

Brit UK Terrorism Insurance Policy Document

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. The insurance broker or other intermediary who arranged this Insurance should be contacted immediately if any correction is necessary.

This Policy consists of:

- the **General Insuring Clause** which explains the principal on which cover is provided;
- the **Schedule** which states who the *Insured* is, the *Business* being covered and other particulars, such as the *Period of Insurance* and details of which Sections of the Policy are operative. It also shows such details as the occurrences insured, Limits of Liability and matters and amounts for which *You* are 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 **Extension to all / Specified Sections** of the Policy detail the extensions provided to the coverage under the Sections;
- 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 **Endorsements** which might apply to the Policy or individual Sections and which incorporate Extensions, limitations, amendments and such like.

You should immediately notify the *Insurers* via *Your* insurance broker or other intermediary of any changes which may affect the insurance provided by this Policy.

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

UK Terrorism Insurance Policy Document

General Insuring Clause

This Policy Contract is underwritten by the *Insurer* in consideration of the payment of premium. The *Insurer* agrees to provide insurance in accordance with the terms and conditions of this Policy during the *Period of Insurance*. The *Insurer* has relied on the accuracy of all written information provided and representations made by or on behalf of the *Insured* in the application of this insurance, which shall include but not be limited to the proposal form and all written materials provided in support thereof.

The insurers' obligations under this Policy in accordance with the terms and conditions contained herein or endorsed hereon, are several and not joint. The insurers are limited solely to the extent of their individual subscriptions and are not jointly liable for the proportion of any co-subscribing insurer who for any reason do not satisfy all or part of its obligations.

This Policy, the Market Reform Contract, any Endorsements or Memoranda, including any documents issued in addition or substitution thereof, shall be considered one document and shall embody the legal agreement between the *Insured* and the *Insurer*. Any word or expression to which a specific meaning is attached shall bear such meaning wherever it appears.

Definitions

These Definitions are applicable to the whole Policy or, where specifically stated, to the particular stated Section of the Policy. These Definitions are subject to the terms, conditions, limits and exclusions of the Policy.

Wherever the following words appear in italics starting with a capital letter, they will import the same meaning as defined here. Where the context requires,

- a) words importing the singular shall include the plural and vice versa;
- b) references to persons include bodies corporate or unincorporated;
- c) words importing any gender shall include all genders;
- d) 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; and
- e) reference to any statutory or other body shall include the successor to that body.

A

Actual Value

means the amount it would cost to repair or replace *Property Insured*, on the date of loss, with material of similar kind, condition and quality, with deduction for obsolescence and physical depreciation.

Additional Insured

means:

- 1 the personal representatives of the *Insured* in respect of legal liability incurred by the *Insured* for 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 or employee of the *Insured* in respect of private work undertaken by any *Person Employed* for such director or partner or employee with the prior consent of the *Insured*;

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

Annual Income

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

Appointed Representative

means a solicitor, barrister or other appropriately qualified person appointed to act in the name of and behalf of the *Insured* in accordance with the terms, conditions, limitations, provisos and exclusions of this Policy.

Appointed Representative Expenses

means fees, expenses and disbursements reasonably incurred by the *Appointed Representative* with the written consent of the *Claims Administrator* but does not include any tax or VAT, interest or penalties demanded assessed or required by the relevant authority or other penalty imposed by a court or tribunal.

Auditor's Fees

means necessary 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*.

B

Bodily Injury

means injury, death, disease, illness and nervous shock.

Building(s)

means:

1. the permanent fixed structures, situated at the *Premises*, constructed mainly of brick, stone or concrete and roofed mainly with slates, tiles, concrete, metal or asbestos unless otherwise agreed by the *Insurers*; and
2. landlord's fixtures and fittings in or on such permanent fixed structures; which are the property of or has been leased to the *Insured*.

Unless more specifically insured, the following property of the *Insured* or for which the *Insured* is legally responsible shall also be included in the definition of Building(s):

- A. annexes and *Outbuildings*;
- B. conveyors, trunks, lines, wires, cables, service pipes and similar property on the *Premises* extending to the public mains;
- C. walls, gates and fences,
- D. landscaping, swimming pools, ponds, lakes, reservoirs, and other similar water features;
- E. car parks, yards, roadways, pavements, forecourts and similar surfaces at the *Premises*;
- F. security lighting, security cameras and other security or fire protection devices, affixed receiving and communication aerials, their fittings and masts fixed to the buildings,
- G. Solar panels, wind turbines and other similar equipment used by the *Insured* for the generation of electricity Building(s), in no event, shall include Buildings in the course of construction.

Business

means the business of the *Insured* as stated in the *Schedule*, which shall include:

- A. the ownership, repair, maintenance and decoration of the *Insured's Premises*;
- B. the provision and management of child care, nursery or crèche facilities, canteen, social, sports and welfare organisations for the benefit of any *Person Employed* and first aid, fire, medical and security services;
- C. private work undertaken by any *Person Employed* for any director, partner of the *Insured* or *Person Employed* with the prior consent of the *Insured*;
- D. the repair and maintenance of vehicles and plant owned and used by the *Insured*.
- E. Provision of car parking for employees and visitors
- F. Participation by the insured or any employee in trade shows, exhibitions or conferences
- G. Organisation of or participation by the insured or any employee in any charitable or fund raising events

D

Damage

means physical loss of or physical destruction of or damage to tangible *Property Insured*.

Damages

means a compensatory money judgment, award or settlement and does not include punitive amounts or any other amounts in excess of compensation.

Debris Removal

means costs and expenses necessarily and reasonably incurred by the *Insured* with the prior consent of the *Insurer* 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 *Insurer* will not pay for any costs or expenses:

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

Declared Value

means the *Insured's* assessment of the cost of reinstatement of the *Property Insured* arrived at in accordance with reinstatement valuations provided under the **Basis of Settlement** clause under **Conditions to Section 1** at the level of cost applying at the inception of the *Period of Insurance* (ignoring inflationary factors which may operate subsequently) together with allowance for, where applicable:

1. the additional cost of reinstatement to comply with public authority requirements;
2. *Professional Fees*;
3. *Debris Removal*.

E

Estimated Income

means the amount declared by the *Insured* to the *Insurers* as representing not less than the *Income* which it is anticipated will be earned by the *Business* during the financial year most nearly concurrent with the *Period of Insurance* (or proportionate to a multiple thereof where the *Maximum Indemnity Period* varies from 12 (twelve) months).

Excess

means the amounts as specified either in this Policy wording or in the *Schedule*, as applicable, that are to be deducted from any claim and which amount shall be borne by the *Insured*.

Under **Section 1 Property Damage**, this shall apply to each *Loss* or *Damage* at each *Insured Premises* separately after the application of the Average (underinsurance) Condition.

Under **Section 3 Public Liability**, means the amounts as specified in the *Schedule*, which the *Insured* shall pay in respect of all *Damages*, compensation, claimant's costs, *Legal Costs* and expenses before the *Insurer* shall be liable to make any payment. The *Excess* shall apply to each *Incident* other than legal liability arising out of *Injury* unless otherwise specified in the *Schedule*.

F

Forensic Accountant

means the costs of a Forensic Accountant authorised by the *Insurer* to assess and review the extent of any Loss of Attraction, Denial of Access or Threat insured under this *Policy*.

H

Hazardous substance

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

I

Incident

means the *Act of Terrorism* or the *Act of Sabotage* directly causing the *Loss* or *Damage* insured under this *Policy*. For the purpose of **Section 3 Public Liability**, *Incident* shall include the continuous or repeated injurious exposure to substantially the same general conditions, which results in accidental *Injury* or *Damage to Property* or *Nuisance*. All *Incidents* or series of *Incidents* consequent upon or attributable to one source or original cause shall be regarded as a single *Incident* for the purposes of this *Policy*.

Income

means money paid or payable to the *Insurer* for work carried out and services rendered in course of the *Business* at the *Insured Premises*.

Indemnity Period

means the period beginning with the happening 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*.

Injury

means *Bodily Injury*, mental injury or mental anguish.

Insured/ You/Your/Yours

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

Insured Person

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

Insured Premises

means the location(s) as specified in the *Schedule* or in any Endorsement(s) used by the *Insured* solely for the purposes of the *Business*.

Insurer/ We/Us/Our

means Brit Syndicate 2987 at Lloyd's and any other insurers as specified in this contract.

Intruder Alarm System

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

L

Legal Costs

means

1. costs of legal representation at:
 - A. any coroners 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 *Occurrence*; which may be the subject of indemnity under **Section 3 Public Liability** of this Policy;
2. all other legal costs and expenses in relation to any *Occurrence* which may form the subject of a claim for indemnity under **Section 3 Public Liability** of this Policy;

incurred with the written consent of the *Insurer*.

Limit of Liability

means Limit of Liability specified in the *Schedule* in respect of any one *Occurrence*.

Loss

means damages, settlements entered into with the *Insurer's* prior written consent and costs, charges and expenses (including *Pollution Defence Costs*), excluding:

- A. punitive or exemplary damages;
- B. criminal or civil fines or penalties;
- C. taxes;
- D. matters deemed uninsurable under the laws of England and Wales or for *Insureds* domiciled in Scotland, the laws of Scotland.

M

Maximum Indemnity Period

means the number of months as specified in the *Schedule* which is the maximum period for which indemnity will be paid in accordance with the terms and provisions of **Section 2 Business Interruption**.

N

Nuisance

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

O

Occurrence

The term "Occurrence" shall mean any one loss and/or series of losses arising out of and directly occasioned by one *Act* or series of or *Acts of Sabotage* for the same purpose or cause. The duration and extent of any one "Occurrence" shall be limited to all losses sustained by the Insured at the property insured herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this Policy unless the Insured shall first sustain direct physical damage by an *Act of Terrorism* or an *Act of Sabotage* prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this Policy.

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(s)*, 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.

P

Period of Insurance

means the period as stated in the *Schedule*.

Person Employed

means

1. Persons under a contract of service or apprenticeship with the *Insured*;
2. Labour master or labour only sub-contractor or person supplied by any of them;
3. Self employed person;
4. Persons hired to or borrowed by the *Insured*;
5. Persons undertaking study or work experience;
6. Persons supplied to the *Insured* under a contract or agreement, the terms of which deem such a person to be in the employment of the *Insured*;
7. Voluntary worker or temporary worker;
8. Driver or operator of plant hired by the *Insured* under Contractors Plant Hire Association or similar conditions;

while working under the control of the *Insured* in connection with the *Business*.

Personal Injury

Injury arising from false arrest; detention or imprisonment; malicious prosecution; wrongful entry or eviction or invasion of the right of privacy.

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 actual discharge, seepage, migration, dispersal, release or escape of *Pollutants* at any time on to land, including building and structures thereon, atmosphere, surface water or groundwater as a direct result of the *Insured's Business* and all *Damage* or *Injury* directly or indirectly caused by such Pollution or Contamination.

Premium

means the amount specified in the *Schedule*.

Principal

means any person (which expression includes any employer, firm, company, ministry or authority) who has by a contract made with the *Insured* engaged the *Insured* to perform work for them.

Product

means any commodity, article or thing including packaging, containers and labels sold, supplied, distributed, erected, repaired, altered, treated, installed, processed, manufactured or tested by or on behalf of the *Insured* and no longer in the possession or under the control of the *Insured*; but shall not include food or drink for consumption on the premises of the *Insured* or at any other premises where the *Insured* is conducting the *Business*,

Professional Duty

means contractual, tortious or fiduciary duties owed to or by the *Insured* to or by another company, firm or individual in connection with the provision of professional services or advice.

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 *Incident* insured hereby but not for the preparation of any claim.

Property Insured

means the subject matter insured as specified under the 'Property insured' heading in the *Schedule*, but not the intellectual property pertaining thereto.

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, en-route and unloading.

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.

Public Relations Consultancy

means the costs of a public relations consultant authorised by the *Insurer* to mitigate the effects of any Loss of Attraction, Denial of Access or Threat covered under this *Policy*.

R

Rate of Gross Profit

means the *Rate of Gross Profit* earned on the *Turnover* during the financial year immediately before the date of the *Incident*.

Rent Payable

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*.

S

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 document titled 'Schedule' or the 'Risk Details' attaching to and forming part of this Policy.

Sub-Limit

means the Sub-Limit as specified in the *Schedule* which limit shall be part of and not in addition to the *Sum Insured*.

Standard Rent Receivable

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

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*.

Standard Turnover

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

Stock in Trade

means stock and materials in trade contained within *Buildings* on the *Premises*, including finished stock and work in progress, the property of the *Insured* and goods in trust for which the *Insured* is responsible, and goods the property of customers in the insured's custody or control for the purposes of the insured's business

Subsidiary

means any entity of which the *Insured* either owns more than 50% of the voting rights or owns more than 50% of total issued share capital.

Sum Insured

means the *Sum Insured* as stated in the *Schedule* applicable to the particular item or the limit per location as per the details lodged with the *Insurer*.

T

Tenants improvements

means improvements and interior decorations made to the *Shop* or *Insured Premises* which the *Insured* owns or is responsible for.

Territorial Limits

means *United Kingdom* unless expressly stated to the contrary in any Section of this *Policy*.

Threat

means a credible threat made by a third party to perpetrate an *Act of Terrorism* or *Act of Sabotage*.

Transit

means the period during which the *Insured Goods* are being:

1. conveyed by or temporarily housed in or upon a vehicle or trailer owned, operated by or hired out to the *Insured*;
2. conveyed by or in the charge of a carrier for the purpose of transportation by the carrier;
3. conveyed by any other means of transit stated in the *Schedule*;
4. loaded onto or unloaded from the means of conveyance described in a, b or c above;

anywhere within the *Territorial Limits*, including sea and air transits therein.

Turnover

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

U

Uninsured Working Expenses

means sums as stated in the *Schedule*.

United Kingdom

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

Unlawful Association

means any organisation which is engaged in *Acts of 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.

V

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.

W

Waiting Period

means the period stated in the *Schedule* for which no claim or loss is payable until such period has been exceeded.

Insured Perils

The *Insurer* will insure against *Damage* caused by an *Act of Terrorism* or an *Act of Sabotage*.

For the purpose of this Insurance, an Act of Terrorism means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

For the purposes of this Insurance, an Act of Sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

This Section shall not apply to the policy unless specified as INSURED in the *Schedule*.

Section 1

Property Damage

Insuring Clause

The *Insurer* will indemnify the *Insured* against *Damage* to the *Property Insured* detailed below, provided that such *Damage*

1. occurs during the *Period of Insurance*; and
2. is caused by an *Act of Terrorism* or an *Act of Sabotage*; and
3. occurs to property of the *Insured* or for which the *Insured* is legally responsible whilst at the *Insured Premises*;

subject always to the *Excess(es)* and the limits, terms, conditions and exclusions of this Section and the Policy.

Property Insured

Item 1 Buildings

If specified as 'INSURED' in the Schedule, for the purpose of this Section, the definition of Buildings shall be deemed to include tenants' improvements, alterations and decorations at the *Insured Premises*.

Item 2 - Contents

Contents within the *Insured Premises* all belonging to the *Insured* or for which the *Insured* is responsible including:

- A. landlords fixtures and fittings tenants improvements and interior decorations except to the extent otherwise insured;
- B. plans, deeds, briefs, manuscripts, books, documents and office records for an amount not exceeding the limit specified in the *Schedule*;
- C. personal effects for an amount not exceeding the limit specified in the *Schedule*;
- D. wines, spirits, cigarettes and tobacco held for entertainment purposes for an amount not exceeding the limit specified in the *Schedule*;
- E. works of art, rare books, sculptures, curios and collections for an amount not exceeding the limit specified in the *Schedule*;

excluding vehicles licensed for road use (and their accessories) and property described in the following **Items 3, and 4.**

Item 3 - Computers and ancillary equipment situated within the *Insured Premises* owned by the *Insured* or for which the *Insured* is responsible

Item 4 - Stock and trade samples within the *Insured Premises* owned by the *Insured* or for which the *Insured* is responsible

Limit of Liability

The liability of the *Insurer* under this Section including the extensions to the Section shall not exceed the *Sum Insured* or, in respect of any individual extensions, the Sub-Limit, subject to any other limit of liability as specified herein or in the *Schedule*.

Extensions to Section 1

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. Exhibitions

The insurance of *Contents* and *Stock in Trade* is extended to include cover for *Damage* insured under this Policy to *Property at Exhibitions* anywhere in the world provided that the maximum liability of the *Insurers* does not exceed the *Sub-Limit* stated in the *Schedule*.

2. Goods in Transit (This cover shall only apply if specified as 'INSURED' in the *Schedule*)

The *Insurers* shall indemnify the *Insured* against loss of, destruction of or *Damage* occurring during the *Period of Insurance*, to the goods and tools that are incidental to the *Insured's Business* or to property held in trust for which the *Insured* is responsible, whilst in *Transit* anywhere within the *Territorial limits* provided that

- A. the *Insurer's* liability under shall not exceed the *Sub-Limit* stated in the *Schedule*;
- B. Unless an ancillary part of the *Insured's Business* this extension does not cover, except if otherwise specified in the *Schedule*:
 - i) jewellery, watches, precious metals and stones, furs and clothing;
 - ii) Money, deeds and other documents;
 - iii) Death or injury to animals or other living creatures;
 - iv) dangerous goods as defined in the current standard conditions of the Road Haulage Association (including but not limited to explosives, acids, chemicals and gases);
 - v) *Damage* due to natural deterioration;
 - vi) Any consequential or indirect *Damage* due to delay;
 - vii) property temporarily removed from the *Insured's Premises* for cleaning, renovation, repair or similar purposes.

3. Index Linking

With respect to *Property Insured*, the *Sums Insured* will be increased automatically throughout the *Period of Insurance* in line with the Retail Price Index (or some other suitable index as the *Insurers* may decide upon).

In the event of loss the *Sums Insured* will continue to be adjusted in accordance with fluctuations in the indices during the period necessary for completion of repair or reinstatement provided that repair or reinstatement is carried out without unreasonable delay. At each renewal the *Premium* will be calculated on the revised *Sum Insured*.

4. 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 *Insured Premises Damaged* by the fire brigade or any other emergency service in consequence of *Damage* to *Property Insured*. The *Insurer's* liability under this extension is limited to the *Sub-Limit* specified in the *Schedule*.

5. Loss of Metered Water

This Section extends to include cover for additional metered water charges incurred by the *Insured* as a result of *Damage* insured hereby, at the *Insured Premises* during the *Period of Insurance*. The *Insurer* 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 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 suppliers' charges and for variations affecting water consumption of the *Insured* during the intervening period. The *Insurer's* liability under this extension is limited to the *Sub-Limit* specified in the *Schedule*.

Conditions to Section 1

1. Average

- A. The *Sums Insured* declared in respect of the *Property Insured* specified in the *Schedule*, are 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 that item of *Property Insured* had been destroyed, exceeds the *Sum Insured* with respect to that item, at the commencement of the *Damage*, then the *Insured* shall be considered as being their own Insurer for the difference between the *Sum Insured* and the sum representing the cost of reinstatement of the whole of that item of the *Property Insured* and shall bear a rateable proportion of the loss accordingly.

- B. With respect to each item of the *Property Insured* for which Day One Basis (Non Adjustable) is applicable and the premium is calculated on the basis of the *Declared Values* provided by the *Insured* at the inception of the *Period of Insurance*, the following condition of Average shall apply:

If at the time of *Damage* the *Declared Value* of the item of *Property Insured* covered is less than the cost of reinstatement (as defined under the 'Basis of Settlement' clause) at the inception of the *Period of Insurance* then the *Insurer's* liability for any *Damage* hereby insured shall be limited to that proportion thereof which the *Declared Value* bears to the cost of reinstatement.

- C. Where the item of *Property Insured* has the *Actual Value* applied, then the following condition of Average shall apply:

If, at the time of *Damage*, the *Actual Value* of the item of *Property Insured* exceeds the *Sum Insured*, then the *Insured* shall be considered as being their own Insurer 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.

2. Basis of Settlement

In the event of *Damage* insured under this Section, the basis of reinstatement of the *Property Insured* shall be as follows:

| Property Insured | Basis of Settlement |
|---|---|
| A. Documents | Value blank plus the cost of copying information from back-up or from originals of a previous generation. These costs will not include research, engineering or any costs of restoring or recreating lost information |
| B. Gold, silver, jewellery, precious stones, works of art, rare books, sculptures, curios and collections | The lesser of: i) the reasonable cost to repair or restore such property to the physical condition that existed on the date of the <i>Incident</i> ; or ii) the reinstatement cost or market value of the article the property at the time of the loss, iii) the original acquisition cost; iv) the value, if any, stated in the <i>Schedule</i> with regard to the specific article. |
| C. Property of <i>Persons Employed</i> , directors or visitors | The lesser of: i) the cost of repairing the item; or ii) the cost of replacing the item(s) as new. |
| D. Motor vehicles or motor chassis | <i>Actual value</i> |
| E. All other <i>Property Insured</i> | i) where the <i>Property Insured</i> is destroyed a) in case of a <i>Building(s)</i> , the cost of rebuilding of the property b) in the case of other property, cost of replacement with similar property, ii) where the <i>Property Insured</i> is <i>Damaged</i> , the cost of repair or restoration of the <i>Damaged</i> property or part thereof. |

| | |
|--|--|
| | The repair, rebuilding, reinstatement or replacement should be to a condition and quality equal to but not better or more extensive than its condition when new; |
|--|--|

3. Basis of Settlement Conditions

- A. In the event of *Damage* insured under this Section, the basis of reinstatement of the *Building* shall be as follows:
- i) where the *Building* is destroyed, the cost of rebuilding of the property or cost of replacement with a *Building* of like quality equal to but not better or more extensive than its condition when new;
 - ii) where the *Building* is damaged, the cost of repair or restoration of the damaged property or part thereof to a condition and quality equal to but not better or more extensive than its condition when new.
- B. Where the *Insurer* agrees or is required to reinstate or replace any *Property Insured*, the *Insured* will, at its own expense, produce and give to the *Insurer* all such plans, documents, books and information as the *Insurer* may require for the reinstatement or replacement
- C. If the *Insured* requests and the *Insurer* agrees not to repair or reinstate any *Property Insured*, then the *Insurer's* liability shall be limited to the Actual Value of the damaged *Property Insured*, it is to be noted that the option to not to repair or reinstate, shall be at the sole discretion of the *Insurer*.
- D. Reinstatement may be carried out on another site and in any manner suitable to the requirements of the *Insured* provided that
- i) the condition and quality of the reinstated property is equal to and not better or more extensive than its condition when new; and
 - ii) the liability of the *Insurers* is not being increased.
- E. The reinstatement must be commenced and carried out with reasonable despatch failing which no payment beyond the amount which would have been payable under this *Policy* if this Clause had not been incorporated herein shall be made.
- F. When any *Property Insured* is partly damaged or destroyed, the *Insurer's* liability 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.
- G. 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*.
- H. Where any computer or data processing equipment is replaced any improvement in performance or capacity consequent upon the replacement of such equipment with modern items shall not be regarded as 'betterment' for the purposes of this clause.

4. Day One Basis (Non Adjustable) Extension

If stated as 'Insured' under Section 1 of the *Schedule*, Day One Basis (Non Adjustable) shall apply to the *Property Insured*. In the event of *Damage*, such *Sum Insured* shall be uplifted by 15% (fifteen per cent) in accordance with and subject always to the provisions of this clause

- A. The *Insured* having stated in writing the *Declared Value* of the *Property Insured*, the *Insurer* agrees to calculate the premium on the stated *Declared Value* provided by the *Insured*.
- B. At the inception of the *Period of Insurance* and at every renewal thereafter, the *Insured* shall notify the *Insurer* of the *Declared Value* of each item of the *Property Insured*. Where such declaration is not provided by the *Insured* or is unavailable, the last amount declared by the *Insured* shall be taken as the *Declared Value* for the ensuing *Period of Insurance*.
- C. All claims will be settled without deduction in respect of any increases in the *Declared Value* at risk between the cover date and the time of the *Damage* provided that:

- i) the *Declared Value* at the inception of this insurance is not less than the cost of reinstatement at inception;
- ii) revised *Declared Values* are provided by the *Insured* annually at renewal failing which the *Insurer's* liability for any loss will be limited to the proportion of the loss that the *Declared Value* at inception bears to the cost of reinstatement at inception.

Provided always that nothing in this condition shall apply with respect to the provisions of the 'Capital Additions, Alterations and Improvements' clause under 'Coverage Extensions to Section 1.

4. Index Linking

The *Sums Insured* will be increased automatically throughout the *Period of Insurance* in line with:

- A. in respect of *Buildings* other than residential Premises; the General Building Cost Index issued by the Building Cost Information Service of the Royal Institute of Chartered Surveyors,
- B. in respect of residential premises; the Household Rebuilding Cost Index issued by the Association of British Insurers (or some other suitable indices the *Insurers* decide upon);

In the event of loss the *Sums Insured* will continue to be adjusted in accordance with fluctuations in the indices during the period necessary for completion of repair or reinstatement provided that repair or reinstatement is carried out without unreasonable delay. At each renewal the *Premium* will be calculated on the revised *Sum Insured*.

Coverage Extensions to Section 1

1. Architects', surveyors' and other fees

In the event of *Damage* caused by or arising from an *Act of Terrorism* or an *Act of Sabotage*, the *Insurer* agrees to indemnify the *Insured* for the fees of architects, surveyors consulting engineers and other *Professional fees* incurred for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the process of reinstatement of the *Buildings*, provided that:

- A. the *Insured* shall obtain the *Insurer* written consent prior to the incurrence of any such fees and costs; and
- B. the *Insurer* will not be liable for fees incurred in preparing any claim made under this policy; and
- C. the *Insurer* shall not be liable for more than those authorised under the scales of the professional institutions and/or bodies regulating such charges prevailing at the time of the *Damage*; and
- D. the *Insurer's* maximum liability under this Extension shall not
 - i) exceed the *Sub-Limit* specified in the *Schedule* and
 - ii) 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*.

2. Automatic Reinstatement of Sums Insured

It is hereby mutually agreed that, in the event of payment of a claim under this Section, the *Sum Insured* with respect to the claimed *Property Insured*, shall be reinstated to the full amount from the date of the claim until expiry of this Policy, in consideration of the additional premium paid or payable by the *Insured* subject to the *Insurer's* liability not exceeding the *Sub-Limit* specified in the *Schedule*.

3. Capital Additions and Alterations and Improvements

The insurance of *Building(s)* and *Contents* extends to include cover for capital additions, alterations, improvements and newly acquired and/or newly erected *Building(s)* provided that:

- A. the *Insured* declares to the *Insurer* at intervals of not more than 6 (six) months, the date the *Insured* becomes liable for and value of such capital additions, alterations and improvements; and
- B. the *Insurer* shall be entitled to charge an appropriate additional premium from the date of acquisition of the newly acquired property, capital additions, alterations, improvements and the *Insured* shall pay such additional premium on demand from the *Insurer*; and
- C. the maximum additional cover granted by this Extension shall not exceed the lesser of
 - i) 10% (ten percent) of the *Sum Insured* for *Building(s)* or *Contents* depending on the item of *Property Insured* under which the new acquisition is categorised; or
 - ii) the amount specified in the *Schedule*;
- D. this Extension does not include cover for appreciation in value.

4. Debris Removal

The *Insurer* agrees to insure the reasonable and necessary costs incurred in *Debris Removal* from an *Insured Premises* that remains as a direct result of *Damage* insured by this *Policy* provided that this extension shall not cover for costs of decontamination or the removal of:

- A. contaminated uninsured property; or
- B. the contaminant in or on uninsured property,

irrespective of whether or not such contamination, including but not limited to the presence of pollution or *Hazardous* material, results from an insured physical loss or *Damage*.

5. European Union and Public Authorities

The *Insurer* agrees to pay the additional cost of reinstatement of the lost, destroyed or *Damaged Property Insured* incurred by the *Insured* solely to comply with mandatory:

- 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;

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:

- i) the cost incurred in complying with such Regulations, Bye Laws and Directives:
 - a) in respect of *Damage* occurring prior to inception of this *Policy*;
 - b) in respect of *Damage* not insured under this *Policy*;
 - c) under which notice has been served upon the *Insured* prior to the happening of the *Damage*;
 - d) for which there is an existing requirement which has to be implemented within a given period;
- ii) 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 Regulations, Bye Laws and Directives not arisen;
- iii) 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 such Regulations, Bye Laws and Directives.

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 *Insurer* may (during the said 12 (twelve) months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid such Regulations, Bye Laws and Directives so necessitate) subject to the liability of the *Insurer* under this Extension not being thereby increased;
- B. if the liability of the *Insurer* under any item of *Property Insured* in the *Schedule*, apart from this Extension, is reduced by the application of any of the terms and conditions of this *Policy* then, the liability of the *Insurer* under this Extension in respect of any such item of *Property Insured* shall be reduced in like proportion;
- C. the total amount recoverable under any item of the *Property Insured* 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 Insured* (other than foundations) – 15% (fifteen percent) of the total amount for which the *Insurer* would have been liable for with respect to that item of *Property Insured*, had the *Insured Premises* where the *Damage* occurred, been wholly destroyed;
 - iii) the indemnity provided by this clause shall be part of and not in addition to the *Sum Insured* specified 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.

6. Temporary Removal

This Section extends to cover *Property Insured* whilst temporarily removed elsewhere on the same or to any other premises within the *Territorial Limits* (including the private homes of directors, partners and authorised *Persons Employed*) for storage, cleaning, renovation, repair or similar reasons and in transit thereto and therefrom by road, rail or inland waterway provided always that

- A. the *Insurer's* liability shall not exceed the *Sub-Limit* as specified in the *Schedule*; and
- B. the *Insurer* shall not be liable for losses insured under any other policy or recoverable under other parts of this *Policy*.

7. Unoccupied or vacant buildings

If an *Unoccupied Building* or portion thereof is again occupied, the *Insured* will immediately give notice to the *Insurer*. The *Insurer* shall have the right to impose additional conditions, exclusions and charge a suitable additional premium as the *Insurer* may require, reflecting the change in risk.

8. Rent Payable

If *Rent Payable* is specified as 'Insured' in the *Schedule*, then,

- A. if any *Building* leased or rented by the *Insured* becomes uninhabitable or unusable as a result of *Damage* covered under this Section; and
- B. the *Insured* is required under the lease or rental agreement to continue to pay the *Rent Payable*, the *Insurer* will indemnify the *Insured* for either:
 - i) the actual *Rent Payable* for the unexpired term of the lease or, if *Building* is wholly uninhabitable or unusable, until such time that the *Building* is repaired to a condition fit for habitation; or
 - ii) the proportion of the *Rent Payable* applicable to the uninhabitable or unusable part of the *Building* that would otherwise be occupied by the *Insured* if the *Building* is only partially uninhabitable or unusable.

Provided that the *Insurer* shall not be liable for:

- iii) any amount for *Rent Payable* payable beyond the *Indemnity Period* stated in the *Schedule*; and
- iv) any amount in *Excess* of the sum insured in respect of *Rent Payable*.

This Section shall not apply to the policy unless specified as INSURED in the *Schedule*.

Section 2

Business Interruption

Insuring Clause

The *Insurer* will indemnify the *Insured* in accordance with the item of Business Interruption insurance which is described below and shown as operative in the *Schedule*, for the amount of loss caused by the interruption or interference with the *Business* resulting from *Damage to Property Insured* or property used by the *Insured* at the *Insured Premises* by an *Act of Terrorism* or an *Act of Sabotage*, provided that

1. at the time of the happening of the *Damage*, there shall be in force an insurance covering the interest of the *Insured* in the *Property Insured* and/ or the *Building* against such loss or *Damage* and
2. at the time the *Damage* occurs the *Insured* has claimed under the policy referred to above and the insurer of the said policy has paid such claim in full or admitted liability for such claim or would have done so but for the operation of a proviso in such insurance policy excluding liability for losses below a specified amount.

Items of Business Interruption Insurance

Item A - Income

The Insurance under Item A - *Income* is limited to:

- 1 Loss of *Income*;

The amount by which the *Income* during the *Indemnity Period* as stated in the *Schedule* shall, in consequence of the *Incident*, fall short of the *Standard Income*;

AND

- 2 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

- 3 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*.

It is understood and agreed that the insurance provided by Item A- *Income* (1) and (2) are alternatives. The *Schedule* will state which Item cover is provided and the *Sum Insured* that shall apply.

Item B Outstanding Debit Balances

The Insurance under Item B - *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:

- 1 the difference between the *Outstanding Debit Balances* and the total of the amounts received or traced in respect thereof; and 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

- 2 the *Sum Insured* stated in the *Schedule*.

Provided that the *Insurer* shall not be liable under this Policy for any loss or expenditure arising from bad debts or erasure, distortion or corruption or deliberate falsification of *Business* records.

Limit of Liability

The liability of the *Insurer* under this Section including the Extensions to Section 2 shall not exceed

- A. the *Sum Insured* or,
- B. in respect of any individual Items, the *Sub-Limit* specified in the *Schedule*, and
- C. the *Maximum Indemnity Period* specified in the *Schedule*.

Extensions to Section 2

1 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 *Turnover* during the *Indemnity Period*.

2 Auditors Fees

This Section extends to indemnify the *Insured* for the necessary and reasonable fees payable to the *Insured's* 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 *Insurer* provided that the *Insurer's* liability in respect of this Extension shall not exceed the *Sub-Limit* specified in the *Schedule*.

3 Reinstatement of Limit

It is hereby mutually agreed that, in the event of payment of a claim under this Section, the *Sum Insured* shall be reinstated to the full amount from the time of the *Incident* until expiry of this Policy, in consideration of the additional premium paid or payable by the *Insured* in respect of the amount of such reinstatement. However, the liability of the *Insurers* shall never exceed the *Sum Insured* in respect of any one loss.

4 Additional increased cost of working

The *Insurers* will indemnify the *Insured* in respect of additional expenditure in excess of that covered under Increase in Cost of Working incurred to minimise any reduction to the *Business* following any claim under this section, whether or not by making such expenditure the *Insured* will suffer a *Loss of Income* greater than the amount expended. Provided that the *Insurer's* liability in respect of this Extension shall not exceed the *Sub-Limit* specified in the *Schedule*.

5 Contract Sites and Transit

The *Insurer* will indemnify the *Insured* in respect of interruption of or interference with the *Business* caused by *Damage* insured under this *Policy*, to documents belonging to or held in trust by the *Insured* whilst temporarily at the premises not occupied by the *Insured* or whilst in Transit by road, rail or inland waterway anywhere within the Territorial limits provided that the *Insurer's Liability* under this clause shall not exceed ten (10)percent of the *Sum Insured* by this Section or GBP100,000 whichever is lesser.

6 Loss of Attraction and Threat

The Section extends to indemnify the *Insured* for the amount of loss incurred on account of interruption of or interference with the *Business* including the necessary and reasonable costs of *Forensic Accountants* and *Public Relations Consultancy* in consequence of *Damage* or *Threat of Damage* insured under this *Policy* to any property within 250 (two hundred and fifty) metres of the *Insured Premises* which discourages potential customers to the *Insured Premises* but the *Insurer* shall not be liable for any amount in excess of the *Sub-Limit* and *Waiting Period* specified in the *Schedule*. In the event of loss involving Loss of Attraction and Denial of Access arising out of the same *Incident* at the same *Insured Premises* each extension shall be subject to its own *Sub-Limit* provided that the maximum amount payable shall not exceed the largest applicable *Sub-Limit*.

7 Denial of Access and Threat

The Section extends to indemnify the *Insured* for the amount of loss incurred on account of interruption of or interference with the *Business* including the necessary and reasonable costs of *Forensic Accountants* and *Public Relations Consultancy* in consequence of *Damage* or *Threat of Damage* insured under this *Policy* to any property within 250 (two hundred and fifty) metres of the *Insured Premises* which prevents the use of or access to the *Property Insured* irrespective of whether or not the *Property Insured* suffers similar physical loss, destruction or

Damage or *Threat* thereof provided that the *Insurer* shall not be liable for any claim in excess of the *Sub-Limit* and *Waiting Period* specified in the *Schedule*.

8 Public Utilities

The Section extends to indemnify the *Insured* for loss arising from interruption of or interference with the *Business* in consequence of *Damage* by an *Act of Terrorism* or an *Act of Sabotage*, to property at the premises of the following public utilities in the *Territorial Limits* from which the *Insured* obtains 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 *Insured Premises*.

Provided that the *Insurer* shall not be liable

- i) for any claim in excess of the *Sub-Limit* specified in the *Schedule*;
- ii) for any failure which does not involve a cessation of supply for at least sixty consecutive minutes;
- iii) caused by the deliberate act of any supply undertaking or by the exercise by any such undertaking of its power to withhold or restrict supply or services
- iv) the total or partial failure occasioned by strike or lock-out, total or partial withdrawal of labour, or total or partial cessation of work.
- v) the total or partial failure occasioned by drought
- vi) the total or partial failure occasioned by atmospheric or weather conditions, but this shall not exclude failure due to damage to equipment caused by such conditions.

9 Suppliers Extension

The Section extends to indemnify the *Insured* for interruption of or interference with the *Business* in consequence of *Damage* by an *Act of Terrorism* or an *Act of Sabotage*, to property at the premises of the *Insured's* direct suppliers, manufacturers or processors of components, goods or materials as stated in the *Schedule* and situated within the *Territorial Limits* provided that

- A. 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;
- B. the *Insurers* shall not be liable for any amount in excess of the *Sub-Limit* specified in the *Schedule*.

10 Unspecified Suppliers

This Section extends to include interruption of or interference with the *Business* in consequence of *Damage* by an *Act of Terrorism* or an *Act of Sabotage* to property at the premises of any of the *Insured's* direct suppliers, manufacturers or processors of components, goods or materials, other than as specified herein, within the *Territorial Limits* provided that

- A. 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;
- B. the *Insurers* shall not be liable for any amount in excess of the *Sub-Limit* specified in the *Schedule*.

Special Extension to Section 2

1 Declaration Linked loss of Loss of Income Endorsement

In respect of *Sums Insured* specified as 'declaration linked condition operative' in the *Schedule*, the following amendments are made to the *Schedule* and to this **Section 2 Business Interruption** to change the cover under this Section to the Declaration Linked Basis:

- A. On the *Schedule* the words "Estimated *Income*" whichever is insured hereunder replace '*Sum Insured*';
- B. Item A *Income* shall read 'Item B - Estimated *Income*';

- C. The 'Average' provision under Sub-clause A of **Special Conditions to Item A – Gross Profit** and **Special Conditions to Item B – Income** are deleted and of no effect.
- D. The following is added to 'Limit of Liability' in respect of Item A - *Gross Profit* or Item B - *Income* whichever is insured by this Section:

Notwithstanding anything herein to the contrary, the liability of the *Insurers* shall in no case exceed, in respect of loss of *Gross Profit* or *Income* 133.333% (one hundred and thirty three and one third percent) of the *Estimated Gross Profit* or *Estimated Income* whichever stated as insured in the *Schedule*, nor in the whole 133.333% (one hundred and thirty three and one third percent) of the *Estimated Income* whichever stated as insured in the *Schedule* and 100% (one hundred percent) of the Sums *Insured* by other Items or such amounts as may be substituted by the *Insurers*.

In the absence of written notice by the *Insured* or the *Insurers* to the contrary, the *Insurers*' liability shall not stand reduced by the amount of any loss, the *Insured* undertaking to pay the appropriate additional premium for such automatic reinstatement of cover;

- E. The following 'Premium Adjustment Clause' and 'Renewal Clause' are included in respect of this Section:

i) Premium Adjustment

The first and renewal premiums in respect of Item A *Estimated Gross Profit* or Item B *Estimated Income* where insured by this Section are provisional and are based on the *Estimated Gross Profit* or the *Estimated Income* whichever is insured hereunder. The *Insured* shall furnish to the *Insurers* not later than 6 (six) months after the expiry of each *Period of Insurance*, a declaration confirmed by the *Insured's* auditors of the *Gross Profit* or *Income* earned during the financial year most nearly concurrent with the *Period of Insurance*. If any *Incident* shall have occurred giving rise to a claim for loss of *Gross Profit* or loss of *Income* the aforementioned declaration shall be increased by the *Insurers*, for the purposes of premium adjustment, by the amount by which the *Gross Profit* or *Income* was reduced during the financial year solely in consequence of the *Incident*.

If the declaration (adjusted as provided above or proportionately increased where the *Maximum Indemnity Period* exceeds 12 (twelve) months):

- a) is less than the *Estimated Gross Profit* or *Estimated Income* whichever insured hereunder for the relative *Period of Insurance* the *Insurers* shall allow a pro rata return of premium paid on the *Estimated Gross Profit* or *Estimated Income* but not exceeding 50% (fifty percent) of such premium;
- b) is greater than the *Estimated Gross Profit* or *Estimated Income* whichever insured for the relative *Period of Insurance* the *Insured* shall pay a pro rata addition to the premium paid on the *Estimated Gross Profit* or *Estimated Income* whichever is insured hereunder.

ii) Renewal

The *Insured* shall prior to each renewal furnish the *Insurers* with the *Estimated Gross Profit* or the *Estimated Income* whichever insured for the financial year most nearly concurrent with the ensuing *Period of Insurance*.

Conditions to Section 2

The following conditions are included in this Section.

1. Cessation of Business

If, subsequent to the happening of an *Incident* by a *Defined Peril*, the *Business* is wound up or carried on by a liquidator, receiver or administrator or permanently discontinued, this Section shall cease to have effect from the date of the decision to wind up or permanently discontinued the *Business* or date of the decision to appoint a liquidator, receiver or administrator unless this Section's continuance is agreed in writing by the *Insurer*.

2. 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*.

3. Experience of the Business

In determining the amount of loss arising from interference or interruption to the *Business* insured under this Section, due consideration shall be given to the experience of the *Business* before the date of the *Incident* and the probable experience of the *Business* thereafter had no loss or *Damage* occurred to the *Property Insured*.

4. 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 *Insured Premises*, any terms in this Section's 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*.

5. Special Conditions to Item A - Income

- A. If the *Sum Insured* under Item B - *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.
- B. The premium paid for Item B - *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*.
- C. 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.
- D. The *Annual Income* and *Standard Income* are subject to such adjustments as may be necessary to provide for the trends of the *Business* which would have affected the *Business* had the *Incident* resulting *Damage* to the *Property Insured* not occurred. The figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the *Damage* to the *Property Insured* would have been obtained during the relative period after the date of the *Incident*.

6. Special Condition to Item B – 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 or
- C. where records are maintained on electronic media, back records up at least daily and remove such backup from the premises whenever the premises are closed for business or unattended

7. VAT

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.

Exclusions to Sections 1 and 2

The following Exclusions shall apply to the above mentioned Sections of this Policy in addition to the **General Exclusions** of the Policy unless as stated otherwise.

1. The *Insurer* shall not be liable for any amount of the *Excess* as specified in the *Schedule* with respect to the Section or individual coverages under the Sections.
2. Land or land values.
3. Power transmission, feeder lines or pipelines not on the *Insured Premises*.
4. Any building or structure, or property contained therein, while such building or structure is vacant or unoccupied or inoperative for more than thirty days, unless the property is intended to be unoccupied in its normal operations.
5. Aircraft or any other aerial device, or watercraft.
6. Any land conveyance, including vehicles, locomotives or rolling stock, unless such land conveyance is declared hereon and solely whilst located at the property insured herein at the time of its damage.

7. Animals, plants and living things of all types.
8. Property in transit not on the *Insured Premises*.

This Section shall not apply to the policy unless specified as INSURED in the *Schedule*.

Section 3

Public Liability

Cover and Jurisdiction

This Section provides cover against legal liability for *Damages* and claimant's costs and expenses and *Legal Costs* in respect of *Injury* sustained by any person, other than a *Person Employed*, and *Damage to Property* directly or indirectly caused by, or contributed to by, or arising from an *Act of Terrorism* or an *Act of Sabotage*.

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

1 against legal liability for damages and claimant's costs and expenses in respect of:

- A *Injury* to any person (other than a *Person Employed*);
- B *Damage to Property*;
- C *Nuisance*;
- D *Personal Injury*;

occurring during the *Period of Insurance* within the *Territorial Limits* in connection with the *Business*;

2 in respect of *Legal Costs* incurred with the written consent of the *Insurers* in connection with any *Event* which is or may be the subject of indemnity under 1 above.

Provided always that no indemnity will be afforded by the *Insurers* in respect of any damages?, judgement, award or settlement made in any country or territory which operates under the laws of the United States of America or of 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 terms 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 and Legal Costs

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 and all Extensions in respect of any one *Event* shall not exceed the *Limit of Liability* specified in the *Schedule* for Public Liability.

2 Unless otherwise stated *Legal Costs* payable by the *Insurers* shall be paid in addition to the *Limit of Liability* provided always that the liability of the *Insurers* for *Legal Costs* in respect of any claim shall be limited to such proportion as the *Limit of Liability* bears to the amount paid to dispose of such claim.

Nothing contained in this clause shall be construed to vary or override Claims Conditions of this Policy.

Extensions to Section 3

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

1. Property Owners' Liability

The insurance covers sums which the *Insured* shall become legally liable to pay as damages, *Legal costs* or any other costs and expenses to any person other than the *Persons Employed*, for *Bodily Injury* or *Damage* to property provided that

- A. such legal liability arises solely in connection with the *Insured's* ownership of or responsibility for the *Building* insured by this Section;
- B. the *Insurer* shall not be liable in respect of any liability arising under any contract or indemnity which imposes upon the *Insured* liability which would not otherwise have been arising in the absence of the contract;
- C. the *Insurer* shall not be liable in respect of any liability arising from boilers other than those used for domestic purposes or any pressure plants;
- D. the *Insurer* shall not be liable for any amount in excess of the sum stated in the *Schedule* in respect of any one *Occurrence* irrespective of the number of claimants.

2. Subrogation Waiver

If the terms of any contract or agreement entered into by the *Insured* so require, the *Insurers* will waive any right of subrogation they may have or acquire, but only to the extent required by such contract or agreement, subject otherwise to the limits, terms, conditions and exclusions of this Policy.

3. Pollution or Contamination

The *Insurers* will indemnify the *Insured* and any *Additional Insured* for damages, statutory clean up costs and claimant's costs and expenses which the *Insured* is legally liable to pay, or legally obliged to incur, for remediation of Pollution or Contamination which occurs within the Republic of Ireland, Great Britain, Northern Ireland, the Channel Islands or the Isle of Man or member state of the European Union in connection with the *Business* provided always that:

- A. such liability arises under an environmental protection directive, statute or statutory instrument; and
- B. Pollution or Contamination is caused by an *Incident* which takes place in its entirety at a specific time and place during the *Period of Insurance*; and
- C. 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* where each policy making up that continuous insurance is underwritten by the *Insurers* or by an affiliate.

Injury and *Damage* caused by Pollution or Contamination which arises out of an *Incident*, 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 *Incident* takes place.

The Limit of Liability of the *Insurers* in respect of all *Incidents* agreed by the *Insurers* to have happened during the *Period of Insurance* in respect of Pollution or Contamination shall not exceed the *Sub-Limit* specified in the *Schedule* in the aggregate for in respect of the *Period of Insurance* inclusive of Legal Costs and statutory clean-up costs.

4. Principals

The *Insurer* will indemnify any principal of the *Insured*, upon written request from the *Insured*, but only to the extent required by contract conditions in respect of liability arising solely out of work performed for the principal by or on behalf of the *Insured* and provided that:

- A. the principal shall comply with and be subject to the terms and conditions of this *Policy* in so far as they can apply as though he were the *Insured*; and
- B. the *Insurer's* liability under this extension shall in no way operate to increase the Limit of Liability; and
- C. such liability is not covered under any other insurance or in any other way.

5. Cross Liabilities

If the *Insured* comprises more than one entity the *Insurers* will indemnify each entity in the same manner and to the same extent as if a separate *Policy* had been issued to each provided that the total amount of indemnity

afforded by the *Insurers* shall not exceed the Limit of Liability regardless of the number of entities entitled to indemnity.

6. Compensation for Court Attendance

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

| | | |
|---|---|--------|
| A | any director or partner of the <i>Insured</i> | GBP500 |
| B | any other <i>Person Employed</i> | GBP250 |

Exclusions to Section 3

This Section will not apply to legal liability:

1. Advertising Injury

to a third party arising out of the *Insured's* advertising activities.

2. 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*.

3. Product

directly or indirectly caused by, arising from or in connection with any *Product*.

4. Property in the Insured's Care, Custody or Control

in respect of loss of or *Damage* to any *Property* which at the time of the *Event* giving rise to such liability is owned by, 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 will only be provided to the extent that such liability would have attached in the absence of the said agreement.

5. Pollution or Contamination

directly or indirectly caused by, arising from or in connection with *Pollution or Contamination* except as insured under any extension to this Section.

6. Vehicles

arising out of the ownership or 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.

7. 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, air or space but this Exclusion will not apply to waterborne craft not exceeding 4 (four) metres in length in the territorial waters of Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, and Member States of the European Union.

8. Work Offshore

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

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. Loss or damage arising directly or indirectly from nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
2. Loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power, or civil commotion assuming the proportions of or amounting to an uprising.
3. Loss by seizure or legal or illegal occupation unless physical loss or damage is caused directly by an *Act of Terrorism* or an *Act of Sabotage*.
4. Loss or damage caused by confiscation, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives the Insured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
5. Loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.
6. Loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind.
7. Loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind.
8. Any fine or penalty or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person.
9. Loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion.
10. Loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder.
11. Loss or damage caused by measures taken to prevent, suppress or control actual or potential terrorism or sabotage unless agreed by Underwriters in writing prior to such measures being taken.
12. Any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working.
13. Loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service.
14. Loss or increased cost as a result of threat or hoax except as insured under any extension to this *Policy*.

15. Loss or damage caused by or arising out of burglary, house - breaking, looting, theft or larceny.
16. Loss or damage caused by mysterious disappearance or unexplained loss.
17. Loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other microorganism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

General Endorsements

Cyber & Data Exclusion

Notwithstanding anything to the contrary within this contract of insurance ("Contract") or any Endorsement thereto, this Contract does not cover loss or damage directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

1. Any electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon;
2. Any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data.

Subject to all the terms and conditions of this Contract, this exclusion shall not operate to exclude physical loss or physical damage to property insured under this Contract arising from the use of any computer system or program in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

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

This Endorsement supersedes and, if in conflict with any other wording in the Contract or any Endorsement thereto having a bearing on loss or damage by electronic means or Data, replaces that wording.

Definitions

1. Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.
2. Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

All other terms and conditions remain unaltered.

Communicable Disease

1. This policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of insurance. Consequently and notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
 - 2.1. for a Communicable Disease, or
 - 2.2. any property insured hereunder that is affected by such Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.
4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the policy remain the same.

Claims Conditions

The following Claims Conditions shall apply to the Sections and Extensions of this Policy as stated below.

In respect of Section 1 - Property Damage, Section 2 – Business Interruption

In the event of a claim or any incident occurring which may give rise to a claim under this Policy the *Insured* shall notify the *Insurer* via the broker or intermediary or by contacting the *Insurer* directly via the Claims Notification details specified in the *Schedule* as soon as practicable and in any event within 7 (seven) days in the case of *Damage*.

The *Insured* shall supply at its own expense full details of the claim in writing together with any supporting information, receipts and proofs which the *Insurer* may reasonably require and no claim shall be paid until the *Insured* has complied with this paragraph.

In respect of Section 3 – Public Liability

a condition precedent to *Insurer's* liability, every letter, claim, writ, summons and/or process in connection with such occurrence or circumstances shall be forwarded to the *Insurer* at the address specified in the *Schedule*, immediately on receipt and in electronic format within 3 days (business) of the date and time of receipt.

1. As a condition precedent to liability, the *Insured* shall notify the *Insurer* via the Claims notification details specified in the *Schedule* immediately when the *Insured* shall have knowledge of any occurrence or circumstances which may give rise to liability under this Policy.
2. The *Insurer* shall have no liability for any admission, offer, promise, payment, *Legal Cost* or indemnity made or given by or on behalf of the *Insured* without the *Insurer's* written consent.
3. The *Insurer* shall be entitled to take over and conduct in the name of the *Insured* the defence or settlement of any claim, or to prosecute any claim in the name of the *Insured* for their own benefit, and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. The *Insured* shall give all such information and assistance as the *Insurer* may require.
4. It is a condition precedent that if the *Insured* receives any notification directly from a *Person Employed* or third party Claimant or their appointed representative, that the *Insured* must acknowledge receipt of the notification to the *Person Employed* or third party Claimant or their appointed representative:
 - A. Within 24 (twenty four) hours from the date and time of receipt thereof, and
 - B. The acknowledgement must state that the claim notification has been sent to the *Insurer*, and
 - C. the claim notification must be sent, within 24 (twenty four) hours to the *Insurer* and any failure to comply with this condition may result in the *Insurer* refusing to indemnify or the *Insured* being liable for any increased costs and/or damages to settle the claim if such costs and damages would not have been incurred had the *Insured* complied with this condition.

General Conditions

The following General Conditions shall apply to all Sections of this Policy unless stated otherwise:

1. **Abandonment**

The *Insured* shall not in any case be entitled to abandon any property to the *Insurer* whether taken possession of by the *Insurer* or not.
2. **Action to Minimise Loss**

It is a condition that if any incident occurs which may give rise to a claim under this 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*.
3. **Alteration of risk**

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*;

the *Insured* shall give written notice to the *Insurer* as soon as reasonably practical and in any event no later than 14 (fourteen) days from the date of the alteration or the *Insured's* knowledge of the alteration.

The *Insurer* reserve the right to amend the terms of this Policy at the time of such notification and no indemnity shall be provided until the *Insured* has accepted the terms, which offer and acceptance must be signified in writing and by an Endorsement attaching to this Policy. Any change in the description of the *Business* and any material variation from the information supplied to the *Insurer* at the time this insurance was effected, not notified to the *Insurer* are not indemnified hereunder.

4. Arbitration

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

5. Assignment

The insurable interest in the insurance by this Policy shall not be transferred without the written consent of the *Insurer*.

6. Cancellation

This Policy shall be non-cancellable by the *Insurer* or the *Insured* except in the event of non-payment of premium where the *Insurer* may cancel the Policy at their discretion.

In the event of non-payment of premium this Policy may be cancelled by or on behalf of the *Insurer* by delivery to the *Insured* or by mailing to the *Insured* or the Broker by registered, certified, or other first class mail, at the *Insured's* address as shown in this Policy, written notice stating when, not less than fifteen (15) days thereafter, the cancellation shall be effective. The mailing of such notice shall be sufficient proof of notice and this Policy shall terminate at the date and hour specified in such notice.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

7. Choice of Law

Unless otherwise agreed by the *Insurer* and the *Insured*, this Policy shall be subject to and construed solely in accordance with the laws of England and Wales or for insureds domiciled in Scotland the laws of Scotland.

8. Contract (Rights of Third Parties) Act 1999

This insurance does not confer or create any right enforceable under the Contracts (Rights of Third Parties) Act 1999 or any amending or subsequent legislation by any person who is not named as the *Insured* and both the *Insurer* and *Insured* may amend, cancel or lapse this insurance without giving notice to, or requiring the consent of, any other third party. However, this will not preclude rights enforceable under the Third Parties (Rights against Insurers) Act 2010.

9. Contribution

If at the time of any claim(s) covered by the **Section 1 - Property Damage, and Section 2 - Business Interruption** sections of this Policy, other insurances cover the same risk or part thereof, the *Insurer* 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 *Insurer* shall be limited to that proportion of the *Damage* which the *Sum Insured* under this *Policy* bears to the value of the property.

10. 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 *Insurer* 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 *Insurer* 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 *Insurer's* adjusted premium calculations. The *Insurer* reserve the right to request the *Insured* to supply an auditor's certificate attesting to the accuracy of any information furnished to the *Insurer*.

This applies to any Policy (or Policies) which may be issued by the *Insurer* in substitution for this Policy and the same discount shall be allowed off the premiums for any substituted Policy (or Policies) issued by the *Insurer* as aforesaid.

Payment of the premium due at the expiry date as specified in the *Schedule* shall be deemed to be acceptance by the *Insured* of the terms of this Condition.

11. Excess

No indemnity is provided until the applicable *Excess* for any claim has been paid to and received by the *Insurer* hereon.

12. Fraud

If the *Insured* or any person acting on behalf of the *Insured* commits fraud, by any means, knowing it to be false or fraudulent, and thereby obtains benefit under this *Policy* from such fraud, this Insurance shall become void from the date of the fraudulent act and all benefit obtained from the *Policy* from the date of the fraud shall be forfeited.

13. Fraudulent claims

If the *Insured* makes a fraudulent claim under this insurance, the *Insurer*:

- i) is not liable to pay the claim;
- ii) may recover from the *Insured* any sums paid by the *Insurer* to the *Insured* in respect of the claim; and
- iii) may by notice to the *Insured* treat the contract as having been terminated with effect from the time of the fraudulent act.

If the *Insurer* exercises its right under 13 iii):

- i) the *Insurer* shall not be liable to the *Insured* in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to the *Insurer's* liability under the insurance contract (such as the occurrence of a loss, the making of a claim or the notification of a potential claim); and
- ii) the *Insurer* need not return any of the premiums paid.

14. Investigation Rights following a Claim

On the happening of any *Incident* in respect of which a claim is or may be made under this *Policy*, the *Insurer* (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 *Incident* has occurred, and to take and keep possession of any of the *Property Insured* (or require it to be delivered to them) for investigative purposes, 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. This condition shall be evidence of permission from the *Insured* to the *Insurer* so to do.

If the *Insured* or anyone acting on behalf of the *Insured* shall not comply with the requirements of the *Insurer* or shall hinder or shall obstruct the *Insurer* in doing any of the above mentioned acts then all benefit under this *Policy* shall be forfeited.

15. Onus of Proof

In any claim and/or action, suit or proceeding to enforce a claim for loss under this *Policy*, the burden of proving that the loss is recoverable under this *Policy* and that no limitation or exclusion of this *Policy* applies and the quantum of loss shall fall upon the *Insured*.

16. Payment of Premium

No indemnity is provided by this *Policy* until the premium has been paid to and received by the *Insurer* hereon. If the premium is not paid and accepted by the *Insurer* on or before the premium payment date specified in the *Schedule* the *Insurer* can give written notice to the *Insured* at its address specified on the *Schedule*, cancelling the *Policy*.

17. Reasonable diligence

It is a condition that the *Insured* 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; which might give rise to a claim under this *Policy*.

18. Reinstatement of Damage

If the *Insurer* 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 *Insurer* may reasonably require. The *Insurer* 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 of *Property Insured* more than its *Sub-Limit*.

19. Remedies for breach of the duty of fair presentation

- A. If, prior to entering into this insurance contract, the *Insured* shall breach the duty of fair presentation, the remedies available to the *Insurer* are set out below.
- i) If the *Insured's* breach of the duty of fair presentation is deliberate or reckless:
 - a) The *Insurer* may avoid the contract, and refuse to pay all claims; and
 - b) The *Insurer* need not return any of the premiums paid.
 - ii) If the *Insured's* breach of the duty of fair presentation is not deliberate or reckless, the *Insurer's* remedy shall depend upon what the *Insurer* would have done if the *Insured* had complied with the duty of fair presentation:
 - a) If the *Insurer* would not have entered into the contract at all, the *Insurer* may avoid the contract and refuse all claims, but must return the premiums paid.
 - b) If the *Insurer* would have entered into the contract, but on different terms (other than terms relating to the premium), the contract is to be treated as if it had been entered into on those different terms from the outset, if the *Insurer* so requires.
 - c) In addition, if the *Insurer* would have entered into the contract, but would have charged a higher premium, the *Insurer* may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, the *Insurer* shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged/higher premium}) \times 100$.
- B. If, prior to entering into a variation to this insurance contract, the *Insured* shall breach the duty of fair presentation, the remedies available to the *Insurer* are set out below:
- i) If the *Insured's* breach of the duty of fair presentation is deliberate or reckless:
 - a) The *Insurer* may by notice to the *Insured* treat the contract as having been terminated from the time when the variation was concluded; and
 - b) The *Insurer* need not return any of the premiums paid.
 - ii) If the *Insured's* breach of the duty of fair presentation is not deliberate or reckless, the *Insurer's* remedy shall depend upon what the *Insurer* would have done if the *Insured* had complied with the duty of fair presentation:
 - a) If the *Insurer* would not have agreed to the variation at all, the *Insurer* may treat the contract as if the variation was never made, but must in that event return any extra premium paid.
 - b) If the *Insurer* would have agreed to the variation to the contract, but on different terms (other than terms relating to the premium), the variation is to be treated as if it had been entered into on those different terms, if the *Insurer* so requires.
 - c) If the *Insurer* would have increased the premium by more than it did or at all, then the *Insurer* may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the *Insurer* shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged/higher premium}) \times 100$.

- d) If the *Insurer* would not have reduced the premium as much as it did or at all, then the *Insurer* may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the *Insurer* shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged/reduced total premium}) \times 100$.

20. Sanctions

No *Insurer* shall be deemed to provide cover and no *Insurer* shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that *Insurer* to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

21. Subrogation

Any claimant under this *Policy* shall, at the request and expense of the *Insurer*, 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 *Insurer*.

22. Subrogation Waiver

Notwithstanding the subrogation condition above, in the event of a claim arising under this *Policy* the *Insurer* 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).

Further Information

Complaints Procedure

Please refer to the Complaint Procedure documentation provided along with *Your* Insurance documents.

Data Protection Information

Who We are

We are the Lloyd's underwriter(s) identified in the contract of insurance and/or in the certificate of insurance.

The basics

We collect and use relevant information about you to provide you with *Your* insurance cover or the insurance cover that benefits you and to meet our legal obligations.

This information includes details such as *Your* name, address and contact details and any other information that *We* collect about you in connection with the insurance cover from which *You* benefit. This information may include more sensitive details such as information about *Your* health and any criminal convictions *You* may have.

In certain circumstances, *We* may need *Your* consent to process certain categories of information about *You* (including sensitive details such as information about *Your* health and any criminal convictions *You* may have). Where *We* need *Your* consent, *We* will ask you for it separately. *You* do not have to give *Your* consent and *You* may withdraw *Your* consent at any time. However, if *You* do not give *Your* consent, or *You* withdraw *Your* consent, this may affect *Our* ability to provide the insurance cover from which *You* benefit and may prevent *Us* from providing cover for *You* or handling *Your* claims.

The way insurance works means that *Your* information may be shared with, and used by, a number of third parties in the insurance sector for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. *We* will only disclose *Your* personal information in connection with the insurance cover that *We* provide and to the extent required or permitted by law.

Other people's details you provide to us

Where *You* provide us or *Your* agent or broker with details about other people, *You* must provide this notice to them.

Want more details?

For more information about how *We* use *Your* personal information please see our full privacy notice(s), which is/are available online on our website(s) or in other formats on request.

Contacting us and your rights

You have rights in relation to the information *We* hold about *You*, including the right to access *Your* information. If *You* wish to exercise *Your* rights, discuss how *We* use *Your* information or request a copy of our full privacy notice(s), please contact us, or the agent or broker that arranged *Your* insurance who will provide *You* with our contact details at:

Data Protection Officer
Brit Syndicates Limited
The Leadenhall Building
122 Leadenhall Street
London EC3V 4AB

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

10th Floor

Beaufort House

15 St Botolph Street

London EC3A 7QU

Tel: 020 7741 4100

0800 678 1100

Fax: 020 7741 4101

Website: www.fscs.org.uk

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Authorised by the Prudential Regulatory Authority and regulated by the Financial Conduct Authority and the Prudential Regulatory Authority.