of Item A (*Income*) extends to include interruption of or interference with the *Business* in consequence of accidental loss, destruction or damage as insured by this Section to property at the premises of any of the *Insured's* suppliers, manufacturers or processors of components, goods or materials and/or customers, other than as specified herein, within the *Territorial Limits*.

Under this Extension the premises or facilities of any supply undertaking from which the *Insured* obtains electricity, gas, water or telecommunication services shall not be deemed to be the premises of the *Insured's* suppliers, manufacturers or processors.

The *Insurers* shall not be liable for any claim amount in excess of 5% (five percent) of the *Sum Insured* for Item A (*Income*) or £25,000, whichever is the lesser, unless as otherwise stated in the *Schedule*.

#### 5 Subsidence

It is hereby understood and agreed that:

1. Exclusions 5 a and 5 b are deleted and of no further effect;
2. This Section is extended to include *Consequential Loss* caused by subsidence, landslip or ground heave of any part of the site excluding *Consequential Loss*:
  - a) resulting from:
    - i) collapse, cracking, shrinkage or settlement of *Building(s)* or any part thereof;
    - ii) coastal or river erosion;
    - iii) defective design or workmanship or the use of defective materials including inadequate construction of foundations;
    - iv) settlement or movement of made up ground;
    - v) the normal settlement or bedding down of new structures;
  - b) forecourts, car parks, driveways, footpaths, walls, gates, hedges or fences, unless specifically insured hereunder where such an *Incident* also affects the *Building(s)* insured herein against such loss, destruction or damage;
  - c) which originated prior to the inception of this cover;
  - d) resulting from:
    - i) demolition, construction, structural alteration or repair of any *Building(s)*;
    - ii) groundworks or excavation;

at the same *Premises*.

### Special Conditions

1. The *Insured* warrants that it shall notify the *Insurers* immediately it becomes aware of any demolition, groundworks, excavation or construction being carried out on any adjoining site.
2. The *Insurers* shall then have the right to vary the terms or cancel cover in respect of subsidence, ground heave or landslip.

### Item B Additional Expenditure

The insurance of Item B (Additional Expenditure) is limited to the additional expenditure necessarily and reasonably incurred by the *Insured* in consequence of the *Incident* in order to prevent or minimise the interruption of or interference with the *Business* during the *Indemnity Period* (including the cost of removal to and from temporary premises and expenses incidental thereto, increase in rents, rates and taxes, salaries of additional staff and overtime payments) but only in so far as such additional expenditure is not recoverable under any other Item of this Policy.

The limit of the *Insurers'* liability shall not exceed:

- a) in respect of the first three months of the *Maximum Indemnity Period*: 25% (twenty five percent) of the *Sum Insured* by this Item;
- b) in respect of each subsequent month of the *Maximum Indemnity Period*: that proportion of the remainder of the *Sum Insured* by this Item which one month bears to the remainder of the *Indemnity Period*;
- c) the *Sum Insured* by this Item as stated in the *Schedule*.

### Item C Outstanding Debit Balances

The Insurance of Item C (*Outstanding Debit Balances*) is limited to loss of *Outstanding Debit Balances* incurred by the *Insured* following loss, destruction or damage as insured by this Section to the *Insured's* books of account or other *Business* books or records at the *Premises*, and the maximum liability in respect of any one *Occurrence* shall not exceed whichever is the lesser of the total of:

- a) the difference between the *Outstanding Debit Balances* and the total of the amounts received or traced in respect thereof; and
- b) the additional expenditure necessarily and reasonably incurred with the *Insurers'* prior consent for the sole purpose of tracing and establishing customers' debit balances after the loss, destruction or damage;

or the *Sum Insured*.

Excluding any loss or expenditure arising from bad debts or erasure, distortion or corruption or deliberate falsification of *Business* records.

### Special Condition to Item C – Outstanding Debit Balances

The *Insured* shall maintain an up-to-date monthly record of all *Outstanding Debit Balances*, and shall either:

- a) keep such record in fire-resisting safe(s) or fire resisting cabinet(s) when not in use; or
- b) keep a duplicate record in a building separate from that in which the working record is kept.

### Section 2 Conditions

The following Conditions are included in this Section.

Any Conditions or Warranties, which are stated in this Policy and/or the *Schedule* as being applicable to Section 1 Property Damage All Risks, shall apply in like manner to this Section.

#### 1 Accumulated Stock

In adjusting any loss, account shall be taken, and an equitable allowance made, if any reduction in *Income* due to the *Incident* is postponed by reason of the *Income* being temporarily maintained from accumulated stocks of finished goods.

#### 2 Alternative Trading

If during the *Indemnity Period* as stated in the *Schedule* goods shall be 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 brought into account in arriving at the *Income* during the *Indemnity Period*.

#### 3 Cessation of Business

This Section of this Policy shall be avoided if the *Business* is wound up or carried on by a liquidator, receiver or administrator or permanently discontinued unless this Section's continuance is agreed in writing by the *Insurers*.

#### 4 Departmental Clause

If the *Business* is conducted in departments, the independent results of which are ascertainable, Increase in Cost of Working and Loss of *Income* shall apply separately to each department affected by the *Incident*; except that if the *Sum Insured* by the said Item is less than the aggregate of the sums produced by applying the relevant Definition of the Item for each department of the *Business* (whether affected by the *Incident* or not), the amount payable by the *Insurers* shall be proportionately reduced.

#### 5 Due Diligence

In the event of an *Incident* that may give rise to a claim under this Section, the *Insured* shall with due diligence take all steps that are reasonably practicable to avoid or minimise any interruption of or interference with the *Business*.

**6 First Twelve Months Trading**

In the event of a claim arising from an *Incident* occurring before the completion of the first 12 (twelve) months trading of the *Business* at the *Premises*, any terms in this Section's Definitions referring to income and outgoings during a prior period of 12 (twelve) months shall be adjusted so as to apply to the income and outgoings during the period from commencement of the *Business* to the date of the *Incident*.

**7 Payments on Account**

Payments on account shall be made by the *Insurers* to the *Insured* during the *Indemnity Period* if required.

**8 Reinstatement of Limit**

In the event of loss or losses occurring under this Section, it is hereby mutually agreed to reinstate the *Sum Insured* of the Item(s) affected to the full amount from the time of the occurrence of such loss or losses until expiry of this Insurance and that an additional premium (calculated at pro rata of the Insurance rate) from the date of such loss or losses to expiry of this Insurance, shall be paid by the *Insured* upon the amount of such loss or losses when such loss or losses is/are settled. However, the liability of the *Insurers* shall never exceed the *Sum Insured* in respect of any one loss.

## Section 3- Specified Business Equipment All Risks

(Only insured if stated within the *Schedule*)

### The Cover

The *Insurers* will indemnify the *Insured* as stated in the *Schedule* against *Damage* occurring during the *Period of Insurance* and within the *Territorial Limits* as specified against each item number shown in the *Schedule*, including whilst in transit, and arising from any accidental cause not otherwise being excluded, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

### Limit of Liability

The liability of the *Insurers* under this Section shall not exceed the *Sum Insured* in respect of any one Item or any other Limit of Liability as stated in the *Schedule*.

### Basis of Settlement

The amount payable shall be the cost of repair, reinstatement or replacement of the specified *Property Insured* as new without deduction for wear and tear to a condition equivalent to or substantially the same but not better or more extensive than its condition when new, provided that repair, reinstatement or replacement has been effected.

### The Excess

The *Insurers* shall not indemnify the *Insured* for the amount of the *Excess*.

## Section 3 Conditions

### 1 Average

Each item under this Section is declared to be subject to General Condition 6 – Average (unless otherwise stated in the *Schedule*).

### 2 Warranties

Where *Property Insured* at the *Premises* insured by Section 1 of this Policy is or may be made subject to any Warranty then the Warranty shall be deemed to apply in like manner in the event of loss of or damage to *Property Insured* under this Section which occurs at the *Premises*.

## Section 3 Exclusions

**1 Excluded Property** – this Section does not cover (unless specified in the *Schedule*):

- a) *Stock in Trade*;
- b) glass, china, earthenware, marble or other fragile or brittle articles;

- c) moveable property in the open where *Damage* arises as a result of wind, rain, hail, sleet, snow, flood or dust;
- d) property whilst it is operational or being worked upon or undergoing maintenance, repair, restoration or testing;
- e) *Computer Records*.

**2 Excluded Causes** – the *Insurers* shall not indemnify the *Insured* for:

**a** *Damage* caused by:

- i) inherent vice, latent defect, gradual deterioration, wear, tear, frost, its own faulty or defective design or materials;
- ii) 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 being an Excluded Cause or otherwise excluded.

**b** *Damage* caused by:

- i) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, change in colour, flavour, texture or finish, dampness, dryness, marring, scratching, dust, chemical action or reaction, pests, vermin or insects;
- ii) change in temperature or atmospheric or climatic conditions;
- iii) mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates and erasure or distortion of data records or systems by electromagnetic flux;

but this shall not exclude

- i) such *Damage* which results from a *Defined Peril* or from any other cause, not being an Excluded cause or otherwise excluded;
- ii) subsequent *Damage* which itself results from a cause not being an Excluded Cause or otherwise excluded.

**c** any loss from an *Unattended* vehicle.

**d** *Damage* caused by:

- i) acts of fraud or dishonesty by the *Insured's* employees;
- ii) unexplained disappearance, unexplained or inventory shortage, misfiling or misplacing of information;
- iii) any process of fitting, testing, servicing, repair, renovation or adjustment.

## Section 4- Money and Personal Accident Assault

(Only insured if stated within the *Schedule*)

### Section 4A Money

#### The Cover

The *Insurers* shall pay for:

1. The loss of current coinage and the other negotiable instruments listed in paragraph 1 of the General Definition of *Money* up to the Limits of Liability as stated below, by any cause not otherwise excluded, whilst in:

#### Limits of Liability

- a) the *Premises* during *Business Hours*: **£5,000**
  - b) transit within the *Territorial Limits* or in any bank night safe: **£5,000**
  - c) a locked safe, when outside *Business Hours*, provided the keys or any record of the safe combination are removed from the *Premises* and held in the personal custody of an authorised *Insured Person*: **£1,500**
  - d) the *Premises* outside *Business Hours* and not in a locked safe: **£250**
  - e) the personal custody of the *Insured* or an authorised *Insured Person* in their private dwelling or in transit between such dwelling and the *Premises* and/or as otherwise stated in the *Schedule*: **£500**
  - f) any machine operated by coins, bank notes or credit cards within the *Premises*: **£500**
2. The loss of crossed cheques and the other nonnegotiable instruments listed in paragraph 2 of the General Definition of *Money* by any cause not otherwise excluded whilst within the *Territorial Limits*: **£250,000**
  3. The cost of repair or replacement in the event of loss of, destruction of or damage to safes, strongrooms, tills, cash registers, franking machines and special money-carrying cases if loss, destruction or damage results from the theft or attempted theft of *Money*: **Unlimited**
  4. Losses arising from the fraudulent use by any unauthorised person, other than an employee of the *Insured*, of any credit card issued to the *Insured* for use in the *Insured's Business* up to a limit of £1,000 in respect of any one *Occurrence* and £5,000 in the aggregate during the *Period of Insurance*;

occurring during the *Period of Insurance* subject to the limits, terms, conditions and exclusions of this Section and the Policy.

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#### Limit of Liability

The liability of the *Insurers* under Section 4A Money shall not exceed any Limit of Liability as stated above or any other limit of liability as stated herein.

#### The Excess

The *Insurers* shall not indemnify the *Insured* for the first £100 of each and every loss arising hereunder.

#### Section 4A Money Conditions

The *Insured* warrants that:

1. any till or cash register on the *Premises* will be left open and unlocked and empty of *Money* outside *Business Hours*;
2. *Money* in transit in excess of £2,500 any one transit, will be accompanied by at least 2 (two) able bodied persons;
3. a complete record will be kept of all *Money* held by the *Insured*;
4. the *Insured* upon becoming aware of a loss of any credit card shall give immediate notice to the organisation which issued the card.

#### Section 4A Money Exclusions

Section 4A *Money* does not cover any loss of *Money*:

1. caused by fraud or dishonesty of any *Insured Person* or members of their families or households unless discovered and reported to the Police and the *Insurers* in writing within 7 (seven) days of the actual occurrence;
2. due to shortages from accounting or mysterious or unexplained disappearances, or other error or omission, depreciation in value, counterfeit money, or dishonoured cheques;
3. from an *Unattended* vehicle;
4. from the *Premises* outside of *Business Hours* unless all keys, duplicate keys and combination codes to safes, strongrooms, cash boxes, drawers or filing cabinets from which *Money* was taken were removed from the *Premises* at the time of loss;
5. whilst in the custody of any security company employed by the *Insured* unless specifically mentioned as included up to a Limit of Liability as stated herein and the security company is as agreed by the *Insurers*. However, security companies' contingency cover is granted hereunder in circumstances where loss of, destruction of or damage to *Money* in the custody or control of a security company as agreed by the *Insurers* is not recoverable from such company subject always to the Limits of Liability as stated herein.



## Section 4B - Personal Accident Assault

(Only insured if stated within the *Schedule*)

### The Cover

The *Insurers* shall pay for:

1. accidental bodily injury occurring during the *Period of Insurance* to any *Insured Person(s)*, solely as the direct result of *Assault* in the course of his/her duties in the *Business*, anywhere within the *Territorial Limits* up to the amount of *Benefit* as stated in the *Schedule of Compensation* below;
2. any medical expenses incurred by the *Insured Person* following such *Assault*, up to but not exceeding 15% (fifteen percent) of the total amount of any claim admitted by the *Insurers* under Item 2 or 3 of the *Schedule of Compensation* below;
3. *Damage* to clothing of the *Insured Person* as a result of *Assault* in the course of his/her duties in the *Business* anywhere within the *Territorial Limits* up to £250 in respect of any one loss;

subject to the limits, terms, conditions and exclusions of the Section and the Policy.

Schedule of Benefit	Compensation
<b>Item 1</b> Death, <i>Permanent Total Disablement</i> or <i>Permanent Loss of Sight</i> and/or <i>Loss of Limbs</i> :	£10,000 for any one <i>Person Insured</i>
<b>Item 2</b> <i>Temporary Partial Disablement</i> (so long as such <i>Disablement</i> continues):	£100 per week for a maximum of 104 (one hundred and four) consecutive weeks for any single <i>Disablement</i> covered hereunder.
<b>Item 3</b> <i>Temporary Total Disablement</i> (so long as such <i>Disablement</i> continues):	£100 per week for a maximum of 104 (one hundred and four) consecutive weeks for any single <i>Disablement</i> covered hereunder.

### Limit of Liability

The liability of the *Insurers* under Section 4B Personal Accident Assault for any one *Insured Person* shall not exceed the Capital Sum as stated in the *Schedule of Compensation*.

### Section 4B Assault Conditions

1. Benefits shall not be payable by the *Insurers* in respect of the consequences of any one *Assault* involving any one *Insured Person*:
  - a) under more than one of the types of claim in the *Schedule of Compensation*; or
  - b) until the total amount of *Benefit* has been agreed by the *Insurers*.
2. In the event of any bodily injury, the *Insured Person* must place himself/herself under the care of a qualified medical practitioner and act upon such medical or surgical advice as is given as soon as practicable.
3. The *Insured* shall notify the *Insurers* within 7 (seven) days of the incident giving rise to the claim, providing all necessary details and obtaining at the *Insured*'s own expense any medical report(s) as may be required by the *Insurers*.
4. The *Insured Person* shall at the request of the *Insurers* submit himself/herself to medical examination at the expense of the *Insurers* as often as the *Insurers* deem necessary.
5. Notwithstanding anything to the contrary in Condition 1 above, the *Insurers* may at their discretion pay any weekly *Benefit* due at intervals in arrears of not less than 4 (four) weeks, if the *Insured* so requests.
6. *Benefit* shall only be paid by the *Insurers* on production of medical evidence or other such written evidence from a qualified medical practitioner and in the event of Death of an *Insured Person*, the *Insurers* shall be entitled to have a post mortem examination performed.
7. *Benefit* payable by the *Insurers* under Item 2 (two) or 3 (three) of the *Schedule of Compensation* shall not exceed the *Insured Person's* pre-injury weekly earnings from the *Business* of the *Insured Person*.

### Section 4B Assault Exclusions

1. Section 4B Assault does not cover *Benefit*:
  - a) to any person under 16 (sixteen) or over 65 (sixty five) years of age at the commencement of the *Period of Insurance*;
  - b) for death, bodily injury or disablement caused or contributed to by or arising from any pre-existing defect, infirmity or disease.
2. Bodily injury does not include sickness or disease or any naturally occurring condition or degenerative process or the result of a gradually operating cause.

## Section 5 - Professional Indemnity

(Only insured if stated within the *Schedule*)

### The Cover

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

#### 1. Civil Liability

any damages and claimants' costs for which the *Insured* shall become legally liable and any *Defence Costs* incurred in connection with any *Claim* first made against the *Insured* and notified to the *Insurers* during the *Period of Insurance* arising out of:-

- a. negligence or breach of a duty of care;
- b. negligent misstatement or negligent misrepresentation;
- c. infringement of intellectual property rights including copyright, patent, trademark or moral rights or any act of passing-off;
- d. unintentional breach of confidence or misuse of any information which is either confidential or subject to statutory restrictions on its use;
- e. defamation, libel or slander;
- f. any other civil liability unless the Policy excludes it elsewhere

in connection with the performance of, or failure to perform the *Professional Business*.

However, in the case of any *Claim* made by a third party against the *Insured* arising out of any dishonest or fraudulent act or omission on the part of any *Employee*:

- a. no person committing or condoning such dishonest or fraudulent act or omission shall be entitled to indemnity under this Section of the Policy; and
- b. no indemnity shall be provided in respect of any dishonest or fraudulent act committed by any person after discovery by the *Insured* thereof, or after reasonable cause for suspicion of fraud or dishonesty on the part of that person; and
- c. no indemnity shall be provided for any dishonest or fraudulent act committed by any partner, principal, director or member of the *Insured*; and
- d. the following shall be deducted from any amount payable by the *Insurers*:
  - i) 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; and
  - ii) any monies held by the *Insured* and belonging to such person; and
  - iii) any monies recovered following action as described in the Conditions.

#### 2. Loss of Documents

any reasonable cost or expense incurred by the *Insured* (and to which the *Insurers* have consented) in replacing and restoring *Documents* either owned by or the responsibility of the *Insured* in the conduct of the *Insured's Professional Business* which are discovered lost or damaged and notified as such to the *Insurers* during the *Period of Insurance*.

For the purpose of this Clause only, the *Excess* payable by the *Insured* is GBP1,000, or equivalent currency, and the maximum amount payable by the *Insurers* shall be limited to GBP50,000, or equivalent currency, in all during the *Period of Insurance*. The equivalent currency exchange rate shall be fixed at the time of any first payment applicable under this clause.

#### 3. Compensation for Court Attendance

the cost of attendance at any court of any of the under mentioned persons as a witness at the request of the *Insurers* in connection with a *Claim* in respect of which the *Insured* is entitled to indemnity under Policy Cover Clause 1. Civil Liability of this Section at the following rates per day on which attendance is required:

- a. any principal, partner or director of the *Insured* GBP500
- b. any *Employee* GBP250

The maximum payable by the *Insurers* during any one *Period of Insurance* shall be GBP25,000.

#### 4. Fidelity Guarantee

any loss of money, securities or property owned or leased by the *Insured* in connection with the *Professional Business* directly resulting from any dishonest or fraudulent act or omission committed by any *Employee* (whether acting alone or in collusion with others) with the intent of obtaining an improper financial gain for themselves or for any other third party.

#### PROVIDED THAT:

- a. such loss is first discovered and notified to *Insurers* during the *Period of Insurance* ; and
- b. for the purpose of this clause the definition of *Employee* shall be restricted to those under a Contract of Service with the *Insured* and shall not apply to Partners, Directors, Members, Executives, and Non-Executive Directors, *Personnel*, or any consultants or subcontractors to the *Insured*; and
- c. any payment under this clause shall be strictly subject to Condition 5. Minimum Standards of Control; and

- d. the maximum amount payable by *Insurers* under this clause shall be GBP150,000 in the aggregate during the *Period of Insurance* .

**FURTHERMORE**

- i) no indemnity shall be afforded in respect of any loss arising out of any dishonest or fraudulent act or omission occurring after the date of the discovery of, or reasonable cause for suspicion of dishonest or fraudulent conduct in relation to such person; and
- ii) any dishonest or fraudulent act or omission committed by a person or persons acting in concert shall for the purpose of this clause be treated as one *Claim*; and
- iii) no indemnity shall be afforded hereunder in respect of such loss to any person committing or condoning such dishonest or fraudulent act or omission; and
- iv) any sums payable shall only be for the balance of liability in excess of amounts recoverable from the dishonest or fraudulent person or persons or their estates or legal representatives

The *Insurers* will also indemnify the *Insured* up to GBP25,000 in the aggregate during the *Period of Insurance* (such limit not to reduce the indemnity available under Insuring Clause 5. Fidelity Guarantee) in respect of costs and expenses reasonably and necessarily incurred with prior written consent of *Insurers* and/or their legally appointed representatives to substantiate the amount of any loss which is the subject of a request for indemnity under this clause provided the *Insured* has first established a valid claim under this insurance and the loss sustained exceeds the *Excess*.

Where indemnity is available to the *Insured* under this clause, *Insurers* shall not be precluded from exercising any rights of subrogation against any person committing or condoning such dishonest or fraudulent act or omission.

**5. Internet and Multimedia Liability**

any reasonable cost or expense incurred by the *Insured* (and to which the *Insurers* have consented) in respect of any claims brought against You by a third party arising from:

- a. the content within your *Website* or email communications including alterations made by a *Hacker*, but not connected with any professional business activity for a client, and due to;
  - i) infringement of any intellectual property rights, copyright, trademark, passing off or linking to or framing another page;
  - ii) any defamatory statement made;
  - iii) a breach of confidence or infringement of any right to privacy;

- b. negligent transmission of a computer *Virus* to anyone with whom You do business or who uses your *Website* in the course of their business;
- c. negligent transmission of a computer *Virus* by any *Temporary Personnel* provided by You under contract;
- d. any unauthorised collection or misuse of any client data held by *You* electronically or which has been collected via your *Website* which is either confidential or subject to statutory restrictions on its use;
- e. fraudulent use of *Your* encrypted electronic signature, encrypted electronic certificate, email or *Website* by a *Hacker* where there is a clear intention to cause *You* loss or obtain personal gain by a *Hacker*.

Any reasonable cost or expense (including advertising or publicity costs) incurred by the *Insured* (and to which the *Insurers* have consented) following the malicious activity of a *Hacker* to *Your Website* or *Computer System* to return *Your Website* or *Computer System* to an equivalent standard or as near as reasonably possible as immediately before it was damaged , destroyed or altered.

We will indemnify *You* against the sum *You* have to pay as compensation.

We will also pay *Defence Costs*, but we will not pay costs for any part of a claim which is not covered under this clause.

In the event that a *Hacker* threatens to damage *Your Website* or *Computer System* in a way that would be covered by this section, We will indemnify *You* in respect of any ransom paid (with the written consent of the *Insurers*), subject to *You* being able to demonstrate to the *Insurers* that the ransom has been surrendered under duress and that before making any payment, *You* took all reasonable efforts to determine that the threat was genuine and not a hoax and that authorisation for any payment was agreed to by one of *Your* senior officers.

The maximum amount payable by the *Insurers* shall be *Limit of Indemnity* under this section of cover or GBP250,000, or equivalent currency, whichever is the lesser amount, in all during the *Period of Insurance*. The equivalent currency exchange rate shall be fixed at the time of any first payment applicable under this clause.

**FURTHERMORE**

We will not make any payment for any claim or loss arising directly or indirectly from;

- a) any *Virus* written or created by *You*, or any *Person Employed* by *You*;
- b) any *Virus* which indiscriminately replicates itself and is automatically disseminated on a global or national scale, or to an identifiable class or sector of users, unless specifically passed on to *You* by a *Hacker* of *Your Website* or *Computer System*;

- c) any infringement of a patent;
- d) any unauthorised or fraudulent use of credit, debit, store or charge cards;
- e) the use or provision of any games, or gaming, gambling, lottery or auctioneering facilities or services;
- f) any failure or interruption to services by a utility provider;
- g) any pornographic, sexually explicit or obscene material unless arising directly from the activities of a *Hacker*;
- h) any defamatory statement concerning any *Person Employed* by *You* or contracted by *You* and under *Your* supervision;
- i) any data or Software that is unique to *Your* company;
- j) any supply, manufacture, sale, installation or maintenance of any product;
- k) any statement *You* knew, or ought reasonably to have known, was defamatory at the time of publication;
- l) any act, breach, omission or infringement *You* deliberately, spitefully, dishonestly or recklessly commit, condone or ignore;
- m) any claims or costs in relation to date recognition failure;

#### 6. Loss Mitigation

any amount owed to *Insured* by their client where:

- a) such client expresses dissatisfaction with professional services provided by the *Insured* and refuses to pay all or part of any fee owed to the *Insured* in respect of such professional services; and
- b) where in *Insurers'* sole opinion payment of such amount will avoid a *Claim* being made against the *Insured* for a greater amount and for which indemnity would otherwise be afforded under this Section of the Policy

#### PROVIDED THAT:

- i) in the event that a *Claim* is subsequently made against the *Insured* following reimbursement of the outstanding amount by the *Insurers*, the maximum amount payable by the *Insurers* including all amounts previously paid shall not exceed the *Limit of Indemnity*; and
- ii) the *Insured* shall reimburse to *Insurers* any amount which is subsequently recovered from such client; and
- iii) the *Insured* shall assign to *Insurers* all rights in relation to the amounts owed.

#### 7. Costs for representation

all legal costs incurred by the *Insured* with *Insurers'* prior written consent for representation at any inquiry, professional tribunal or other proceeding including disciplinary hearing which has, in *Insurer's* sole opinion, a direct relevance to any *Claim* or *Circumstance* or event which could form the subject of indemnity under this Policy

The *Excess* shall not be applicable to Cover Clause 7. Costs For Representation and the maximum amount payable by *Insurers* under this clause shall be GBP50,000 in the aggregate during the *Period of Insurance*.

#### Limit of Indemnity & Excess

- a) The maximum amount payable by the *Insurers* in respect of all Cover Clauses (including any Extensions) under this Section of the Policy, shall not exceed the *Limit of Indemnity* except that *Defence Costs* shall be paid in addition.
- b) If a payment beyond the amount of indemnity available under this Policy has to be made to dispose of a *Claim*, the *Insurers'* liability for *Defence Costs* shall be limited to such proportion as the amount of indemnity available under this Section of the Policy bears to the amount payable to dispose of the *Claim*.
- c) Unless specifically stated otherwise, in respect of any *Claim* for which indemnity is provided under this Section of the Policy, the *Excess* is payable by the *Insured* and the *Insurers* shall thereafter be liable to indemnify the *Insured* only in excess of such amount.

#### Section 5 Extension – Vicarious Liability

The following extension is included if stated in the Schedule;

##### 1. Vicarious Liability for Personnel supplied

any damages and claimants' costs for which the *Insured* shall become legally liable and any *Defence Costs* incurred in connection with any *Claim* first made against the *Insured* and notified to the *Insurers* during the *Period of Insurance* arising out of any negligent act, error or omission committed by any *Personnel*.

#### PROVIDED THAT:

no indemnity shall be provided in respect of any claim, loss, liability or expense arising directly or indirectly out of:

- (a) the dishonest or fraudulent act or omission on the part of any *Personnel* any act, error or omission on the part of any *Personnel*
- (b) any act, error or omission on the part of any *Personnel* where the *Insured* retains responsibility for the supervision and/or direction and/or control of such *Personnel* under the terms of the contract or agreement under which the *Personnel* are provided

## Section 5 - Conditions

### 1. Special Condition

- a) In the case of a *Claim* first made against the *Insured* during the *Period of Insurance* where:
- i) the *Insured* had previous knowledge of the *Circumstance* relating to such *Claim*; and
  - ii) the *Insured* should have notified such *Circumstance* under any preceding policy of insurance,
- then, where the indemnity or cover under this Policy is greater or wider in scope than that to which the *Insured* would have been entitled under such preceding policy (whether with other insurers or not), *Insurers* shall only be liable to afford indemnity to such amount and extent as would have been afforded to the *Insured* by such preceding policy.
- b) Where the *Insured's* breach of or non-compliance with any provision in Condition 3. Claims Conditions Precedent to Liability of this Section of the Policy has resulted in prejudice to the handling or settlement of any *Claim*, *Insurers* shall be entitled to reduce the indemnity afforded by this Policy in respect of such *Claim* (including *Defence Costs*) to such sum as in *Insurers'* reasonable opinion would have been payable by them in the absence of such prejudice.

### 2. Claims Conditions Precedent to Liability

The following Conditions are conditions precedent to the *Insurers'* liability to provide indemnity under this Section of the Policy. No indemnity shall be provided under this Section of the Policy unless full and complete adherence to these Conditions is maintained by the *Insured*.

#### a. Notification

The *Insured* shall give notice to the *Insurers*, as soon as practicable within the *Period of Insurance*, of:

- i) any *Claim* made against the *Insured* or
- ii) any *Circumstance*.
- iii) the discovery of or any reasonable cause for suspicion of any dishonest or fraudulent act or omission on the part of any *Employee*

regardless of any *Excess* that shall apply.

The *Insured* shall also comply within a reasonable time and at their own expense with: -

- 1) the *Insurers'* standard requirement that the notification should state precisely why a *Claim* is likely and if so, from whom; and
- 2) any reasonable request by the *Insurer* for further information in relation to the matters notified; and
- 3) any request by the *Insurer* for steps to be taken to reduce or avert such *Claim*

Notification of any *Claim* or *Circumstance* is to be made:

- Telephone: 0345 266 8982
- E-mail: [thistleinsurance@broadspiretpa.co.uk](mailto:thistleinsurance@broadspiretpa.co.uk)
- Fax: 01908 302345
- Post: Tempus, 249 Midsummer Boulevard, Central Milton Keynes MY9 1YA

(Notwithstanding anything contained to the contrary, receipt of notice by the *Insured's* Intermediary will not be treated as notice to the *Insurers*).

Any *Claim* arising subsequently arising from a *Circumstance* or from the discovery of reasonable cause for suspicion of any dishonest or fraudulent act or omission notified to *Insurers* during the *Period of Insurance* shall be deemed to have been made during the *Period of Insurance* in which such notice was first provided.

For the avoidance of doubt, no other Condition of this Policy shall have the effect of limiting the *Insurers'* right to refuse to give effect to this deeming provision in the event of a failure by the *Insured* to comply with a request under Condition 3a. (1), (2) and (3) above.

#### b. Co-operation

Following notification of a *Claim* or *Circumstance*, the *Insured* shall at their own expense:

- i) give all information and assistance within timescales reasonably required by the *Insurers*; and
- ii) make no admission of liability, arrangement, compromise, offer, promise or payment without the prior written consent of the *Insurers*; and
- iii) if the *Insurers* so requests, take all reasonable steps to effect recovery from any person committing or condoning any dishonest or fraudulent act or omission or from the estate and/or legal representatives of such person.

### 3. Insurers' Rights

Following the notification of a *Claim* or a *Circumstance* the *Insurers* shall be entitled: -

- a) at their discretion, to take over and conduct in the name of the *Insured* the investigation, defence or settlement of any such matter;
- b) at any time, to pay to the *Insured* the amount of the *Limit of Indemnity* (less the *Excess* and any sum already paid or expended during the *Period of Insurance*) or any lesser amount for which, in the *Insurers'* opinion, any *Claim* or *Claims* can be settled and shall then cease to have conduct and control of the *Claim* or proceedings and be under no further liability in respect of such costs, *Claim* or *Claims* except for *Defence Costs* reasonably incurred prior to the date of such payment for which the *Insurers* are liable. The *Insurers* shall not be responsible for any loss which the *Insured* may claim to have sustained by reason of the *Insurer* having so acted;
- c) to be subrogated to all rights of recovery the *Insured* may have against any party and the *Insured* shall do nothing to prejudice such rights. It is agreed however that the *Insurers* shall not exercise such rights against any *Employee* unless such *Claim* has been brought about or contributed to by the dishonest fraudulent criminal or malicious act or omission of the *Employee*.

### 4. Administrative Conditions

Any dispute or difference between the *Insured* and the *Insurers* arising from this Section of the Policy shall be referred to a Queen's Counsel of the English Bar whose identity shall be mutually agreed upon between the *Insurers* and the *Insured* or to any other party as may be mutually agreed.

The findings of the appointed Queen's Counsel (or the party as may be mutually agreed) shall be binding upon the *Insurers* and the *Insured* and the costs of such an exercise shall be allocated by the Queen's Counsel (or the party as may be mutually agreed) on the basis he/she considers fair and equitable.

### 5. Minimum Standards of Control applicable to Insuring Clause 5. Fidelity Guarantee

The *Insured* warrants that:-

- a) in respect of that part of any loss occurring prior to inception of this Section of the Policy the *Insured* can demonstrate to reasonable satisfaction of *Insurers* that prudent systems of control and security were adhered to in the *Insured* throughout the period in which the loss arose; and

- b) the following procedures shall be adhered to at all times during the *Period of Insurance*:
  - i) The *Insured* shall obtain written references covering the whole preceding 3 years of employment in respect of all *Employees* engaged who have responsibility for money, stock and/or accounts; and
  - ii) All manually prepared cheques and other bank instruments for the operation of bank account(s) issued shall bear two signatures where the amount of such instrument exceeds GBP5,000; and
  - iii) All machine or computer prepared cheques and other bank instruments for more than GBP5,000 shall have supporting documentation examined and will be authorised before requisition is input and shall also require one manually applied signature to be added after the cheque or instrument is prepared; and
  - iv) Supporting vouchers will be examined against the instrument in all cases by the signatories irrespective of the amount of the instrument; and
  - v) There will be a split in duties so that no *Employee* both makes wage payments and compiles the payroll; and
  - vi) The cast of the payroll will be subject to independent check to ensure that the total amount is drawn is correct; and
  - vii) All cheques, postal orders and monies received by *Employees* shall be remitted and or banked in full on the day of receipt of the next banking day;
  - viii) Cash book entries shall be subject to a monthly physical check which shall be independently of the employees responsible against bank statements bank paying-in book counterfoils and vouchers and the balance sheet tested with cash and un-presented cheques and additionally without warning every 6 months; and
  - ix) In respect of closing accounts and instructing closure of the accounts, this is not to be a delegated task or duty to an *Employee* and the account holders shall obtain written confirmation from their bank that an account is closed and shall retain this correspondence; and
  - x) Where the *Insured* is required to submit annual audited accounts all departments must be subject to an audit by an independent firm of Chartered Accountants or Chartered Certified Accountants at least every 12 months and the Auditor's reports are submitted direct to the executive committee; and
  - xi) The system of check and supervision applies to all addresses from which the *Insured* operates.

*Insurers* must agree in writing and endorse the Policy if there is to be any variation or non-compliance or non-conformity with the above procedures.

## Section 5 - Exclusions

This Section of the Policy shall not indemnify the *Insured* in respect of any *Claim*:

### 1. Asbestos and Toxic Mould

arising directly or indirectly out of:-

- a) asbestos, or any materials containing asbestos in whatever form or quantity; or
- b) *Fungi*.

For the purposes of this clause, in the event of any *Claim* and/or in any action, suit or other proceedings to enforce a *Claim* under this Policy, the burden of proving that such *Claim* does not fall within this Exclusion shall be upon the *Insured*.

### 2. Bodily Injury and Property Damage

arising directly or indirectly out of:-

- a) any bodily injury, mental or emotional injury, sickness, disease or death; or
  - b) any loss of or damage to property, other than covered under Cover Clause 3. Loss of Documents of this Section;
- unless such *Claim*, loss, liability or expense arises from negligent advice, design or specification.

### 3. Employment Liability

arising directly or indirectly out of:-

- a) bodily injury, sickness, disease or death sustained by any person arising out of and in the course of their employment by the *Insured* in any capacity;
- b) any contract of service or obligation owed by the *Insured* as employer including any *Claim* for wrongful or unfair dismissal;
- c) any obligation owed by the *Firm* or any principal, partner or director of the *Firm* as employer (including any *Claim* for discrimination, wrongful or unfair dismissal) to an *Employee* or any person who is or has been made application to be under contract of service with the *Insured*.

### 4. Computer Records

arising directly or indirectly out of the loss, distortion or erasure of computer records:-

- a) whilst mounted in or on any machine for use or processing unless caused by any negligent act or omission on the part of the *Insured* or
- b) resulting from wear, tear, vermin or gradual deterioration or
- c) caused by climatic or atmospheric conditions or extremes of temperature or
- d) due to the presence of magnetic flux or due to loss of magnetism.

### 5. Controlling Interest/Associated Companies

brought by or on behalf of:-

- a) any parent or subsidiary company of the *Insured* or any company having the same parent company as the *Insured*; or
- b) any other company in which the *Insured* has a majority shareholding in excess of 50%; or
- c) any other company in common ownership with the *Insured* unless such *Claim* emanates from an independent third party.

### 6. Directors and Trustees Liability

arising directly or indirectly out of any duty owed by an *Insured* or any *Employee* in any capacity of director or officer of the *Firm* or any other business or as a trustee of any trust or pension scheme or as officer or employee of any pension fund or employee benefit scheme whether for the *Firm's* own schemes or trusts or otherwise.

### 7. Geographical and Jurisdiction Limits

arising directly or indirectly out of

- a) work in connection with any contract performed outside the *Geographical Limits*; or
- b) any judgement, award, payment, or settlement made within countries which operate under the laws of the United States of America or Canada; or
- c) any order made anywhere in the World to enforce any judgement, award, payment or settlement either in whole or in part, made in the courts of or under the laws of the United States of America or Canada.

### 8. Insolvency

arising directly or indirectly out of the insolvency, bankruptcy or liquidation of the *Insured*.

### 9. Land & Vehicles

arising directly or indirectly out of the ownership, possession or use of any aircraft, watercraft, hovercraft, motor vehicle, trailer, or other means of transport, or any buildings, structures, premises or land or any property (mobile or immobile).

### 10. Malicious or Reckless Acts

arising directly or indirectly out of any malicious or reckless act or omission of any *Insured* other than any dishonest, criminal or fraudulent act, error or omission committed by an *Employee*.

No indemnity shall be provided for any malicious, reckless dishonest, criminal or fraudulent, act committed by any partner, principal, director or member of the *Insured*.

### 11. Nuclear Risks and War/Terrorist Risks

arising directly or indirectly out of, or caused by or contributed to by

- a) ionising radiations or contamination by radioactivity from any nuclear fuel, waste or substance or the radioactive, toxic, explosive or other hazardous properties of any explosive, nuclear assembly or nuclear component thereof;
- b) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, riot, civil commotion assuming the proportion of or amounting to a popular uprising, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority; or
- c) any act or acts, or threat thereof, of terrorism, force or violence for political, religious or other ends directed towards the overthrowing or influencing of the government, or for the purpose of putting the public in fear, by any person or persons acting alone or on behalf of or in connection with any organisation.

In the event of any *Claim* and/or any action, suit or other proceedings to enforce a *Claim* under this Policy, the burden of proving that such *Claim* does not fall within this Exclusion shall be upon the *Insured*.

In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall continue in full force and effect.

#### 12. Other Insurance

in respect of which the *Insured* is entitled to indemnity under any other insurance except in respect of any sum beyond the amount which would have been payable under any such other insurance had this Section of the Policy not been effected.

#### 13. Pollution

arising directly or indirectly out of *Pollution, or Contamination*, howsoever caused.

#### 14. Punitive or Exemplary Damages

for, or in respect of any fines, penalties, punitive or exemplary damages, liquidated damages / aggravated / restitutionary damages or any additional damages resulting from the multiplication of compensatory damages or other non-compensatory damages.

#### 15. Retroactive Date

arising directly or indirectly out of any act, error or omission committed or alleged to have been committed prior to the Retroactive Date (if any) specified in the *Schedule*.

#### 16. Supervision Direction or Control

arising directly or indirectly out of or in connection with any act, error or omission committed by any *Personnel* where the *Insured* is deemed responsible for the supervision and/or

direction and/or control of such *Personnel* under the terms of the contract or agreement under which the *Personnel* are supplied.

#### 17. Specific Professions

arising directly or indirectly out of:

- a) any valuation of any residential or commercial property other than where such valuation is undertaken for establishing a price for the sole purpose of marketing a property for sale;
- b) any legal advice or legal services;
- c) the investment of, or any advice on the investment of client funds;
- d) i) any form or type of medical clinical or surgical advice diagnosis treatment remedy or procedure; and/or  
ii) any form of care aid assistance advice or supervision either associated therewith or arising therefrom.

#### 18. Supply of Goods

arising directly or indirectly out of the manufacture, construction, alteration, repair, servicing or treating of any good or product sold, supplied or distributed by the *Insured* even though the same might be carried on by the *Insured* in conjunction with their *Professional Business*.

#### 19. Trading Losses

arising directly or indirectly out of:-

- a) any trading losses or trading liabilities incurred by any business managed by or carried on by the *Insured* (including any loss of business or custom); or
- b) the actual or alleged over-charging or improper receipt of remuneration by the *Insured*;

#### 20. Warranty or Guarantee

arising directly or indirectly out of any liability or obligation assumed by the *Insured* under any contract, agreement or warranty unless such liability or obligation would have attached to the *Insured* in the absence of such contract, agreement or warranty.

#### 21. Computer Systems Protection and Back-ups

arising directly or indirectly from *You* failing to:

- a) take reasonable steps to use, maintain and upgrade any program which protects against computer *Viruses* or any unauthorised use of access to *Your Computer System* or *Website*.
- b) cancel any user name, password or other security protection immediately after becoming aware that these details have been made available to an unauthorised person.
- c) make back-up copies of any data, file or program at least on a weekly basis.



## Section 6 - Terrorism

(Only insured if stated within the *Schedule*)

### The Cover

The *Insurers* shall indemnify the *Insured* against *Damage* to the *Property Insured* under Section 1 Property Damage All Risks and Section 3 Specified *Business* Equipment All Risks and/or any *Consequential Loss* under Section 2 Business Interruption All Risks, resulting therefrom insofar and to the extent that it is stated as being insured in the *Schedule* to this Section in Great Britain (meaning England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 or any subsequent amending legislation and not the Isle of Man or the Channel Islands) caused by an Act of *Terrorism* certified as such by Her Majesty's Government or Her Majesty's Treasury or any successor or other relevant authority, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

### Limit of Liability

The liability of the *Insurers* under this Section in respect of any one *Occurrence* and in the aggregate during the *Period of Insurance* shall not exceed the Limits of Liability as stated in the *Schedule*; and in any action, suit or other proceedings where the *Insurers* allege that any claim hereunder is not covered by this Section of this Policy (or is covered only up to a Limit of Liability as stated in the *Schedule*), the burden of proving that such claim hereunder is covered (or is covered beyond that Limit of Liability) shall be upon the *Insured*.

### Section 6 Conditions

The insurance provided by this Section shall be subject to all limits, terms, conditions and exclusions of this Policy except that the following shall not apply:

- a. any long term agreement or undertaking;
- b. any terms in the Policy which provide for adjustments of premium based upon declarations on expiry or during the *Period of Insurance*;
- c. c)any extension of Premises to locations outside England and Wales and Scotland; 4 any General or Section Exclusions elsewhere in this Policy (other than those stated as Section 6 Exclusions).

### Section 6 Exclusions

This Section does not cover any claim of whatsoever nature directly or indirectly caused by or occasioned by or happening through or in consequence of:

- 1) Chemical, biological or radioactive contamination from:
  - a) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
  - b) ionising radiation or contamination by radioactivity or from the combustion of any radioactive material;
  - c) chemical and/or biological and/or radiological irritants contaminants or pollutants;
 in respect only of residential property houses and blocks of flats and other dwellings insured in the name of a private individual.
- 2) Riot, civil commotion, war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law, confiscation or nationalisation or requisition or seizure or destruction of or damage to property by or under the order of any Government or public or local authority.
- 3) Arising out of Marine, Aviation, Transit and Motor Certificates or Policies.
- 4) Electronic, digital or cyber risks that is any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:
  - a) damage to any computer or other equipment or component or system or item which processes, stores, transmits or receives data or any part thereof, whether tangible or intangible (including but without limitation any information or *Programme(s)* or *Software*) and whether the property of the *Insured* or not, where such damage is caused by *Virus* or *Similar Mechanism* or *Hacking* or *Denial of Service Attack*; or
  - b) *consequential loss* directly or indirectly caused by or arising from *Virus* or *Similar Mechanism* or *Hacking* or *Denial of Service Attack*.

## Section 7- Employers' Liability

(Only insured if stated within the *Schedule*)

### The Cover

The *Insurers* shall indemnify the *Insured* and any *Additional Insured*:

- 1) against legal liability for damages and claimant's costs and expenses in respect of *Injury* sustained by any *Person Employed* caused during the *Period of Insurance* within the *Territorial Limits* and arising out of and in the course of employment by the *Insured* in the *Business*;
- 2) in respect of *Legal Costs* in connection with any *Event* which is or may be the subject of indemnity under 1 above.

The *Insurers* shall not indemnify the *Insured* in respect of any judgement, award or settlement made in any country or territory outside Great Britain, Northern Ireland, the Channel Islands, the Isle of Man or in respect of any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part unless the *Insured* has requested that there shall be no such limitation and has accepted the limits, terms, conditions and exclusions offered by the *Insurers* in granting such cover, which offer and acceptance must be signified by an Endorsement attaching to this Policy.

### Limit of Liability

Irrespective of:

- 1) the number of parties and/or entities entitled to indemnity;
- 2) the number of claimants;

the liability of the *Insurers* under this Section including all Extensions in respect of or arising from any one claim or series of claims against the *Insured* arising out of one *Event* shall not exceed the Limit of Liability as stated in the *Schedule*.

Notwithstanding the provisions of General Exclusion 11 *Terrorism*, this Section provides cover against legal liability for damages and claimant's costs and expenses in respect of *Injury* sustained by *Persons Employed* caused as a result of *Terrorism* during the *Period of Insurance* within the *Territorial Limits* up to a limit of £5,000,000 in respect of any one *Event*.

### Section 7 Extension

The following Extensions shall apply, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

#### 1) Unsatisfied Court Judgements

If a judgement for damages obtained:

- a) by any *Person Employed* or the personal representative(s) of any *Person Employed* in respect of *Injury* sustained by the *Person Employed* caused during the *Period of Insurance* and arising out of and in the course of employment by the *Insured* in the *Business*;
- b) against any company, partnership or limited liability partnership or individual operating from premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man;

in any court within the territories specified in b above remains unsatisfied in whole or in part 6 (six) months after the date of such judgement, then at the request of the *Insured* the *Insurers* shall pay to the *Person Employed* or the personal representative(s) of the *Person Employed* the amount of any such damages and any awarded costs and expenses (but excluding any interest which may accrue after the day of judgement) to the extent that they remain unsatisfied provided that there is no appeal outstanding against the judgement.

If any payment is made by the *Insurers* under the terms of this Extension, the *Person Employed* or the personal representatives of the *Person Employed* shall assign the benefit of the unsatisfied amount of the judgement and awarded costs and expenses to the *Insurers* and will give all information and assistance required.

#### 2) Contractual Liability

We will indemnify the *Insured* against liability imposed on *You* solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in *Us*.

We will not provide indemnity in respect of any agreement for or including the performance of work outside the *Territorial Limits*.

### Section 7 Exclusions

This Section shall not apply to legal liability for damages and claimant's costs and expenses and/or *Legal Costs* in respect of:

1) **Road traffic legislation:**

*Injury* for which the *Insured* is required to arrange motor insurance or security in accordance with any road traffic legislation within the *Territorial Limits*.

2) **Offshore work:**

*Injury* sustained by any *Person Employed* whilst *Offshore*.

3) **Medical and repatriation costs:**

- a. medical costs or medical expenses;
- b. repatriation costs or repatriation expenses; incurred by any *Person Employed* whilst outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

4) **Supervision Direction or Control**

Notwithstanding the General Definition of Employee this Section 7 does not provide any indemnity in respect of any contract where the *Insured* is responsible for any supervision, direction or control of any individual or group of individuals placed on a temporary contract or assignment.

### Section 7 Condition

The indemnity granted by Section 7 of this Policy is deemed to be in accordance with the requirements of any legislation enacted in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man relating to the compulsory insurance of legal liability to employees. The *Insured* shall repay to the *Insurers* all sums paid under this Policy which the *Insurers* would not have been liable to pay but for the provisions of such legislation.

## Section 8 - Public Liability

(Only insured if stated within the *Schedule*)

### The Cover

The *Insurers* shall indemnify the *Insured* and any *Additional Insured*:

- 1) against legal liability for damages and claimant's costs and expenses in respect of:
  - a) accidental *Injury* sustained by any person;
  - b) accidental *Damage to Property*;
  - c) accidental *Nuisance*;
 occurring during the *Period of Insurance* within the *Territorial Limits* in connection with the *Business*.
- 2) in respect of *Legal Costs* in connection with any *Event* which is or may be the subject of indemnity under 1 above.

The *Insurers* shall not indemnify the *Insured* in respect of any judgement, award or settlement made in any country or territory which operates under the laws of the United States of America or Canada or in respect of any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part unless the *Insured* has requested that there shall be no such limitation and has accepted the limits, terms, conditions and exclusions offered by the *Insurers* in granting such cover which offer and acceptance must be signified by an Endorsement attaching to this Policy.

### Limit of Liability

- 1) Irrespective of:
  - a) the number of parties and/or entities entitled to indemnity;
  - b) the number of claimants;
 the liability of the *Insurers* under this Section including all Extensions in respect of any one *Event* shall not exceed the Limit of Liability as stated in the *Schedule*.
- 2) *Legal Costs* payable by the *Insurers* shall be paid in addition to the Limit of Liability unless as otherwise stated in the *Schedule*, provided that:
  - a) if a payment of damages and/or claimant's costs and expenses exceeding the Limit of Liability has to be made by the *Insurers* to dispose of any claim and
  - b) the *Insurers* are liable to pay *Legal Costs* in addition to the Limit of Liability;

then the liability of the *Insurers* for *Legal Costs* shall be limited to such proportion as the Limit of Liability bears to the amount paid by the *Insurers* to dispose of such claim.

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Nothing contained in this clause shall be construed to vary or override Condition 2 of Sections 7, 8 and 9 of this Policy.

### Section 8 Extensions

The following Extensions shall apply, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

#### 1) Cross Liabilities

If the *Insured* comprises more than one party and/or entity the *Insurers* shall indemnify each in the same manner and to the same extent as if a separate Policy had been issued to each.

Provided that the liability of the *Insurers* shall not exceed the Limit of Liability stated in the *Schedule* regardless of the number of parties and/or entities entitled to indemnity.

#### 2) Contingent Motor Liability

Notwithstanding Section Exclusion 4, the *Insurers* will indemnify the *Insured* (and no other) against legal liability for damages and claimant's costs and expenses arising out of the use and in the course of the *Business* of any mechanically propelled vehicle not the property of nor provided by the *Insured*.

This Extension shall not apply to legal liability for damages and claimant's costs and expenses:

- a) arising while such vehicle is being driven by the *Insured* or any *Additional Insured* ;
- b) in respect of loss of or damage to such vehicle or to any property conveyed therein;
- c) arising out of the use of any such vehicle owned or provided by any principal for whom the *Insured* is working or any subcontractor acting for or on behalf of the *Insured*;
- d) arising outside Great Britain, Northern Ireland, the Isle of Man and the Channel Islands;
- e) notwithstanding Condition 3 to Sections 7, 8 and 9, where indemnity is provided by any other insurance;
- f) caused or arising whilst such vehicle is engaged in racing, pace-making, reliability trials or speed testing;
- g) caused or arising whilst such vehicle is being driven with the general consent of the *Insured* or his representative by any person who to the knowledge of the *Insured* or other such representative does not hold a licence to drive such a vehicle, unless such person has held and is not disqualified from holding or obtaining such a licence.

### 3) Overseas Personal Liability Indemnity

The *Insurers* shall indemnify the *Insured* and if the *Insured* so requests any director or partner of the *Insured* or *Person Employed* against legal liability for damages and claimant's costs and expenses incurred in a personal capacity while temporarily outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man but excluding any country or territory which operates under the law of the United States of America or Canada in connection with the *Business*.

This Extension will not apply to legal liability for damages and claimant's costs and expenses:

- a) arising out of the ownership or occupation of land or buildings;
- b) notwithstanding Condition 3 to Sections 7, 8 and 9, where indemnity is provided by any other insurance.

### 4) Data Protection

The *Insurers* shall indemnify the *Insured* and, if the *Insured* so requests any director or partner of the *Insured* or *Person Employed* against legal liability for damages and claimant's costs and expenses arising out of any claim under Section 13 of the Data Protection Act 1998, or any subsequent amending legislation first made against the *Insured* during the *Period of Insurance*. For the purposes of this Extension only damage and/or distress within the meaning of such Act shall be deemed to be *Injury* provided that the *Insured*:

- a) is registered in accordance with the terms of such Act or has applied for registration, which has not been refused or withdrawn;
- b) has taken all reasonable care to comply with the requirements of such Act.

This Extension shall not apply to:

- i) the costs of replacing, reinstating, rectifying or erasing data;
- ii) legal liability for damages and claimant's costs and expenses arising from or caused by any deliberate act or omission of the *Insured* or any person entitled to indemnity if the result thereof could reasonably have been expected by the *Insured* or such other person having regard to the nature and circumstances of such act or omission;
- iii) fines or penalties of any kind;
- iv) claims arising out of circumstances notified to previous insurers or known to the *Insured* at the inception of this Policy;
- v) legal liability for damages and claimant's costs and expenses in respect of which indemnity is provided by any other insurance.

### 5) Defective Premises Act

The *Insurers* shall indemnify the *Insured* against damages and claimant's costs and expenses arising out of legal liability in respect of accidental Injury or accidental *Damage to Property* incurred by the *Insured* by virtue of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with premises disposed of by the *Insured*.

This Extension will not apply to legal liability:

- a) for the costs of remedying any defect or alleged defect in premises disposed of by the *Insured*;
- b) notwithstanding Condition 3 to Sections 7, 8 and 9, where indemnity is provided by any other insurance.

### 6) Indemnity to Principals

The Definition of *Additional Insured* extends to include any Principal for whom the *Insured* is carrying out a contract but only to the extent required by such contract and only if the *Insured* would have been entitled to indemnity under this Policy notwithstanding such a contract provided that the Principal will comply with and be subject to all terms, conditions and exclusions in this Policy and the full conduct and control of all claims is vested in the *Insurers*.

### 7) Wrongful Arrest

This Section is extended to include the *Insured's* liability arising out of wrongful detention, false or malicious arrest, malicious prosecution or false imprisonment arising out of any accusation of shoplifting, theft, dishonesty or other improper conduct by any person and occurring on or about the *Premises*.

The liability of *Insurers* under this Extension shall not exceed the sum of £50,000 during any one *Period of Insurance*.

### 8) Contractual Liability

We will indemnify the *Insured* against liability imposed on You solely by reason of the terms of any agreement provided that the conduct and control of any claim is vested in Us.

We will not provide indemnity in respect of any agreement for or including the performance of work outside the Territorial Limits.

## Section 8 Exclusions

This Section shall not apply to legal liability for damages and claimant's costs and expenses and/or *Legal Costs*:

### 1) Injury Sustained by Persons Employed

for *Injury* sustained by any *Person Employed* arising out of and in the course of employment by the *Insured* in the *Business*.

### 2) Product

directly or indirectly caused by, arising from or in connection with any *Product(s)* (other than food or drink for consumption on the *Insured's Premises*).

### 3) Pollution or Contamination

directly or indirectly caused by, arising from or in connection with *Pollution* or *Contamination*.

### 4) Vehicles

arising out of the ownership, possession or use of any mechanically propelled vehicle by or on behalf of the *Insured* in circumstances where insurance or security is required under the provisions of any road traffic legislation but this Exclusion shall not apply to:

- a) mechanical plant while operating as a tool of trade;
- b) the loading or unloading of any vehicle; except in respect of legal liability for which:
  - i) insurance or security is required by law;
  - ii) indemnity is provided by any motor insurance contract.

### 5) Vessels and Craft

arising out of the ownership, possession or use by or on behalf of the *Insured* of any vessel or craft designed to travel in, on or through water and/or air and/or space but this Exclusion shall not apply to waterborne craft not exceeding 4 (four) metres in length in inland or United Kingdom territorial waters.

### 6) Property in the Care, Custody or Control of the Insured

in respect of *Damage to Property* which at the time of the *Event* giving rise to such liability is the property of or held in trust by or in the care, custody or control of the *Insured* or any *Person Employed* other than:

- a) personal effects including vehicles and their contents of any *Person Employed* or any director or partner of or visitor to the *Insured*;
- b) premises including their contents not owned by or leased or rented to the *Insured* but temporarily occupied by the *Insured* for the purposes of undertaking work in connection with the *Business*;
- c) premises and their fixtures and fittings leased or rented to the *Insured* provided that where such liability has been accepted by agreement, indemnity shall only be provided by the *Insurers* to the extent that such liability would have attached in the absence of the said agreement.

### 7) Work Offshore

arising from or in connection with any work undertaken *Offshore*.

### 8) Supervision Direction or Control

Notwithstanding the General Definition of Employee Section 8 does not provide any indemnity in respect of any contract where the *Insured* is responsible for any supervision, direction or control of any individual or group of individuals placed on a temporary contract or assignment.

## Section 9 - Products Liability

(Only insured if stated within the *Schedule*)

### The Cover

The *Insurers* shall indemnify the *Insured* and any *Additional Insured*:

- 1) against legal liability for damages and claimant's costs and expenses in respect of:
  - a) accidental *Injury* sustained by any person;
  - b) accidental *Damage to Property*; happening during the *Period of Insurance* and caused by any *Product(s)*.
- 2) in respect of *Legal Costs* in connection with any *Event* which is or may be the subject of indemnity under 1 above.

The *Insurers* will not indemnify the *Insured* in respect of any judgement, award or settlement made in any country or territory which operates under the laws of the United States of America or Canada or in respect of any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part unless the *Insured* has requested that there shall be no such limitation and has accepted the limits, terms, conditions and exclusions offered by the *Insurers* in granting such cover, which offer and acceptance must be signified by an **Endorsement attaching to this Policy.**

### Limit of Liability

- 1) Irrespective of:
  - a) the number of parties and/or entities entitled to indemnity;
  - b) the number of claimants;

the total amount payable by the *Insurers* under this Section including all Extensions in respect of any one *Event* and in the aggregate shall not exceed the Limit of Liability as stated in the *Schedule* and in the aggregate.

- 2) *Legal Costs* payable by the *Insurers* shall be paid in addition to the Limit of Liability unless as otherwise stated in the *Schedule* provided that:
  - a) if a payment of damages and/or claimant's costs and expenses exceeding the Limit of Liability has to be made by the *Insurers* to dispose of any claim; and
  - b) the *Insurers* are liable to pay *Legal Costs* in addition to the Limit of Liability;

then the liability of the *Insurers* for *Legal Costs* shall be limited to such proportion as the Limit of Liability bears to the amount paid by the *Insurers* to dispose of such claim. Nothing

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contained in this clause shall be construed to vary or override Condition 2 of Sections 7, 8 and 9 of this Policy.

### Section 9 Extension

The following Extension shall apply, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

#### 1) Consumer Protection Act and Food Safety Act Legal Defence Costs

The *Insurers* shall indemnify the *Insured* and, if the *Insured* so requests any *Person Employed* or any director or partner of the *Insured* in respect of *Legal Costs* incurred with the written consent of the *Insurers* in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of:

- a) Part 2 of the Consumer Protection Act 1987; or
- b) Part 2 of the Food Safety Act 1990; arising out of the *Business*.

This Extension will not apply:

- a) to fines or penalties of any kind;
- b) to proceedings consequent upon any deliberate act or omission by:
  - i) the *Insured*; or
  - ii) any partner or director or *Person Employed* of the *Insured*;

which could reasonably have been expected to constitute a breach of applicable legislation having regard to the nature and circumstances of such act or omission;

- c) notwithstanding Condition 3 to Sections 7, 8 and 9, where indemnity is provided by any other insurance.

### Section 9 Exclusions

This Section shall not apply to legal liability for damages and claimant's costs and expenses and/or *Legal Costs*:

#### 1) Product(s)

- a) in respect of loss of or damage to any *Product(s)* caused by any defect therein or the unsuitability thereof for its intended purpose;
- b) in respect of the costs of recall, removal, repair, alteration, reconditioning, replacement, reinstatement, reduction in value or making any refund in respect of any *Product(s)* caused or necessitated by the defective condition or unsuitability of any *Product(s)* or part of such *Product(s)* to fulfil its intended purpose;

## 2) Aircraft and Marine Products

arising from or in connection with any *Product(s)* which to the knowledge of the *Insured* is or are for use in or incorporation into any craft designed to travel in, on or through air or space or in the safety or navigation of marine craft of any sort;

## 3) Pollution or Contamination

directly or indirectly caused by, arising from or in connection with *Pollution or Contamination*;

## 4) Contractual Liability

in respect of liability assumed under contract or agreement which would not have attached in the absence of such contract or agreement;

## 5) Food and Drink

directly or indirectly caused by, arising from or in connection with food or drink for consumption on the *Insured's Premises*.

## Sections 7, 8 and 9 Extensions

The following Extensions shall apply, subject always to the limits, terms, conditions and exclusions of Sections 7, 8 and 9 and the Policy.

### 1) Health and Safety at Work Legal Defence Costs

Subject to the written consent and the control of the *Insurers*, the *Insurers* shall indemnify the *Insured* and if the *Insured* so requests any *Person Employed* or director or partner of the *Insured* in respect of *Legal Costs* incurred in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of any Applicable Legislation provided that the proceedings relate to both the health and safety and welfare of any *Person Employed* and an offence is alleged to have been committed during the *Period of Insurance* in the course of the *Business*.

This Extension shall not apply to:

- a) fines or penalties of any kind;
- b) proceedings consequent upon any deliberate act or omission by:
  - i) the *Insured*; or
  - ii) any partner, director or *Person Employed* of the *Insured*;

which could reasonably have been expected to constitute a breach of the Applicable Legislation having regard to the nature and circumstances of such act or omission;

- c) where indemnity is provided by any other Insurance.

For the purposes of this Extension "Applicable Legislation" shall mean:

- i) the Health & Safety at Work Act 1974 and any amending and/or subsequent legislation;
- ii) the Health & Safety at Work (Northern Ireland) Order 1978 and any amending and/or subsequent legislation.

### 2) Compensation for Court Attendance

If at the request of the *Insurers* any director or partner of the *Insured* or any *Person Employed* shall attend court as a witness in connection with a claim in respect of which the *Insured* is entitled to indemnity under these Sections the *Insurers* shall provide compensation to the *Insured* at the following rates per day for each day on which attendance is required.

Any director or partner of the *Insured* **£500**

Any other *Person Employed* **£250**

### Sections 8 and 9 Extension

The following Extension shall apply, subject always to the limits, terms, conditions and exclusions of Sections 8 and 9 and the Policy.

### 1) Pollution or Contamination

Notwithstanding Exclusion 3 of Section 8 and Exclusion 3 of Section 9 the *Insurers* will indemnify the *Insured* and any *Additional Insured* against legal liability for damages and claimant's costs and expenses in respect of *Pollution or Contamination* within the *Territorial Limits* in connection with the *Business* provided always that:

- i) *Pollution or Contamination* is caused by a sudden, identifiable, unintended and unexpected happening, which takes place in its entirety at a specific time and place during the *Period of Insurance*;
- ii) *No indemnity shall be provided in respect of activities commenced by or on behalf of the Insured prior to inception of the Period of Insurance or any period of continuous Insurance prior to inception of the Period of Insurance placed under Thistle Insurance Services Ltd.*

All *Pollution or Contamination* which arises out of a sudden, identifiable, unintended and unexpected happening, which takes place in its entirety at a specific time and place during the *Period of Insurance* shall be deemed by the *Insurers* for the purposes of this Policy to have been caused at the time such happening takes place.

The total liability of the *Insurers* for all events agreed by the *Insurers* to have happened during the *Period of Insurance* stated in the *Schedule* in respect of *Pollution or Contamination* shall not



exceed the Limit of Liability specified in the *Schedule* for Section 8 in the aggregate for Sections 8 and 9 in respect of the *Period of Insurance*, inclusive of *Legal Costs*.

### Sections 7, 8 and 9 Conditions

#### 1) Excess(es)

No indemnity shall be provided until the applicable *Excess(es)* for any claim has been paid to and received by the *Insurers*.

#### 2) Discharge of Liability

In respect of any claim(s) against the *Insured* to which a Limit of Liability applies, the *Insurers* may at any time pay the amount of such Limit after deduction of any sums already paid or incurred or any lesser amount for which at the absolute discretion of the *Insurers*, such claim(s) can be settled. The *Insurers* shall relinquish control of the said claim(s) and be under no further liability in respect thereof except for *Legal Costs* for which the *Insurers* may be responsible prior to the date of such payment unless the Limit of Liability is inclusive of *Legal Costs*.

#### 3) Other Insurances

If at the time of any claim(s) covered by this Policy there is, or but for the existence of this Policy would be any other insurance covering the same legal liability the indemnity afforded by this Policy will not apply except in respect of any amount beyond that which would have been payable under such other insurance had this Policy not been effected and shall be subject to the Limit of Liability as stated in the *Schedule*.

### Sections 7, 8 and 9 Exclusions

Sections 7, 8 and 9 of this Policy shall not apply to legal liability:

#### 1) Radioactive Contamination

directly or indirectly caused by or contributed to, by or arising from:

- a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- c) the radioactive, toxic, explosive or other hazardous or contaminating properties of any explosive nuclear installation, reactor or other nuclear assembly or nuclear component thereof;

but in respect of Section 7 only, this Exclusion shall apply only where such legal liability is:

- i) that of any principal;
- ii) accepted under agreement and would not have attached in the absence of such agreement.

#### 2) Punitive and Exemplary Damages

for punitive, exemplary or aggravated damages or any damages resulting from the multiplication of compensatory damages or any compensation ordered by the Criminal Courts.

#### 3) Fines, Liquidated Damages, Penalty Clauses and Performance Warranties

for fines, liquidated damages, penalty clauses or performance warranties.

#### 4) Defamation

in respect of any form of defamation.

#### 5) Professional Services

arising from or in connection with:

- a) advice;
- b) design;
- c) specification;

provided for a fee.

#### 6) Excess(es)

for the amount of the *Excess(es)* for each Operative Section.

#### 7) Employment Practice Liability

directly or indirectly occasioned by, happening through or in consequence of any claim for breach of employment contract, defamation, discrimination and/or harassment and/or in relation to the hiring, supervision, retention and/or personal development of any director or partner of the *Insured* and/or *Persons Employed* howsoever arising.

#### 8) Inhalation of Asbestos

directly or indirectly caused by or contributed to, by or arising from the handling, removal, stripping out, demolition, transportation or disposal of asbestos or materials containing asbestos fibre.

However, where such activities do not form any part of the *Insured's* normal activities this Exclusion shall not apply to legal liability arising from:

- a) the accidental discovery of materials known or suspected to be asbestos or to contain asbestos fibre;
- b) the investigation of any such suspect materials;

Provided always that:

- i) immediately upon discovery as defined in a above all work ceases until the composition of all such materials is established;
- ii) any subsequent handling, removal, stripping out, demolition, transportation or disposal of asbestos or materials containing asbestos fibre requiring license is carried out by qualified licensed subcontractors on terms which indemnify the *Insured* for liability arising out of such work.

Notwithstanding the provisions of this Exclusion the cover provided against legal liability for damages and claimant's costs and expenses in respect of Injury sustained by *Persons Employed* is limited to £5,000,000 any one *Event*.

#### 9) North American Absolute Environmental Impairment Exclusion

with regard to all operations located within the United States of America or Canada:

- a) for *Injury* or financial loss, loss of or damage to, or loss of use of property directly or indirectly arising out of the actual, alleged or threatened discharge, dispersal, release or escape of *Pollutants*:
  - i) at or from premises that are the property of, rented or occupied by the *Insured*;
  - ii) at or from any site or location used by or for the *Insured* or others for the handling, storage, disposal, processing or treatment of waste;
  - iii) which are at any time transported, handled, stored, treated, disposed of or processed as waste by or for the *Insured* or any person or organisation for whom the *Insured* may be legally responsible;
  - iv) at or from any site or location on which the *Insured* or any contractors or subcontractors working directly or indirectly on behalf of the *Insured* are performing operations:
    - a) if the *Pollutants* are brought on or to the site or location in connection with such operations; or
    - b) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise the *Pollutants*.
- b) for any loss, cost or expense arising out of any governmental directive or request that the *Insured* test for, monitor, clean up, remove, contain, treat, detoxify or neutralise the *Pollutants*;
- c) for fines, penalties, punitive or exemplary damages arising directly or indirectly out of the dispersal, release or escape of *Pollutants*.

#### 10) War

directly or indirectly occasioned by, happening through or in consequence of war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military or usurped power, whether war be declared or not.

#### 11) North American Companies

arising from or in connection with any company domiciled or registered in the United States of America or Canada or their territories or possessions.

#### 12) Cyber Liabilities

in respect of any claim or loss arising out of business conducted and/or transacted and/or any other actions performed via any internet, intranet, extranet and/or via the *Insured's* own web-site, internet site, web-address and/or via the transmission of electronic mail or documents by electronic means.

## Section 10 - Drivers Negligence

(Only insured if stated within the *Schedule*)

In the event of *Damage* to a mechanically propelled vehicle which arises whilst it is being driven by a temporary worker supplied by the *Insured* in connection with a specific contract as notified to *Us* and which occurs during the *Period of insurance* within the *Territorial Limits*

### Indemnity

In respect of *Damage* to the vehicle we will provide indemnity arising from

- 1) Legal Liability for Accidental Loss of or Damage to the vehicle up to the Limit of Indemnity in the *Schedule* including the Costs incurred in removing a disabled vehicle to the nearest repairer

The maximum amount we will pay in the event of total loss or destruction of the vehicle shall be the market value of the vehicle immediately prior to the loss or destruction but not exceeding in total the Limit of Indemnity shown in the *Schedule*

### Exceptions

We will not be liable under this Section for

- 1) Loss or damage caused to the vehicle in any way through the use of incorrect fuel types
- 2) Loss of use depreciation wear and tear and claims in respect of mechanical or electrical breakdown failures or breakages unless caused by the negligent acts or omissions of the temporary worker supplied by the *Insured*;
- 3) Damage to tyres by application of the brakes or by punctures cuts or bursts;
- 4) Loss or damage caused by climatic or atmospheric conditions or extremes of temperature;
- 5) Loss of or damage to any device designed for the purpose of transmitting or receiving radio signals;
- 6) Loss or damage caused by or happening through deterioration, rust, corrosion, inherent defect or any process of cleaning, restoration, alteration or repair;
- 7) Loss or damage caused by any wilful act by *You* or temporary worker supplied by *You*;
- 8) Loss or damage occasioned by racing pacemaking or speed testing;
- 9) Theft of accessories and/or spare parts except in conjunction with a total loss;
- 10) Any liability which attributes by virtue of an agreement but which would not have attached in the absence of such agreement;
- 11) Any liability arising from *Damage* to the vehicle where the *Insured* cannot produce a copy of the temporary worker's Share Driving Licence record (at the date of loss) as

provided by the DVLA's Share Driving Licence service in respect of those temporary workers who are required to hold a UK driving licence.

- 12) Any loss or *Damage* arising from the driving of a vehicle by a person;-
  - a) Who holds a full driving licence which has been endorsed with any conviction codes other than the following;

Construction and Use Offences	CU10, CU20, CU30, CU40, CU50, CU80
Miscellaneous Offences	MS10, MS20, MS30, MS50, MS60, MS70, MS80, MS90
Speed Limits	SP10, SP20, SP30, SP40, SP50
Traffic Direction and Signs	TS10, TS20, TS30, TS40, TS50, TS60, TS70
Motorway Offences	MW10
Pedestrian Crossings	PC10, PC20, PC30
Parking Offences	

- b) Who has a full driving licence endorsed with convictions in excess of nine points;
- c) Who has not held a valid licence appropriate for the vehicle in use for at least six months;
- d) Who has not worked as a driver for at least 60 days in the last six months;

- 13) The amount of the *Excess* which is determined by the length of time a driver has held a valid licence appropriate to the vehicle in use;

Description	Excess
Held an appropriate licence for the vehicle in use between 6 months and 1 Year	£1,000
Held an appropriate licence for the vehicle in use between 1 Year and 2 Year	£750
Held an appropriate licence for the vehicle in use over 2 years	£500

- 14) Loss or damage caused by or happening through the operation or use of any plant, lifting gear or fork lift truck attached to the vehicle.

Cover under this Section is subject otherwise to the terms Exceptions and Conditions of this Policy.

### Incorrect Fuel Type Extension

Cover under this Section is only operative if highlighted in the *Schedule*;

In the event of *Damage* caused to a mechanically propelled vehicle through the use of an incorrect fuel type or fuel additive which arises whilst in the custody and control of a temporary worker supplied by the *Insured* in connection with a specific contract as notified to *Us* and which occurs during the *Period of insurance* within the *Territorial Limits*

### Indemnity

The maximum We will pay in respect of this Section is £2,000 in respect of Any One Claim and £10,000 in the aggregate during any one *Period of Insurance*.

Subject to the Excess shown in the *Schedule*.

## Section 11 - Fidelity Bonding

**(Only insured if stated within the *Schedule*)**

We will indemnify the *Insured* against

- a) legal liability for any loss sustained which arises out of any act of dishonesty by any temporary worker supplied by the *Insured*;
- b) liability assumed by the *Insured* under contract for any act of dishonesty by any temporary worker supplied by the *Insured*;

provided that:-

- i) *Our* liability shall not exceed the Limit of Indemnity shown in the *Schedule* in respect of this Section;
- ii) in respect of liability assumed by the *Insured* under contract such contractual agreement shall be in the form of an amendment to the *Insured's* normal terms of business as notified to and accepted by *Us*;
- iii) unless specifically agreed otherwise the indemnity by this Section excludes all claims arising from loss of cash, bank currency, promissory notes, securities for money, deeds, bonds, bills of exchange, stamps, medals, coins, jewellery, furs, gold, silver, precious metals, gems, precious stones or articles composed of any of these;
- iv) written notice is provided to the *Insured* by their Client within seven days of an occurrence likely to give rise to a claim;
- v) the client of the *Insured* has operated their same system of check supervision and security arrangements in respect of the temporary worker(s) supplied by the *Insured* as that operated for an employee of the client
- vi) the temporary worker(s) alleged to be involved in any act of dishonesty shall be capable of being prosecuted to conviction in connection with the alleged act

## Section 12 - Legal Expenses

(Only insured if stated within the *Schedule*)

This policy, the policy *Schedule* and any endorsements shall be considered as one document.

DAS agree to provide the insurance described in this policy for the *Insured* in respect of any insured incident arising in connection with the *Business* shown in the *Schedule*, in return for payment of the premium and subject to the terms, conditions, exclusions and limitations set out in this policy, provided that:

1. *Reasonable Prospects* exist for the duration of the claim
2. The *Date of Occurrence* of the insured incident is during the *Period of Insurance*
3. Any legal proceedings will be dealt with by a court, or other body which We agree to, within the *Territorial Limits*, and
4. The insured incident happens within the *Territorial Limits*

What DAS will pay

DAS will pay an *Appointed Representative*, on the *Insured's* behalf, *Costs and Expenses* incurred following an insured incident, and any compensation awards that DAS have agreed to, provided that:

1. The most DAS will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is shown as the limit of indemnity in the *Schedule*
2. The most We will pay in *Costs and Expenses* is no more than the amount We would have paid to a *Preferred Law Firm* or *Tax Consultancy*. The amount We will pay a law firm (where acting as an *Appointed Representative*) is currently £100 per hour. This amount may vary from time to time
3. The most DAS will pay in *Costs and Expenses* is no more than the amount DAS would have paid to a *Preferred Law Firm* or *Tax Consultancy*
4. In respect of an appeal or the defence of an appeal, the *Insured* must tell DAS within the time limits allowed that the *Insured* wants to appeal. Before DAS pay the *Costs and Expenses* for appeals, DAS must agree that *Reasonable Prospects* exist
5. For an enforcement of judgement to recover money and interest due to the *Insured* after a successful claim under this policy, DAS must agree that *Reasonable Prospects* exist, and
6. Where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most DAS will pay in *Costs and Expenses* is the value of the likely award.

What DAS will not pay

1. In the event of a claim, if the *Insured* decide not to use the services of a *Preferred Law Firm* or *Tax Consultancy*, the *Insured* will be responsible for any costs that fall outside the *DAS Standard Terms of Appointment* and these will not be paid by DAS.
2. The total of the compensation awards payable by DAS shall not exceed £1,000,000 in any one *Period of Insurance*.

Insured incidents DAS will cover

### 1 Employment Disputes and Compensation Awards

#### a Employment Disputes

DAS will defend the *Insured's* legal rights

- i) before the issue of legal proceedings in a court or tribunal following the dismissal of an employee or
- ii) in unfair dismissal disputes under the ACAS Arbitration Scheme or
- iii) in legal proceedings in respect of any dispute relating to
  - a. a contract of employment with the *Insured* or
  - b. an employee prospective employee or ex-employee arising from an alleged breach of their statutory rights under employment legislation

What is not covered

- i) Any claim in respect of damages for personal injury or loss of or damage to property
- ii) unless equivalent legal expenses insurance was continuously in force immediately prior to the inception of this policy:
  - a. any dispute where the originating cause of action arises within the first 90 days of the commencement of this policy;
  - b. any dispute with an employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of this policy if the *Date of Occurrence* was within the first 180 days of the commencement of this policy;
  - c. any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the commencement of this policy

## b Compensation Awards

DAS will pay

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

Provided that

- a. In cases relating to performance and/or conduct the *Insured* has throughout the employment dispute either
  - a) followed the ACAS Code of Disciplinary and Grievance Procedures
  - b) followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland or
  - c) sought and followed advice from DAS legal advice service
- ii) For an order of compensation following the *Insured's* breach of statutory duty under employment legislation the *Insured* has at all times sought and followed advice from DAS legal advice service since the date when the *Insured* should have known about the employment dispute
- iii) For any compensation award for redundancy or alleged redundancy or unfair selection for redundancy the *Insured* has sought and followed advice from DAS Claims department prior to serving notice of redundancy
- iv) The compensation is awarded by a tribunal or through the ACAS Arbitration Scheme under a judgment made after full argument and otherwise than by consent or default or is payable under settlement approved in writing in advance by DAS
- v) The total of the compensation awards payable by DAS shall not exceed £1,000,000 in any one *Period of Insurance*

What is not covered

- i) Any compensation award relating to the following
  - a) trade union activities trade union membership or non- membership
  - b) pregnancy or maternity rights, paternity, parental or adoption rights.
  - c) health and safety related dismissals brought under section 44 of the Employment Rights Act 1996
  - d) statutory rights in relation to trustees of occupational pension schemes
- ii) Non-payment of money due under the relevant contract of employment or statutory provision relating thereto
- iii) Any award ordered as a result of a breach of statutory rights in relation to the provision of relevant records to employees under the National Minimum Wage legislation.

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Any compensation award or increase in compensation award ordered by the tribunal for failure to comply with a recommendation it has made including non-compliance with a reinstatement or re-engagement order DAS will negotiate for the *Insured's* legal rights under employment legislation against any employee or ex-employee to recover possession of premises owned by or for which the *Insured* is responsible.

What is not covered

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

## 2) Legal Defence

At the *Insured's* request

- a. DAS will defend the *Insured Person's* legal rights
  - i) prior to the issue of legal proceedings when dealing with the
    - a. Police
    - b. Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer

where it is alleged that the *Insured Person* has or may have committed a criminal offence or

- i) following an event which leads to the *Insured Person* being prosecuted in court of criminal jurisdiction or
- ii) if civil action is taken against the *Insured Person* for compensation under section 13 of the Data Protection Act 1998. DAS will also pay any compensation award made against the *Insured Person* under section 13 of the Data Protection Act 1998

- a) DAS will defend the *Insured's* legal rights following civil action taken against the *Insured* for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the *Period of Insurance*
- b) DAS will defend the *Insured Person's* (other than the *Insured*) legal rights if
  - i) an event arising from their work as an employee leads to civil action being taken against them under legislation for unlawful discrimination on the grounds of sex sexual orientation race disability age religious belief or political opinion
  - ii) civil action is taken against them as a trustee of a pension fund set up for the benefit of the *Insured's* employees
- c) DAS will represent the *Insured Person* in appealing against the imposition or terms of any Statutory Notice issued under legislation affecting the *Insured's* business

d) *DAS* will represent the *Insured* in appealing against the refusal of the Information Commissioner to register the *Insured's* application for registration

e) *DAS* will pay the *Attendance Expenses of an Insured Person* for jury service

Provided that

- i) In so far as proceedings under the Health and Safety at Work etc Act 1974 are concerned the Territorial Limit shall be any place where the Act applies
- ii) At the time of the *Insured Incident* the *Insured* has registered with the Information Commissioner in respect of Insured Incident 1) iii)

What is not covered

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

### 3) Property Protection and Bodily Injury

#### a. Property Protection

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

- i) any event which causes or could cause physical damage to such material property or
- ii) any nuisance or trespass

Please note that the *Insured* must have established the legal ownership or right to the land that is the subject of the dispute.

What is not covered

Any claim relating to the following

- i) a contract entered into by the *Insured*
- ii) goods in transit or goods lent or hired out
- iii) goods at premises other than those occupied by the *Insured* unless the goods are at such premises for the purpose of installations or use in work to be carried out by the *Insured*
- iv) mining subsidence
- v) defending the *Insured's* legal rights other than in defending a counter-claim
- vi) a motor vehicle owned or used by or hired or leased to an *Insured Person* other than damage to motor vehicles where the *Insured* is engaged in the business of selling motor vehicles

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vii) the enforcement of a covenant by or against the *Insured*

#### a) Bodily Injury

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

What is not covered

Any claim relating to the following

- i) any illness or bodily injury which develops gradually
- ii) psychological injury or mental illness unless the condition follows a specific or sudden accident that has caused the physical injury.
- iii) Defending an Insured Person's or their family members' legal rights other than in defending a counter claim
- iv) clinical negligence

#### 4) Tax Protection

1. A Tax Enquiry
2. An Employer Compliance Dispute
3. A VAT dispute.

Provided that:

*You* have taken reasonable care to ensure that all returns are complete and correct and are submitted within the statutory time limits allowed.

What is not covered

- i) Any claim relating to a tax avoidance scheme
- ii) Any failure to register for Value Added Tax or Pay As You Earn.
- iii) Any investigation or enquiries by, with or on behalf of HM Revenue & Customs Special Investigations Section, Special Civil Investigations, Criminal Investigations Unit, Criminal Taxes Unit, under Public Notice 160 or by the Revenue & Customs Prosecution Office.
- iv) Any claim relating to import or excise duties and import VAT.
- v) Any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

## 5) Statutory Licence Appeal

An appeal to the relevant statutory or regulatory authority, court or tribunal following a decision by a licensing or regulatory authority to suspend, or alter the terms of, or refuse to renew, or cancel *Your* licence, mandatory registration or British Standard Certificate of Registration.

What is not covered

A claim relating to the following:

- a. assistance with the application process either in relation to an original application or application for renewal of a statutory licence, mandatory registration or British Standard Certificate of Registration
- b. the ownership, driving or use of a motor vehicle.

## 6) Contract Disputes

A contractual dispute arising from an agreement or an alleged agreement which has been entered into by *You* or on *Your* behalf for the purchase, hire, sale or provision of goods or of services.

Provided that:

- a. the amount in dispute exceeds £500 (incl VAT). If the amount in dispute exceeds £5,000 (incl VAT), *You* will be responsible for the first £500 of costs and expenses in each and every claim
- b. if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £500 (incl VAT)
- c. if the dispute relates to money owed to *You*, a claim under the policy is made within 90 days of the money becoming due and payable.

What is not covered

A claim relating to the following:

- a. unless equivalent legal expenses insurance was continuously in force immediately prior to the inception of this section of the policy, a dispute arising from an agreement entered into prior to the start of this section of the policy if the *Date of Occurrence* is within the first 90 days of the cover provided by this section of the policy
- b.
  - i) the settlement payable under an insurance policy (*We* will cover a dispute if *Your* insurer refuses *Your* claim, but not for a dispute over the amount of the claim)
  - ii) the sale, purchase, terms of a lease, licence, or tenancy of land or buildings. However, *We* will cover a dispute with a professional adviser in connection with these matters
  - iii) a loan, mortgage, pension, guarantee or any other financial product and choses in action

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- iv) a motor vehicle owned by, or hired or leased to *You* other than agreements relating to the sale of motor vehicles where *You* are engaged in the business of selling motor vehicles

- c. a dispute with an employee or ex-employee which arises out of, or relates to, a contract of employment with *You*
- d. a dispute which arises out of the:
  - i) sale or provision of computer hardware, *Software*, systems or services; or
  - ii) the purchase or hire of computer hardware, *Software*, systems or services tailored by a supplier to *Your* own specification
- e. a dispute arising from a breach or alleged breach of professional duty by an *Insured Person*
- f. the recovery of money and interest due from another party, other than disputes where the other party indicates that a defence exists.

## 7) Commercial and residential leased or let property

- a. In a dispute with a tenant arising from a breach or alleged breach of the tenancy agreement which relates to the use or maintenance of the *Premises*, excluding repossession, recovery of money and dilapidations; or
- b. to obtain possession of the *Premises*, provided that, where appropriate, all statutory and contractual notices have been correctly served by *You* on the tenant; or
- c. to recover money and interest due from a lease, licence or tenancy of the *Premises*, including enforcement of judgment
  - i) the amount in dispute exceeds £250 (incl VAT) and a claim is made within 90 days of the money becoming due and payable or, if it is rent that is owed, it must have been overdue for at least one calendar month
  - ii) if *You* accept payment (or part payment) of any rent arrears from the tenant, *You* must provide proof *You* have warned the tenant this does not prevent *You* taking further action against them to recover monies owed
  - iii) where the tenant is a limited company, *You* must have sought and followed advice from the *Appointed Representative* before accepting payment of rent arrears
  - iv) the other party does not intimate that a defence exists.



- d. In a dispute relating to dilapidations to the premises
  - i) the amount in dispute exceeds £1,000
  - ii) prior to the tenancy beginning, a detailed inventory, which notes the condition of all items on the inventory is prepared by *You*
  - iii) after the tenant has vacated the premises, a detailed Schedule of Dilapidations is prepared by *You*.
  
- e. In defending any allegation of nuisance arising from the *Premises* used solely for residential purposes.
  
- f. To evict anyone who is not *Your* tenant or ex-tenant from the *Premises* and who has not got *Your* permission to be there.
  - i) Unless equivalent legal expenses insurance was continuously in force immediately prior to inception of this policy, any claim where the originating cause of action arises within 90 days of the start of this cover.
  - ii) A dispute arising from or relating to:
    - 1. the negotiation, review or renewal of the lease or tenancy agreement
    - 2. any matter relating to service charges
    - 3. rent, tax or building regulations or decisions or compulsory purchase orders or restrictions or controls placed on **Your** material property by any government or public or local authority
    - 4. any claim relating to registering rents, reviewing rents, buying the freehold of the *Premises* or any matter that relates to rent tribunals, the leasehold valuation tribunal, land tribunals or rent assessment committees
    - 5. any planning application, review or decision
    - 6. mining subsidence.
  
- g. Any claim relating to:
  - i) land or premises used for agricultural purposes
  - ii) any arbitration or Agricultural Land Tribunal hearing relating to any dispute arising out of a contract of tenancy or lease regulated by the 1986 Agricultural Holdings Act or 1995 Agricultural Tenancies Act or at hearings of the Scottish Land Court relating to disputes arising out of a contract of tenancy or lease regulated by the 1991 Agricultural Holdings (Scotland) Act or 2003 Agricultural Holdings (Scotland) Act under the terms of the tenancy or lease or as directed by statute.

### 8) Debt Recovery

A dispute relating to the recovery of money and interest due from the sale or provision of goods or services, including enforcement of judgments.

Provided that:

- i) the debt exceeds £500 (incl VAT)
- ii) a claim is made within 90 days of the money becoming due and payable
- iii) *We* have the right to select the method of enforcement, or to forego enforcing judgment if **we** are not satisfied that there are, or will be, sufficient assets available to satisfy judgment.

### What is not covered

A claim relating to the following:

1. unless equivalent legal expenses insurance was continuously in force immediately prior to the inception of this policy, any debt arising from an agreement entered into prior to the start of the policy if the debt is due within the first 90 days of the cover provided by the policy
2.
  - i) the settlement payable under an insurance policy
  - ii) the sale, purchase, terms of a lease, licence, or tenancy of land or buildings
  - iii) a loan, mortgage, pension, guarantee or any other financial product and choses in action
  - iv) a motor vehicle owned by, or hired or leased to *You* other than agreements relating to the sale of motor vehicles where *You* are engaged in the business of selling motor vehicles
3. a dispute which arises out of the supply, hire, sale or provision of computer hardware, software, systems or services
4. the recovery of money and interest due from another party where the other party indicates that a defence exists
5. any dispute which arises from debts *You* have purchased from a third party.

## Section 12 Exclusions

1. Any claim reported to *DAS* more than 180 days after the date the *Insured Person* should have known about the *Insured Incident*
2. *Costs and Expenses* incurred before the written acceptance of a claim by *DAS*
3. Fines penalties compensation or damages which the *Insured Person* is ordered to pay by a court or other authority other than compensation awards as covered under *Insured Incident* 1) b) Compensation Awards and 2) Legal Defence
4. Legal action *We* have not agreed Legal action an insured person takes which *We* or the *Appointed Representative* have not agreed to, or where the insured person does anything that hinders *Us* or the *Appointed Representative*.
5. Any claim relating to patents copyrights trademarks merchandise marks registered designs intellectual property secrecy and confidentiality agreements
6. Any claim relating to franchise rights or agency rights where the *Insured* has the legal capacity to alter the legal relations of another
7. Any *Insured Incident* deliberately or intentionally caused by an *Insured Person*
8. A dispute with *DAS* not otherwise dealt with under Condition 8
9. Any claim relating to a shareholding or partnership share in the *Insured* unless such shareholding was acquired under a scheme open to all employees of the *Insured* or a substantial number of them of a certain minimum grade other than the directors or partners of the *Insured*
10. *Costs and Expenses* arising from or relating to judicial review, coroner's inquest or fatal accident enquiry.
11. Any claim caused by contributed to by or arising from
  - a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel
  - b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it
  - c) war invasion foreign enemy hostilities (whether war is declared or not) civil war rebellion revolution military force or coup
- d) pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds
12. Legal action an *Insured Person* takes which *DAS* or the *Appointed Representative* have not agreed to or where the *Insured Person* does anything that hinders *DAS* or the *Appointed Representative*
13. When either at the commencement of or during the course of a claim the *Insured* is bankrupt or has filed a bankruptcy petition or winding-up petition or has made an arrangement with its creditors or has entered into a deed of arrangement or is in liquidation or part or all of its affairs or property are in the care or control of a receiver or administrator
14. Any claim directly or indirectly caused by or resulting from any device failing to recognise interpret or process any date as its true calendar date
15. Any claim relating to any non- contracting party's right to enforce all or any part of this Section 12. The Contracts (Rights of Third Parties) Act 1999 does not apply to this Section 12
16. Any claim where an *Insured Person* wants conduct of their own claim as defined by the Solicitors Regulation Authority (Code of Conduct: Rule 20)
17. Any claim where legal action resulting from one or more event arising at the same time or from the same origination cause which could lead to the court making a Group Litigation Order
18. Any claim relating to written or verbal remarks that damage the *Insured Person's* reputation.
19. Litigant in person  
Any claim where an *Insured Person* is not represented by a law firm, barrister or tax expert

## Section 12 – Conditions

- 1) An *Insured Person* must
  - a) keep to the terms and conditions of this Section 10
  - b) notify *DAS* immediately of any alteration which may materially affect *DAS's* assessment of the risk
  - c) take reasonable steps to keep any amount *DAS* have to pay as low as possible
  - d) try to prevent anything happening that may cause a claim
  - e) send everything *DAS* ask for in writing
  - f) give *DAS* full details of any claim as soon as possible and give *DAS* any information they need
- 2)
  - a) *DAS* can take over and conduct in the name of the *Insured Person* any claim or legal proceedings at any time
  - b) *DAS* can negotiate any claim on behalf of an *Insured Person*
  - c) If *DAS* agree to start legal proceedings and it becomes mandatory for an *Insured Person* to be represented by a lawyer or if there is a conflict of interest an *Insured Person* can choose an *Appointed Representative* by sending *DAS* the suitably qualified person's name and address

*DAS* may choose not to accept the choice of representative but only in exceptional circumstances

If there is a disagreement over the choice of *Appointed Representative* another suitably qualified person can be appointed to decide the matter

- d) Before an *Insured Person* chooses a lawyer or an accountant *DAS* can appoint an *Appointed Representative*
  - e) An *Appointed Representative* will be appointed by *DAS* and represent an *Insured Person* according to *DAS* standard terms of appointment The *Appointed Representative* must co-operate fully with *DAS* at all times
  - f) *DAS* will have direct contact with the *Appointed Representative*
  - g) An *Insured Person* must co-operate fully with *DAS* and with the *Appointed Representative* and must keep *DAS* up-to-date with the progress of the claim
  - h) An *Insured Person* must give the *Appointed Representative* any instructions that *DAS* require
- 3)
    - a) An *Insured Person* must tell *DAS* if anyone offers to settle a claim and must not agree to any settlement without *DAS* written consent
    - b) If an *Insured Person* does not accept a reasonable offer to settle a claim *DAS* may refuse to pay further *Costs and Expenses*

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- c) *DAS* may decide to pay the *Insured Person* the amount of damages that the *Insured Person* is claiming or is being claimed against them instead of starting or continuing legal proceedings
- 4)
    - a) If *DAS* ask an *Insured Person* must tell the *Appointed Representative* to have *Costs and Expenses* taxed assessed or audited
    - b) An *Insured Person* must take every step to recover *Costs and Expenses* that *DAS* have to pay and must pay *DAS* any *Costs and Expenses* that are recovered
  - 5) If an *Appointed Representative* refuses to continue acting for an *Insured Person* with good reason or if an *Insured Person* dismisses an *Appointed Representative* without good reason the cover *DAS* provide will end at once unless *DAS* agree to appoint another *Appointed Representative*
  - 6) If an *Insured Person* settles a claim or withdraws their claim without *DAS* agreement or does not give suitable instructions to an *Appointed Representative* the cover *DAS* provide will end at once and *DAS* will be entitled to re-claim any *Costs and Expenses* paid by *DAS*
  - 7) If there is a disagreement between *You* or *Us* about the handling of a claim and it is not resolved through *Our* internal complaints procedure and *You* are a small business, *You* can contact the Financial Ombudsman Service for help. Details available from [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). Alternatively there is a separate arbitration process (this applies to all sizes of business). The arbitration will be a barrister chosen jointly by *You* and *Us*. If there is a disagreement over the choice of arbitrator, *We* will ask the Chartered Institute of Arbitration to decide.
  - 8) *DAS* may at their discretion require the *Insured* to obtain an opinion from counsel at the *Insured's* expense as to the merits of a claim or proceedings. If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings the cost of obtaining the opinion will be paid by *DAS*
  - 10) *DAS* can cancel this Section 12 at any time as long as *DAS* tell the *Insured* at least 14 days beforehand  
The *Insured* can cancel this Section 12 at any time as long as *DAS* are told at least 14 days beforehand
  - 11) *DAS* will not pay any claim covered under any other policy or any claim that would have been covered by any other policy if this Section 12 did not exist
  - 12) This Section 12 will be governed by English law

- 13) All Acts of Parliament within this Section 12 wording shall include equivalent legislation in Scotland Northern Ireland the Isle of Man or the Channel Islands as the case may be

**HELPLINE SERVICES**

DAS provide these services 24 hours a day 7 days a week during the Period of Insurance.

To help *DAS* check and improve their service standards *DAS* record all calls.

**EUROLAW COMMERCIAL LEGAL ADVICE**

*DAS* will give the *Insured* confidential legal advice over the phone on any commercial legal problem affecting the business under the laws of the member countries of the European Union the Isle of Man the Channel Islands Switzerland and Norway

**TAX ADVICE**

*DAS* will give the *Insured* confidential advice over the phone on any tax matters affecting the business under the laws of the United Kingdom

**To contact the above services phone *DAS* on 0344 893 0859**

**COUNSELLING**

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

**To contact the counselling helpline phone *DAS* on 0344 893 9012**

These calls are not recorded

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

Please do not phone *DAS* to report a general insurance claim

## Section 13 - Computer Breakdown

(Only insured if stated within the *Schedule*)

### The Cover

1. The *Insurers* will indemnify the *Insured* for the costs and expenses necessarily and reasonably incurred by the *Insured* to repair, reset or reinstate any item or items of *Computer Equipment* insured under Section 1 Property Damage All Risks of this Policy, following *Breakdown* occurring during the *Period of Insurance* as a result of any sudden and unforeseen cause other than as excluded hereunder and subject always to the *Excess(es)* and the limits, terms, conditions and exclusions of this Section and the Policy.

### Limit of Liability

The liability of the *Insurers* under this Section shall not exceed in the whole the Total *Sum Insured* or the *Sum Insured* in respect of any individual Sub Section subject to any other limit of liability as stated herein or in the *Schedule*.

### Sub Coverage Total Sum Insured

Sub Section	Total Sum Insured
A. Breakdown of Computer Equipment	As stated in the Schedule
B. Reinstatement of Data	£10,000 any one period of insurance
C. Increase in Cost of Working	£25,000 any one period of insurance

With 12 months *Maximum Indemnity Period*

### The Excess

The *Insurers* shall not indemnify the *Insured* for the amount of the *Excess* specified in the *Schedule*.

### Sub Section A Breakdown of Computer Equipment

### Special Conditions

#### 1 Basis of Settlement

In the event of *Breakdown of Computer Equipment*, the *Insurers* will at their option pay either the cost of repairing, resetting or replacing the *Computer Equipment* or part thereof with *Computer Equipment* of equal performance, or if this is impossible, similar *Computer Equipment* having the closest higher performance.

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#### 2 Computer Maintenance

The *Insured* warrants that the *Computer Equipment* is the subject of a maintenance agreement, rental, hire or lease agreement that must provide a minimum service of on-call or remedial and/or corrective maintenance at inclusive cost.

#### 3 Computer Precautions

The *Insured* warrants that:

- i) the *Computer Equipment* is maintained in an efficient condition and all reasonable precautions are taken to prevent physical loss or destruction of or damage to *Computer Equipment, Software, any Programme(s)* and/or data, and in storing *Computer Record(s)*; and
- ii) back-ups of *Software, any Programme(s)* and/or data are made at intervals of no more than 24 (twenty-four) consecutive hours and stored at a separate location sufficiently far from the *Premises* to be unaffected by any physical loss or destruction of or damage affecting the *Premises*.

#### 4 Other Sections

The *Insurers* shall not be liable to indemnify the *Insured* under this Section for any amounts for which the *Insured* is entitled to indemnity under any other Section of the Policy.

#### 5 Underinsurance

Notwithstanding General Condition 6 if the *Sum Insured for Breakdown of Computer Equipment* is less than the replacement value of the *Computer Equipment* covered by this Section, the *Insured* shall only be entitled to recover such proportion of the loss as the *Sum Insured* bears to the replacement value.

#### Sub Section A Limit of Liability

The liability of the *Insurers* in respect of this Sub Section shall not exceed the *Sum Insured* stated in the *Schedule*.

### Sub Section B Reinstatement of Data

In the event of *Breakdown of Computer Equipment*, the *Insurers* will indemnify the *Insured* for necessarily and reasonably incurred costs and expenses to:

- a. recompile *Software*, any *Programme(s)* or data from other records; and/or
- b. repurchase proprietary *Software*; due to the *Corruption of Software and Data Media* occurring anywhere in the world and caused by:
  - i) *Breakdown* as covered under Sub Section A of this Section; and/or
  - ii) operator error in handling *Software*, *Programme(s)* or data; and/or
  - iii) *Virus or Similar Mechanism or Hacking* or other malicious or wilful physical loss or destruction of or damage to *Software*, any *Programme(s)* or data;

provided that payment shall have been made or liability admitted under Sub Section A of this Section.

### Sub Section B Extension

This Sub Section is extended to indemnify the *Insured* for Reinstatement of Data arising out of *Damage* where insured under Section 1 Property Damage All Risks of this Policy and provided that payment shall have been made or liability admitted under Section 1 Property *Damage* All Risks.

### Special Condition

#### 1 *Software and Data Media* Precautions

The *Insured* warrants that all reasonable precautions are taken to prevent physical loss or destruction of or damage to *Software*, any *Programme(s)* and/or data and in storing *Computer Record(s)*. Back-ups of *Software*, any *Programme(s)* and/or data will be made at least once each week and stored at a separate location sufficiently far from the *Premises* to be unaffected by any physical loss or destruction of or damage affecting the *Premises*.

### Sub Section B Limit of Liability

The liability of the *Insurers* in respect of this Sub Section shall not exceed the *Sum Insured* stated in the *Schedule*.

### Exclusions – applicable to A Breakdown of Computer Equipment and B Reinstatement of Data

These Sub Sections do not cover:

1. any loss arising from *Computer Equipment* caused by its own *Breakdown* or derangement before the satisfactory completion of testing or commissioning;
2. any loss arising from *Computer Equipment* that is prototype, experimental or untried;
3. wear, tear, gradual deterioration, scratching, denting, rust and oxidation, damp and mildew;
4. the wilful act or wilful neglect of the *Insured*;

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5. any loss arising from the use of *Software* on which development has not been finalised or that has not passed all testing procedures and has not been successfully proven;
6. any loss arising from programming errors or design defects in *Software*;
7. any loss arising from the failure of the *Insured* to comply with the manufacturers' recommendations for the storage of *Software* and *Data Media*;
8. the value to the *Insured* of data stored on the *Computer Equipment*;
9. any loss or destruction of or damage to consumables and auxiliary materials such as but not limited to, reagents, toner, coolant and extinguishing medium, development fluids, cassette ribbons, image and sound carriers, films, film/foil combinations, specially prepared paper and type face carriers;
10. any loss or destruction of or damage to light sources, fuses, non-rechargeable batteries, filters, cutters, bits, tools and items which require periodic replacement;
11. any loss arising from the failure or fluctuation of the electricity supply directly or indirectly caused by:
  - i) a deliberate act not performed for the sole purpose of safeguarding life or protecting any part of the supply system; or
  - ii) scheme of rationing not necessitated by accidental damage to the generating or supply distribution equipment; or
  - iii) the inability of the supplier to maintain the supply system as a result of industrial action;
12. any loss arising as a result of the failure of any telecommunications system directly or indirectly caused by the:
  - i) use of equipment by the *Insured* that is not approved by the telecommunications supplier; or
  - ii) deliberate act of any telecommunications supplier in withholding or restricting the operation of the telecommunications system or the inability of the supplier to maintain the telecommunications system caused by industrial action; or
  - iii) temporary interference with transmission to or from any satellite caused by atmospheric, solar or lunar conditions; or
  - iv) failure of any satellite before it is fully operational or when it is in or past the final year of its design life;
13. any professional or other fees incurred in making a claim;
14. any loss or destruction of or damage arising as a result of the cleaning, servicing or repair of the *Computer Equipment*;
15. *consequential loss* except as expressly provided for.

**Sub Section C Increase in Cost of Working**

In the event of *Breakdown of Computer Equipment* the *Insurers* will indemnify the *Insured* for the additional expenditure necessarily and reasonably incurred during the *Indemnity Period* in order to prevent or minimise any interruption of or interference with the *Business*; less any sum saved during the *Indemnity Period* as may cease or reduce in consequence of the *Breakdown*; provided that payment shall have been made or liability admitted under Sub Section A.

**Sub Section C Limit of Liability**

The liability of the *Insurers* under this Sub Section shall not exceed the *Sum Insured* specified in the *Schedule*.

**Special Condition – applicable to all Sub Sections****1 Other Sections**

The *Insurers* shall not be liable to indemnify the *Insured* under this Section for any amounts for which the *Insured* is entitled to indemnity under any other Section or Sub Section of the Policy

## Section 14 - Group Personal Accident (Temporary Workers)

(Only insured if stated within the *Schedule*)

### The Cover

The *Insurers* hereby agree with the *Insured*, to the extent and in the manner herein provided, that if the *Temporary Worker* sustains *Bodily Injury* whilst in pursuit of normal occupational duties on behalf of the *Insured* or whilst travelling directly between residence and place of employment, occurring anywhere within the *Geographical Limits* and during the *Period of Insurance*, the *Insurers* will pay to the *Insured*, or to the *Temporary Worker's* executors or administrators, according to the Schedule of Personal Accident Benefits, after the total claim shall be sustained under this Insurance, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

### Provided always that:

1. Benefits shall not be payable under more than one of the items of the Schedule of Personal Accident Benefits in respect of the consequences of the same *Accident*;
2. the total sum payable under this Insurance in respect of any one or more claims shall not exceed in all in any one *Period of Insurance* the largest amount under any one of the items contained in the Schedule of Personal Accident Benefits or added to this Insurance by endorsement.
3. the maximum payable under this section for any one *Event* is £100,000.

### Schedule of Personal Accident Benefits

	One Unit of Benefit
1. Accidental Death occurring within 2 years of the event giving rise to <i>Injury</i> .	£10,000
2. Total Loss or permanent total loss of use of one or more limbs.	*£10,000
3. Total and irrecoverable loss of a) all sight in one or both eyes,* b) speech or, c) hearing in both ears. 25% of the specified benefit for total and irrecoverable loss of hearing in one ear.	*£10,000
4. <i>Permanent Total Disablement</i> . (other than specified in 2-3 above)	*£10,000
5. <i>Temporary Total Disablement</i> <i>Deferment Period</i> of 14 Days	£100 per week (payable monthly for up to 104 weeks).

\* occurring within 2 years of sustaining the *Injury*.



#### Section 14 Exclusions

This Insurance does not cover death or disablement directly or indirectly resulting from or consequent upon:

1. war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
2. the *Insured Person* engaging in or taking part in:
  - a) naval, military or air force service or operations;
  - b) winter sports (other than skating and curling);
  - c) skin diving involving the aid of breathing apparatus, rock climbing or mountaineering normally involving the use of ropes or guides, potholing, parachuting, hunting on horseback, or driving or riding in any kind of race;
  - d) driving or riding on motor cycles or motor scooters other than mopeds;
  - e) any leisure pursuits organised by the *Insured* in the course of the *Insured Person's* employment;
3. the *Insured Person* engaging in *Air Travel*, except as a passenger in a properly licensed multi-engined aircraft being operated by a licensed commercial air carrier or owned and operated by a commercial concern;
4. suicide or attempted suicide or intentional self-injury or the *Insured Person* being in a state of insanity;
5. deliberate exposure to exceptional danger (except in an attempt to save human life), or the *Insured Person's* own criminal act;
6. the *Insured Person* being under the influence of alcohol;
7. the *Insured Person* being under the influence of drugs or narcotics that are not lawfully available, unless prescribed for the *Insured Person* by a qualified medical practitioner;
8. any pre-existing defect, infirmity or disease.

#### Section 14 Conditions

1. If the *Insured Person* shall engage in any occupation in which greater risk may be incurred than in the occupation disclosed in this Insurance without first notifying the *Insurers* and obtaining their written agreement to the amendment of the Insurance (subject to the payment of such reasonable additional premiums as the *Insurers* may require as the consideration for such agreement), then no claim shall be payable in respect of any *Accident* arising out of or in the course of such occupation.
2. If the consequences of an *Accident* shall be aggravated by any physical disability or condition of the *Insured Person* which existed before the *Accident* occurred, the amount of any compensation payable under this Insurance in respect of the consequences of the *Accident* shall be the amount which it is reasonably considered would have been payable if such consequences had not been so aggravated.
3. As soon as practically possible, notice must be given to the *Insurers* of any *Accident* of the *Insured Person* which causes or may cause disablement within the meaning of this Insurance, and the *Insured Person* must as early as possible place himself under the care of a duly qualified medical practitioner.

As soon as practically possible, notice must be given to the *Insurers* in the event of the death of the *Insured Person* resulting or alleged to result from an *Accident*.

In no case will the *Insurers* be liable to pay compensation to the *Insured* or his representatives unless the medical adviser or advisers appointed by the *Insurers* for the purpose shall be allowed so often as may be deemed necessary to make an examination of the *Insured Person*.

## Section 15 - Group Personal Accident (Director or Senior Partner)

(Only insured if stated within the *Schedule*)

### The Cover

The *Insurers* hereby agree with the *Insured*, to the extent and in the manner herein provided, that if the *Insured Person* sustains *Bodily Injury* occurring anywhere within the *Geographical Limits* and during the *Period of Insurance*, the *Insurers* will pay to the *Insured*, or to the *Insured Person's* executors or administrators, according to the Schedule of Personal Accident Benefits, after the total claim shall be sustained under this Insurance, subject always to the limits, terms, conditions and exclusions of this Section and the Policy.

### Provided always that:

1. compensation shall not be payable under more than one of the items of the Schedule of Personal Accident Benefits in respect of the consequences of the same *Accident*;
2. the total sum payable under this Insurance in respect of any one or more claims shall not exceed in all in any one *Period of Insurance* the largest amount under any one of the items contained in the Schedule of Personal Accident Benefits or added to this Insurance by endorsement.

### Schedule of Personal Accident Benefits

	One Unit of Benefit
1. Accidental Death occurring within 2 years of the event giving rise to <i>Injury</i> .	£10,000
2. Total Loss or permanent total loss of use of one or more limbs.	*£10,000
3. Total and irrecoverable loss of a) all sight in one or both eyes,* b) speech or, c) hearing in both ears. 25% of the specified benefit for total and irrecoverable loss of hearing in one ear.	*£10,000
4. <i>Permanent Total Disablement</i> . (other than specified in 2-3 above)	*£10,000
5. <i>Temporary Total Disablement</i> Deferment Period of 14 Days	£100 per week (payable monthly for up to 104 weeks).

\* occurring within 2 years of sustaining the *Injury*.

### Section 15 Exclusions

This Insurance does not cover death or disablement directly or indirectly resulting from or consequent upon:

1. war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
2. the *Insured Person* engaging in or taking part in:
  - a) naval, military or air force service or operations;
  - b) winter sports (other than skating and curling);
  - c) skin diving involving the aid of breathing apparatus, rock climbing or mountaineering normally involving the use of ropes or guides, potholing, parachuting, hunting on horseback, or driving or riding in any kind of race;
  - d) driving or riding on motor cycles or motor scooters other than mopeds;
  - e) any leisure pursuits organised by the *Insured* in the course of the *Insured Person's* employment;
3. the *Insured Person* engaging in *Air Travel*, except as a passenger in a properly licensed multi-engined aircraft being operated by a licensed commercial air carrier or owned and operated by a commercial concern;
4. suicide or attempted suicide or intentional self-injury or the *Insured Person* being in a state of insanity;
5. deliberate exposure to exceptional danger (except in an attempt to save human life), or the *Insured Person's* own criminal act;
6. the *Insured Person* being under the influence of alcohol;
7. the *Insured Person* being under the influence of drugs or narcotics that are not lawfully available, unless prescribed for the *Insured Person* by a qualified medical practitioner;
8. any pre-existing defect, infirmity or disease.

### Section 15 Conditions

1. If the *Insured Person* shall engage in any occupation in which greater risk may be incurred than in the occupation disclosed in this Insurance without first notifying the *Insurers* and obtaining their written agreement to the amendment of the Insurance (subject to the payment of such reasonable additional premiums as the *Insurers* may require as the consideration for such agreement), then no claim shall be payable in respect of any *Accident* arising out of or in the course of such occupation.
2. If the consequences of an *Accident* shall be aggravated by any physical disability or condition of the *Insured Person* which existed before the *Accident* occurred, the amount of any compensation payable under this Insurance in respect of the consequences of the *Accident* shall be the amount which it is reasonably considered would have been payable if such consequences had not been so aggravated.
3. As soon as practically possible, notice must be given to the *Insurers* of any *Accident* of the *Insured Person* which causes or may cause disablement within the meaning of this Insurance, and the *Insured Person* must as early as possible place himself under the care of a duly qualified medical practitioner.

As soon as practically possible, notice must be given to the *Insurers* in the event of the death of the *Insured Person* resulting or alleged to result from an *Accident*.

In no case will the *Insurers* be liable to pay compensation to the *Insured* or his representatives unless the medical adviser or advisers appointed by the *Insurers* for the purpose shall be allowed so often as may be deemed necessary to make an examination of the *Insured Person*.

## Section 16 - Directors and Officers

(Only insured if stated within the *Schedule*)

### The Cover

The *Insurers* will indemnify:

1. the *Directors and Officers* in respect of *Loss* sustained as a result of any *Claim* which is first made against them and notified to the *Insurers* during the *Period of Insurance* arising from a *Wrongful Act*;
2. the *Company* in respect of *Loss* sustained as a result of any *Claim* which is first made and notified to the *Insurers* during the *Period of Insurance* arising from a *Wrongful Act* where an indemnity has been given or lawfully is required to be given by the *Company* to the *Directors and Officers*;
3. the *Directors and Officers* in respect of any *Investigation Costs* where the relevant investigation is first initiated and notified to *Insurers* during the *Period of Insurance*;
4. any *Non-Executive Director* in respect of *Loss* sustained as a result of any *Claim* which is first made and notified to *Insurers* during the *Period of Insurance* arising from a *Wrongful Act*;

### Limit of Liability

The *Limit of Liability* set out in the *Schedule* shall be the maximum aggregate amount payable hereunder exclusive of the *Non-Executive Director Limit of Liability* but inclusive of *Defence Costs*.

The *Non-Executive Director Limit of Liability* set out in the *Policy Schedule* shall be the maximum aggregate amount payable in respect of any and all *Claims* payable under Policy Cover 4. above, when the *Limit of Liability* has been exhausted. The maximum aggregate *Limit of Liability* payable under this section shall be GBP 50,000 inclusive of *Defence Costs*.

### Excess

1. No *Loss* shall be paid by the *Insurer* until the applicable *Excess* is exceeded, the only exception being when the *Company* is unable to indemnify the *Directors and Officers* under the *Policy* cover clause 2 by reason of insolvency.
2. If more than one *Claim* arises from the same *Wrongful Act*, then it will be deemed a single *Claim* for the purpose of determining the application of the *Excess*.
3. If in the event of a *Claim* indemnity is provided in part under Cover Clause 1. and in part under Clause Cover 2. of this Section then the *Excess* shall be that applicable to Cover Clause 2.

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## Section 16 – Optional Extensions

Where any of the following optional extensions are shown in the *Schedule* as being covered, the indemnity specified in the extension shall be deemed to be included under this *Policy*.

### 1. Corporate Entity Employment Practices Liability Extension

The *Insurers* will, subject to any additional premium and the terms, conditions, exclusions, indemnify the *Company* for *Loss* sustained as a result of any *Claim* arising out of an *Employment Practice Dispute* which is first made and notified to the *Insurers* during the *Period of Insurance* provided that:

- a. The maximum amount payable by the *Insurers* under this Extension for all *Claims* shall not exceed GBP100, 000 in the aggregate during the *Period of Insurance* (unless stated otherwise in the *Schedule*)
- b. The *Excess* applicable to any *Claim* payable under this Extension shall be GBP7,500 unless stated otherwise in the *Schedule*
- c. The *Insurers* shall not be liable to make any payment for *Loss* in connection with any *Claim* for:
  - i. any actual; or alleged failure relating to any legally required sickness, pension, benefit, social security or national insurance arrangements;
  - ii. any actual or alleged failure relating to any statutory requirements in connection with any TUPE obligations.
  - iii. Stress

### 2. Corporate Entity Extension

The *Insurers* will, subject to any additional premium and the terms, conditions, exclusions, indemnify the *Company* in respect of *Loss* sustained as a result of any judicial, administrative or regulatory proceedings initiated against the *Company* for damages or other relief as a result of any alleged act or omission by the *Company* in the discharge of their normal duties and where such proceedings are first initiated and notified to the *Insurers* during the *Period of Insurance* provided that:

- a. The maximum amount payable by the *Insurers* under this Extension for all *Claims* shall not exceed GBP100, 000 in the aggregate during the *Period of Insurance* (unless stated otherwise in the *Schedule*);
- b. The *Excess* applicable to any *Claim* payable under this Extension shall be GBP7,500 unless stated otherwise in the *Schedule*;

- c. The *Insurers* shall not be liable to make any payment for *Loss* in connection with any *Claim*:
- i) based upon, arising out of, directly or indirectly from or in consequence of, or in any way involving any *Employment Practice Dispute*;
  - ii) based upon, arising out of, directly or indirectly from or in consequence of, or any way involving, any *Claim* brought or maintained in the United States of America;
  - iii) based upon, arising out of, directly or indirectly from or in consequence of, or any way involving, any *Claim* in respect of a breach of contract, whether actual or implied, written or oral;
  - iv) in respect of any actual or alleged breach of any law, whether statutory, regulatory or common law that regulates or restricts anti-trust or cartel conduct, business competition, price fixing, price discrimination, predatory pricing, unfair or restrictive trade practices, or tortious interference in any other party's business or contractual relationships.

## Section 16 - Conditions

### 1. Notification

- a. In the event of a *Claim*, it is a condition precedent to the *Insurers'* liability under this Policy that notice be given to the *Insurers* as soon as practicable at the address shown in the *Schedule*, but in no event more than 30 days after the expiry date of the *Period of Insurance* shown in the *Schedule*;
- b. If during the *Period of Insurance*, the *Company* or the *Directors and Officers* become aware of a *Wrongful Act* which they believe may lead to a *Claim*, it is a condition precedent to the *Insurers'* liability under this Policy that notice be given to the *Insurers* during the *Period of Insurance*. Any *Claim* arising out of such *Wrongful Act* shall then be deemed to have been made during the *Period of Insurance*. Such notice must also include full details as why it is believed that a *Claim* will be made.

### 2. Assistance and Cooperation

In the event of the notification of any *Claim* or of any *Wrongful Act* which may lead to a *Claim*, it is a condition precedent to the *Insurers'* liability under this Policy that the *Directors and Officers* and the *Company* agree to provide the *Insurers* with any information or assistance as may reasonably be requested.

### 3. Settlements

- a. It is a condition precedent to the *Insurers'* liability under this Policy that no admittance of liability, or settlement of any *Claim* shall be made, nor any *Defence Costs* incurred without the *Insurer's* prior written consent.

The *Insurers* shall advance *Defence Costs* provided that:

if it is ultimately established that the *Insurers* have no liability under this Policy, the *Company* shall reimburse the *Insurers* for all such sums advanced;

any advance of *Defence Costs* shall reduce the *Limit of Liability* in accordance with the terms of the Policy;

if a *Claim* is brought against the *Directors and Officers* and against the *Company*, the *Insurers* shall advance all *Defence Costs* whilst any *Directors and Officers* are named in such action.

- b. If a *Claim* is brought against the *Directors and Officers* and against the *Company*, the *Insurers* shall only be liable for that portion of any damages, settlement or award that can be attributed to the legal exposure of the *Directors and Officers*.
- c. It shall be the duty of the *Directors and Officers*, and not the duty of the *Insurers* to defend any *Claim*. However the *Insurers* shall be entitled but not obliged to assume the conduct of the defence or settlement of any *Claim* notified under this Policy and for that purpose to appoint a solicitor and/or barrister and/or appropriate legal expert to defend a *Claim*.

### 4. Adjustment

- a. If the *Company* acquires or creates a *Subsidiary* subsequent to the inception of the Policy, coverage under this Section of the Policy in relation to such *Subsidiary* shall attach from the date of acquisition or creation for subsequent acts, provided that if the *Subsidiary*:
  - i) exceeds 25% of the consolidated assets of the *Company*; or
  - ii) is listed on any stock exchange anywhere in the world
 then no cover shall be afforded in relation to such *Subsidiary* without the prior written consent of the *Insurers*. In this event the *Insurers* reserve the right to review the terms and conditions of this Policy.
- b. From the date that an entity ceases to be a *Subsidiary* during the *Period of Insurance*, or ceases to be a *Subsidiary* during any insurance of which this is a renewal, the following provisions apply:
  - i) there shall be no coverage for subsequent *Wrongful Acts* relating to that *Subsidiary*;

- ii) coverage shall continue for the remainder of the *Period of Insurance*, for *Claims* arising from *Wrongful Acts* relating to that *Subsidiary* committed prior to the date the entity ceased to be a *Subsidiary*.

#### 5. Assignment

This Policy may not be assigned without the *Insurers'* prior written consent.

#### 6. Authorisation

It is agreed that the *Company* acts on behalf of the *Directors and Officers* in matters concerning this Policy including cancellation and notification under Condition 1. Notification.

#### 7. Choice of Law

The meaning validity and effect of this Policy will be interpreted in accordance with the law of England & Wales and the English Courts will have exclusive jurisdiction in any dispute hereunder.

#### 8. Cancellation

This Policy may be cancelled by the *Insurers* giving written notice in the event of non-payment of the premium. In the event of such non payment the *Insurers* may elect to cancel this Policy ab initio.

#### 9. Contracts (Rights of Third Parties) Act 1999

No person other than the *Directors and Officers* has any rights to enforce any term of the Policy under the Contracts (Rights of Third Parties) Act 1999.

#### 10. Subrogation

In the event of the notification of any *Claim* or of any *Wrongful Act* which may lead to a *Claim*, the *Insurers* have the right of subrogation against any person or entity.

#### 11. Termination

In the event that:

- i) there is a takeover of the *Company*, or;
- ii) the *Company* is merged or consolidated with another entity so that the *Company* is not the surviving entity;

then from the date that such event takes place, this *Policy* does not cover any *Wrongful Act* occurring subsequently.

#### 12. Policy Non rescindable

The *Insurers* confirm that this Policy will not be rescinded for any deliberate misrepresentation or non disclosure. However, in the event of any deliberate misrepresentations or non disclosure then any *Director and Officer* who knew of such misrepresentation and non disclosure shall have no cover under the Policy. Furthermore no cover will be provided for the *Company* where the

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*Company* has a requirement, legally or otherwise, to indemnify such *Director and Officer* who had knowledge of such deliberate misrepresentation or non disclosure.

#### 13. Severability

In the event of any non-disclosure or misrepresentation by any *Director and Officer*, whether in the *Proposal* or otherwise, being construed as impacting upon the availability of cover under this Policy then such material misrepresentation or non-disclosure shall not be imputed to any other *Directors and Officers*.

#### Section 16 - Exclusions

The *Insurer* shall not be liable to make any payment for *Loss* in connection with any *Claim*:

##### 1. Conduct

- a. any dishonest, fraudulent or criminal act or omission of any *Director and Officer*;
- b. the *Directors and Officers* gaining any personal profit or advantage to which they were not entitled either at law or in equity;
- c. the return by the *Directors and Officers* of remuneration to which they were not entitled either at law or in equity;

provided that any *Wrongful Act* pertaining to any of the *Directors and Officers* shall not be imputed to any other person for the purposes of determining the applicability of this exclusion.

##### 2. Employment Claims

arising directly or indirectly out of any obligation owed by the *Insured* as employer to any current or former or prospective *Employee*, including any *Claim* directly or indirectly arising out of any *Employment Practice Dispute* other than where and to the extent that indemnity is provided under Optional Extension 1. Corporate Entity Employment Practices Liability Extension.

##### 2. Geographical Limits

brought outside the *Geographical Limits* or under the laws of countries outside the *Geographical Limits* or brought to enforce a judgement remedy or settlement obtained under the laws or regulations of any country outside the *Geographical Limits*.

##### 3. Known Claims

based upon or arising out of any *Wrongful Act*, circumstance or situation which has been or should have been the subject of notice given under any prior insurance;

##### 4. Injury and Damage

- a. for bodily injury, mental anguish, emotional distress, sickness, disease or death; or
  - b. for damage to, destruction of, or *Loss* of use of any tangible property;
- or any *Loss* or expense whatsoever resulting or arising therefrom, or any consequential loss;

#### 5. Insured vs. Insured

- a. brought by the *Company* except where such *Claim* is:
- a. brought by or under the direction of an administrator, liquidator or receiver;
  - b. brought as a derivative claim or by a shareholder or a group of shareholders of the *Company* in the name of the *Company* without the involvement of any *Directors and Officers*;
  - c. for *Defence Costs* in respect of the *Claim* brought by the *Company*.

#### 6. Nuclear Risks

for any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

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

#### 7. Other Insurance

which is insured under any other insurance regardless of whether such *Claim* is collectable or recoverable. However this exclusion shall not apply to *Loss* which exceeds the deductible and limit of indemnity of such other insurance.

#### 8. Pension Schemes

based upon or arising out of any *Director or Officer* acting in the capacity of trustee or fiduciary or administrator of any employer-sponsored pension or superannuation scheme or superannuation programme, including any actual or alleged violation of any responsibilities, obligations or duties imposed by the UK Pensions Act 1995 or any amendments or re-enactments thereof, or any similar legislation applicable in any other jurisdiction.

#### 9. Pollution, Asbestos and Fungi

based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving or related to:

- a. actual or alleged seepage, pollution or contamination of any kind;
- b. the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of *Loss* which may have contributed concurrently or in any sequence to a *Claim*;
- b) c.. *Fungi* whether or not there is another cause of *Loss* which may have contributed concurrently or in any sequence to a *Claim*.

#### 10. Prior and Pending Litigation

based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving:

- a. any prior and/or pending litigation as at the date specified in the *Schedule*; or
- b. any fact, circumstance, situation, transaction or event underlying or alleged in such litigation, regardless of the legal theory upon which such *Claim* is predicated.

#### 11. Professional Services

directly or indirectly caused by, contributed to by or arising from any actual or alleged breach of professional duty owed to a third party.

#### 12. Share Offerings

based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving a *Wrongful Act* committed by any of the *Directors and Officers* in relation to any actual public offering of the *Company's* share capital.

#### 13. Subsidiary - Prior Acts

made against or in connection with any *Subsidiary* for, or in consequence of, any *Wrongful Act* occurring prior to the date such entity became a *Subsidiary*.

## General Conditions

The following General Conditions shall apply to all Sections of this Policy unless stated otherwise:

### 1 Notification of any incident which may give rise to a claim:

#### Action by the Insured in respect of Sections 1 to 4, 6, and 13

It is a condition precedent to liability that if any incident occurs which may give rise to a claim under the Policy the *Insured* shall:

- a. give immediate notice to:
  - i) the Police Authority in respect of any theft, attempted theft, riot, malicious damage, accidental *loss* or act of *Terrorism* (if and to the extent that *Terrorism* is insured by this Policy);
  - ii) the *Insurers* via the broker or intermediary as stated in the *Schedule*; and
- b. within:
  - i) 7 (seven) 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;
  - ii) 30 (thirty) days of the expiry of the Indemnity Period in respect of a claim under Section 2 of this Policy;
  - iii) 30 (thirty) days of the occurrence of any other event;

supply at its own expense full details of the claim in writing together with any supporting information, receipts and proofs which the *Insurers* may reasonably require and no claim shall be paid until the *Insured* has complied with this paragraph.

#### Action by the Insured in respect of Section 5

Please see Conditions on page 37.

#### Action by the Insured in respect of Sections 7, 8, 9, 10 and 11

It is a condition precedent to liability that the *Insured* shall give written notice to the *Insurers* as soon as reasonably practicable of any incident that may give rise to a claim under this Policy and shall give all such additional information as the *Insurers* may require. Every letter of claim, writ, summons or process and all documents relating thereto and any other written notification of claim shall be forwarded unanswered to the *Insurers* immediately they are received.

The *Insured* shall at all times in addition to its obligations set out above afford such information to and cooperation with the *Insurers* or their appointed agents to allow the *Insurers* to be able to comply with such relevant Practice Directions and Pre- Action Protocols as may be issued and approved from time to time by the Lord Chief Justice.

The *Insurers* shall be entitled (either before or after any payment under this Policy) to take over at its own expense the absolute control and conduct of any negotiation, proceeding or settlement of any claim in the name of and on behalf of the *Insured*.

The *Insured* shall not admit liability or make any offer or promise of payment without the prior written consent of the *Insurers*.

The *Insured* shall keep adequate business records and shall give such information and assistance as the *Insurers* may reasonably require to substantiate a claim or deal with a third party claim.

Claims correspondence notification address:

Thistle Insurance Services Limited  
 C/O Broadspire  
 Tempus  
 249 Midsummer Boulevard  
 Central Milton Keynes  
 NY9 1YA

Telephone: 0345 266 8982

Email: [Thistleinsurance@broadspiretpa.co.uk](mailto:Thistleinsurance@broadspiretpa.co.uk)

#### Action by the Insured in respect of Section 12

Please see Section 12 Conditions on page 59.

#### Action by the Insured in respect of Sections 14 and 15

Please see Condition 3 on page 65 (Section 14) and 67 (Section 15).



### Action by the Insured in respect of Section 16

Please see Condition 1 on page 69

### 2 Claims Co-operation

The *Insured* will provide all help and assistance and cooperation required by the *Insurers* in connection with any claim.

### 3 Action to Minimise Loss

It is a condition precedent to liability that if any incident occurs which may give rise to a claim under the Policy the *Insured* shall take action to minimise the loss or damage, to avoid interruption or interference with the *Business* and to prevent further damage or injury.

### 4 Alteration

This Policy shall be voided if after the inception of the *Period of Insurance* there is any alteration:

- a. by removal; or
  - b. whereby the risk of *Damage*, *Injury* or legal liability is increased; or
  - c. whereby the *Insured's* interest ceases except by will or operation of law; or
  - d. whereby the *Business* of the *Insured* is wound up or carried on by a liquidator or receiver, or put into administration or otherwise permanently discontinued;
- or
- e. any change is made in the description of the *Business*;

unless such alteration has been accepted by the *Insurers* in writing.

### 5 Arbitration (applicable to Sections 1 to 4, 6 and 13 to 15 only)

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 being in force at that time. 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 *Insurers*.

### 6 Average (applicable to Sections 1 to 4, 6 and 13 only)

Unless more specifically stated each *Sum Insured* shall be subject to Average other than any Item marked NA on the *Schedule* and any amounts separately stated in the *Schedule* for *Professional Fees* and *Debris Removal*.

Whenever a *Sum Insured* is declared to be subject to Average, if at the time of any *Damage* such *Sum Insured* is less than the total value of such property, then the *Insured* shall be considered as being its own insurer for the difference and shall bear a rateable share of the loss accordingly. Section 2 has its own Condition of Average which is stated in the wording of that Section.

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### 7 Cancellation

- a. If the premium for this Insurance is paid by periodic instalments, whether by direct debit or otherwise, in the event of default in the payment of any instalment, for whatever reason, this Insurance shall cease from the date of non-payment, subject to the Consumer Credit Act 1974, if applicable and any amending and/or subsequent legislation.
- b. Otherwise, this Insurance may be cancelled by the *Insurers* sending 14 (fourteen) days' notice by recorded delivery letter to the last known address of the *Insured*. Where this Condition is exercised, the *Insured* shall become entitled to a return of premium in respect of the unexpired portion of the *Period of Insurance*, after any adjustment of the premium paid as provided for by any conditions of this Policy, and subject to no claim having been paid or being outstanding (in whole or in part) in respect of the expired portion of the *Period of Insurance*.

### 8 Contracts (Rights of Third Parties) Act 1999

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

### 9 Contribution (applicable to Sections 1 to 4, 6 and 13 to 15 only)

If at the time of any claim(s) covered by this Policy there shall be any other insurance covering the same risk or part thereof the *Insurers* shall not be liable for more than their rateable proportion thereof.

If any such other insurance be subject to any condition of Average, this Policy, if not already subject to any such condition of Average, shall be subject to Average in like manner.

If any such other insurance 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, the liability of the *Insurers* shall be limited to that proportion of the *Damage* which the *Sum Insured* under this Policy bears to the value of the property.

### 10 Data Protection

It is understood by the *Insured* that any personal data provided by the *Insured* to the *Insurers* regarding the *Insured*, its Employees or its Agents shall be processed by the *Insurers*, in compliance with the provisions of the Data Protection Act 1998 and any subsequent or amending legislation, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to third parties.

The *Insurers* shall keep such information secure at all times. In certain circumstances, for example for systems administration purposes, the *Insurers* may have to transfer information to another country, which may be a country outside the European Economic Area (EEA). By proceeding with this Insurance the *Insurers* assume that the *Insured* is agreeable to the *Insurers* transferring its information to a country outside the EEA.

Should *You* wish to obtain details of the information that we hold on *You* please contact the;

**Compliance Officer**

Thistle Insurance Services Limited  
Southgate House, Southgate Street, Gloucester, GL1 1UB

A small fee may be charged to cover the cost of administration.

**11 Declarations/Adjustments of Premium**

If any part of the *Premium* is based on estimates provided by the *Insured*, the *Insured* shall keep an accurate record containing all relevant information and shall at any time allow the *Insurers* to inspect such record. The *Insured* shall within 60 (sixty) days after the expiry of each *Period of Insurance* furnish the relevant information, including but not limited to wage roll and turnover, as the *Insurers* may require. The *Premium* shall then be adjusted and the difference paid by or allowed to the *Insured*, subject to any Minimum *Premium* required within 30 (thirty) days of receipt of the *Insurers'* adjusted Premium calculations. The *Insurers* reserve the right to request the *Insured* to supply an auditor's certificate attesting to the accuracy of any information furnished to the *Insurers*.

**12 Choice of Law**

Unless otherwise agreed by the *Insurers* and the *Insured*, this Policy shall be subject to and construed solely in accordance with the Law of England and Wales.

**13 Fraud**

If any claim made under this Policy by the *Insured* or anyone acting on behalf of the *Insured* is fraudulent or intentionally exaggerated or if any false declaration or statement shall be made in support thereof, all benefit under this Policy shall be forfeited.

We will, at our discretion, terminate the policy from the date of claim, or alleged claim, or we will not pay the claim if:

- ii) a claim the *Insured Person* has made to obtain benefit under this policy is fraudulent or intentionally exaggerated, or
- iii) a false declaration or statement is made in support of a claim

In such circumstances, we will be entitled to retain the premium paid by the *Insured* and to demand the return of any sums paid in respect of the claim.

Where the above circumstances apply, as part of our fraud prevention measures we will, at our discretion, also share information with other parties such as the police, government bodies and anti-fraud organisations.

**14 Fire Break Doors and Shutters**

The *Insured* warrants that all fire break doors and shutters shall be kept closed except during working hours and shall be maintained in efficient working order.

**15 Insurable Interest**

The insurable interest in the insurance by this Policy shall not be transferred without the written consent of the *Insurers*.

**16 Insurers Rights following a Claim**

On the happening of any event in respect of which a claim is or may be made under this Policy, the *Insurers* (and every person authorised by them) shall have the right, without thereby incurring any liability or diminishing their right to rely on any condition of this Insurance, to enter the *Premises* where the event has occurred, and to take and keep possession of any of the *Property Insured* (or require it to be delivered to them), and to deal with any salvage in a reasonable manner. No claim under this Policy shall be payable unless the terms of this Condition have been complied with. No property may be abandoned to the *Insurers*, whether taken possession of by them or not. This Condition shall be evidence of permission from the *Insured* to the *Insurers* so to do. If the *Insured* or anyone acting on behalf of the *Insured* shall not comply with the requirements of the *Insurers* or shall hinder or shall obstruct the *Insurers* 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 *Insurers* whether taken possession of by the *Insurers* or not.

Applicable to Sections 1 to 4, 6 and 11 only: The *Insurers* may at any time pay the amount of the limit of liability to which the claim applies and shall be under no further liability in respect thereof.

**17 Interpretation**

In this Policy:

- a. reference to any statute or statutory provision and orders or regulations thereunder shall include a reference to that provision, order or regulation as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this Policy;
- b. reference to any statutory or other body shall include the successor to that body;
- c. words importing the singular include the plural and vice versa and references to persons include bodies corporate or unincorporated. Words importing any gender shall include all genders;
- d. if any term, condition, exclusion or endorsement or part thereof is found to be invalid or unenforceable the remainder shall remain in full force and effect;
- e. the headings are for reference only and shall not be considered when determining the meaning of this Policy.

## 18 Jurisdiction

The *Insurers* and the *Insured* agree that all disputes arising out of or in connection with this Policy, including but not limited to any disputes relating to the formation, validity and interpretation and application of the terms, conditions, limits and exclusions of this Policy, shall be subject to the exclusive jurisdiction of the Courts of England and Wales. The premium for this Insurance has been calculated accordingly, and no consideration has been paid in respect of any sums payable as a consequence of the jurisdiction of any other court.

## 19 Minimum Protections

Unless otherwise agreed in writing, the *Insured* warrants that the following protections are fitted to the undermentioned doors, windows and other openings (where these are under the *Insured's* control) and put into full and effective operation whenever the *Premises* are closed for business or left unattended:

1. on the final exit door to the *Premises*:
  - a. timber doors to be secured by a mortice deadlock conforming to BS3621 with matching box striking plate;
  - b. Aluminium and UPVC framed doors to be secured by an integral cylinder operated mortice deadlock or deadlocking multi point locking system;
  - c. on all double leaf doors, the final closing leaf to be secured by the appropriate locks detailed in 1 a or 1 b above and on the inside of the first closing leaf, either:
    - i) two key operated security bolts; or
    - ii) two flush bolts; or
    - iii) two integral bolts which shoot into the frame at the top or the floor at the bottom of the door; if any of the above doors are outward opening then each leaf is additionally to be fitted with two hinge bolts;
2. on all other external and internal doors giving access to any part of the *Premises* not occupied solely by the *Insured* or to any adjoining premises one of the following:
  - a. by the means set out in 1 above unless double leaf doors which may have the final closing leaf secured by two key operated security bolts; or
  - b. two key operated security bolts one fitted approximately 300 millimetres from the top of the door and the other approximately 300 millimetres from the bottom of the door;
3. on all opening basement, ground floor and other accessible windows, fanlights, roof lights and skylights which are accessible from roofs, balconies, canopies, stairs, fire escapes or down pipes:

- a. key operated window locks with the keys removed when in operation; or
- b. solid steel bars not less than 16mm diameter and not more than 125mm apart, grouted into the masonry or securely fixed by a metal frame with screws with non return heads to the brickwork or masonry surrounding the window.

Doors and windows officially designated as a fire exit by a fire authority are excluded from the above and are to be secured internally by panic bolts or fire exit bolts (capable of opening at all times) with any additional devices being approved by the local fire prevention officer.

## 20 Consequences of Non-disclosure and Misrepresentation

Where there has been any non-disclosure or misrepresentation by the *Insured*, i.e. a breach of the duty of fair presentation, and the breach was neither deliberate or reckless, *Insurers* will be entitled to the following remedies:

- i) if, but for the breach, the *Insurer* would not have entered into the contract on any terms, the *Insurer* may avoid the contract and refuse all claims. In that event, the *Insurer* shall return the premiums paid by the *Insured*.
- ii) if, but for the breach, the *Insurer* would not have agreed to a variation of the contract on any terms, the *insurer* may treat the contract as if the variation was never made. In that event, the *Insurer* will return any extra premium paid.
- iii) if the *Insurer* would have entered into or varied the contract but on different terms, the *Insurer* may treat the contract as if it had been entered into on those different terms
- iv) if the *Insurer* would have entered into or varied the contract but would have charged a higher premium, the *Insurer* may reduce proportionately the amount to be paid on a claim.

Where there has been a deliberate or reckless non-disclosure or mis-representation by the *Insured* in relation to the contract, *Insurers* will be entitled to avoid the contract.

Where there has been a deliberate or reckless non-disclosure or mis-representation by the *Insured* in relation to a variation of the contract, *Insurers* will be entitled to terminate the contract with effect from the time when the variation was made.

The *Insurer* agrees that to the extent any provisions of the Act relating to the subject of this clause 20 are more favourable to the *Insured* than this clause, the provisions of the Act shall apply.

## 21 Precautions and Reasonable Care

The *Insured* warrants that it shall take all reasonable precautions:

- a. for the safety of and to avoid, prevent or minimise any *Damage* to the *Property Insured*;
- b. to avoid, prevent or minimise any injury to others or damage to their property;
- c. to prevent the sale of or supply of *Products* which are defective in any way;

which might give rise to a claim under this Policy. The *Insured* warrants that it shall also:

- a. comply with all statutory and other obligations and regulations imposed by any authority;
- b. maintain the *Premises*, machinery, plant and equipment and other services (including fire, security and safety equipment) in a satisfactory state of repair;
- c. exercise reasonable care in the selection and supervision of *Employees* and in the employment of competent staff;
- d. in the event of discovery of any defect or danger immediately cause such 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.

## 22 Reinstatement of Damage

If the *Insurers* elect or become bound to reinstate or replace any property, the *Insured* shall at its own expense provide all such plans, documents, books and information as the *Insurers* may reasonably require.

The *Insurers* shall not be bound to reinstate exactly or completely, but only as circumstances permit and in a reasonably sufficient manner, and shall not in any case be bound to expend in respect of any one of the Items insured more than its *Sum Insured*.

## 23 Several Liability

The subscribing *Insurers'* obligations hereunder are several and not joint, and are limited solely to the extent of their individual subscriptions. The subscribing *Insurers* are not responsible for the subscription of any cosubscribing Insurer(s) or underwriter(s) who for any reason does not satisfy all or any part of their obligations.

## 24 Subrogation

Any claimant under this Policy shall, at the request and expense of the *Insurers*, take and permit to be taken all necessary steps for enforcing rights and remedies against any other party in the name of the *Insured*, whether such steps are or become necessary before or after any payment is made by the *Insurers*.

## 25 Subrogation Waiver

Notwithstanding General Condition 26, in the event of a claim arising under this Policy the *Insurers* agree to waive any rights, remedies or relief to which they might become entitled by subrogation against:

- a. any Company standing in the relation of parent to subsidiary (or subsidiary to parent) of the *Insured*; or
- b. any Company which is a subsidiary of a parent Company of which the *Insured* themselves are a subsidiary;

in each case within the meaning of the Companies Act(s).

## 26 Unoccupied Building(s)

The *Insured* warrants that immediate notice shall be given to the *Insurers* when any *Building(s)* become(s) *Unoccupied* or any *Unoccupied Building(s)* or portion thereof becomes occupied and the *Insurers* shall have the right to impose additional terms, Conditions and Exclusions and charge a suitable additional premium which shall be paid by the *Insured* if required.

## 27 Unoccupancy Conditions

The *Insured* warrants that in respect of any *Unoccupied Building(s)*:

- a. the mains supply services are switched off and the water system is drained whenever the *Building(s)* are vacated other than:
  - i) the circuit(s) of the electricity supply which is/are needed to maintain any fire or *Intruder Alarm System* in operation;
  - ii) mains services which are needed to maintain any sprinkler systems in full working order and in these circumstances heating must be maintained in the *Building(s)* at a minimum temperature of 5 (five) degrees Centigrade;
- b. the *Building(s)* are inspected thoroughly both internally and externally at least once each week by the *Insured* or employees of the *Insured* and:
  - i) a record is maintained of such inspections;
  - ii) all defects in maintenance and security are rectified immediately;
  - iii) accumulations of combustible materials such as junk mail, in and around the *Building(s)* are removed during inspection;

- c. all windows and doors to the *Building(s)* are secured against illegal entry by good quality locks and other security measures, all of which are in operation, and all unnecessary doors and windows at ground and, if accessible, at first floor levels are bricked up or boarded over;
- d. all letter boxes are sealed to prevent insertion of any materials or liquids;
- e. the perimeter fences, walls and gates are maintained in good repair;
- f. there is no refurbishment, renovation or alteration work carried out unless agreed by the *Insurers*; throughout the *Period of Insurance* unless otherwise agreed by the *Insurers*.

### 28 Premium Payment and Disclosure Warranties

It is hereby agreed and warranted that:

- a) the *Insured* must pay to the *Insurers* all premiums due to the *Insurers* together with all taxes due on the *Premiums*;
- b) beginning with the *Insured's Proposal* and continuing to the end of the *Period of Insurance* the *Insured* shall be under a continuing duty to disclose to the *Insurers* as soon as is reasonably practicable all material changes.

### 29 Computer Records (not applicable to Section 13)

The *Insured* warrants that it shall maintain a minimum of 2 (two) generations of back-up *Computer Records* and *Software* taken at intervals no less frequently than 7 (seven) days, one copy as a minimum being held off site.

### 30 Warranties

Every warranty shall from the time that the warranty attaches apply and continue to be in force during the whole *Period of Insurance*.

In the event of any breach of the warranties in this Policy by the *Insured* the *Insurers* shall have no liability under the Policy unless the *Insurers'* liability is in respect of losses occurring or attributable to something happening –

- i) before the breach of warranty, or
- ii) if the breach can be remedied, after the breach of warranty has been remedied.

The *Insurer* agrees that to the extent any provisions of the Act relating to the subject of this clause 30 are more favourable to the *Insured* than this clause, the provisions of the Act shall apply.

### 31 Breach of Policy Terms Not Relevant to Actual Loss

The *Insurer* agrees that section 11 of the Act shall apply to this contract so that if the *Insured* breaches a term of this contract (other than a term defining the risk as a whole) and compliance with such term would tend to reduce the risk of:

- i) loss of a particular kind,
- ii) loss at a particular location, and/or
- iii) loss at a particular time,

if a loss occurs and the term has not been complied with, the *Insurer* will not rely on such non-compliance to exclude, limit or discharge its liability under this contract, provided the *Insurer* is satisfied that such non-compliance could not have caused or increased the loss which actually occurred in the circumstances in which it occurred.

The *Insurer* agrees that to the extent any provisions of the Act relating to the subject of this clause 31 are more favourable to the insured than this clause, the provisions of the Act shall apply.

## General Exclusions

The following General Exclusions shall apply to all Sections of this Policy unless as stated otherwise.

The Insurers shall not be liable for:

### 1 Consequential Loss (applicable to all Sections other than 5, 7, 8, 9 and 10)

Consequential loss of any kind or description except:

- a. as may be insured by Sections 2, 6 or 11 of this Policy; or
- b. loss of *Rent* when such loss is included in the cover under Sections 1, 2 or 6 of this Policy.

### 2 Electronic Date Recognition

Damage or consequential loss or legal liability directly or indirectly caused by or consisting of or arising from the failure of any computer, data processing equipment or media, microchip, integrated circuit or similar device or any computer software, whether the property of the *Insured* or not:

- a. correctly to recognise any date as its true calendar date;
- b. to capture, save or retain, and/or correctly to manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date;
- c. to capture, save, retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save or retain or correctly to process such data on or after any date;

but this shall not exclude subsequent *Damage* to the *Insured's* property or consequential loss resulting therefrom not otherwise excluded under this Policy, which itself results from a *Defined Peril*.

For the purposes of this General Exclusion the words *Defined Peril* shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any apparatus or pipe, impact by any road vehicle or animal and theft.

### 3 Electronic Data (applicable to all Sections other than 5, 7, 8 and 9)

Any loss, damage, destruction, distortion, erasure, corruption or alteration of *Electronic Data* from any cause whatsoever (including but not limited to *Virus or Similar Mechanism* or *Hacking* or *Denial of Service* Attack) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

### 4 Law and Jurisdiction

Judgements, awards, settlements or orders of courts outside the *Territorial Limits* as defined, or to orders seeking to enforce such judgements, awards, settlements or orders, or to any liability arising under the law of any place outside the *Territorial Limits*.

### 5 Marine (applicable to Sections 1 to 4 and 6 only)

Loss or destruction of or damage to property which at the time of the happening of the loss, destruction or damage is insured by, or would but for the existence of this Policy be insured by, any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this Insurance not been effected.

### 6 More Specific Insurance (applicable to Sections 1 to 4, 6 and 11 to 13 only)

Loss or destruction of or damage to any property more specifically insured by or on behalf of the *Insured*.

### 7 Mould and Fungus

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

### 8 Northern Ireland (applicable to Sections 1 to 4 and 6 only)

Loss or destruction of or damage to any property in Northern Ireland or loss resulting therefrom caused by or happening through or in consequence of:

- a. civil commotion;
- b. any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any *Unlawful Association*.

For the purposes of this General Exclusion "*Unlawful Association*" means any organisation which is engaged in *Terrorism* and includes any organisation which at any relevant time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973 and any subsequent amending legislation.

In any action, suit or other proceedings where the *Insurers* allege that by reason of this exclusion any loss, destruction or damage or loss resulting from such loss, destruction or damage is not covered by this Insurance (or is covered only up to a Limit of Liability as stated in the *Schedule*) the burden of proving such loss, destruction or damage or loss resulting from such loss, destruction or damage is covered (or is covered beyond that Limit of Liability) shall be upon the *Insured*.

**9 Radioactive Contamination, War, Sonic Boom and Confiscation (applicable to Sections 1 to 4, 6 and 11 to 13 only)**

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:

- 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 or contaminating properties of any explosive nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c. any weapon of war or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- d. war, invasion, acts of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military or usurped power whether war be declared or not;
- e. pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds;
- f. confiscation, nationalisation, requisition, seizure or destruction by or under the order of any government or any public or local authority.

**10 Pollution or Contamination (applicable to Sections 1 to 4 and 6 only)**

Loss or destruction of or damage or any consequential loss resulting from *Pollution or Contamination* but this shall not exclude *Damage* or any *Consequential Loss* insured under Section 2 caused by:

- a. *Pollution or Contamination* which itself results from a *Defined Peril*;
- b. a *Defined Peril* which itself results from *Pollution or Contamination*; unless resulting from an Excepted Cause or otherwise excluded.

**11 Terrorism**

- a. Loss, damage, injury, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of *Terrorism* regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
- b. Loss, damage, injury, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of *Terrorism*;
- c. Any loss whatsoever or any expenditure resulting from or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from:
  - i) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
  - ii) ionising radiation or contamination by radioactivity or from the combustion of any radioactive material;
  - iii) chemical and/or biological and/or radiological irritants, contaminants or pollutants;
- d. Loss, damage, injury, cost or expense directly or indirectly arising out of:
  - i) any business interruption losses resulting from customers or suppliers extensions or denial of access due to any act of *Terrorism*;
  - ii) loss, damage, cost or expenses directly or indirectly arising out of any service interruption due to any act of *Terrorism*.

If the *Insurers* allege that by reason of this Exclusion any loss, damage, injury, cost or expense is not covered by this Insurance, the burden of proving the contrary shall be upon the *Insured*.

In the event any portion of this Exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect.

**12 Water Table (applicable to Sections 1 to 4 and 6 only)**

*Damage* or *Consequential Loss* attributable solely to change in water table level.

## Further Information

### Complaints Procedure

We are dedicated to providing *You* with a high quality service and *We* want to ensure that *We* maintain this at all times. If *You* feel *We* have not offered *You* a first class service please write and tell *Us* and *We* will do *Our* best to resolve the problem.

In the first instance please contact;

Thistle Insurance Services Limited  
Southgate House  
Southgate Street  
Gloucester  
GL1 1UB

[commercialteam@thistleinsurance.co.uk](mailto:commercialteam@thistleinsurance.co.uk)

In the event you remain dissatisfied, please contact Lloyds Complaints;

Complaints,	Tel: 020 7327 5693
Fidentia House,	Fax: 020 7327 5225
Walter Burke Way,	Email: <a href="mailto:complaints@lloyds.com">complaints@lloyds.com</a>
Chatham Maritime,	
Chatham, Kent	
ME4 4RN	

In the event *You* wish to pursue matters further *You* may be able to refer the matter to The Financial Ombudsman Service. The Financial Ombudsman Service can normally deal with complaints from private individuals and small organisations; further information is available from:

The Financial Ombudsman Service	
The Financial Ombudsman Service	
Exchange Tower	Helpline: 0800 023 4567
London E14 9SR	Switchboard: 020 7964 1000

Website: [www.financial-ombudsman.org](http://www.financial-ombudsman.org)

Thistle Insurance Services Limited is authorised and regulated by the Financial Conduct Authority. Lloyd's Broker.  
Registered in England under No. 00338645 Registered Office: 68 Lombard Street London EC3V 9LJ

### Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS). *You* may be entitled to compensation from the scheme if *We* cannot meet *Our* obligations. This depends on the type of business and the circumstances of the claim. Further information about compensation scheme arrangements is available from the FSCS.

Financial Services Compensation Scheme  
10<sup>th</sup> Floor, Beaufort House, 15 St Botolph Street EC3A 7QY

Telephone: 0800 678 1100 or 0207 741 4100

E-mail: [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)



