

## Commercial Combined Policy



INSURANCE  
CORPORATION

## Welcome

Welcome to the Insurance Corporation of the Channel Islands.

Thank you for choosing us as your insurer.

Your Policy (including the Schedule, Endorsements, Clauses and Certificates) is evidence of a legal contract and the document should be kept in a safe place.

We are happy to provide duplicates if you mislay any part of your documentation.

Please read the Policy and Schedule carefully and if they do not meet your needs return them to us or your insurance intermediary.

### Law Applicable

Under the laws of the United Kingdom (England, Scotland, Wales and Northern Ireland) both parties may choose the law which applies to this contract, to the extent permitted by those laws. Unless the parties agree otherwise in writing, the Insurer has agreed with the Insured that the law which applies to this contract is the law which applies to the part of the United Kingdom in which the Insured is based, or, if based in the Channel Islands or the Isle of Man, the law of whichever of those two places in which the Insured is based.

The parties have agreed that any legal proceedings between them in connection with this contract will only take place in the courts of the part of the United Kingdom in which the Insured is based, or, if the Insured is based in either the Channel Islands or the Isle of Man, the courts of whichever of those two places in which the Insured is based.

Your right as an Insured to take legal action remains unaffected by the existence or use of any complaint procedure.

# **Statutory Status – Important Notice to Insureds**

## **Registered Insurer**

Insurance Corporation of the Channel Islands Limited, registered in Guernsey (No. 10569), is licensed and regulated by the Guernsey Financial Services Commission, and is also licensed and regulated by the Jersey Financial Services Commission and the Insurance and Pensions Authority in the Isle of Man.

Insurance Corporation of the Channel Islands Limited is a member of the RSA Group of Companies.

## **Compulsory Insurance (Employers' Liability) outside of Guernsey**

In respect of any insurance under this policy, required to meet legislation enacted in Great Britain and Northern Ireland, Jersey and the Isle of Man the registered insurer shall be:

Royal & Sun Alliance plc (no 93792), Registered in England and Wales at St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Royal & Sun Alliance plc is a member of the RSA Group of Companies.

# Customer Care

## Claims Helpline

We recognise that losses mean disruption to your business and that the ultimate test of any insurance policy is providing a fast, effective claims service. Should you need to make a claim under your policy. Please contact your broker for advice in the first place.

Alternatively you can contact our Claims Team on 01481 707592 during business hours or by email [icci.claims@insurancecorporation.com](mailto:icci.claims@insurancecorporation.com)

In the event of an emergency outside normal business hours, please ring 07781 108739, where you will be able to speak to Channel Islands Adjusters, our preferred loss adjuster for large or emergency insurance claims.

Please quote your Policy Number which can be found on your Schedule.

# Claim Notification

Conditions that apply to this Policy in the event of a claim are set out in the Policy Conditions pages of this Policy. It is important that you comply with all Policy Conditions and you should familiarise yourself with their requirements.

Directions for claim notification are included in the Policy Conditions. Please remember that events that may give rise to a claim under this insurance must be notified as soon as reasonably possible although there are some situations where immediate notification is required.

The Policy Conditions require you to provide us with any reasonable assistance and evidence that we may require concerning the cause and value of any claim. Ideally, as part of your initial claim notification, you should provide:

- Your name, address, and your email and contact numbers
- Personal details necessary to confirm your identity
- Policy number
- The date of the incident
- The cause of the loss or damage
- Details of the loss or damage together with claim value if known or in respect of injury the nature and extent
- The crime reference number where applicable
- Names and addresses of any other parties involved or responsible for the incident (including details of injuries) and addresses of any witnesses.

This information will enable us to make an initial evaluation on policy liability and claim value. We may, however, request additional information depending upon circumstances and value which may include the following:

- Original purchase receipts, invoices, instruction booklets or photographs
- Purchase dates and location of lost or damaged property
- For damaged property, confirmation from a suitably qualified expert that the item you are claiming for is beyond repair.

Sometimes, we or someone acting on our behalf may wish to meet with you to discuss the circumstances of the claim, to inspect the damage or to undertake further investigations.

We take pride in the claims service we offer to our customers. Our philosophy is to repair or replace lost or damaged property, where we consider it appropriate, and we have developed a network of contractors, repairers and product suppliers dedicated to providing claim solutions.

Where we can offer repair or replacement through a preferred supplier but we agree to pay cash settlement, then payment will normally not exceed the amount we would have paid our preferred supplier.

# Commercial Combined Insurance Policy

## Your Policy

This Policy is a contract between you (also referred to as the Insured or your) and us (also referred to as the Insurer, we, our or Insurance Corporation of the Channel Islands).

We would advise for clarity that although there may be more than one party detailed as Insured in the Schedule, in terms of the application of Sums Insured, Limits of indemnity or cover under the Policy, there is still only one Insured or one party or legal entity so there will only be two parties to the contract of insurance.

This Policy and any Schedule, Endorsements, Clauses and Certificates should be read as if they are one document.

Our acceptance of this risk is based on the information presented to us being a fair presentation of your business including any unusual or special circumstances which increase the risk and any particular concerns which have led you to seek insurance.

We would draw your attention to the Policy Conditions – Policy Voidable where in the event of deliberate or reckless misrepresentation and/or non-disclosure of any unusual or special circumstances which increase the risk, we may void the policy.

Our continued acceptance is based on any changes from the original information presented being advised and accepted by us.

We also draw your attention to the Policy Conditions – Alterations where a change in risk shall allow us to avoid a claim or impose additional terms or conditions.

Any reference to the singular will include the plural or vice versa.

Any reference to any statute or statutory instrument will include any modifications or re-enactment thereto.

This Policy may be cancelled:

- A By us giving 30 days notice, in writing, to you at your last known address
- B By you giving 30 days notice, in writing, to us at the address shown in the Schedule.

You will be entitled to a proportionate return of premium unless a claim has been made in the current Period of Insurance.



Mark Marshall  
Managing Director, Insurance Corporation of the Channel Islands

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# Theft

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

## DEFINITIONS

**'Premises'** means that part of the building(s) situated at the address(es) referred to in the Items of the Appendix to this Section and occupied by the Insured in connection with the Business but excluding any garden yard open space or outbuilding unless mentioned in the Schedule

**'Stock'** means stock and materials in trade the property of the Insured or held in trust or on commission for which the Insured is responsible excluding tobacco cigars cigarettes wines and spirits unless specifically mentioned in the Schedule

**'Business Equipment'** means business equipment fixtures fittings furniture plant machinery and All Other Contents the property of the Insured or held in trust for which the Insured is responsible but excluding Stock

**'All Other Contents'** includes the following insofar as they are not otherwise or more specifically insured

- a documents manuscripts business books patterns models moulds plans and designs and computer systems records but only for the value of the materials together with the cost of labour or computer time expended in reproducing them but excluding
  - i any expenses in connection with the recompilation or retrieval of the information contained in them
  - ii the value to the Insured of the information that they contain
- b directors' partners' customers' visitors' and employees' pedal cycles and other personal effects and tools for an amount not exceeding £500 in respect of any one person
- c tobacco cigars cigarettes wines and spirits kept for entertainment purposes for an amount not exceeding £500 per Premises

**'Damage'** means accidental loss destruction or damage

## A COVER

In the event of

- 1 the Property or any part of it in the Premises sustaining Damage by theft or attempted theft
  - a involving entry to or exit from the Premises by forcible and violent means or
  - b as a result of or in connection with actual or threatened assault or violence or use of force at the Premises against the Insured or any director partner or employee of the Insured or any other person lawfully on the Premises
- 2 the Premises sustaining Damage falling to be made good by the Insured
  - a as a result of or in connection with or
  - b in an attempt to gain entry to commit theft or attempted

the Insurers will indemnify the Insured by at their option repairing replacing or paying the amount of the Damage

### Limits of Liability

For all Damage occurring during any one Period of Insurance the Insurers' liability shall not exceed in respect of

- 1 each Item of the Property the Sum Insured set against it and for all Items the total of the Sums Insured
- 2 Damage to the Premises falling to be made good by the Insured the cost of repairs up to a maximum limit of £25,000

## B EXTENSIONS

- 1 **Breakage of Glass** The Insurers will indemnify the Insured in the terms of this Section against Damage to fixed glass and framework forming part of the Premises provided that such Damage
  - a has arisen as a result of or in connection with theft or attempted theft as described in Paragraphs 1 and 2 of COVER
  - b falls to be made good by the Insured
  - c is not otherwise insured

The Insurers will also pay the reasonable cost of any necessary boarding up as a result of such Damage

2 **Replacement of Locks** The Insurers will in addition indemnify the Insured in the terms of this Section in respect of costs incurred as a result of the necessary replacement of locks at the Premises following theft as described in Paragraphs 1 a and 1 b of COVER of keys from the Premises or from the home of any director partner or employee authorised by the Insured to hold such keys provided that the liability of the Insurers shall not

- a cover the cost of replacing the locks of any safe or strongroom if the keys to such locks are left on the Premises whilst closed for business
- b exceed £500 any one occurrence of theft

3 **Temporary Removal** Notwithstanding the limitation to the Premises as referred to in Paragraph 1 of COVER the Insurers will indemnify the Insured in the terms of this Section against Damage if

- a plant machinery or equipment (other than motor vehicles and motor chassis licensed for normal road use) is for cleaning renovation repair or other similar purpose
- b documents manuscripts or business books are

temporarily removed from the Premises to any other premises not occupied by the Insured but remain in the Channel Islands Great Britain Ireland Northern Ireland or the Isle of Man provided that the Insurers' liability shall not exceed 10 per cent of the Sum Insured on such Property

4 **Index-Linking** The Sum Insured by any Item of this Section shown as Index-Linked in the Appendix to this Section will be adjusted at monthly intervals in accordance with the relevant sections of the Index of Retail Prices as issued by the States of Guernsey and Jersey or an alternative index selected by the Insurers

Provided that

- a any adjustment made to the Sum Insured will be based on the latest figures available to the Insurers
- b at each renewal the premium will be calculated on the adjusted Sum Insured then in force

## C EXCEPTIONS

This Section does not cover

- 1 the first £250 of each and every occurrence of Damage otherwise payable under this Section
- 2 Damage
  - a where the Insured or any director partner or employee of the Insured or any member of the Insured's household is concerned as principal or accessory
  - b caused by fire or explosion
  - c occasioned by or happening through riot or civil commotion occurring elsewhere than in the Channel Islands Great Britain or the Isle of Man
- 3 Damage to
  - a any Property more specifically insured
  - b cash bank notes cheques securities for money stamps deeds bonds bills of exchange or promissory notes
  - c livestock unless specifically mentioned in the Appendix to this Section

## D CONDITIONS

- 1 The Insured shall exercise reasonable care in the selection and supervision of employees and shall take and cause to be taken reasonable precautions to safeguard the Property and secure the Premises including the maintenance or installation and use of any protections stipulated by or agreed with the Insurers
- 2 If the Property insured by any Item of this Section shall at the time of Damage be of greater value than the Sum Insured under that Item then the Insurers shall bear only that proportion of the Damage which the Sum Insured bears to the value
- 3 When an Intruder Alarm is installed at the Premises as required by the Insurers it shall be a condition precedent to liability that
  - a the Intruder Alarm shall be installed in accordance with a specification agreed by the Insurers the details of which are lodged with the Insurers
  - b the Intruder Alarm is kept in full and efficient working order and any detection devices and their circuits connected for continuous operation are fully operable at all times
  - c a maintenance contract is in force with the Alarm Company



## D CONDITIONS Continued

- d the Alarm Company is immediately advised of any apparent defect in the Intruder Alarm
  - e the Insured shall maintain the secrecy of the codes used for the operation of the Intruder Alarm and details of such codes and all keys to the Intruder Alarm shall be removed from the Premises when the Premises are left unattended
  - f the Insured shall appoint at least two Keyholders and lodge written details (which must be kept up to date) with the Alarm Company and the Police Authority
  - g in the event of notification of any activation of the Intruder Alarm or interruption of the means of communication during any period when the Intruder Alarm is set a Keyholder shall attend the Premises as soon as possible and the Premises shall not be left unattended until the provisions of paragraph have been complied with
  - h the Premises shall not be left unattended without the agreement of the Insurers:
    - i unless the Intruder Alarm is put into full operation and is at the time serviceable to the best knowledge and belief of the Insured or his authorised representative
    - ii if the Police Authority have withdrawn or modified their response to alarm calls
  - i the Insured shall notify the Insurers as soon as possible
    - i if written notice is received from the Police Authority warning of possible or intended withdrawal or modification of response to calls from the Intruder Alarm
    - ii before any alterations to or substitution of the Intruder Alarm and associated maintenance contracts is made
    - iii before any structural alterations of the Premises or changes in layout to the Premises which would affect the Intruder Alarm take place
    - iv if the Local Authority or Magistrate imposes any requirements under the terms of The Environmental Protection Act or other legislation requiring modification of the Intruder Alarm by the Insured
    - v if the Alarm Company advises that the Intruder Alarm cannot be returned to or maintained in full and efficient working order
- and the Insured shall comply with any subsequent requirements stipulated by the Insurers

## DEFINITIONS

**'Intruder Alarm'** means detection circuits control and processing equipment power supplies audible and remote signalling including any ancillary telecommunications systems

**'Keyholder'** means the Insured or any responsible person or Keyholding company authorised by the Insured who is available at all times to accept notification of faults or alarm signals relating to the Intruder Alarm attend and allow access to the Premises

**'Alarm Company'** means that company which installed the Intruder Alarm or as agreed with the Insurers is responsible for maintaining and servicing the Intruder Alarm

## E ENDORSEMENTS

THESE ENDORSEMENTS ARE OPERATIVE ONLY IF THE NUMBER SET AGAINST THEM APPEARS IN THE APPENDIX TO THIS SECTION AND EACH IS SUBJECT OTHERWISE TO THE TERMS EXCEPTIONS AND CONDITIONS OF THIS SECTION

- 1 **Obsolete** (Not used)
- 2 **Collusion** Exception 2a of this Section is deleted
- 3 **Excess** The amount of the excess referred to in Exception 1 is increased to that shown against Endorsement 3 in the Appendix to this Section in respect of each and every occurrence of Damage otherwise payable under this Section
- 4 **First Loss Insurance** The full value of the Property is approximately the amount shown against Endorsement 4 in the Appendix to this Section and in the event of any material alteration in such value the Insured shall notify the Insurers as soon as possible in order that the premium may be suitably adjusted if required  

If the total value of the Property shall at the time of the Damage be greater than the latest value declared to the Insurers then the Insurers shall bear only that proportion of the Damage which the declared value bears to the value at the time of the Damage provided that the Insurers' liability shall be assessed in relation to the Sum Insured
- 5 **Loss Limit** The Insurers' liability in respect of any one occurrence of Damage shall not exceed the amount shown against Endorsement 4 in the Appendix to this section

- 6 **Automatic Free Reinstatement of Loss** The sum(s) insured hereby shall be automatically reinstated following destruction or damage without additional charge The terms of this memorandum however shall not apply to First Loss or Non-Average insurances unless otherwise stated
- 7 **Reinstatement Basis of Claim Settlement** In the event of a claim arising for which the Insurers are liable under this Section in respect of Property covered by any Item shown against Endorsement 6 in the Appendix to this Section then the basis on which the amount of the loss is to be calculated shall be the cost of reinstating the Property at the time of reinstatement Where such Property is damaged the basis shall be the restoration of the damaged portion to a condition substantially the same but not better or more extensive than its condition when new

This Endorsement does not apply to motor vehicles pedal cycles and other personal effects

- 8 **Stock Declaration Condition** The insurance on Stock is subject to the following conditions
- a the premium is provisional representing 75 per cent of the Sum Insured or value at risk if Endorsement 4 of this Section is operative and shall on the expiry of each Period of Insurance be adjusted as described in b and c of this Endorsement
  - b the value of the Stock at the end of each calendar month shall be declared in writing by the Insured to the Insurers within thirty days and if a declaration be not so given the Insured shall be deemed to have declared the maximum Sum Insured as the value
  - c on the expiry of each Period of Insurance the actual premium for the period shall be calculated on the average amount declared which shall be the total of the sum declared divided by the number of declarations If the actual premium is greater than the premium paid for the Period of Insurance the Insured shall pay the difference or if it is less the difference shall be repaid to the Insured
- 9 **Extended Theft** Paragraphs 1 a and 1 b of COVER are deleted but in respect of theft other than theft involving entry to or exit from the Premises by forcible and violent means the Insurers shall not be liable for Damage to the Property
- a due to unexplained disappearance or shortages and omissions discovered during routine stocktaking or inventory checks
  - b where the Insured or any director partner or employee of the Insured or any member of the Insured's household is concerned as principal or accessory
  - c caused by or resulting from any act of deception

Provided that:

- i the amount of the excess referred to in Exception 1 shall be increased to that amount shown against Endorsement 9 in the Appendix to this Section in respect of each and every loss otherwise payable under this Endorsement
- ii the amount referred to in i shall not be aggregated with any amount shown against Endorsement 3 in the Appendix to this Section

**Note:** Loss by theft does not include loss of Property where the Insured in good faith parts with title having accepted consideration purporting to be of value to him

- 10 **Hotels** Paragraphs 1 a and 1 b of COVER are deleted
- 11 **Safe Keys** The Insurers shall not be liable for Damage resulting from a safe or strongroom being opened by the use of a key or a combination code through the key or combination code having been left on the Premises whilst closed for business

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## All Risks

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

### A COVER

In the event of the Property or any part of it described in the Appendix to this Section being lost destroyed or damaged during the Period of Insurance by any accident or misfortune whilst within or in transit between the Channel Islands Great Britain Ireland Northern Ireland or the Isle of Man the Insurers will indemnify the Insured by at their option repairing replacing or paying the amount of the loss destruction or damage

#### Limit of Liability

For all loss destruction or damage arising during any one Period of Insurance the Insurers' liability under this Section shall not exceed in respect of each Item of the Property the Sum Insured set against it

### B EXTENSION

1 **Index-Linking** The Sum Insured by any Item of this Section shown as Index-Linked in the Appendix to this Section will be adjusted at monthly intervals in accordance with the relevant sections of the Index of Retail Prices as issued by the States of Guernsey and Jersey (or an alternative index selected by the Insurers)

Provided that

- a any adjustment made to the Sum Insured will be based on the latest figures available to the Insurers
- b at each renewal the premium will be calculated on the adjusted Sum Insured then in force

### C EXCEPTIONS

This Section does not cover loss destruction or damage caused by or happening through

- 1 vermin insects mildew wear and tear depreciation or deterioration or any process of repairing restoring or renovating
- 2 mechanical or electrical derangement or breakdown unless accompanied by other damage for which indemnity is provided by this Section
- 3 riot or civil commotion occurring elsewhere than in the Channel Islands Great Britain or the Isle of Man
- 4 confiscation nationalisation requisition or wilful destruction by any government public municipal or customs authority
- 5 This Section does not cover the first £250 of each and every occurrence of loss destruction or damage otherwise payable under this Section
- 6 This Section does not cover
  - a loss destruction or damage elsewhere than in Northern Ireland caused by or happening through or in consequence directly or indirectly of TERRORISM
  - b loss destruction or damage in Northern Ireland caused by or happening through or in consequence directly or indirectly of
    - i civil commotion
    - ii riot civil commotion and (except in respect of Damage by fire or explosion) strikers locked-out workers or persons taking part in labour disturbances or malicious persons (if extended or all risks cover applies)
    - iii TERRORISM

In any action suit or other proceedings where the Insurers allege that by reason of this definition any loss destruction or damage is not covered by this Policy (or is covered only up to a specified limit of liability) the burden of proving such loss destruction or damage is covered shall be upon the Insured

## Definition

For the purposes of this Policy TERRORISM shall mean any act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence

## D CONDITIONS

1 **Underinsurance** If the Property insured by any Item of this Section shall at the time of loss destruction or damage be collectively of greater value than the Sum Insured under that Item then the Insurers shall bear only that proportion of the loss destruction or damage which the Sum Insured bears to the value

2 **Intruder Alarm**

### Definitions

**Premises** means that part of the building(s) occupied by the Insured in connection with his business and under his control

**Intruder Alarm** For the purposes of this Condition 'Intruder Alarm' includes detection devices detection circuits control and processing equipment power supplies audible and remote signalling including any ancillary telecommunications systems

When an Intruder Alarm is installed at the Premises it shall be a condition precedent to liability that

- a the Intruder Alarm shall be installed in accordance with a specification agreed by the Insurers the details of which are lodged with the Insurers
- b the Intruder Alarm is kept in an efficient condition
- c a maintenance contract is in force with the company which installed the Intruder Alarm or any other company agreed with the Insurers and the maintenance contract company is immediately advised of any apparent defect in the Intruder Alarm or its signalling
- d any detection devices and their circuits connected for continuous operation are fully operable at all time
- e the Premises are not left unattended unless the Intruder Alarm is put into full operation and is at the time fully serviceable to the best knowledge or belief of the Insured or his authorised representative
- f the Insured shall notify the Insurers
  - i as soon as possible if written notice is received from the Police warning of possible or intended withdrawal of response to calls from the Intruder Alarm and shall put into immediate effect such additional temporary precautions and safeguards as the Insurers may require
  - ii before any alteration to or substitution of the Intruder Alarm and associated maintenance contract is made
  - iii before any structural alteration to the Premises or changes in layout to the Premises which would affect the system take place
  - iv as soon as possible if the public authority or legal authority imposes any requirement under the terms of applicable legislation requiring modification of the alarm by the Insured

## E ENDORSEMENTS

THESE ENDORSEMENTS ARE OPERATIVE ONLY IF THE NUMBER SET AGAINST THEM APPEARS IN THE APPENDIX TO THIS SECTION AND EACH IS SUBJECT OTHERWISE TO THE TERMS EXCEPTIONS AND CONDITIONS OF THIS SECTION

- 1 **Excess** The amount of the Excess referred to in Exception 5 is increased to that shown against Endorsement 1 in the Appendix to this Section in respect of each and every occurrence of loss destruction or damage otherwise payable under this Section
- 2 **Reinstatement Basis of Claim Settlement** In the event of a claim arising for which the Insurers are liable under this Section in respect of Property covered by any Item shown against Endorsement 2 in the Appendix to this Section then the basis on which the amount of the loss is to be calculated shall be the cost of reinstating the Property at the time of reinstatement Where such Property is damaged the basis shall be the restoration of the damaged portion to a condition substantially the same but not better or more extensive than its condition when new
- 3 **Fire and Additional Perils Excluded** The insurance by this Section does not cover loss destruction or damage caused by fire lightning explosion aircraft riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes or impact by any road vehicle rail rolling stock or any animal

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## Liability Insurance - Definitions

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

- 1 Person Entitled to Indemnity** shall mean
- a the Insured
  - b the personal representatives of the Insured in respect of legal liability incurred by the Insured
  - c at the request of the Insured
    - i any principal
    - ii any director or partner of the Insured
    - iii any Person Employed
- against legal liability in respect of which the Insured would have been entitled to indemnity under this Policy if the claim had been made against the Insured
- iv the officers committees and members of the Insured's canteen social sports and welfare organisations and first aid fire ambulance medical and security services in their respective capacities as such but this shall not include medical or dental practitioners in relation to medical services provided
  - v any director or partner of the Insured or Employee in respect of private work undertaken by any Person Employed for such director partner or Employee with the prior consent of the Insured
- each of whom shall as though the Insured be subject to the terms of this Policy so far as they can apply
- 2 Employee** shall mean any individual under a contract of service or apprenticeship with the Insured
- 3 Person Employed** shall mean any
- a Employee
  - b labour master and individuals supplied by him
  - c individual employed by labour only sub-contractors
  - d self employed individual (not being in partnership with the Insured)
  - e individual hired to or borrowed by the Insured
  - f individual undertaking study or work experience while under the supervision of the Insured
- } while under the direct control and supervision of the Insured
- 4 Injury** shall mean
- Section 1**
- bodily injury death disease or illness
- Section 2 and 3**
- bodily injury mental injury death disease illness wrongful arrest or false imprisonment
- 5 Property** shall mean material property
- 6 Business** shall mean that which is specified in the Schedule and conducted solely from premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man and shall include
- a ownership repair and maintenance of the Insured's own property
  - b provision and management of canteen social sports and welfare organisations and first aid ambulance and medical services for the benefit of any Person Employed
  - c Fire and security services maintained solely for the protection of premises owned or occupied by the Insured
  - d private work undertaken by any Person Employed for any director or partner of the Insured or Employee with the prior consent of the Insured
- but in respect of Section 1 shall not include any work undertaken Offshore
- 7 Offshore** shall mean embarkation on to a vessel or aircraft for conveyance to an offshore rig or platform until disembarkation from the conveyance on to land upon return from such offshore rig or platform
- 8 Event** shall mean one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
- 9 Insured's Contribution** shall mean the amount or amounts specified in the Schedule which the Insured agrees to pay
- 10 Intellectual Property Rights** shall mean any patent trade mark copyright registered design technical or commercial information or other intellectual property
- 11 Asbestos** shall mean crocidolite amosite chrysotile fibrous actinolite fibrous anthophyllite or fibrous tremolite or any mixture containing any of those minerals
- 12 Asbestos Dust** shall mean fibres or particles of Asbestos
- 13 Asbestos Containing Materials** shall mean any material containing Asbestos or Asbestos Dust

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## Liability Insurance Section 1 - Employers' Liability

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

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

The Insurer will provide indemnity to any Person Entitled to Indemnity

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

Provided that in respect of any one Event

- 1 the total amount payable under this Section (including all Extensions and Memoranda) shall not exceed the Limit of Liability
- 2 the Insurer may at any time pay the Limit of Liability (less any sums already paid or incurred) or any less amount for which at the absolute discretion of the Insurer the claims arising out of such Event can be settled The Insurer will then relinquish control of such claims and be under no further liability in respect thereof

### Exclusions to Section 1

The indemnity will not apply to legal liability

- 1 of whatsoever nature directly or indirectly caused by or contributed to by or arising from
  - a ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - b the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereofwhere such legal liability is
  - i that of any principal
  - ii accepted under agreement and would not have attached in the absence of such agreement
- 2 in respect of Injury for which the Insured is required to arrange motor insurance or security in accordance with any road traffic legislation within the Channel Islands the Isle of Man or European Community

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

**1 Unsatisfied Court Judgements**

In the event of a judgement for damages being obtained

- a by any Employee or the personal representatives of any Employee in respect of injury of the Employee caused during any Period of Insurance and arising out of and in the course of employment by the insured in the Business
- b against any Insurer or individual operating from premises within Great Britain Northern Ireland the Channel Islands or the Isle of Man

in any court situate in the territories specified in b above and

- c remaining unsatisfied in whole or in part six months after the date of such judgement

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

Provided that

- a there is no appeal outstanding
- b if any payment is made under the terms of this Extension the Employee or the personal representatives of the Employee shall assign the judgement to the Insurer

**2 Compensation for Court Attendance**

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

- a any director or partner of the Insured £500
- b any Employee £250

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## Liability Insurance Section 2 - Public/Products Liability

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**This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy**

The Insurer will provide indemnity to any Person Entitled to Indemnity

- 1** up to the Limit of Liability shown in the Schedule against legal liability for damages in respect of
  - a accidental Injury of any person
  - b accidental loss of or damage to Property
  - c nuisance trespass to land or trespass to goods or interference with any easement right or air light water or way  
other than legal liability for damages which result from a deliberate act or omission of the Insured or which is a natural consequence of the ordinary conduct of the Business and which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omissionhappening during any Period of Insurance in connection with the Business
- 2** against legal liability for claimant's costs and expenses in connection with 1 above
- 3** in respect of
  - a costs of legal representation at
    - i any coroner's inquest or inquiry in respect of any death
    - ii proceedings in any court arising out of any alleged breach of statutory duty resulting in any occurrence specified in 1 abovewhich may be the subject of indemnity under this Section
  - b all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under 1 aboveincurred with the Insurer's written consent

Provided that in respect of

- A any one Event (Limit of Liability Limit A) but excluding events and incidents specified in B and C below
  - B all Events happening during any Period of Insurance in respect of products supplied (Limit of Liability Limit B)
  - C all incidents considered by the Insurer to have occurred during any Period of Insurance in respect of pollution or contamination of buildings or other structures or of water or land or of the atmosphere (Limit of Liability Limit C)
- the following shall apply
- i the total amount payable by the Insurer in respect of 1 2 and 3 above and all Extensions and Memoranda shall not exceed the Limit of Liability specified in the schedule
  - ii the Insured's Contribution in respect of damages and claimant's costs and expenses will be payable before the Insurer shall be liable to make any payment
  - iii the Insurer may at any time pay the Limit of Liability (less any sums already paid as damages) or any lesser amount for which at the absolute discretion of the Insurer the claims arising out of such Event can be settled The Insurer will then relinquish control of such claims and be under no further liability in respect thereof except for costs and expenses for which the Insurer may be responsible prior to the date of such payment
  - iv where the Insurer is liable to indemnify more than one person the total amount of indemnity in respect of damages shall not exceed the Limit of Liability



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## Exclusions to Section 2

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**This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy**

The indemnity will not apply to legal liability

- 1** arising from or out of the ownership possession or use by or on behalf of the Insured or any Person Entitled to Indemnity of any
  - a mechanically propelled vehicle other than legal liability arising out of
    - i the use of plant as a tool of trade on site
    - ii the use of plant at the premises of the Insured
    - iii the loading or unloading of any vehicleexcept where indemnity is provided by any motor insurance contract or where insurance or security is required by law
  - b aircraft or other aerial device
  - c aerospace device
  - d hovercraft
  - e water-borne craft
- 2** for bodily injury or mental injury to or death disease or illness of any Person Employed arising out of and in the course of employment by the Insured in the Business
- 3** for or arising from loss of or damage to any Property which at the time of the Event giving rise to such legal liability is owned by or held in trust by or in the custody or control of the Insured other than
  - a Employees' directors' partners' or visitors' personal effects including vehicles and their contents
  - b premises and their contents not owned by or leased or rented to the Insured at which time the Insured is undertaking work in connection with the Business
  - c premises and their fixtures and fittings leased or rented to the Insured unless such legal liability
    - i has been accepted by agreement in which case the indemnity will only be provided to the extent that such liability would have attached in the absence of such agreement
    - ii arises from an agreement to maintain in force insurance in respect of loss of or damage to such premises and their fixtures and fittings
- 4** caused by or arising out of pollution or contamination of buildings or other structures or of water or land or of the atmosphere unless the pollution or contamination is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific moment in time and place during any Period of Insurance  
Provided that all pollution or contamination which arises out of one incident shall be considered by the Insurer for the purposes of this Policy to have occurred at the time such incident takes place
- 5**
  - a in respect of loss of or damage to any
    - i product supplied
    - ii contract work executed} by the Insured  
caused by any defect therein or the unsuitability thereof for its intended purpose
  - b for the costs of recall removal repair alteration replacement or reinstatement of any
    - i product supplied
    - ii contract work executed} by the Insured  
necessitated by any defect therein or the unsuitability thereof for its intended purpose
- 6** arising from or in connection with
  - a advice
  - b design
  - c specification} provided for a fee
- 7** arising from or in connection with any
  - i product supplied
  - ii contract work executed} by the Insured  
where such legal liability has been accepted by agreement except to the extent that such liability would have attached in the absence of such agreement

- 8 for the costs of remedying
  - a any defect or alleged defect
  - b the presence of Asbestos Asbestos Dust or Asbestos Containing Materials in premises disposed of by the Insured
- 9 for
  - a fines or penalties
  - b compensation ordered or awarded by a Court of Criminal Jurisdiction
  - c aggravated exemplary or punitive damages awarded by any court outside Great Britain Northern Ireland the Channel Islands or the Isle of Man
- 10 of whatsoever nature directly or indirectly caused by or contributed to by or arising from
  - a ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - b the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- 11 arising from any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- 12 the Insured's Contribution of £250 (or such other higher amount specified in the Schedule) in respect of loss of or damage to property
- 13 for mental injury or fear of suffering bodily injury death disease or illness arising out of actual or suspected exposure to Asbestos Asbestos Dust or Asbestos Containing Materials
- 14 for the costs of management (including those of any persons under any statutory duty to manage) removal repair alteration recall replacement or reinstatement of any property or part thereof arising out of the presence of Asbestos Asbestos Dust or Asbestos Containing Materials

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

**1 Cross Liabilities**

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

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

**2 Compensation for Court Attendance**

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

- a any director or partner of the Insured £500
- b any Employee £250

**3 Contingent Motor Liability**

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

The indemnity will not apply to legal liability

- a in respect of loss of or damage to such vehicle or to property conveyed therein
- b arising while such vehicle is being driven by the Insured
- c in respect of which the Insured is entitled to indemnity under any other insurance
- d arising outside Great Britain Northern Ireland the Channel Islands or the Isle of Man

#### **4 Overseas Personal Liability**

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

The indemnity will not apply

- a to legal liability arising out of the ownership or occupation of land or buildings
- b where indemnity is provided by any other insurance

#### **5 Data Protection Law**

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

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

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

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

The Extension shall not apply in respect of

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

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## Liability Insurance Section 3 – Legal Defence Costs

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### This Section is operative only if the Liability Insurance Sections are shown as operative in the Schedule

The Insurer will provide indemnity to the Insured and if the Insured so requests any Person Employed or director or partner of the Insured up to a Limit of Liability of £250,000 in all (regardless of the number of periods of insurance during which this Policy operates or parties entitled to indemnity) in respect of

- a legal costs and other expenses incurred with the Insurer's written consent
- b costs awarded against the Insured or any director or partner or Person Employed

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

#### Part A (only operative if the Employers' Liability Section is operative)

In respect of a breach of

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

#### Part B (only operative if the Public/Products Liability Section is operative)

In respect of a breach of

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

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

- 1 the indemnity will not apply
  - a to fines or penalties of any kind
  - b to compensation ordered or awarded by a court of criminal jurisdiction
  - c where injury of any person or loss of or damage to Property has occurred
  - d where indemnity is provided by any other insurance
  - e to any costs or expenses incurred arising out of or in connection with criminal proceedings relating in any way to Asbestos Asbestos Dust or Asbestos Containing Materials
  - f to proceedings consequent upon any deliberate act or omission by
    - i the Insured
    - ii any partner or director of the Insured
    - iii any Person Employed with any specific responsibility for compliance with the legislation specified in this Section which could reasonably have been expected to constitute a breach of the legislation specified in this Section
- 2 the Insurer may at any time pay the Limit of Liability (less any sums already paid) or any lesser amount for which at the absolute discretion of the Insurer the claims arising can be settled but including any amount for which the Insurer may be responsible prior to the date of such payment  
The Insurer will then relinquish control of such claims and be under no further liability in respect thereof
- 3 where the Insurer is liable to indemnify more than one person the total amount of indemnity shall not exceed the Limit of Liability

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## Personal Accident

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

### DEFINITIONS

**'Bodily Injury'** means accidental bodily injury drowning gassing poisoning or exposure of an Insured Person to the elements resulting in Death or Disablement but does not include

- a sickness or disease unless resulting from a mishap
- b pregnancy or childbirth or other naturally occurring conditions

**'Death'** means Bodily Injury which within 24 months from its occurrence is the sole and direct cause of death

**'Disablement'** means

- a Loss of Limbs or Sight defined as Bodily Injury which within 24 months from its occurrence is the sole and direct cause of
  - i loss of one or more limbs by physical separation at or above the wrist or ankle or
  - ii permanent and total loss of use of one or both hands or feet or
  - iii total and irrecoverable loss of sight in one or both eyes
- b Permanent Total Disablement defined as Bodily Injury (not resulting in Loss of Limbs or Sight) which is the sole and direct cause of the Insured Person being totally disabled and prevented from attending to any business or occupation with proof satisfactory to the Insurers that such disablement has continued for one year from the date of the occurrence of Bodily Injury and will in all probability continue for the remainder of the Insured Person's life
- c Temporary Total Disablement defined as Bodily Injury which is the sole and direct cause of the Insured Person being totally disabled and prevented from attending to his business or occupation
- d Temporary Partial Disablement defined as Bodily Injury which is the sole and direct cause of the Insured Person being partially disabled and prevented from attending to a substantial part of his business or occupation

**'Annual Salary'** means the gross salary payable per annum by the Insured to the Insured Person as at the date of the occurrence of Bodily Injury

**'Weekly Wage'** means the gross basic weekly amount payable by the Insured to the Insured Person as at the date of the occurrence of Bodily Injury

**'Overtime and Bonus Payments'** Where the Weekly Wage or Annual Salary is extended to include overtime and bonus payments Benefits under this Section will be calculated with reference to the value of such payments during the twelve months prior to the date of the occurrence of Bodily Injury

## **A COVER**

In the event of an Insured Person during the Period of Insurance

- 1 suffering Bodily Injury or
- 2 disappearing and after a reasonable period of time has elapsed and all available evidence has been examined being presumed to have died as a result of Bodily Injury

the Insurers will pay to the Insured or his legal personal representatives the relevant Benefit in the Appendix to this Section for Death or Disablement of such Insured Person

Provided that

- 1 the Insurers shall not be liable to pay for
  - a more than one Benefit under any or all of Definitions 2 or 3a or 3b in respect of any one Insured Person and when such Benefit becomes payable they shall have no further liability in respect of that Insured Person
  - b weekly compensation under Definitions 3c and 3d in respect of any one Insured Person
    - i concurrently for the same period or
    - ii under either or both of such Definitions for a period exceeding the Maximum Period of Weekly Compensation from the commencement of the Disablement
- 2 weekly compensation under Definitions 3c and 3d shall become payable when the period of Disablement has been ascertained and the total amount agreed or at the request of the Insured at intervals of not less than four weeks
- 3 the Insured shall undertake to refund to the Insurers the Benefit paid in respect of an Insured Person's presumed death if subsequently it is established that the Insured Person is alive

When a Benefit under Definition 3b becomes payable such payment may at the request of the Insured or his legal personal representatives be deferred until the expiry of the Maximum Period of Weekly Compensation under Definition 3c or the Insured Person's earlier death Such deferment shall not prejudice the Insured's claim to weekly compensation under Definition 3c

## **B EXCEPTIONS**

This Section does not cover Death or Disablement directly or indirectly resulting from

- 1 an Insured Person
  - a committing or attempting to commit suicide or intentionally inflicting self-injury
  - b flying or taking part in other aerial activities except whilst travelling in an aircraft as a passenger and not as aircrew
  - c taking part in mountain or rock climbing necessitating the use of ropes or guides potholing caving racing of any kind (other than on foot or whilst yachting on inland or territorial waters) or winter sports (other than curling or skating)
- 2 a cause gradually operating upon the Insured Person
- 3 alcoholism or drug addiction of an Insured Person
- 4 any physical or mental defect or infirmity which was known to the Insured or Insured Person at the time of the occurrence of Bodily Injury unless it has been declared to and accepted in writing by the Insurers

However if the period of Disablement is prolonged but not directly or indirectly caused by such physical or mental defect or infirmity the Insurers will pay for that period of Disablement which would have arisen had the physical or mental defect or infirmity not existed

## **C CONDITIONS**

- 1 In the event of a claim under this Section
  - a the Insured Person shall act upon medical or surgical advice as soon as practicable and submit to medical examination at the Insurers' expense as often as they require
  - b reasonable notice shall be given to the Insurers before interment cremation or the holding of any inquest enquiry or proceeding concerning the death or disappearance of an Insured Person
- 2 If the Benefit is expressed in relation to salary or wages the premium has been calculated on estimates supplied by the Insured who shall keep an accurate record of information on matters for which estimates have been given which shall be available to the Insurers for inspection Within one month of expiry of each Period of Insurance the Insured shall supply the Insurers with a true statement of the particulars necessary for assessment of premium and should these particulars differ from the estimates upon which premium has been paid the difference in premium shall be met by a further proportionate payment or refund as the case may be Failure to supply such particulars shall entitle the Insurers to estimate if they so wish such particulars and to assess the further premium due calculated on such estimated particulars

## D ENDORSEMENTS

THESE ENDORSEMENTS ARE OPERATIVE ONLY IF THE NUMBER SET AGAINST THEM APPEARS IN THE APPENDIX TO THIS SECTION AND EACH IS SUBJECT OTHERWISE TO THE TERMS EXCEPTIONS AND CONDITIONS OF THIS SECTION

- 1 **Accidents of Occupation** The insurance provided by this Section shall apply only to Bodily Injury sustained by the Insured Person arising out of and in the course of his employment by the Insured
- 2 **Exclusion of Initial Period** No compensation shall be payable under Definitions 3c and 3d for each and every Disablement in respect of the first number of weeks shown against Endorsement 2 in the Appendix to this Section
- 3 **Deduction of Statutory Sick Pay Benefit** Compensation under Definitions 3c and 3d shall be reduced by the amounts of any Statutory Sick Pay entitlement and any benefit payable under the relevant Channel Islands legislation or the National Insurance or National Insurance (Industrial Injuries) Acts
- 4 **Permanent Disablement Benefits as an Annuity** Compensation under Definition 3b shall be payable halfyearly so long as the Disablement continues but not exceeding the number of years shown against Endorsement 4 in the Appendix to this Section from the date of the payment becoming due The first payment shall be made six months after the expiry of one year from the date of the occurrence of Bodily Injury and the last payment on expiry of the Insurers' liability
- 5 **Limited War Risks** In respect of the insurance by this Section General Exception and Condition 3b is amended to read 3b any consequence of
  - i war whether declared or not between any of the following countries namely China France the United Kingdom the former states of the Soviet Union and the United States of America or
  - ii war in Europe whether declared or not (other than civil war but including any enforcement action by or on behalf of the United Nations) in which any of these countries or their armed forces are engaged

Provided that General Exception and Condition 3b shall not apply if the Insured Person suffers Bodily Injury whilst actually on a journey abroad or in any country in the course of such a journey

- 6 **Deferment of Payment for Loss of Limbs or Sight** If there is no Death Benefit provided under this Section for an Insured Person payment of the Benefit for Loss of Limbs or Sight will be deferred for thirteen weeks from the date of the occurrence of Bodily Injury and will thereafter become payable only if Death has not arisen during such period as a result of such Bodily Injury

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# Money

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

## DEFINITIONS

**'Money'** means Cash Bank Notes Uncrossed Cheques Girocheques Bankers Drafts Money Orders Postal Orders Bills of Exchange unused Postage Stamps National Insurance Stamps National Savings Stamps and Certificates Holidays with Pay Stamps Credit and Debit Company Sales Vouchers and V.A.T Purchase Invoices all the Insured's own or for which he is responsible and Luncheon Vouchers the Insured's own only whilst in his custody

**'Non-Negotiable Money'** means Crossed Cheques Crossed Girocheques Crossed Bankers Drafts Crossed Money Orders Crossed Postal Orders used National Insurance Stamps National Savings Certificates Credit and Debit Company Sales Vouchers and V.A.T. Purchase Invoices

**'Money in Safe'** means Money (excluding Non-Negotiable Money) contained in a locked safe or strongroom in the Insured's premises when closed for business

**'Any Other Money'** means Money (excluding Non-Negotiable Money and Money in Safe)

- a in the Insured's premises when open for business
- b in transit
- c in a bank night safe until removed by an authorised bank official

## A COVER

If during the Period of Insurance

- 1 Money is lost destroyed or damaged by any cause
- 2 any safe or strongroom or cashbox or when used for the carriage of Money any case bag or waistcoat belonging to the Insured is lost destroyed or damaged as a result of theft or attempted theft of Money while
  - a in the Insured's premises
  - b in transit
  - c in a bank night safe until removed by an authorised bank official
  - d in the dwelling of the Insured or of any person to whom such Money is entrusted

within or between the Channel Islands Great Britain Ireland Northern Ireland or the Isle of Man the Insurers will indemnify the Insured by at their option repairing replacing or paying the amount of the loss destruction or damage

## Limits of Liability

The Insurers' liability shall not exceed the Limit of Liability set against any Item in the Appendix to this Section and furthermore shall not exceed in respect of

1	Non-Negotiable Money	£250,000
2	Money not contained in a locked safe or strongroom in the Insured's premises when closed for business	£250
3	Money in the dwelling of the Insured or of any person to whom such Money is entrusted	£300
4	loss or destruction of or damage to any safe or strongroom or cash box or cash bag or waistcoat	£2,500



## **B EXCEPTIONS**

This Section does not cover

- 1 a loss due to error or omission in receipts payments or accounting practice  
b consequential loss of any kind
- 2 loss destruction or damage arising from the dishonesty of any employee
  - a unless such loss destruction or damage is discovered within seven working days of its occurrence
  - b insured under another policy except in respect of any excess beyond the amount which would have been payable under such policy had this insurance not been effected
- 3 loss destruction or damage resulting from a safe or strongroom being opened by the use of a key or combination code through the key or combination code having been left on the Insured's premises whilst closed for business
- 4 loss destruction or damage happening through confiscation nationalisation requisition or wilful destruction by any government public municipal local or customs authority
- 5 loss from an unattended vehicle

## **C CONDITION**

The premium has been calculated on estimates supplied by the Insured of the amount of Money at risk during the Period of Insurance The Insured shall keep an accurate record

- a of the total value paid into or drawn from the bank or Giro
- b of the total payments for the purchase of Money Orders Postal Orders Postage Stamps National Insurance Stamps National Savings Stamps and Certificates Holidays with Pay Stamps and Luncheon Vouchers

and this shall be available to the Insurers for inspection Within one month of the expiry of each Period of Insurance the Insured shall supply the Insurers with a true statement of the above particulars necessary for assessment of premium and should these particulars differ from the estimates upon which the premium has been paid the difference in premium shall be met by a further proportionate payment or refund as the case may be Failure to supply such particulars shall entitle the Insurers to estimate if they so wish such particulars and to assess the further premium payment due calculated on such estimated particulars

## D ENDORSEMENTS

THESE ENDORSEMENTS ARE OPERATIVE ONLY IF THE NUMBER SET AGAINST THEM APPEARS IN THE APPENDIX TO THIS SECTION AND EACH IS SUBJECT OTHERWISE TO THE TERMS EXCEPTIONS AND CONDITIONS OF THIS SECTION

### 1 Personal Accident Assault

For the purposes of this Endorsement

- i **Insured Person** means
  - a the Insured or any director partner or employee of the Insured or
  - b any person to whom the Insured has entrusted Money other than an employee of a professional security company or organisation
- ii **Bodily Injury** means accidental bodily injury drowning gassing poisoning or exposure of an Insured Person to the elements resulting in Death or Disablement
- iii a **Benefit 1** shown in Endorsement 1 in the Appendix to this Section is the amount payable in respect of Death or Disablement as defined in iva
- b **Benefit 2** shown in Endorsement 1 in the Appendix to this Section is the amount payable in respect of Disablement as defined in ivb
- c **Benefit 3** shown in Endorsement 1 in the Appendix to this Section is the amount payable in respect of Disablement as defined in ivc
- iv **Death or Disablement** means
  - a Bodily Injury which within 24 months from its occurrence is the sole and direct cause of
    - i death or
    - ii loss of one or more limbs by physical separation at or above the wrist or ankle or
    - iii permanent and total loss of use of one or both hands or feet or
    - iv total and irrecoverable loss of sight in one or both eyes
  - b Bodily Injury not resulting in loss of limbs or sight as defined in iva which is the sole and direct cause of the Insured Person being totally disabled and prevented from attending to his business or occupation or to business or occupation of any kind with proof satisfactory to the Insurers that such disablement has continued for six months from the date of the occurrence of Bodily Injury and will in all probability continue for the remainder of the Insured Person's life
  - c Bodily Injury which is the sole and direct cause of the Insured Person being totally disabled and prevented from attending to his business or occupation

### Cover

If during the Period of Insurance and as a direct result of robbery or attempted robbery in the course of the Business an Insured Person suffers

**A Bodily Injury** the Insurers will pay to the Insured or to his legal personal representatives the relevant Benefit for Death or Disablement

Provided that

- a the Insurers shall not be liable for
  - i more than one Benefit in respect of Bodily Injury sustained by any Insured Person for Death or Disablement as defined under iva and ivb
  - ii weekly compensation as defined under ivc in excess of 104 weeks
- b weekly compensation as defined under ivc shall become payable when the period of disablement has been ascertained and the total amount agreed or at the request of the Insured at intervals of not less than four weeks
- c the Insured Person shall act upon medical or surgical advice as soon as practicable and submit to medical examination at the Insurers' expense as often as they require

**B Damage to clothing or personal effects** Loss or destruction of or damage to clothing or personal effects (excluding jewellery and watches) the Insurers will at their option repair replace or pay the amount of such loss destruction or damage up to a limit of £500 in respect of any one Insured Person following any one such robbery or attempted robbery

2 **Security Companies Contingency Cover** The insurance provided by this Section shall not apply to loss or destruction of or damage to Money whilst in the custody or control of a security company unless such loss destruction or damage is not recoverable from the security company when the Insurers will indemnify the Insured up to the Limits of Liability

Provided that the Insured shall notify the Insurers as soon as possible of any changes in the terms of the contract between the Insured and the security company

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## Goods In Transit

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

### DEFINITIONS

'Property' means goods incidental to the Business but excluding goods mentioned in Exception 1 unless described in the Appendix to this Section

'Consignment Limit' means the maximum amount which the Insurers will pay in respect of Property despatched or received under one consignment note

'Single Loss Limit' means the maximum amount which the Insurers will pay in respect of any occurrence or series of occurrences of loss destruction or damage arising out of one cause

### A COVER

In the event of the Property or any part of it described in the Appendix to this Section being lost destroyed or damaged during the Period of Insurance by any accident or misfortune whilst in or on or being loaded onto or unloaded from any road vehicle or trailer or railway train or whilst temporarily housed in the course of transit whether on or off such conveyance all within the land limits of the Channel Islands Great Britain Ireland Northern Ireland or the Isle of Man the Insurers will indemnify the Insured by at their option repairing replacing or paying the amount of the loss destruction or damage

#### Limits of Liability

For all loss destruction or damage the Insurers' liability under this Section shall not exceed

- 1 the Limits specified in the Appendix to this Section or
- 2 during any one Period of Insurance the Sum Insured set against any Item in the Appendix to this Section

### B EXCEPTIONS

This Section does not cover

- 1 loss or destruction of or damage to
  - a livestock explosives goods of a dangerous nature tobacco cigarettes cigars wines spirits furs watches jewellery gold and silver articles precious metals and stones non-ferrous metals bullion cash stamps bank notes bills of exchange securities deeds documents manuscripts or plans unless described in the Appendix to this Section
  - b china glass earthenware pictures scientific instruments statuary marble or plasterwork unless caused by fire theft an accident to the conveyance or an object falling onto the conveyance
  - c refrigerated goods as a result of breakdown or failure of refrigeration equipment unless such breakdown or failure is caused by fire theft an accident to the conveyance or an object falling onto the conveyance
  - d Property whilst temporarily housed in course of transit for the purpose of storage making-up packing or processing
- 2 loss destruction or damage caused by or happening through
  - a vermin wear and tear defective packing depreciation or deterioration delay loss of market or consequential loss of any kind
  - b confiscation nationalisation requisition or wilful destruction by any government public municipal local or customs authority
  - c unexplained shortage or disappearance

### C CONDITION

If the premium has been calculated on estimates supplied by the Insured he shall keep an accurate record of information on matters for which estimates have been given which shall be available to the Insurers for inspection Within one month of expiry of each Period of Insurance the Insured shall supply the Insurers with a true statement of the particulars necessary for assessment of premium and should these particulars differ from the estimates upon which premium has been paid the difference in premium shall be met by a further proportionate payment or refund as the case may be Failure to supply such particulars shall entitle the Insurers to estimate if they so wish such particulars and to assess the further premium payment due calculated on such estimated particulars

## D ENDORSEMENTS

THESE ENDORSEMENTS ARE OPERATIVE ONLY IF THE NUMBER SET AGAINST THEM APPEARS IN THE APPENDIX TO THIS SECTION AND EACH IS SUBJECT OTHERWISE TO THE TERMS EXCEPTIONS AND CONDITIONS OF THIS SECTION

- 1 **Insured's Own Vehicles** If the Items in the Appendix to this Section relate to any road vehicle or trailer owned by or operated under the direct control of the Insured the insurance by this Section applies only to the Property whilst in or on or being loaded onto or unloaded from such vehicle or trailer

If the Property on any road vehicle or trailer shall at the time of loss destruction or damage be of greater value than the Sum Insured in respect of such vehicle or trailer then the Insurers shall bear only that proportion of the loss destruction or damage which the Sum Insured bears to the value

- 2 **Limited Short Sea Transits** The insurance by this Section extends to cover the Property whilst in or on any ship being used to carry the Property within or between the Channel Islands Great Britain Ireland Northern Ireland or the Isle of Man
- 3 **Containers Tarpaulins and Ropes** The Property insured by this Section includes containers tarpaulins and ropes belonging to the Insured or for which the Insured is responsible

Provided that the Insurers' liability under this Endorsement for such articles shall not exceed in respect of any one claim the amount shown against Endorsement 3 in the Appendix to this Section

- 4 **Removal of Debris** In respect of any road vehicle or trailer owned by or operated under the direct control of the Insured the insurance by this Section extends to cover additional costs and expenses necessarily incurred in
- a removing or reloading the Property or any part of it
  - b removing debris of such Property
  - c dismantling or breaking up such Property

In consequence of loss destruction of or damage to the Property or the spilling of the Property from any road vehicle or trailer to which this Section applies or as a result of an accident to such vehicle or trailer

Provided that the Insurers' liability under this Endorsement shall not exceed in respect of any one claim the amount shown against Endorsement 4 in the Appendix to this Section

- 5 **Cover restricted to Fire Collision Overturning or Derailment** The insurance by this Section applies only in respect of loss destruction or damage to the Property caused by fire collision overturning or derailment of the road vehicle or trailer or railway train conveying the Property

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## Glass

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

### DEFINITIONS

'All Glass' means all fixed glass in windows doors fanlights partitions showcases and shelves and mirrored glass at the premises described in the Appendix to this Section and for which the Insured is responsible

'External Glass' means all fixed external glass in windows doors and fanlights at the premises described in the Appendix to this Section and for which the Insured is responsible

'Damage' means destruction or damage but excluding scratching and chipping

### A COVER

In the event of Damage to any of the Glass described in the Appendix to this Section during the Period of Insurance the Insurers will indemnify the Insured by at their option repairing replacing or paying the amount of the Damage In addition the Insurers will pay the cost of any necessary boarding up pending replacement

### B EXCEPTIONS

This Section does not cover

- 1 The first £250 of each and every occurrence of Damage otherwise payable under this Section
- 2 Glass already cracked at the commencement of the insurance by this Section
- 3 Damage to any lettering or other ornamental work unless such Damage is caused by or consequent upon the breakage of the Glass on which it is fixed
- 4 Damage to frames or framework of any description nor the removal of replacement of any fittings or fixtures in order to replace the Glass
- 5 Damage to Glass caused by or happening through
  - a Fire lighting or explosion
  - b Riot or civil commotion occurring elsewhere than in the Channel Islands Great Britain or the Isle of Man

### C CONDITION

The Insured shall notify the Insurers as soon as possible in the event of any alterations to all glass at the premises

## D ENDORSEMENTS

THESE ENDORSEMENTS ARE OPERATIVE ONLY IF THE NUMBER SET AGAINST THEM APPEARS IN THE APPENDIX TO THIS SECTION AND EACH IS SUBJECT OTHERWISE TO THE TERMS EXCEPTIONS AND CONDITIONS OF THIS SECTION

- 1 **Damage to Contents of Shop Windows** The insurance by this Section extends to include accidental damage to goods on display fixtures and fittings internal blinds and grilles and the like (but excluding neon signs) the property of the Insured or for which he is responsible whilst in the windows in each of the premises described in Endorsement 1 in the Appendix to this Section caused by or resulting from
  - 1 Damage to Glass in windows
  - 2 impact by any vehicle aircraft or animal

Provided that

- a the Insurers' liability shall not exceed in respect of any one occurrence of accidental damage the amount shown against each of the premises described in Endorsement 1 in the Appendix to this Section
  - b the Insurers shall not be liable in respect of accidental damage caused by or resulting from theft attempted theft fire lightning or explosion
- 2 **Damage to Shopfront** The insurance by this Section extends to include accidental damage to the shopfront (including external fittings blinds and fixed signs but excluding neon signs glass vitrolite marmorite and similar substances) at each of the premises described in Endorsement 2 in the Appendix to this Section

Provided that

- 1 The Insurers' liability shall not exceed in respect of any one occurrence of accidental damage the amount shown against each of the premises described in Endorsement 2 in the Appendix to this Section
  - 2 The Insurers shall not be liable in respect of accidental damage caused by or resulting from
    - a Theft attempted theft fire lightning explosion storm or other weather conditions
    - b Vibration settlement subsidence vermin insects wear and tear depreciation or deterioration or any process of repairing restoring or renovating
- 3 **Damage to Intruder Alarm Foil** The insurance by this section extends to include accidental damage to intruder alarm foil or other detection devices and their circuits attached to Glass in display windows and doors directly resulting from Damage to Glass in respect of which a claim under this Section is admitted by the Insurers

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## Deterioration of Refrigerated Stock

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

### A COVER

In the event of goods in the cold chambers of any Refrigerator described in the Appendix to this Section being destroyed or damaged during the Period of Insurance as a result of deterioration or putrefaction caused by

- 1 a rise in temperature as a result of
  - a a breakdown of or sudden and unforeseen damage to the Refrigerator
  - b non-operation from any inherent cause of any thermostatic or automatic controlling devices pertaining to the Refrigerator
  - c the accidental failure of the public supply of electricity not occasioned by the deliberate act of the supply authority
- 2 action of refrigerant fumes escaping from the Refrigerator

the Insurers will indemnify the Insured by at their option replacing or paying the amount of the destruction or damage

Provided that

- a the term 'goods in the cold chambers' includes goods which at the time of the happening of the event giving rise to such deterioration or putrefaction are elsewhere on the Insured's premises but which would but for the happening of the event have been placed in such cold chambers
- b the Refrigerator is the subject of
  - i a current guarantee or warranty by the manufacturer or
  - ii a maintenance contract with a competent refrigeration engineer or
  - iii an insurance policy covering breakdown or an inspection contract issued by an Insurer

### Limit of Liability

For all destruction or damage arising during any one Period of Insurance the Insurers' liability under this Section shall not exceed in respect of each of the Refrigerators the Sum Insured specified in the Appendix to this Section for such Refrigerator

### B EXTENSION

**Index-Linking** The Sum Insured by any Item of this Section shown as Index-Linked in the Appendix to this Section will be adjusted at monthly intervals in accordance with the percentage change in the relevant Index of Retail Prices as issued by the States of Guernsey and Jersey (or an alternative index selected by the Insurers)

Provided that

- a any adjustment made to the Sum Insured will be based on the latest figures available to the Insurers
- b at each renewal the premium will be calculated on the adjusted Sum Insured then in force

### C EXCEPTIONS

This Section does not cover

- 1 the first £250 of each and every occurrence of Damage otherwise payable under this section
- 2 destruction or Damage caused by or happening through fire lightning or explosion occurring at the premises
- 3 any wilful act or wilful neglect by the Insured or his employees

### D CONDITIONS

- 1 The Insurers have the right at all reasonable times to inspect and examine any of the Refrigerators
- 2 If the goods insured by any Item of this Section shall at the time of destruction or damage be of greater value than the Sum Insured under that Item then the Insurers shall bear only that proportion of the destruction or damage which the Sum Insured bears to the value

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## Property – Fire and Perils

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

### DEFINITIONS

**'Buildings'** include

- a landlord's fixtures and fittings
- b unless specifically insured annexes and small outside buildings conveyors trunks lines wires service pipes and other equipment walls and gates and fences the property of the Insured or for which the Insured is responsible

**'Stock'** means stock and materials in trade the property of the Insured or held by the Insured in trust or on commission for which the Insured is responsible

**'Business Equipment'** means business equipment fixtures fittings furniture plant machinery and All Other Contents the property of the Insured or held in trust for which the Insured is responsible but excluding Stock and landlord's fixtures and fittings

**'All Other Contents'** includes the following insofar as they are not otherwise or more specifically insured

- a money and stamps for an amount not exceeding £1,000 and National Insurance Stamps
- b documents manuscripts business books patterns models moulds plans and designs and computer systems records but only for the value of the materials together with the cost of labour or computer time expended in reproducing them but excluding
  - i any expenses in connection with the recompilation or retrieval of the information contained in them
  - ii the value to the Insured of the information that they contain
- c directors' partners' customers' visitors' and employees' pedal cycles and other personal effects and tools for an amount not exceeding £500 in respect of any one person

**'Rent Receivable'** means periodic payments made to the Insured as lessors of Buildings belonging to the Insured

**'Rent Payable'** means periodic payments made by the Insured for the lease of Buildings not belonging to the Insured

**'Damage'** means accidental loss destruction or damage

### A COVER

In the event of the Property or any part of it described in the Appendix to this Section sustaining Damage during the Period of Insurance by

- 1 fire excluding Damage caused by
  - a earthquake or subterranean fire
  - b Damage to property caused by its own spontaneous fermentation or heating or its undergoing any process involving the application of heat
- 2 lightning
- 3 aircraft or other aerial devices (or articles falling from them)
- 4 explosion excluding Damage
  - a caused by the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel or machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Insured
  - b of vessels machinery or apparatus or their contents resulting from their explosion the Insurers will indemnify

the Insured by at their option repairing replacing or paying the amount of the Damage

### Limits of Liability

For all Damage arising during any one Period of Insurance the Insurers' liability under this Section shall not exceed in respect of

- 1 each Item of the Property the Sum Insured set against it
- 2 all Items of the Property the total of the Sums Insured
- 3 each Item on Rent Receivable 150 per cent of the Sum Insured set against it
- 4 each Item on Rent Payable the Sum Insured set against it



## **Basis of Settlement - Rent**

- 1 **Rent Receivable** In the event of Damage to the Buildings the Insurers shall pay to the Insured in respect of any Item on Rent Receivable relating to such Buildings
  - a the amount by which the Rent Receivable by the Insured during the period specified in such Item shall in consequence of the Damage fall short of the rent which would have been received during such period had the Damage not occurred
  - b the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding a shortfall in rent but not exceeding the amount of the loss of rent which would otherwise have been payable under Paragraph a

less any savings in respect of expenditure payable out of Rent Receivable which reduces or ceases in consequence of the Damage In arriving at the amount of Rent Receivable such adjustments will be made as are necessary to provide for trend variations or other relevant circumstances either before or after the Damage so that the figures thus adjusted represent as nearly as may be reasonably practicable the rent which but for the Damage would have been obtained during the relative period after the Damage If following Damage the amount of Rent Receivable is maintained by the provision of alternative accommodation by the Insured such rent shall be taken into account in calculating the amount payable

If at the time of the Damage the Sum Insured by any Item on Rent Receivable is less than the total rent which would have been received during the Period of Insurance if the Damage had not occurred (or a proportionately increased multiple thereof if the rental period exceeds twelve months) the amount payable will be reduced proportionately

The insurance by any Item on Rent Receivable includes Damage caused by the explosion of any boiler or economiser

- 2 **Rent Payable** In the event of Damage to the Buildings the Insurers will pay to the Insured in respect of any Item on Rent Payable relating to such Buildings the amount of Rent Payable for the Buildings or part of the Buildings whilst unfit for occupation in consequence of the Damage for a period not exceeding the number of months specified in such Item

If at the time of Damage the Sum Insured by any Item on Rent Payable is less than the total rent payable during the period specified in such Item the amount payable will be reduced proportionately

## **B EXTENSIONS**

- 1 **Public Authorities** The insurance by each Item of this Section on Buildings and Business Equipment includes any additional cost of reinstating incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of any laws or ordinances of the States of Guernsey or Jersey Public Authority or in the United Kingdom any Act of Parliament or with bye-laws of any Municipal or Local Authority excluding
  - a the cost incurred in complying with any of such regulations or bye-laws
    - i under which notice has been served upon the Insured prior to the happening of the Damage
    - ii the additional cost that would have been required to make good the Property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with such regulations or bye-laws not arisen

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 such regulations or bye-laws

Provided that

- a the work of reinstatement is commenced and carried out with reasonable despatch and may be carried out upon another site (if such regulations or bye-laws so necessitate) subject to the Insurers' liability not being thereby increased
  - b if the Insurers' liability under any Item of this Section apart from this Extension is reduced by the application of any of the terms of this Section then the Insurers' liability under this Extension in respect of any such Item shall be reduced in like proportion
- 2 **Architects' Surveyors' Consultants' and Legal Fees** The Sum Insured by each Item of this Section covering Buildings and Business Equipment includes an amount in respect of architects' surveyors' consultants' and legal fees necessarily incurred in the reinstatement of such Property consequent upon its Damage but not for preparing any claim The amount payable for such fees will not exceed those authorised under the scales of the various institutions or bodies regulating such charges

3 **Removal of Debris** The insurance by each Item of this Section on Buildings and Business Equipment and Stock includes costs and expenses necessarily incurred by the Insured with the consent of the Insurers in removing debris demolishing shoring up or propping following Damage to such Property

The Insurers will not pay for any costs or expenses

- a incurred in removing debris except from the site of such Property sustaining Damage and the area immediately adjacent to such site
- b arising from pollution or contamination of property not insured by this Section

4 **Automatic Free Reinstatement of Loss** The sum(s) insured hereby shall be automatically reinstated following destruction or damage without additional charge The terms of this memorandum however shall not apply to First Loss or Non-Average insurances unless otherwise stated

5 **Index-Linking** The Sum Insured by any Item of this Section shown as Index-linked in the Appendix to this Section will be adjusted at monthly intervals in accordance with the percentage change in the relevant Sections of the Index of Retail Prices as issued by the States of Guernsey and Jersey (or an alternative index selected by the Insurers)

Provided that

- a any adjustment made to the Sum Insured will be based on the latest figures available to the Insurers
- b at each renewal the premium will be calculated on the adjusted Sum Insured then in force

6 **Capital Additions** The insurance by each Item of this Section on Buildings and Business Equipment extends to cover any newly acquired Property insofar as it is not otherwise insured and alterations and improvements to the Property but not in respect of appreciation in value during the current Period of Insurance at the premises

Provided that

- a at any one situation this cover will not exceed 10 per cent of the total of the Sums Insured on such Property or £250,000 whichever is the less
- b the Insured undertakes to give particulars of such Property each six months and to effect specific insurance thereon retrospective to the date of the commencement of the Insurers' liability

7 **Temporary Removal** The Property insured by any Item of this Section other than on Stock is covered whilst temporarily removed for cleaning renovation repair or other similar purposes elsewhere on the same or to any other premises or in transit thereto and therefrom by road rail or inland waterway in the Channel Islands Great Britain Ireland Northern Ireland or the Isle of Man

In respect of Damage occurring elsewhere than at the Insured's own premises the amount recoverable will not exceed 10 per cent of the Sum Insured on each Item

Documents manuscripts business books plans and computer systems records are covered whilst temporarily removed from the premises and whilst in transit by road rail or inland waterway in the Channel Islands Great Britain Ireland Northern Ireland or the Isle of Man for an amount not exceeding 10 per cent of their total value

This Extension does not apply to the following property insofar as it is otherwise insured nor as regards Damage occurring elsewhere than at the premises from which the property is removed to

- a motor vehicles and motor chassis licensed for normal road use
- b property held by the Insured in trust other than machinery and plant

8 **Spontaneous Combustion of Coal** The insurance by this Section extends to cover Damage to coal coke and wood blocks caused by its own spontaneous heating or combustion whether fire ensues or not

9 **Contract Price** In respect only of goods sold but not delivered for which the Insured is responsible and with regard to which under the conditions of sale the sale contract is cancelled by reason of Damage the Insurers' liability will be based on the contract price and for the purpose of Condition 3 the value of all goods to which this Extension would in the event of Damage be applicable will be ascertained on the same basis

10 **Contracting Purchaser** Where the Insured contracts to sell his interest in any Building insured by this Section the contracting purchaser who completes the purchase has the benefit of the insurance by this Section up to the date of completion if and insofar as the Buildings are not otherwise insured and without prejudice to the rights and liabilities of the Insured or Insurers

- 11 **Mortgagee** The interest of a mortgagee in this insurance shall not be prejudiced by any act or neglect of the mortgagor or occupier of any Building insured by this Section whereby the risk of Damage is increased without the authority or knowledge of the mortgagee provided that the mortgagee immediately on becoming aware thereof gives notice to the Insurers and pays an additional premium if required
- 12 **Non-Invalidation** The insurance by this Section insofar as it relates to Buildings or parts of Buildings not occupied by the Insured shall not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased without the authority or knowledge or beyond the control of the Insured provided that the Insured immediately on becoming aware thereof gives notice to the Insurers and pays an additional premium if required
- 13 **Subrogation Waiver** In the event of a claim arising under this Section the Insurers agree to waive any rights remedies or relief to which they might become entitled by subrogation against
- a a Company standing in the relation of Parent to Subsidiary (or Subsidiary to Parent) to the Insured as defined in Section 154 of the Companies Act 1948 where applicable
  - b any Company which is a Subsidiary of a Parent Company of which the Insured are themselves a Subsidiary within the meaning of Section 154 of the Companies Act 1948 where applicable

## C EXCEPTIONS

This Section does not cover

- 1 **Obsolete**
- 2 consequential loss of any kind other than Loss of Rent insured hereby
- 3 Damage to Property which at the time of Damage is insured by or would but for the existence of this insurance be insured by any marine policy except in respect of any excess beyond the amount which would have been payable under the marine policy had this insurance not been effected
- 4 Damage directly or indirectly occasioned by or happening through or in consequence of riot or civil commotion unless these perils are shown as operative in the Appendix to this Section and then only to the extent stated
- 5 Damage caused by pollution or contamination except (unless otherwise excluded) Damage to the Property insured caused by
- a pollution or contamination which itself results from a peril hereby insured against
  - b any peril hereby insured against which itself results from pollution or contamination

## D CONDITIONS

- 1 The insurance by this Section shall be avoided with respect to any Item in regard to which there is any alteration after the commencement of this insurance
- a by removal or
  - b whereby the risk of Damage is increased or
  - c whereby the Insured's interest ceases except by will or operation of law
- Unless such alteration is agreed by the Insurers in writing except that workmen are allowed in and about any of the premises for the purposes of carrying out minor alterations decoration repairs general maintenance and the like
- 2 The Insured shall give notice to the Insurers when any Building insured by this Section becomes unoccupied or when an unoccupied Building or portion thereof is again occupied and a suitable additional premium paid if required
- 3 If at the time of Damage the Sum Insured on any Item is less than the value of the Property covered by such Item then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly

This Condition is not applicable to Items solely on rent debris removal professional fees documents manuscripts business books computer systems records patterns models moulds plans and designs

- 4 If at the time of Damage to any Property insured by this Section there is any other insurance effected by or on behalf of the Insured covering such Property the Insurers' liability under this Section shall be limited to their rateable proportion of such Damage

If any such other insurance shall be subject to any underinsurance condition this Section if not already subject to any such underinsurance condition shall be subject to such underinsurance condition in like manner

If any other insurance effected by or on behalf of the Insured is expressed to cover any of the Property hereby insured but is subject to any provision whereby it is excluded from ranking concurrently with this Section either in whole or in part or from contributing rateably to the Damage the Insurers' liability hereunder shall be limited to such proportion of the Damage as the Sum Insured bears to the value of the Property

## D CONDITIONS Continued

5 On the happening of any Damage in respect of which a claim is made under this Section the Insurers and any person authorised by the Insurers may without thereby incurring any liability or diminishing any of the Insurers' rights under this Section enter take or keep possession of the premises where such Damage has occurred and take possession of or require to be delivered to them any Property insured and deal with such Property for all reasonable purposes and in any reasonable manner If the Insured or anyone acting on his behalf does not comply with the Insurers' requirements or hinders or obstructs the Insurers in carrying out any of the above mentioned acts then all benefit under this Section shall be forfeited

No Property may be abandoned to the Insurers whether taken possession of by them or not

6 Every warranty to which any Property insured is or may be made subject shall from the time the warranty attaches apply and continue to be in force during the whole currency of this Section and non-compliance with any such warranty whether it increases the risk or not shall be a bar to any claim in respect of such Property

Provided that whenever this Section is renewed a claim in respect of Damage occurring during the renewal period shall not be barred by reason of a warranty not having been complied with at any time before the commencement of such period

## E ENDORSEMENTS

THESE ENDORSEMENTS ARE OPERATIVE ONLY IF THE REFERENCE SET AGAINST THEM APPEARS IN THE APPENDIX TO THIS SECTION AND EACH IS SUBJECT OTHERWISE TO THE TERMS EXCEPTIONS AND CONDITIONS OF THIS SECTION

### A Additional Peril

This Section extends to cover Damage caused by the following perils if the reference set against them appears in the Appendix to this Section

- A1 **Riot and Civil Commotion** Riot civil commotion strikers locked-out workers persons taking part in labour disturbances or malicious persons acting in connection with any political organisation excluding Damage caused by
- a confiscation destruction or requisition by order of any Government public municipal local or customs authority
  - b stoppage of work
- A2 **Malicious Persons** Malicious persons excluding
- a Damage caused by stoppage of work or theft
  - b the first £250 of each and every loss otherwise payable under this Section
- A3 **Earthquake**
- A4 **Storm** Storm excluding
- a Damage caused by the escape of water from its normal natural or artificial confines (other than tanks apparatus pipes) or inundation from the sea whether resulting from storm or otherwise
  - b Damage attributable solely to change in the water table level
  - c Damage caused by frost subsidence or landslip
  - d Damage to fences gates and moveable property in the open or in transit
  - e the first £250 of each and every loss at each separate premise otherwise payable under this Section
- A5 **Storm or Flood** Storm or flood excluding
- a Damage attributable solely to change in the water table level
  - b Damage caused by frost subsidence or landslip
  - c Damage caused by bursting or overflowing of water tanks apparatus or pipes
  - d Damage to fences gates and moveable property in the open or in transit the first £250 of each and every loss at each separate premises as otherwise payable under this Section
- A6 **Burst Pipes** Bursting overflowing or leaking of water tanks apparatus or pipes or the escape of oil from any fixed domestic heating installation excluding
- a Damage whilst the premises are empty or disused
  - b Damage caused by discharge or leakage of water from any automatic sprinkler installation in the premises
  - c the first £250 of each and every loss at each separate premises otherwise payable under this Section

- A7 **Impact** Impact by mechanically propelled vehicles or rail rolling stock (or articles or goods falling from them) or any animal not belonging to or in the custody or control of the Insured or his employees
- A8 **Impact** Impact by mechanically propelled vehicles or rail rolling stock (or articles or goods falling from them) or any animal belonging to or in the custody or control of the Insured or his employees but excluding the first £250 of each and every loss otherwise payable under this Section

### **B Inflation Provision for Sums Insured**

In consideration of the payment of an additional premium amounting to 50 per cent of the premium produced by applying

- a the percentage(s) specified against Endorsement B in the Appendix to this Section
- to
- b the first or annual premium as appropriate on the terms shown against Endorsement B in the Appendix to this Section the Sum(s) Insured thereby will during the Period of Insurance be increased each day by an amount representing 1/365th of the specified percentage increase per annum

Unless specifically agreed to the contrary the provisions of this Endorsement shall apply only to the Sums Insured in force at the commencement of each Period of Insurance

At each renewal date the Insured will notify to the Insurers

- a the sums to be insured under each Item above but in the absence of such instructions the Sums Insured by the above Items will be those stated in the Appendix to this Section (as amended by any endorsements effective prior to the aforesaid renewal date) to which will be added the increases which have accrued under this Endorsement during the Period of Insurance up to that renewal date and
- b the specified percentage increase(s) required for the forthcoming Period of Insurance but in the absence of instructions to the contrary prior to renewal date the existing percentage increase will apply for the Period of Insurance from renewal

### **C Reinstatement Provisions**

Applicable to the Buildings and Business Equipment Items (except motor vehicles and personal effects) whose numbers are shown against Endorsement C in the Appendix to this Section

In the event of these Items sustaining Damage the basis upon which the amount payable is to be calculated shall be the cost of Reinstatement subject to the Provisions set out below

Reinstatement means

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

### **Provisions**

- 1 No payment beyond the amount which would have been payable had this Endorsement not been operative shall be made
  - i unless the work of Reinstatement is commenced and carried out with reasonable despatch
  - ii until the cost of Reinstatement has been incurred
  - iii unless any other insurance covering the Insured's interest in the Property at the time of Damage is upon the same basis of Reinstatement as this Section

and if no such payment is made the rights and liabilities of the Insurers and the Insured shall be those which would have applied had this Endorsement not been operative

- 2 Reinstatement may be carried out at another site and in any manner suitable to the Insured subject to the Insurers' liability not being increased as a result
- 3 In the event of partial damage to any Property insured under this Endorsement the Insurers' liability for any loss shall not exceed the cost which would have been incurred had such Property been totally destroyed
- 4 Each Item insured under this Endorsement is declared to be separately subject to the following underinsurance condition
- 5 If the Sum Insured on any Item at the time of Damage is less than 85 per cent of the cost of reinstating the whole of the Property covered by such Item at the time of Reinstatement then the Insured shall be considered as being his own insurer for the difference between the Sum Insured and the cost of Reinstatement of the whole of the Property and shall bear a rateable proportion of the loss accordingly

### **D Day One Reinstatement (Non-Adjustable)**

Applicable to all Building and/or Business Equipment Items whose numbers are shown against Endorsement D in the Appendix to this Section

1 The Insured having stated in writing the Declared Value incorporated in each Item to which this Endorsement applies the premium has been calculated accordingly

“Declared Value” means the Insured's assessment of the cost of Reinstatement of the Property insured arrived at in accordance with Paragraph a of Endorsement C at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) including insofar as the insurance by the Item provides due allowance for

- a the additional cost of Reinstatement to comply with local authorities requirements
- b professional fees
- c debris removal costs

2 At the inception of each Period of Insurance the Insured shall notify the Insurers of the Declared Value of the Property insured by each of the said Item(s) In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance

3 Where because of Provision 1 of Endorsement C no payment is to be made beyond the amount which would have been payable had Endorsement C not been operative the Sum Insured shall be limited to 115 per cent of the Declared Value(s) shown against Endorsement D in the Appendix to this Section

4 Provision 4 of Endorsement C is amended to read

Each Item insured under this Endorsement is declared to be separately subject to the following underinsurance condition

If at the time of Damage the Declared Value of the Property covered by any Item is less than the cost of Reinstatement at the inception of the Period of Insurance then the Insurers' liability in respect of such Damage shall be limited to the proportion that the Declared Value bears to the cost of Reinstatement

### **E Day One Reinstatement (Adjustable)**

Applicable to all Building and/or Business Equipment Items whose numbers are shown against Endorsement E in the Appendix to this Section

1 The Insured having stated in writing the Declared Value incorporated in each Item to which this Endorsement applies the premium has been calculated accordingly

“Declared Value” means the Insured's assessment of the cost of Reinstatement of the Property insured arrived at in accordance with Paragraph a of Endorsement C at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) including insofar as the insurance by the Item provides due allowance for

- a the additional cost of Reinstatement to comply with Public Authorities' requirements
- b professional fees
- c debris removal cost

2 At the inception of each Period of Insurance the Insured shall notify the Insurers of the Declared Value of the Property insured by each of the said Item(s) In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance

3 The premium charged on the Declared Value is provisional On expiry of each Period of Insurance the premium shall be adjusted by 50 per cent of the difference between

- a the provisional premium at the commencement of the period and
- b the premium calculated at the terms which have applied during the period under adjustment based on the Declared Value for the subsequent Period of Insurance

4 For the purpose of Paragraph 3 of this Endorsement only

- a if this Section (or any Item thereof) is cancelled or not renewed the Insured shall provide the Declared Value of the Property insured by each of the said Item(s) calculated in accordance with Paragraph 1 of this Endorsement but at the level of costs applying at the date of cancellation or non-renewal
- b where Property has not been reinstated following loss the Insured shall provide the Declared Value as though the Property had not been damaged or destroyed
- c where a declaration of the Declared Value is not submitted to the Insurers an additional premium of 7 1/2 per cent of the provisional premium shall become payable

5 Where because of Provision 1 of Endorsement C no payment is to be made beyond the amount which would have been payable had Endorsement C not been operative the Sum Insured shall be limited to 115 per cent of the Declared Value(s) shown against Endorsement E in the Appendix to this Section

6 Provision 4 of Endorsement C is amended to read

Each Item insured under this Endorsement is declared to be separately subject to the following underinsurance condition

If at the time of Damage the Declared Value of the Property covered by any Item is less than the cost of Reinstatement at the inception of the Period of Insurance then the Insurers' liability in respect of such Damage shall be limited to the proportion that the Declared Value bears to the cost of Reinstatement

#### **F Declaration Conditions for Stock**

Each Item on Stock is subject to the following conditions

- 1 The first and annual premiums are provisional being based on 75 per cent of the Sum Insured and shall at the expiry of each Period of Insurance be adjusted as set out below
- 2 The value of Stock on the dates shown against Endorsement F in the Appendix to this Section shall be declared in writing by the Insured to the Insurers within 60 days of such dates and if no declaration is made the Insured shall be considered as having declared the Sum Insured
- 3 On expiry of each Period of Insurance the actual premium for each Item on Stock shall be calculated at the appropriate rate per cent per annum on the average of the amounts declared If the actual premium payable is greater than the provisional premium paid the Insured shall pay the difference and if less the difference shall be repaid to the Insured

#### **G Fire Extinguishing Appliances**

In consideration of there being kept on the premises mentioned in the Appendix to this Section appliances for the extinction of fire stipulated by the Insurers the discount shown against Endorsement G in the Appendix to this Section is allowed off the premium This discount is conditional upon the equipment being maintained in working order at all times

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## Property – Extended Cover

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

### DEFINITIONS

**'Buildings'** include

- a landlord's fixtures and fittings
- b unless specifically insured annexes and small outside buildings conveyors trunks lines wires service pipes and other equipment walls and (except insofar as this Section covers Storm or Flood) gates and fences the property of the Insured or for which the Insured is responsible

**'Stock'** means stock and materials in trade the property of the Insured or held by the Insured in trust or on commission for which the Insured is responsible

**'Business Equipment'** means business equipment fixtures fittings furniture plant machinery and All Other Contents the property of the Insured or held in trust for which the Insured is responsible but excluding Stock and landlord's fixtures and fittings

**'All Other Contents'** includes the following insofar as they are not otherwise or more specifically insured

- a money and stamps for an amount not exceeding £1,000 and National Insurance Stamps
- b documents manuscripts business books patterns models moulds plans and designs and computer systems records but only for the value of the materials together with the cost of labour or computer time expended in reproducing them but excluding
  - i any expenses in connection with the recompilation or retrieval of the information contained in them
  - ii the value to the Insured of the information that they contain
- c directors' partners' customers' visitors' and employees' pedal cycles and other personal effects and tools for an amount not exceeding £500 in respect of any one person

**'Rent Receivable'** means periodic payments made to the Insured as lessors of Buildings belonging to the Insured

**'Rent Payable'** means periodic payments made by the Insured for the lease of Buildings not belonging to the Insured

**'Damage'** means accidental loss destruction or damage

### A COVER

In the event of the Property or any part of it described in the Appendix to this Section sustaining Damage other than by an excluded cause during the Period of Insurance the Insurers will indemnify the Insured by at their option repairing replacing or paying the amount of the Damage

#### Limits of Liability

For all Damage arising during any one Period of Insurance the Insurers' liability under this Section shall not exceed in respect of

- 1 each Item of the Property the Sum Insured set against it
- 2 all Items of the Property the total of the Sums Insured
- 3 each Item on Rent Receivable 150 per cent of the Sum Insured set against it
- 4 each Item on Rent Payable the Sum Insured set against it



## **Basis of Settlement - Rent**

- 1 **Rent Receivable** In the event of Damage to the Buildings the Insurers shall pay to the Insured in respect of any Item on Rent Receivable relating to such Buildings
- a the amount by which the Rent Receivable by the Insured during the period specified in such Item shall in consequence of the Damage fall short of the rent which would have been received during such period had the Damage not occurred
  - b the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding a shortfall in rent but not exceeding the amount of the loss of rent which would otherwise have been payable under Paragraph a

less any savings in respect of expenditure payable out of Rent Receivable which reduces or ceases in consequence of the Damage In arriving at the amount of Rent Receivable such adjustments will be made as are necessary to provide for trend variations or other relevant circumstances either before or after the Damage so that the figures thus adjusted represent as nearly as may be reasonably practicable the rent which but for the Damage would have been obtained during the relative period after the Damage If following Damage the amount of Rent Receivable is maintained by the provision of alternative accommodation by the Insured such rent shall be taken into account in calculating the amount payable

If at the time of the Damage the Sum Insured by any Item on Rent Receivable is less than the total rent which would have been received during the Period of Insurance if the Damage had not occurred (or a proportionately increased multiple thereof if the rental period exceeds twelve months) the amount payable will be reduced proportionately

The insurance by any Item on Rent Receivable includes Damage caused by the explosion of any boiler or economiser

- 2 **Rent Payable** In the event of Damage to the Buildings the Insurers will pay to the Insured in respect of any Item on Rent Payable relating to such Buildings the amount of Rent Payable for the Buildings or part of the Buildings whilst unfit for occupation in consequence of the Damage for a period not exceeding the number of months specified in such Item

If at the time of Damage the Sum Insured by any Item on Rent Payable is less than the total rent payable during the period specified in such Item the amount payable will be reduced proportionately

## **B EXTENSIONS**

- 1 **Public Authorities** The insurance by each Item of this Section on Buildings and Business Equipment includes any additional cost of reinstatement incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of any laws or ordinances of the States of Guernsey or Jersey Public Authority or in the United Kingdom any Act of Parliament or with bye-laws of any Municipal or Local Authority excluding
- a the cost incurred in complying with any of such regulations or bye-laws
    - i under which notice has been served upon the Insured prior to the happening of the Damage
    - ii in respect of undamaged Property or undamaged portions of Property other than foundations (unless foundations are specifically excluded from the insurance by this Section) of that portion destroyed or damaged
  - b the additional cost that would have been required to make good the Property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with such regulations or bye-laws not arisen
  - c the amount of any rate tax duty development or other charge or assessment arising out of capital appreciation which may be payable in respect of the Property or by the owner thereof by reason of compliance with such regulations or bye-laws

Provided that

- a the work of reinstatement is commenced and carried out with reasonable despatch and may be carried out upon another site (if such regulations or bye-laws so necessitate) subject to the Insurers' liability under this Section not being thereby increased
- b if the Insurers' liability under any Item of this Section apart from this Extension is reduced by the application of any of the terms of this Section then the Insurers' liability under this Extension in respect of any such Item shall be reduced in like proportion

- 2 **Architects' Surveyors' Consultants' and Legal Fees** The Sum Insured by each Item of this Section covering Buildings and Business Equipment includes an amount in respect of architects' surveyors' consultants' and legal fees necessarily incurred in the reinstatement of such Property consequent upon its Damage but not for preparing any claim The amount payable for such fees will not exceed those authorised under the scales of the various institutions or bodies regulating such charges
- 3 **Removal of Debris** The insurance by each Item of this Section on Buildings and Business Equipment and Stock includes costs and expenses necessarily incurred by the Insured with the consent of the Insurers in removing debris demolishing shoring up or propping following Damage to such Property

The Insurers will not pay for any costs or expenses

- a incurred in removing debris except from the site of such Property sustaining Damage and the area immediately adjacent to such site
  - b arising from pollution or contamination of property not insured by this Section
- 4 **Automatic Free Reinstatement of Loss** The sum(s) insured hereby shall be automatically reinstated following destruction or damage without additional charge The terms of this memorandum however shall not apply to First Loss or Non-Average insurances unless otherwise stated
- 5 **Index-Linking** The Sum Insured by any Item of this Section shown as Index-linked in the Appendix to this Section will be adjusted at monthly intervals in accordance with the relevant sections of the Index of Retail Prices as issued by the States of Guernsey and Jersey (or an alternative index selected by the Insurers)
- Provided that
- a any adjustment made to the Sum Insured will be based on the latest figures available to the Insurers
  - b at each renewal the premium will be calculated on the adjusted Sum Insured then in force
- 6 **Capital Additions** The insurance by each Item of this Section on Buildings and Business Equipment extends to cover any newly acquired Property insofar as it is not otherwise insured and alterations and improvements to the Property but not in respect of appreciation in value during the current Period of Insurance at the premises

Provided that

- a at any one situation this cover will not exceed 10 per cent of the total of the Sums Insured on such Property or £250,000 whichever is the less
  - b the Insured undertakes to give particulars of such Property each six months and to effect specific insurance thereon retrospective to the date of the commencement of the Insurers' liability
- 7 **Temporary Removal** The Property insured by any Item of this Section other than on Stock is covered whilst temporarily removed for cleaning renovation repair or other similar purposes elsewhere on the same or to any other premises or in transit thereto and therefrom by road rail or inland waterway in the Channel Islands Great Britain Ireland Northern Ireland or the Isle of Man

In respect of Damage occurring elsewhere than at the Insured's own premises the amount recoverable will not exceed 10 per cent of the Sum Insured on each Item

Documents manuscripts business books plans and computer systems records are covered whilst temporarily removed from the premises and whilst in transit by road rail or inland waterway in the Channel Islands Great Britain Ireland Northern Ireland or the Isle of Man for an amount not exceeding 10 per cent of their total value

This Extension does not apply to the following property insofar as it is otherwise insured nor as regards Damage occurring elsewhere than at the premises from which the property is removed to

- a motor vehicles and motor chassis licensed for normal road use
  - b property held by the Insured in trust other than machinery and plant
- 8 **Contract Price** In respect only of goods sold but not delivered for which the Insured is responsible and with regard to which under the conditions of sale the sale contract is cancelled by reason of Damage the Insurers' liability will be based on the contract price and for the purpose of Condition 3 of this Section the value of all goods to which this Extension would in the event of Damage be applicable will be ascertained on the same basis

- 9       **Contracting Purchaser** Where the Insured contracts to sell his interest in any Building insured by this Section the contracting purchaser who completes the purchase has the benefit of the insurance by this Section up to the date of completion if and insofar as the Buildings are not otherwise insured and without prejudice to the rights and liabilities of the Insured or Insurers
- 10       **Mortgagee** The interest of a mortgagee in this insurance shall not be prejudiced by any act or neglect of the mortgagor or occupier of any Building insured by this Section whereby the risk of Damage is increased without the authority or knowledge of the mortgagee provided that the mortgagee immediately on becoming aware thereof gives notice to the Insurers and pays an additional premium if required
- 11       **Non-Invalidation** The insurance by this Section insofar as it relates to Buildings or parts of Buildings not occupied by the Insured shall not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased without the authority or knowledge or beyond the control of the Insured provided that the Insured immediately on becoming aware thereof gives notice to the Insurers and pays an additional premium if required
- 12       **Subrogation Waiver** In the event of a claim arising under this Section the Insurers agree to waive any rights remedies or relief to which they might become entitled by subrogation against
- a    Company standing in the relation of Parent to Subsidiary (or Subsidiary to Parent) to the Insured as defined in Section 154 of the Companies Act 1948 where applicable or relevant Channel Island legislation
  - b    any Company which is a subsidiary of a Parent Company of which the Insured are themselves a Subsidiary within the meaning of Section 154 of the Companies Act 1948 where applicable or relevant Channel Island legislation.

## C EXCEPTIONS

This Section does not cover

### Excluded Causes

- 1 Damage caused by
  - a i faulty or defective design materials or workmanship inherent vice latent defect gradual deterioration wear and tear frost or change in water table level
  - ii explosion occasioned by the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Insured

but this shall not exclude subsequent Damage resulting from an ensuing cause not otherwise excluded

- b i collapse or cracking of buildings
- ii corrosion rust change in temperature dampness dryness wet or dry rot shrinkage evaporation loss of weight contamination change in colour flavour texture or finish vermin insects marring or scratching

but this shall not exclude such Damage resulting from a cause not otherwise excluded

- c i theft or any attempt thereat
- ii acts of fraud or dishonesty
- iii disappearance unexplained or inventory shortage misfiling or misplacing information
- iv cracking fracturing collapse or overheating of boilers economisers vessels tubes or pipes nipple leakage and/or the failure of welds of boilers
- v mechanical or electrical breakdown or derangement of machinery or equipment
- vi bursting overflowing discharging or leaking of water tanks apparatus or pipes when the premises are empty or disused

but this shall not exclude

such Damage resulting from a cause not otherwise excluded

subsequent Damage resulting from an ensuing cause not otherwise excluded

- d i subsidence ground heave or landslip
- ii normal settlement or bedding down of new structures

2 Damage by wind rain hail sleet snow flood or dust to moveable property in the open or fences and gates

3 confiscation nationalisation requisition or wilful destruction by any government public municipal local or customs authority

4 a DAMAGE elsewhere than in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of TERRORISM

b DAMAGE in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of

i civil commotion (if Standard cover applies)

or

ii riot civil commotion and (except in respect of Damage by fire or explosion) strikers locked-out workers or persons taking part in labour disturbances or malicious persons (if extended or all risks cover applies)

iii TERRORISM

In any action suit or other proceedings where the Insurer alleges that by reason of this definition any DAMAGE is not covered by this policy (or is covered only up to a specified limit of liability) the burden of proving that such DAMAGE is covered shall be upon the Insured

## Definitions

DAMAGE in capital letters shall mean accidental loss or destruction of or damage to Property Insured

TERRORISM shall mean any act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence

- 5 consequential loss of any kind other than Rent insured hereby
- 6 Damage caused by pollution or contamination except (unless otherwise excluded) destruction of or Damage to the Property insured caused by
  - a pollution or contamination which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons other than thieves earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes sprinkler leakage or impact by any road vehicle or animal
  - b any of the perils listed in a above which itself results from pollution or contamination

### Restricted Cover

- 7 Damage to
  - a money cheques stamps bonds credit cards securities of any description and then only if specifically mentioned as insured by this Section
  - b jewellery precious stones precious metals bullion furs curiosities rare books or works of art
  - c glass china earthenware marble or other fragile or brittle objects
  - d computers and data processing equipment except in respect of Damage not otherwise excluded caused by fire lightning explosion aircraft earthquake riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes or impact by any mechanically propelled vehicle or rail rolling stock or any animal

### Excluded Property

- 8
  - a vehicles (including accessories thereon) licensed for road use caravans trailers railway locomotives or rolling stock watercraft or aircraft
  - b Property in transit except as provided for under the Temporary Removal Extension
  - c Property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
  - d land roads pavements piers jetties bridges culverts excavations
  - e livestock growing crops or trees
  - f Property damaged as a result of its undergoing any process
- 9 Damage to Property which at the time of Damage is insured by or would but for the existence of this Section be insured by any Marine policy except in respect of any excess beyond the amount which would have been payable under the Marine policy had this insurance not been effected

## D CONDITIONS

- 1 The insurance by this Section shall be avoided with respect to any Item in regard to which there is any alteration after the commencement of this insurance
  - a by removal or
  - b whereby the risk of Damage is increased or
  - c whereby the Insured's interest ceases except by Will or operation of law

unless such alteration is agreed by the Insurers in writing except that workmen are allowed in and about any of the premises for the purposes of carrying out minor alterations decoration repairs general maintenance and the like

- 2 The Insured shall give notice to the Insurers when any Building insured by this Section becomes unoccupied or when an unoccupied Building or portion thereof is again occupied and a suitable additional premium paid if required

## **D CONDITIONS Continued**

- 3 If at the time of Damage the Sum Insured on any Item is less than the value of the Property covered by such Item then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly

This Condition is not applicable to Items solely on rent debris removal professional fees documents manuscripts business books computer systems records patterns models moulds plans and designs

- 4 If at the time of Damage to any Property insured by this Section there is any other insurance effected by or on behalf of the Insured covering such Property the Insurers' liability under this Section shall be limited to their rateable proportion of such Damage

If any such other insurance shall be subject to any underinsurance condition this Section if not already subject to any underinsurance condition shall be subject to such underinsurance condition in like manner

If any other insurance effected by or on behalf of the Insured is expressed to cover any of the Property hereby insured but is subject to any provision whereby it is excluded from ranking concurrently with this Section either in whole or in part or from contributing rateably to the Damage the Insurers' liability hereunder shall be limited to such proportion of the Damage as the Sum Insured bears to the value of the Property

- 5 On the happening of any Damage in respect of which a claim is made under this Section the Insurers and any person authorised by the Insurers may without thereby incurring any liability or diminishing any of the Insurers' rights under this Section enter take or keep possession of the premises where such Damage has occurred and take possession of or require to be delivered to them any Property insured and deal with such Property for all reasonable purposes and in any reasonable manner If the Insured or anyone acting on his behalf does not comply with the Insurers' requirements or hinders or obstructs the Insurers in carrying out any of the above mentioned acts then all benefit under this Section shall be forfeited

No Property may be abandoned to the Insurers whether taken possession of by them or not

- 6 Every warranty to which any Property insured is or may be made subject shall from the time the warranty attaches apply and continue to be in force during the whole currency of this Section and non-compliance with any such warranty whether it increases the risk or not shall be a bar to any claim in respect of such Property

Provided that whenever this Section is renewed a claim in respect of Damage occurring during the renewal period shall not be barred by reason of a warranty not having been complied with at any time before the commencement of such period

## **E ENDORSEMENTS**

THESE ENDORSEMENTS ARE OPERATIVE ONLY IF THE REFERENCE SET AGAINST THEM APPEARS IN THE APPENDIX TO THIS SECTION AND EACH IS SUBJECT OTHERWISE TO THE TERMS EXCEPTIONS AND CONDITIONS OF THIS SECTION

### **A Special Limit of Liability**

- 1 In respect of Damage by fire lightning explosion aircraft earthquake riot civil commotion strikers locked-out workers persons taking part in labour disturbances or malicious persons the Insurers' liability will be as specified in the Limits of Liability paragraph of the Cover
- 2 In respect of Damage by storm flood burst water pipes or apparatus or impact by any mechanically propelled vehicle or rail rolling stock or animal the Insurers' liability shall not exceed the amount shown against Special Limit No 1 in the Appendix to this Section
- 3 In respect of all other Damage the Insurers' liability shall not exceed the amount shown against Special Limit No 2 in the Appendix to this Section

### **B Deductibles**

This Section does not cover the amount of the deductible stated in the Appendix to this Section in respect of each and every occurrence of Damage as ascertained after the application of all other terms of this Section

**Deductible No 1** applies in respect of Damage by fire lightning explosion aircraft riot civil commotion strikers locked-out workers persons taking part in labour disturbances or earthquake

**Deductible No 2** applies in respect of all other Damage

## **C Reinstatement Provisions**

Applicable to the Buildings and Business Equipment Items (except motor vehicles and personal effects) whose numbers are shown against Endorsement C in the Appendix to this Section

In the event of these Items sustaining Damage the basis upon which the amount payable is to be calculated shall be the cost of Reinstatement subject to the Provisions set out below

Reinstatement means

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

### **Provisions**

- 1 No payment beyond the amount which would have been payable under this Section had this Endorsement not been operative shall be made
  - i unless the work of Reinstatement is commenced and carried out with reasonable despatch
  - ii until the cost of Reinstatement has been incurred
  - iii unless any other insurance covering the Insured's interest in the Property at the time of Damage is upon the same basis of Reinstatement as this Section

and if no such payment is made the rights and liabilities of the Insurers and the Insured shall be those which would have applied had this Endorsement not been operative

- 2 Reinstatement may be carried out at another site and in any manner suitable to the Insured subject to the Insurers' liability not being increased as a result
- 3 In the event of partial damage to any Property insured under this Endorsement the Insurers' liability for any loss shall not exceed the cost which would have been incurred had such Property been totally destroyed
- 4 Each Item insured under this Endorsement is declared to be separately subject to the following underinsurance condition  
If the Sum Insured on any Item at the time of Damage is less than 85 per cent of the cost of reinstating the whole of the Property covered by such Item at the time of Reinstatement then the Insured shall be considered as being his own insurer for the difference between the Sum Insured and the cost of Reinstatement and shall bear a rateable proportion of the loss accordingly

## **D Day One Reinstatement (Non-Adjustable)**

Applicable to all Building and/or Business Equipment Items whose numbers are shown against Endorsement D in the Appendix to this Section

- 1 The Insured having stated in writing the Declared Value incorporated in each Item to which this Endorsement applies the premium has been calculated accordingly

"Declared Value" means the Insured's assessment of the cost of Reinstatement of the Property insured arrived at in accordance with Paragraph a of Endorsement C at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) including insofar as the insurance by such Items provides due allowance for

- a the additional cost of Reinstatement to comply with local authorities' requirements
  - b professional fees
  - c debris removal costs
- 2 At the inception of each Period of Insurance the Insured shall notify the Insurers of the Declared Value of the Property insured by each of the said Item(s) In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance
  - 3 Where because of Provision 1 of Endorsement C no payment is to be made beyond the amount which would have been payable had Endorsement C not been operative the Sum Insured shall be limited to 115 per cent of the Declared Value(s) shown against Endorsement D in the Appendix to this Section

#### **D Day One Reinstatement (Non-Adjustable) Continued**

4 Provision 4 of Endorsement C is amended to read

Each Item insured under this Endorsement is declared to be separately subject to the following underinsurance condition

If at the time of Damage the Declared Value of the Property covered by any Item is less than the cost of Reinstatement at the inception of the Period of Insurance then the Insurers' liability in respect of such Damage shall be limited to the proportion that the Declared Value bears to the cost of Reinstatement

#### **E Day One Reinstatement (Adjustable)**

Applicable to all Building and/or Business Equipment Items whose numbers are shown against Endorsement E in the Appendix to this Section

1 The Insured having stated in writing the Declared Value incorporated in each Item to which this Endorsement applies the premium has been calculated accordingly

"Declared Value" means the Insured's assessment of the cost of Reinstatement of the Property insured arrived at in accordance with Paragraph a of Endorsement C at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) including insofar as the insurance by such Items provides due allowance for

- a the additional cost of Reinstatement to comply with local authorities' requirements
- b professional fees
- c debris removal costs

2 At the inception of each Period of Insurance the Insured shall notify the Insurers of the Declared Value of the Property insured by each of the said Item(s) In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance

3 The premium charged on the Declared Value is provisional on expiry of each Period of Insurance the premium shall be adjusted by 50 per cent of the difference between

- a the provisional premium at the commencement of the period and
- b the premium calculated at the terms which have applied during the period under adjustment based on the Declared Value for the subsequent Period of Insurance

4 For the purpose of Paragraph 3 of this Endorsement only

- a if this Section (or any Item thereof) is cancelled or not renewed the Insured shall provide the Declared Value of the Property insured by each of the said Item(s) calculated in accordance with Paragraph 1 of this Endorsement but at the level of costs applying at the date of cancellation or non-renewal
- b where Property has not been reinstated following Damage the Insured shall provide the Declared Value as though the Property had not been damaged or destroyed
- c where a declaration of the Declared Value is not submitted to the Insurers an additional premium of 7 1/2 per cent of the provisional premium shall become payable

5 Where because of Provision 1 of Endorsement C no payment is to be made beyond the amount which would have been payable under this Section if Endorsement C had not been operative the Sum Insured shall be limited to 115 per cent of the Declared Value(s) shown against Endorsement E in the Appendix to this Section

6 Provision 4 of Endorsement C is amended to read

Each Item insured under this Endorsement is declared to be separately subject to the following underinsurance condition

If at the time of Damage the Declared Value of the Property covered is less than the cost of Reinstatement at the inception of the Period of Insurance then the Insurers' liability in respect of such Damage shall be limited to the proportion which the Declared Value bears to the cost of Reinstatement



## **F Declaration Conditions for Stock**

Each Item on Stock is subject to the following conditions

- 1 The first and annual premiums are provisional being based on 75 per cent of the Sum Insured and shall at the expiry of each Period of Insurance be adjusted as set out below
- 2 The value of Stock on the dates shown against Endorsement F in the Appendix to this Section shall be declared in writing by the Insured to the Insurers within 60 days of such dates and if no declaration is made the Insured shall be considered as having declared the Sum Insured
- 3 On the expiry of each Period of Insurance the actual premium for each Item on Stock shall be calculated at the appropriate rate per cent per annum on the average of the amounts declared. If the actual premium payable is greater than the provisional premium paid the Insured shall pay the difference and if less the difference shall be repaid to the Insured

## **G Fire Extinguishing Appliances**

In consideration of there being kept on the premises mentioned in the Appendix to this Section appliances for the extinction of fire stipulated by the Insurers the discount shown against Endorsement G in the Appendix to this Section is allowed off the premium. This discount is conditional upon the equipment being maintained in working order at all times

## **H Subsidence**

The insurance by this Section extends to include Damage to the Property caused by subsidence or ground heave of the site or any part of it on which the Property stands or landslip excluding

- 1 Damage caused by the bedding down of new structures or by the settlement or movement of madeup ground or by coastal or river erosion
- 2 Damage occurring whilst the whole or part of the Property is in the course of erection structural alteration or repair or demolition
- 3 Damage caused by defective design or workmanship or use of defective materials
- 4 Damage which commenced prior to the inception of the cover under this Section
- 5 Damage to swimming pools paved terraces patios drives footpaths walls gates fences unless the buildings are damaged at the same time from the same cause
- 6 the first amount shown against Endorsement H in the Appendix to this Section in respect of each and every occurrence of Damage otherwise payable under this Section

Provided that the Insured shall

- a keep the Property in good and substantial repair
- b notify the Insurers immediately in writing in the event of
  - i the operation of a cause insured by this Endorsement
  - ii demolition excavation or building being commenced at or affecting any part of the Property or the site or any adjoining site

In the event of demolition excavation or building commencing the Insurers shall have the right to vary or cancel the cover provided by this Endorsement

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## Business Interruption – Fire and Perils

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

### DEFINITIONS

**Note 1** To the extent that the Insured is accountable to the tax authorities for Value Added Tax all terms in this Section shall be exclusive of such tax

**Note 2** For the purpose of these Definitions any adjustment implemented in Current Cost Accounting shall be disregarded

**'Premises'** means the address mentioned in the Schedule or the premises specified in the Appendices to this Section or the Property Section For the purpose of any Item on Outstanding Debit Balances insured by this Section Premises shall extend to include any premises in the Channel Islands Great Britain Northern Ireland or the Isle of Man to which the records have been temporarily removed and whilst in transit between them

**'Damage'** means accidental loss destruction or damage

**'Turnover'** means the money paid or payable to the Insured for goods sold and for services rendered in course of the Business at the Premises net of discounts allowed

**'Gross Profit'** means the amount by which the

**Turnover** plus the value of the closing stock and work in progress exceeds

**Purchases** (net of discounts received) plus the value of the opening stock and work in progress and any Uninsured Working Expenses shown against Endorsement E in the Appendix to this Section

**'Rate of Gross Profit'** means the rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage\*

**'Annual Turnover'** means the Turnover during the twelve months immediately before the date of the Damage\*

**'Standard Turnover'** means the Turnover during the period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period

**'Gross Revenue'** means the money paid or payable to the Insured for services rendered in the course of the Business at the Premises

**'Annual Gross Revenue'** means the Gross Revenue during the twelve months immediately before the date of the Damage\*

**'Standard Gross Revenue'** means the Gross Revenue during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period\*

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

**'Indemnity Period'** means the period beginning when the Damage occurs and ending when the results of the Business cease to be affected in consequence of the Damage but not exceeding the Maximum Indemnity Period

**'Maximum Indemnity'** Period as specified in the Appendix to this Section

**'Outstanding Debit Balances'** means the sums outstanding in the Insured's records of the individual amounts owed to the Insured by customers

## A COVER

In the event of any building or other property used by the Insured at the Premises for the purpose of the Business sustaining Damage during the Period of Insurance and the Business carried on by the Insured at the Premises being in consequence thereof interrupted or interfered with by

- 1 fire excluding Damage
  - a caused by earthquake or subterranean fire
  - b of or to property as a result of its own spontaneous fermentation or heating or its undergoing any process involving the application of heat
- 2 lightning
- 3 aircraft or other aerial devices (or articles falling from them)
- 4 explosion excluding
  - a Damage caused by the bursting of any vessel machine or apparatus (other than a boiler or economiser) in which internal pressure is due to steam only and belonging to and/or under the control of the Insured
  - b loss sustained in consequence of the Insured being deprived of the use of any vessel machine or apparatus (other than a boiler or economiser) or its contents as a result of its explosion

the Insurers will pay to the Insured in respect of each Item in the Appendix to this Section the amount of the loss resulting from such interruption or interference in accordance with the terms of this Section provided that when the Damage occurs there shall be an Insurance in force covering the interest of the Insured in the property at the Premises against such Damage under which

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

### Limits of Liability

For all loss resulting from interruption or interference arising during any one Period of Insurance the Insurers' liability under any Item of this Section will not exceed the Sums Insured or any other stated Limit of Liability or such other sum or limit which may be substituted therefor by Endorsement

### Basis of Settlement

- 1 **Gross Profit** The amount payable under any Item of this Section on Gross Profit shall be in respect of
  - a **Reduction in Turnover** The sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the Damage fall short of the Standard Turnover
  - b **Increase in Cost of Working** The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction avoided

Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage

- 2 **Gross Revenue** The amount payable under any Item of this Section on Gross Revenue shall be as follows
  - a in respect of reduction in Gross Revenue  
the amount by which the Gross Revenue during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Revenue
  - b in respect of increase in cost of working  
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the loss of Gross Revenue avoided

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Revenue as may cease or be reduced in consequence of the Damage

**Alternative Trading** If during the Indemnity Period goods are sold or services are rendered elsewhere than at the Premises for the benefit of the Business the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover or Gross Revenue during the Indemnity Period

**Professional Accountants** Any particulars in the Insured's accounts or other information or evidence which may be required by the Insurers under General Exception and Condition 4C for the purpose of investigating or verifying any claim may be produced by professional accountants if at the time they are acting regularly as such for the Insured and their report will be prima facie evidence of the information to which it relates

The Insurers will pay the reasonable charges payable by the Insured to the accountants for producing such information

3 **Outstanding Debit Balances** The amount payable under any Item of this Section on Outstanding Debit Balances shall be in respect of

- a **Outstanding Debit Balances** The amount by which the Outstanding Debit Balances traced or received following the Damage shall fall short of the Outstanding Debit Balances on the last statement made under the provisions of the Evidence of Amount Clause hereunder before the Damage occurred to which adjustments shall be made to allow for the trend and variations in the Business and for other circumstances affecting the amount of the Outstanding Debit Balances so that the adjusted figures shall represent as nearly as may be reasonably practicable those which would have been obtained if the Damage had not occurred
- b **Additional Expenditure** The additional expenditure incurred with the previous consent of the Insurers in tracing and establishing the Outstanding Debit Balances

**Evidence of Amount** Every three months the Insured shall deposit with their accountants or bank or with the Insurers a signed statement of the current total of Outstanding Debit Balances

## **B EXTENSION**

- 1 **Automatic Free Reinstatement of Loss** The sum(s) insured hereby shall be automatically reinstated following destruction or damage without additional charge The terms of this memorandum however shall not apply to First Loss or Non-Average insurances unless otherwise stated

## **C EXCEPTIONS**

This Section does not cover loss resulting from

- 1 **Obsolete** (Not used)
- 2 Damage directly or indirectly occasioned by or happening through or in consequence of riot or civil commotion unless these perils are shown as operative in the Appendix to this Section and then only to the extent stated
- 3 pollution or contamination except loss resulting from Damage as within defined not otherwise excluded caused by
  - i pollution or contamination at the Premises which itself results from Damage as within defined
  - ii Damage as within defined which itself results from pollution or contamination

## **D CONDITIONS**

- 1 This insurance by this Section shall cease if any of the following events occur unless its continuance is admitted in writing by the Insurer
  - a the Business is wound up or carried on by a liquidator or receiver or permanently discontinued
  - b the Insured's interest ceases otherwise than by death
  - c any alteration is made either in the Business or in the Premises or property therein whereby the risk of Damage is increased
- 2 In the event of a claim being made under this Section the Insured shall within thirty days of the expiry of the Indemnity Period or within such further time as the Insurers may allow in writing at his own expense provide the Insurers with a written statement setting forth particulars of his claim together with details of all other Insurances covering the Damage or any part of it or consequential loss of any kind resulting therefrom

No claim under this Section shall be payable unless the terms of this Condition have been complied with and in the event of non-compliance therewith in any respect any payment on account of the claim already made shall be repaid to the Insurers forthwith

- 3 If at any time of Damage resulting in a loss under this section there is any other insurance effected by or on behalf of the Insured covering such loss or any part of it the Insurers' liability shall be limited to their rateable proportion of such loss
- 4
  - a If at the time of Damage the Sum Insured by any Item of this Section on Gross Profit is less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple where the Maximum Indemnity Period exceeds twelve months) the amount payable under this Section shall be proportionately reduced
  - b If at the time of Damage the Sum Insured by any Item of this Section on Gross Revenue is less than the amount of the Annual Gross Revenue (or a proportionately increased multiple where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced
  - c If at the time of Damage the Sum Insured by any Item of this Section on Outstanding Debit Balances is less than 75 per cent of the total of the Outstanding Debit Balances on the last statement made under the provisions of the Evidence of Amount Clause before the Damage occurred the amount payable under this Section shall be proportionately reduced
- 5 After the expiry of each Period of Insurance if the Insured provides the Insurers with a declaration of the Gross Earnings earned as reported by the Insured's auditors during the financial year most nearly concurrent with that Period of Insurance and the declared amount (proportionately increased where the Maximum Indemnity Period exceeds twelve months) is less than the Sum Insured stated in the Appendix to this Section for that Period of Insurance the Insurers will allow a pro rata return of premium not exceeding 50 per cent of premium paid

If any Damage has occurred giving rise to a claim for loss of Gross Earnings the Insurers will increase such declaration for the purpose of premium adjustment by the amount by which the Gross Earnings was reduced during the financial year in consequence of the Damage

The term Gross Earnings where used in this Condition shall mean Gross Profit or Gross Revenue as insured by this Section

## E ENDORSEMENTS

THESE ENDORSEMENTS ARE OPERATIVE ONLY IF THE REFERENCE SET AGAINST THEM APPEARS IN THE APPENDIX TO THIS SECTION AND EACH IS OTHERWISE SUBJECT TO THE TERMS EXCEPTIONS AND CONDITIONS OF THIS SECTION

### A Additional Perils

The insurance by this Section extends to include loss resulting from Damage caused by

- A1 **Riot and Civil Commotion** Riot civil commotion strikers locked-out workers persons taking part in labour disturbances or malicious persons acting in connection with any political organisation excluding Damage caused by
- a confiscation destruction or requisition by order of any government public municipal local or customs authority
  - b stoppage of work
- A2 **Malicious persons** Malicious persons excluding Damage caused by stoppage of work
- A3 **Earthquake**
- A4 **Storm** Storm excluding Damage
- a caused by the escape of water from its normal natural or artificial confines (other than tanks apparatus or pipes) or inundation from the sea whether resulting from storm or otherwise
  - b attributable solely to change in the water table level
  - c caused by frost subsidence or landslip
  - d to fences gates and moveable property in the open or in transit
- A5 **Storm or Flood** Storm or flood excluding Damage
- a attributable solely to change in the water table level
  - b caused by frost subsidence or landslip
  - c caused by bursting or overflowing of water tanks apparatus or pipes
  - d to fences gates and moveable property in the open or in transit
- A6 **Burst Pipes** Bursting overflowing or leaking of water tanks apparatus or pipes or the escape of oil from any fixed domestic heating installation excluding Damage
- a whilst the Premises are empty or disused
  - b caused by discharge or leakage from any automatic sprinkler installation in the Premises
- A7 **Impact** Impact by mechanically propelled vehicles or rail rolling stock (or articles or goods falling from them) or animals not belonging to or in the custody or control of the Insured or his employees
- A8 **Impact** Impact by mechanically propelled vehicles or rail rolling stock (or articles or goods falling from them) or animals belonging to or in the custody or control of the Insured or his employees
- A9 **Theft** Theft (or attempted theft) involving entry to or exit from a building by forcible and violent means and robbery or attempted robbery For the purpose of this Endorsement the definition of Damage shall include loss

### B Further Extensions

Loss as insured by this Section includes loss resulting from interruption of or interference with the Business in consequence of Damage at the undernoted premises (all in the Channel Islands Great Britain Northern Ireland or the Isle of Man unless otherwise stated in the Appendix to this Section)

Provided that the Insurers' liability under this Endorsement in respect of any one occurrence shall not exceed the percentage of the Sum Insured or Estimate or any monetary amount shown as the limit below

- B1 **Named Suppliers and Customers** The premises of the suppliers and customers named and subject to the limit shown against each in Endorsement B1 in the Appendix to this Section
- B2 **Unnamed Suppliers** The premises of any other of the Insured's suppliers of goods or services and sub-contractors and
- Premises not in the Insured's occupation where the Insured's property is stored
- Provided that the Insurers' liability shall not exceed the limit shown against Endorsement B2 in the Appendix to this Section but in no case exceeding £250,000

### **C Provisional Premium**

The term Gross Earnings where used in this Endorsement shall mean Gross Profit or Gross Revenue as insured by this Section Condition 5 of this Section shall read as follows

The first and annual premiums are provisional being 75 per cent of the premiums payable at the commencement of the Period of Insurance and the balance of 25 per cent is to be paid within six months of the expiry of the period except that in respect of any Item on Gross Earnings the premium paid shall be adjusted on receipt by the Insurers of a declaration of Gross Earnings earned during the financial year most nearly concurrent with the year of insurance as reported by the Insured's auditors

If the declaration (proportionately increased where the Maximum Indemnity Period exceeds twelve months)

- a is less than 75 per cent of the Sum Insured on Gross Earnings for the relative period the Insurers will allow a pro rata return of premium not exceeding 33 1/3 per cent of the provisional premium paid
- b is greater than 75 per cent of the Sum Insured on Gross Earnings for the relative period the Insured shall pay a pro rata additional premium not exceeding 33 1/3 per cent of the provisional premium paid

In the event that no declaration is received within six months of the expiry of the Period of Insurance the Sum Insured shall be presumed to have been declared

If any Damage has occurred giving rise to a claim for loss of Gross Earnings the Insurers will increase the declaration for the purpose of premium adjustment by the amount by which the Gross Earnings was reduced during the financial year solely in consequence of the Damage

### **D Declaration-Linked Basis**

The term Gross Earnings where used in this Endorsement shall mean Gross Profit or Gross Revenue as insured by this Section

1 Conditions 4a and 5 of this Section are cancelled and replaced by the following

- a Prior to each renewal the Insured shall provide the Insurers with an estimate of the amount representing not less than the Gross Earnings which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (referred to in this Section as the Estimate) If the Maximum Indemnity Period exceeds twelve months the Insurers will increase the declared amount proportionately to arrive at the Estimate
- b The first premium and renewal premiums are provisional and are based on the Estimate Not later than six months after the expiry of each Period of Insurance the Insured shall provide the Insurers with a declaration confirmed by the Insured's auditors of the Gross Earnings earned during the financial year most nearly concurrent with that Period of Insurance

If the declared amount (proportionately increased where the Maximum Indemnity Period exceeds twelve months) is less than the Estimate stated in the Appendix to this Section for that Period of Insurance the Insurers will allow a pro rata return of premium If the declared amount (proportionately increased where the Maximum Indemnity Period exceeds twelve months) is greater than the Estimate stated in the Appendix to this Section for that Period of Insurance the Insured shall pay a pro rata additional premium

If any Damage has occurred giving rise to a claim for loss of Gross Earnings the Insurers will increase the declaration for the purpose of premium adjustment by the amount by which the Gross Earnings was reduced during the Period of Insurance in consequence of the Damage

2 Limit of Liability under Paragraph A Cover of this Section is replaced by the following The Insurers' liability in respect of Gross Earnings shall not exceed 133 1/3 per cent of the Estimate

### **E Uninsured Working Expenses** (not applicable to policies on Gross Revenue)

The Uninsured Working Expenses stated in the Appendix to this Section shall be deducted in arriving at the Gross Profit

If any standing charges of the Business are not insured by this Section (having been deducted as Uninsured Working Expenses) the amount recoverable as increase in cost of working will be proportionately reduced

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## Business Interruption – Extended Cover

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This Section is operative only if shown as such in the Schedule or Endorsement attaching to the Policy

### DEFINITIONS

**Note 1** To the extent that the Insured is accountable to the tax authorities for Value Added Tax all terms in this Section shall be exclusive of such tax

**Note 2** For the purpose of these Definitions any adjustment implemented in Current Cost Accounting shall be disregarded

**'Premises'** means the address mentioned in the Schedule or the premises specified in the Appendices to this Section or the Property Section For the purpose of any Item on Outstanding Debit Balances insured by this Section premises shall extend to include any premises in the Channel Islands Great Britain Northern Ireland or the Isle of Man to which the records have been temporarily removed and whilst in transit between them

**'Damage'** means accidental loss destruction or damage

**'Turnover'** means the money paid or payable to the Insured for goods sold and for services rendered in course of the Business at the Premises net of discounts allowed

**'Gross Profit'** means the amount by which the

**Turnover** plus the value of the closing stock and work in progress exceeds

**Purchases** (net of discounts received) plus the value of the opening stock and work in progress and any Uninsured Working Expenses shown against Endorsement E in the Appendix to this Section

**'Rate of Gross Profit'** means the rate of Gross Profit earned of the Turnover during the financial year immediately before the date of the Damage\*

**'Annual Turnover'** means the Turnover during the twelve months immediately before the date of the Damage\*

**'Standard Turnover'** means the Turnover during the period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period\*

**'Gross Revenue'** means the money paid or payable to the Insured for services rendered in the course of the Business at the Premises

**'Annual Gross Revenue'** means the Gross Revenue during the twelve months immediately before the date of the Damage\*

**'Standard Gross Revenue'** means the Gross Revenue during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period

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

**'Indemnity Period'** means the period beginning when the Damage occurs and ending when the results of the Business cease to be affected in consequence of the Damage but not exceeding the Maximum Indemnity Period

**'Maximum Indemnity Period'** as specified in the Appendix to this Section

**'Outstanding Debit Balances'** means the sums outstanding in the Insured's records of the individual amounts owed to the Insured by customers

### A COVER

In the event of any building or other property used by the Insured at the Premises for the purpose of the Business sustaining Damage other than by an excluded cause during the Period of Insurance and the Business carried on by the Insured at the Premises being in consequence thereof interrupted or interfered with the Insurers will pay to the Insured in respect of each Item in the Appendix to this Section the amount of loss resulting from such interruption or interference in accordance with the provisions of this Section provided that when the Damage occurs there shall be an insurance in force covering the interest of the Insured in the property at the Premises against such Damage under which

a payment shall have been made or liability admitted

or

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



## Limits of Liability

For all loss resulting from interruption or interference arising during any one Period of Insurance the Insurers' liability under any Item of this Section will not exceed the Sum Insured or in the whole the total of the Sums Insured or any other stated Limit of Liability or such other sum or limit which may be substituted therefore by Endorsement

## Basis of Settlement

- 1 **Gross Profit** The amount payable under any Item of this Section on Gross Profit shall be in respect of
  - a **Reduction in Turnover** The sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the Damage fall short of the Standard Turnover
  - b **Increase in Cost of Working** The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction avoided

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage

- 2 **Gross Revenue** The amount payable under any Item of this Section on Gross Revenue shall be as follows
  - a in respect of reduction in Gross Revenue  
the amount by which the Gross Revenue during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Revenue
  - b in respect of increase in cost of working  
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the loss of Gross Revenue avoided

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Revenue as may cease or be reduced in consequence of the Damage

**Alternative Trading** If during the Indemnity Period goods are sold or services are rendered elsewhere than at the Premises for the benefit of the Business the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover or Gross Revenue during the Indemnity Period

**Professional Accountants** Any particulars in the Insured's accounts or other information or evidence which may be required by the Insurers under General Exception and Condition 4c for the purpose of investigating or verifying any claim may be produced by professional accountants if at the time they are acting regularly as such for the Insured and their report will be prima facie evidence to which it relates

The Insurers will pay the reasonable charges payable by the Insured to the accountants for producing such information

- 3 **Outstanding Debit Balances** The amount payable in respect of any Item of this Section on Outstanding Debit Balances shall be in respect of
  - a **Outstanding Debit Balances** The amount by which the Outstanding Debit Balances traced or received following the Damage shall fall short of the Outstanding Debit Balances on the last statement made under the provisions of the Evidence of Amount clause hereunder before the Damage occurred to which adjustments shall be made to allow for the trend and variations in the Business and for other circumstances affecting the amount of the Outstanding Debit Balances so that the adjusted figures shall represent as nearly as may be reasonably practicable those which would have been obtained if the Damage had not occurred
  - b **Additional Expenditure** The additional expenditure incurred with the previous consent of the Insurers in tracing and establishing the Outstanding Debit Balances

**Evidence of Amount** Every three months the Insured shall deposit with their accountants or bank or with the Insurers a signed statement of the current total of Outstanding Debit Balances

## B EXTENSION

- 1 **Automatic Free Reinstatement of Loss** The sum(s) insured hereby shall be automatically reinstated following destruction or damage without additional charge The terms of this memorandum however shall not apply to First Loss or Non-Average insurances unless otherwise stated

## C EXCEPTIONS

This Section does not cover loss resulting from

### Excluded Causes

- 1 Damage caused by
- a i faulty defective design materials or workmanship inherent vice latent defect gradual deterioration wear and tear frost or change in water table level
  - ii explosion occasioned by the bursting of any vessel machine or apparatus (other than a boiler or economiser) in which internal pressure is due to steam only and belonging to or under the control of the Insured

but this shall not exclude loss resulting from subsequent Damage resulting from an ensuing cause not otherwise excluded

- b i collapse or cracking of buildings
- ii corrosion rust change in temperature dampness dryness wet or dry rot shrinkage evaporation loss of weight contamination change in colour flavour texture or finish vermin insects marring or scratching

but this shall not exclude loss resulting from such Damage resulting from a cause not otherwise excluded

- c i theft or any attempt thereat
- ii acts of fraud or dishonesty
- iii disappearance unexplained or inventory shortage misfiling or misplacing of information
- iv cracking fracturing collapse or overheating of boilers economisers vessels tubes or pipes nipple leakage or the failure of welds of boilers
- v mechanical or electrical breakdown or derangement of machinery or equipment
- vi bursting overflowing discharging or leaking of water tanks apparatus or pipes when the Premises are empty or disused
- vii the deliberate act of a supply authority in withholding the supply of water gas electricity or fuel

but this shall not exclude loss resulting from

such Damage resulting from a cause not otherwise excluded

subsequent Damage resulting from an ensuing cause not otherwise excluded

- d i subsidence ground heave or landslip
- ii normal settlement or bedding down of new structures
- iii wind rain hail sleet snow flood or dust to moveable property in the open or fences or gates
- iv erasure or distortion of information on computer systems or other records whilst mounted in or on any machine or data processing apparatus or due to the presence of a magnetic flux unless caused by Damage to the machine or apparatus in which the records are mounted or by malicious persons
- e pollution or contamination except (unless otherwise excluded) loss resulting from destruction of or damage to property or any part thereof used by the Insured at the Premises for the purpose of the Business caused by
  - i pollution or contamination at the Premises which itself results from fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes sprinkler leakage or impact by any road vehicle or animal
  - ii any of the perils listed in i above which itself results from pollution or contamination
- f and attributable solely to change in water table level

- 2 confiscation nationalisation requisition or wilful destruction by any government public municipal local or customs authority

### 3 **Terrorism and Northern Ireland Exclusion**

- a DAMAGE elsewhere than in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of TERRORISM
- b DAMAGE in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of
  - i civil commotion (if Standard cover applies)
  - or
  - ii riot civil commotion and (except in respect of Damage by fire or explosion) strikers locked-out workers or persons taking part in labour disturbances or malicious persons (if extended or all risks cover applies)
  - iii TERRORISM

In any action suit or other proceedings where the Insurer alleges that by reason of this definition any DAMAGE is not covered by this policy (or is covered only up to a specified limit of liability) the burden of proving that such DAMAGE is covered shall be upon the Insured

### **DEFINITIONS**

The word DAMAGE in capital letters shall mean accidental loss or destruction of or damage to Property Insured

For the purposes of this policy TERRORISM shall mean any act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence

#### **Restricted Cover**

- 4 Damage to
  - a fixed glass
  - b glass (other than in a above) china earthenware marble or other fragile or brittle objects
  - c computers and data processing equipment
  - d vehicles (including accessories thereon) licensed for road use caravans trailers railway locomotives or rolling stock watercraft or aircraft
  - e property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
  - f land roads pavements piers jetties bridges culverts or excavations
  - g livestock growing crops or trees

other than in respect of Damage not otherwise excluded caused by fire lightning explosion aircraft riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons earthquake storm flood bursting overflowing discharging or leaking of water tanks apparatus or pipes or impact by any mechanically propelled vehicle or rail rolling stock or any animal

#### **Excluded Property**

- 5 Damage to property as a result of its undergoing any process

## **D CONDITIONS**

- 1 The insurance by this Section shall cease if any of the following events occurs unless its continuance is admitted in writing by the Insurers
  - a the Business is wound up or carried on by a liquidator or receiver or permanently discontinued
  - b the Insured's interest ceases otherwise than by death
  - c any alteration is made either in the Business or in the Premises or Property therein whereby the risk of Damage is increased
- 2 In the event of a claim being made under this Section the Insured shall within thirty days of the expiry of the Indemnity Period or within such further time as the Insurers may allow in writing at his own expense provide the Insurers with a written statement setting forth particulars of his claim together with details of all other insurances covering the Damage or any part of it or consequential loss of any kind resulting therefrom

No claim under this Section shall be payable unless the terms of this Condition have been complied with and in the event of non-compliance therewith in any respect any payment on account of the claim already made shall be repaid to the Insurers forthwith

- 3 If at the time of any Damage resulting in a loss under this Section there is any other insurance effected by or on behalf of the Insured covering such loss or any part of it the Insurers' liability will be limited to their rateable proportion of such loss
- 4
  - a If at the time of Damage the Sum Insured by any Item of the Section on Gross Profit is less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple where the Maximum Indemnity Period exceeds twelve months) the amount payable under this Section shall be proportionately reduced
  - b If at the time of Damage the Sum Insured by any Item of this Section on Gross Revenue is less than the amount of the Annual Gross Revenue (or a proportionately increased multiple where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced
  - c If at the time of Damage the Sum Insured by any Item of this Section on Outstanding Debit Balances is less than 75 per cent of the total of the Outstanding Debit Balances on the last statement made under the provisions of the Evidence of Amount clause before the Damage occurred the amount payable shall be proportionately reduced
- 5 After the expiry of each Period of Insurance if the Insured provides the Insurers with a declaration of the Gross Earnings earned as reported by the Insured's auditors during the financial year most nearly concurrent with that Period of Insurance and the declared amount (proportionately increased where the Maximum Indemnity Period exceeds twelve months) is less than the Sum Insured stated in the Appendix to this Section for that Period of Insurance the Insurers will allow a pro rata return of premium not exceeding 50 per cent of the premium paid

If any Damage has occurred giving rise to a claim for loss of Gross Earnings the Insurers will increase such declaration for the purpose of premium adjustment by the amount by which the Gross Earnings was reduced during the financial year in consequence of the Damage

The term Gross Earnings where used in this Condition shall mean Gross Profit or Gross Revenue as insured by this Section

## E ENDORSEMENTS

THESE ENDORSEMENTS ARE OPERATIVE ONLY IF THE REFERENCE SET AGAINST THEM APPEARS IN THE APPENDIX TO THE SECTION AND EACH IS OTHERWISE SUBJECT TO THE TERMS EXCEPTIONS AND CONDITIONS OF THIS SECTION

### A Special Limit of Liability

The Insurers' liability under any Item of this Section shall not exceed in any Period of Insurance in respect of

- 1 Damage by fire lightning explosion aircraft riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons or earthquake the Sum Insured (or if Endorsement D is operative 133 $\frac{1}{3}$  per cent of the Estimate) set against it
- 2 Damage by storm flood burst water pipes or apparatus or impact by mechanically propelled vehicles or rail rolling stock or animals the amount shown against Special Limit No 1 in the Appendix to this Section
- 3 all other Damage the amount shown against Special Limit No 2 in the Appendix to this Section

### B Further Extensions

Loss as insured by this Section includes loss resulting from interruption of or interference with the Business in consequence of Damage at the undernoted premises (all in the Channel Isles Great Britain Northern Ireland or the Isle of Man unless otherwise stated in the Appendix to this Section)

Provided that the Insurers' liability under this Endorsement in respect of any one occurrence shall not exceed the percentage of the Sum Insured or Estimate or any other monetary amount shown as the limit below and shall in no case exceed any limit shown in Endorsement A

B1 **Named Suppliers and Customers** The premises of the suppliers and customers named and subject to the limit shown against each in Endorsement 131 in the Appendix to this Section

B2 **Unnamed Suppliers** The premises of any other of the Insured's suppliers of goods or services and sub-contractors and

Premises not in the Insured's occupation where the Insured's property is stored

Provided that the Insurers' liability shall not exceed the limit shown against Endorsement B2 in the Appendix to this Section but in no case exceeding £250,000

### C Provisional Premium

The term Gross Earnings where used in this Endorsement shall mean Gross Profit or Gross Revenue as insured by this Section Condition 5 of this Section shall read as follows

The first and annual premiums are provisional being 75 per cent of the premiums payable at the commencement of the Period of Insurance and the balance of 25 per cent is to be paid within six months of the expiry of that period except that in respect of any Item on Gross Earnings the premium paid shall be adjusted on receipt by the Insurers of a declaration of Gross Earnings earned during the financial year most nearly concurrent with the year of insurance as reported by the Insured's auditors

If the declaration (proportionately increased where the Maximum Indemnity Period exceeds twelve months)

- a Is less than 75 per cent of the Sum Insured on Gross Earnings for the relative period the Insurers will allow a pro rata return of premium not exceeding 33  $\frac{1}{3}$  per cent of the provisional premium paid
- b is greater than 75 per cent of the Sum Insured on Gross Earnings for the relative period the Insured shall pay a pro rata additional premium not exceeding 33  $\frac{1}{3}$  per cent of the provisional premium paid

In the event that no declaration is received within six months of the expiry of the Period of Insurance the Sum Insured shall be presumed to have been declared

If any Damage has occurred giving rise to a claim for loss of Gross Earnings the Insurers will increase the declaration for the purpose of premium adjustment by the amount by which the Gross Earnings was reduced during the financial year solely in consequence of the Damage

## **D Declaration-Linked Basis**

The term "Gross Earnings" where used in this Endorsement shall mean Gross Profit or Gross Revenue as insured by this Section

- 1 Conditions 4a and 5 of this Section are cancelled and replaced by the following
  - a Prior to each renewal the Insured shall provide the Insurers with an estimate of the amount representing not less than the Gross Earnings which it is anticipated will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (referred to in this Section as the Estimate) If the Maximum Indemnity Period exceeds twelve months the Insurers will increase the declared amount proportionately to arrive at the Estimate
  - b The first premium and renewal premiums are provisional and are based on the Estimate Not later than six months after the expiry of each Period of Insurance the Insured shall provide the Insurers with a declaration confirmed by the Insured's auditors of the Gross Earnings earned during the financial year most nearly concurrent with that Period of Insurance

If the declared amount (proportionately increased where the Maximum Indemnity Period exceeds twelve months) is less than the Estimate stated in the Appendix to this Section for that Period of Insurance the Insurers will allow a pro rata return of premium If the declared amount (proportionately increased where the Maximum Indemnity Period exceeds twelve months) is greater than the Estimate stated in the Appendix to this Section for that Period of Insurance

the Insured shall pay a pro rata additional premium

If any Damage has occurred giving rise to a claim for loss of Gross Earnings the Insurers will increase the declaration for the purpose of premium adjustment by the amount by which the Gross Earnings was reduced during the Period of Insurance in consequence of the Damage

- 2 Limit of Liability under Paragraph A COVER of this Section is replaced by the following

The Insurers' liability in respect of Gross Earnings shall not exceed 133<sup>1</sup>/<sub>3</sub> per cent of the Estimate

### **E Uninsured Working Expenses** (not applicable to policies on Gross Revenue basis)

The Uninsured Working Expenses stated in the Appendix to this Section shall be deducted in arriving at the Gross Profit

If any standing charges of the Business are not insured by this Section (having been deducted as Uninsured Working Expenses) the amount recoverable as increase in cost of working will be proportionately reduced

### **F Long Term Agreement** if a long term agreement applies it is described in the Schedule

## **G Deductibles**

The Insurers shall not be liable for the amount of any deductible stated in the Appendix to this Section in respect of each loss as ascertained after the application of all other terms of this Section

**Deductible No 1** applies in respect of losses resulting from Damage by fire lightning explosion aircraft riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons or earthquake

**Deductible No 2** applies in respect of losses resulting from all other Damage insured by this Section

## **H Theft**

This Section extends to cover loss resulting from theft (or attempted theft) involving entry to or exit from a building by forcible and violent means and robbery or attempted robbery

## **I Subsidence**

This Section extends to cover loss resulting from Damage caused by subsidence ground heave or landslip excluding

- 1 Damage caused by the bedding down of new structures or by the settlement or movement of made-up ground or by coastal or river erosion
- 2 Damage occurring whilst the whole or any part of the Premises is in the course of erection structural alteration or demolition
- 3 Damage caused by the defective design workmanship or materials

# Customer Service

At Insurance Corporation we have a real commitment to customer care. We have built a reputation as an Insurer that puts our customers first. You can help us to maintain this position by letting us know if you consider that our service has been unsatisfactory. We aim to give our customers a high standard of service at all times.

## Complaints Procedure

### Step 1

If you are unhappy with our service for any reason, you should write initially to the Service Manager of Insurance Corporation at the address shown on your Policy Schedule who will ensure that the matter receives attention.

### Step 2

If matters are not resolved to your satisfaction, you are invited to write to:

Post: The Managing Director,  
Insurance Corporation of the Channel Islands Ltd,  
P O Box 160, Dixcart House,  
Sir William Place,  
Guernsey,  
GY1 4EY.  
Email: [complaints@insurancecorporation.com](mailto:complaints@insurancecorporation.com)

### Step 3

If you are not satisfied with our final response to your complaint, you may be eligible to refer your case to one of the Financial Ombudsmen shown below:

#### 1 Channel Islands

Post: Channel Islands Financial Ombudsman (CIFO),  
P O Box 114,  
Jersey JE4 9QG.  
Telephone Guernsey: 01481 722218  
Jersey: 01534 748610  
Email: [enquiries@ci-fo.org](mailto:enquiries@ci-fo.org)

#### 2 United Kingdom

or in respect of Compulsory UK insurance you may be eligible to refer your case to the UK Financial Ombudsman,

Post: Financial Ombudsman Service,  
Exchange Tower,  
Harbour Exchange Square,  
London E14 9SR.  
Telephone: 0800 0234567 (for landline users)  
0300 1239123 (for mobile users)  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

#### 3 Isle of Man

Or in respect of respect of the Isle of Man you may be eligible to refer your case to

Post: The Financial Services Ombudsman Scheme,  
Isle of Man Office of Fair Trading,  
The Slieau Whallian,  
Foxdale Road, St John's,  
Isle of Man, IM4 3AS, British Isles.  
Telephone: 44 (0)1624 686500  
Email: [ombudsman@iomoft.gov.im](mailto:ombudsman@iomoft.gov.im)

You have six months from the date of our final response to refer your complaints to the Financial Ombudsman Service. This does not affect your right to take legal action; however, the Financial Ombudsman Service will not adjudicate on any case where litigation has commenced.

# Privacy Notice

Your privacy is important to us and we are committed to keeping it protected. We have created this Customer Privacy Notice which will explain how we use the information we collect about you and how you can exercise your data protection rights. This Privacy Notice will help you understand the following:

## Who are we?

We are Insurance Corporation of the Channel Islands Limited, a member of the RSA Group of companies. We provide commercial and consumer insurance products and services.

## Why do we collect and use your personal information?

As an insurer, we need your personal information to understand the level of insurance cover you require. We'll use this information (e.g. your name, address, telephone number and email address) to communicate with you and if you have agreed. We need to use your information to create a quote for you, allowing you to buy insurance products from us. When buying a product from us, you'll also need to provide us with details about the items you wish to be covered by the insurance. We may need to check your information with external companies/organisations (e.g. the DVLA, the Motor Insurance Database, credit reference agencies and criminal conviction checks.) When buying certain products, sometimes we will ask for special categories of personal data (e.g. driving offences for motor insurance, medical records in case of injury). Once you become a customer, we'll need to take your payment details to set up your cover. This could be direct debit, credit or debit card information.

If you need to claim against your insurance policy, we will need to collect information about the incident and this may be shared with other selected companies to help process the claim. If other people are involved in the incident, we may also need to collect additional information about them which can include special categories of personal data (e.g. injury and health data). In submitting an application, we may be provided with equivalent or substantially similar information relating to other proposed beneficiaries under the policy. You agree that you will bring this Privacy Notice to the attention of each beneficiary at the earliest possible opportunity. Data protection laws require us to meet certain conditions before we are allowed to use your personal information in the manner described in this Privacy Notice. To use your personal information, we will rely on one or more of the following grounds:

**Performance of contract:** We need to use your personal information in order to provide you with the policy (which is a contract of insurance between you and us), and perform our obligations under it (such as making payments to you in respect of a claim made under the policy).

**Consent:** In certain circumstances, we may need your consent unless authorised by law in order to use personal information about you which is classed as "special categories of personal data".

**Necessity** to establish, exercise or defend legal claim: If you, or we, bring a legal claim (e.g. a court action) against the other, we may use your information in either establishing our position, or defending ourselves in relation to that legal claim.

**Compliance with a legal obligation:** Where laws or regulations may require us to use your personal information in certain ways.

**Legitimate Interests:** We will also process your personal information where this processing is in our "legitimate interests". When relying on this condition, we are required to carry out a balancing test of our interests in using your personal information (for example, carrying out analytical research), against the interests you have as a citizen and the rights you have under data protection laws. The outcome of this balancing test will determine whether we can use your personal information in the ways described in this Privacy Notice. We will always act reasonably and give full and proper consideration to your interests in carrying out this balancing test.

## Where else do we collect information about you?

We will receive details about you from other people or companies. For example:

Given to us by someone who applied for an insurance product on your behalf (e.g. an insurance broker) where you have given them the permission to do so; or

Lawfully collected from other sources (e.g. Motor Insurance Database, Claims and Underwriting Exchange or fraud prevention databases) to validate the information you have provided to us.

We request those third parties to comply with data protection laws and to be transparent about any such disclosures. If you would like some further information, please contact us.



## Will we share your personal information with anyone else?

We do not disclose your information outside of the RSA Group except:

Where we need to check the information provided to us before we can offer you an insurance product (e.g. reference agencies);

Where we are required or permitted to do so by law or relevant regulatory authority (e.g. financial crime screening, fraud detection/prevention);

Where we provide insurance services in partnership with other companies;

In the event that we are bought or we sell any business or assets, in which case we will disclose your personal information to the prospective buyer of such business or assets;

As required to enforce or apply this Privacy Notice, or the contract of insurance itself;

Within our group for administrative purposes;

As required in order to give effect to contractual arrangements we have in place with any insurance broker and/or intermediary through which you have arranged this policy;

With healthcare providers in the context of any relevant claim being made against your policy;

If we appoint a third party to process and settle claims under the policy on our behalf, in which case we will make your personal information available to them for the purposes of processing and settling such claims

With our third party service providers (including hosting/storage providers, research agencies, technology suppliers etc.);

With our reinsurers (and brokers of reinsurers) in connection with the normal operation of our business;

Sometimes your personal information may be sent to other parties outside of the European Economic Area (EEA) in connection with the purposes set out above. We will take all reasonable steps to ensure that your personal information is treated securely and in accordance with this Privacy Notice, and in doing so may rely on certain "transfer mechanisms" such as the EU-US Privacy Shield, and the standard contractual clauses approved by the European Commission. If you would like further information please contact us.

## Which decisions made about you will be automated?

Before we can offer you an insurance product or service, we may need to conduct the following activities, which involve automated (computer based) decision-making:

Pricing and Underwriting – this process calculates the insurance risks based on the information that you have supplied. This will be used to calculate the premium you will have to pay.

Credit Referencing – using the information given, calculations are performed to evaluate your credit rating. This rating will help us to evaluate your ability to pay for the quoted products and services.

The results of these automated decision-making processes may limit the products and services we can offer you. If you do not agree with the result, you have the right to request that we perform a manual reassessment using the same information that you originally provided.

## For how long will we keep your information?

Your personal information will be retained under one or more of the following criteria:

Where the personal information is used to provide you with the correct insurance cover, which will be kept as long as it is required to fulfil the conditions of the insurance contract.

Where the use of your personal information for a specific purpose is based on your consent, it will be kept for as long as we continue to have your consent.

Where, for a limited period of time, we are using some of your information to improve the products or services we provide.

For as long as your information is required to allow us to conduct fraud and/or criminal checks and investigations.

## Your information is incorrect what should you do?

If you hold a product or service with us and think that the information we hold about you is incorrect or incomplete, please contact us and we will be happy to update it for you.

## What are your rights over the information that is held by Insurance Corporation

We understand that your personal information is important to you, therefore you may request the following from us to:

1. Provide you with details about the personal information we hold about you, as well as a copy of the information itself in a commonly used format. [Request Ref: DSR 1]
2. Request your personal information be deleted where you believe it is no longer required. Please note however, we may not be able to comply with this request in full where, for example, you are still insured with us and the information is required to fulfil the conditions of the insurance contract. [Request Ref: DSR 2]
3. Request the electronic version of the personal information you have supplied to us, so it can be provided to another company. We would provide the information in a commonly used electronic format. [Request Ref: DSR 3]
4. Request to restrict the use of your information by us, under the following circumstances [Request Ref: DSR 4]:
  - a. If you believe that the information we hold about you is inaccurate, or;
  - b. If you believe that our processing activities are unlawful and you do not want your information to be deleted.
  - c. Where we no longer need to use your information for the purposes set out in this Privacy Notice, but it is required for the establishment, exercise or defence of a legal claim.
  - d. Where you have made an objection to us (in accordance with section 5 below), pending the outcome of any assessment we make regarding your objection.

5 Object to the processing of your data under the following circumstances [Request Ref: DSR 5]:

- a. Where we believe it is in the public interest to use your information in a particular way, but you disagree.
  - b. Where we have told you we are using your data for our legitimate business interests and you believe we shouldn't be (e.g. you were in the background of a promotional video but you did not agree to be in it.)
- In each case under section 5 above, we will stop using your information unless we can reasonably demonstrate legitimate grounds for continuing to use it in the manner you are objecting to.

If you would like to request any of the above, please contact us and submit a written request, including the request reference (e.g. DSR 1), as this will speed up your request. To ensure that we do not disclose your personal information to someone who is not entitled to it, when you are making the request we may ask you to provide us with:

- Your name;
- Address(es);
- Date of birth;
- Any policy IDs or reference numbers that you have along with a copy of your photo identification.

All requests are free of charge, although for requests for the provision of personal information we hold about you (DSR1) we reserve the right to charge a reasonable administrative fee where, we believe an excessive number of requests are being made. Wherever possible, we will respond within one month from receipt of the request, but if we don't, we will notify you of anticipated timelines ahead of the one month deadline.

Please note that simply submitting a request doesn't necessarily mean we will be able to fulfil it in full on every occasion – we are sometimes bound by law which can prevent us fulfilling some requests in their entirety, but when this is the case we will explain this to you in our response.

# Our Privacy Notice

If you have any queries regarding our Privacy Notice please contact us and we will be happy to discuss any query with you. Our Privacy Notice will be updated from time to time so please check it each time you submit personal information to us or renew your insurance policy.

## How you can contact us about this Privacy Notice?

If you have any questions or comments about this Privacy Notice please contact:  
The Data Protection Officer  
Insurance Corporation  
P.O. Box 160  
Dixcart House  
Sir William Place  
St. Peter Port  
Guernsey, GY1 4EY

## How you can lodge a complaint?

If you wish to raise a complaint on how we have handled your personal information, please send an email to [complaints@insurancecorporation.com](mailto:complaints@insurancecorporation.com) or write to us using the address provided. Our Data Protection Officer will investigate your complaint and will give you additional information about how it will be handled. We aim to respond in a reasonable time, normally 30 days.

If you are not satisfied with our response or believe we are not processing your personal information in compliance with Guernsey Data Protection laws, you may lodge a complaint to the office of the Data Protection Commissioner, whose contact details are:  
Data Protection Office  
Guernsey Information Centre  
North Esplanade  
St Peter Port  
Guernsey  
GY1 2LQ

## Compulsory Insurance (Employers' Liability) in Great Britain and Northern Ireland

The following only applies in respect of any insurance under this policy, required to meet legislation enacted in Great Britain and Northern Ireland.

### Employers Liability Tracing Office

Certain information relating to your insurance policy including, without limitation, the policy number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers (if relevant), will be provided to the Employers' Liability Tracing Office (the 'ELTO') and added to an electronic database (the 'Database').

This information will be made available in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure By Insurers Instrument 2010. This information will be subject to regular periodic updating and certification and will be audited on an annual basis

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers.

### Financial Services Compensation Scheme- UK only

Royal and Sun Alliance Insurance PLC is a member of the Financial Services Compensation Scheme (FSCS). This provides compensation in case any member goes out of business or into liquidation and is unable to meet any valid claims against its policies. You may be entitled to compensation if we cannot meet our obligations, depending of the circumstances of the claim. Further information about the compensation scheme can be obtained from the FSCS.

