



FILM AND VISUAL ARTS PROTECTION POLICY

Underwritten by



Sterling Insurance Company Limited
A member of the **Sterling Insurance Group**

STERLING INSURANCE COMPANY LIMITED
FILM & VISUAL ARTS PROTECTION POLICY
Specially arranged by ESSEX INSURANCE BROKERS LIMITED

We are pleased to welcome you as a policyholder of Sterling Insurance Company Limited.

This policy is evidence of the contract which you have made with the Company and the completed proposal form or the statement of fact incorporating the declaration which you have signed and any other information provided by you in addition to these documents or in substitution therefor is the basis of the contract.

What forms your contract of insurance:

- the application for insurance completed by you or on your behalf (proposal form or statement of fact),
- any declaration signed by you in connection with the above,
- any written information supplied by you or on your behalf supplementary to the proposal form or statement of fact,
- any quotation or confirmation of cover letter,
- any document issued setting out any conditions that will apply to your policy,
- any document stating that this policy of insurance has been issued subject to certain outstanding items and/or actions by you or us,
- the policy, schedule, endorsements and warranties.

Please refer to the "Definitions and interpretations" in the policy. These will tell you what words have specific meanings, wherever they appear.

Where a statute is referred to in this policy, this will also include any later amendments or replacements of it.

The Company will indemnify or compensate you the insured, by payment or, at its option, by replacement, reinstatement or repair in the event of loss, destruction, damage, accident or liability occurring during any period of insurance, subject to the terms, conditions and exclusions of the policy.

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The policy insures solely the sections that you have selected or requested and the schedule identifies those that are operative. Please read the documents carefully to make sure they meet with your requirements. If you are unsure of the meaning of any part of the documents or you feel it does not meet with your requirements you should contact Essex Insurance Brokers Ltd.

Alterations to the cover will be confirmed by the issue of a new schedule which you should file with your policy. Please refer to these replacement documents and the policy to obtain precise details of the cover currently in force. If you require cover under any of the other sections please contact Essex Insurance Brokers Ltd.



John Blundell
Managing Director

Sterling Insurance Company Limited
Registered in England and Wales No. 00498605
Head and Registered Office: Ambassador House, Paradise Road, Richmond upon Thames, Surrey, TW9 1SQ

Customer service information

1. Sterling Insurance Company Limited: Sterling Insurance Company Limited is a private company limited by shares, registered in England and Wales number 498605. It underwrites General Insurance Business.

It is authorised and regulated by the Financial Services Authority (FSA). The FSA is the independent watchdog that regulates financial services.

Our FSA register number is 202012. You can check this on the FSA's register by visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

Sterling Insurance Company Limited is a member of Sterling Insurance Group Limited, Registered Office: Ambassador House, Paradise Road, Richmond upon Thames, Surrey TW9 1SQ.

We undertake to refund the premium in full if you are not satisfied with the cover provided by your policy if it is returned within 14 days of issue, but if there has been an incident which has resulted or could result in a claim you must reimburse us for any amounts we have paid or may be required to pay in respect of that incident.

2. Claims: If you have a claim, or are aware of an incident that could result in a claim, please contact Sterling Insurance Company Limited on 0845 2711300.

3. Complaints Handling Procedure: A copy of our complaints handling procedure is available on request by writing to the Customer Services Manager at Sterling Insurance Company Limited, 50 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JX or telephone 0845 271 1300.

4. Disability Discrimination Act 1995: In accordance with the Disability Discrimination Act 1995 we are able to provide upon request a textphone facility, audio tapes, large print documentation and Braille documentation. Please advise us if you require any of these services to be provided so that we can communicate in an appropriate manner.

5. Duration of contract: The period of insurance under your Film & Visual Arts Protection Policy will be 12 months unless otherwise requested by you and agreed by the Company.

6. Enquiries or complaints: If you wish to make a complaint about any aspect of our service, you should write to the Customer Services Manager at Sterling Insurance Company Limited, 50 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JX or telephone 0845 271 1300.

Please provide all relevant details of your policy and in particular your policy number to enable your enquiry to be dealt with speedily.

If you remain dissatisfied you may have the right to refer your complaint to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR or telephone 0845 080 1800. Please note that the Financial Ombudsman Service will normally only consider a complaint once the Company has issued a final decision.

If you have an enquiry or complaint about the suitability of the policy for your needs or about the advice or service you received from the insurance intermediary through whom you purchased your policy, you should contact them directly.

Nothing in the terms and conditions of this policy will reduce your statutory rights relating to faulty or mis-described goods or services. For further information about your statutory rights, you should contact your local authority Trading Standards Department or Citizen's Advice Bureau.

Following this procedure will not affect your legal rights.

7. Financial Services Compensation Scheme: We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claims. Further information about compensation scheme arrangements is available from the FSCS.

8. Law applicable to the contract: We propose to choose English law as the law applicable to the contract unless we agree another choice of law with you prior to the start date. The policy terms and conditions and other information we are required to send you will be supplied in English and we will communicate with you in English throughout the duration of the policy, unless you and we agree otherwise.

9. Premiums: Premiums are payable to Essex Insurance Brokers Limited. Insurance premium tax, as imposed by current legislation, is incorporated into all premiums.

Helplines

Premises helpline: 0117 934 0192

In the event of an unforeseen emergency affecting the insured's business premises which causes damage or potential danger, DAS will contact a suitable repairer or contractor and arrange assistance on behalf of the insured. All costs of assistance provided are the responsibility of the insured.

Legal helpline: 0117 934 0192

Your own helpline to a qualified lawyer with legal help and advice. Areas of the law covered include employment, statutory regulations, landlord and tenant disputes, VAT and other taxation matters concerning the consumer, contracts and data protection.

In certain circumstances the advice given will be confirmed in writing.

Counselling helpline: 0117 934 2121

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

These telephone services are operated by DAS Legal Expenses Insurance Company Limited, DAS House, Quay Side, Temple Back, Bristol BS1 6NH

DAS provide these services 24 hours a day, 7 days a week during the period of insurance. To help DAS check and improve their service standards, DAS record all calls other than those to the Counselling helpline.

Glass helpline: 0800 474747

A fast and efficient glass and frame replacement service arranged with Solaglas utilising their nationwide fleet of radio controlled mobile glaziers. If the glass breakage or frame damage is insured by your policy the Company will be debited direct by Solaglas. You pay only the policy deductible and VAT where appropriate.

Solaglas Replacement Glazing, Ashbourne House, Fishponds Road, Bristol BS5 6SH.

All telephone helpline services operate twenty four hours a day, every day of the year.

Definitions and interpretation

In this policy

accidental damage means damage caused by accidental and external means

accidental loss means loss caused by any accident or misfortune

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

alarmed premises means the premises or those portions of the premises protected by the intruder alarm installation

asbestos means asbestos, asbestos fibres, any derivatives of asbestos and any product containing asbestos, asbestos fibres or any derivatives of asbestos

buildings means the buildings and outbuildings including landlord's fixtures and fittings, constructed as stated in accordance with details lodged with the Company, and their foundations, extensions, annexes, gangways, conveniences, outbuildings and sub-stations; walls, fences and gates; piping, ducting, cable wires and associated control gear and accessories, fuel tanks, telephone, gas, water and electric meters, fibre optic or integrated services, digital network lines, on the premises or in the buildings and extending to the perimeter thereof or the public mains but only to the extent of the insured's legal responsibility therefor, yards, car-parks, pavements, pathways and roadways; sanitary ware, fixed glass other than such glass and its framework in display windows and shop doors, fanlights, skylights and partitions for which the insured is legally responsible

business means the business as stated in the schedule

business hours means the period during which the premises are open for business or otherwise occupied for the purposes of the business by the insured or any authorised employee

Company means Sterling Insurance Company Limited

computing equipment means computing equipment used in connection with the business, as shown in the schedule under the short title of Computing equipment being the property of the insured or for which the insured is legally responsible but excluding property more specifically insured

deductible means the amount for which the insured will be responsible and which will be deducted from each and every claim

employee means any person under a contract of service or apprenticeship with the insured or supplied to or hired to or borrowed by the insured including any person under a Government or otherwise authorised work experience, training, study, exchange or similar scheme, whilst engaged in work in connection with the business

fixtures, fittings and furniture means trade and office fixtures, fittings, furniture, blinds and all other trade and office contents used in connection with the business, as shown in the schedule under the short title of Fixtures, fittings and furniture being the property of the insured or for which the insured is legally responsible but excluding money, computing equipment, location technical equipment, premises technical equipment, glass other than that insured by Sub-section 1B Glass, video/film stock, stock, personal effects, tenant's improvements, landlord's fixtures and fittings and property more specifically insured

intruder alarm installation means the component parts of the alarm including the means of communication used to transmit signals

keyholder means the insured or any 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 installation and attend and allow access to the premises

keys means devices, implements or instruments designed and intended to operate locking mechanisms

landlord's fixtures and fittings means sanitary fittings, air conditioning and central heating systems and additional fixtures and fittings which form part of the permanent structure of the building

location technical equipment means photographic and associated equipment including cameras, video cameras and camcorders, computers, printers, grips, sound recording equipment, televisions and monitors, lighting equipment, projectors and all other business equipment used in connection with the production, as shown in the schedule under the short title of Location technical equipment being the property of the insured or for which the insured is legally responsible but excluding video/film negatives, props, sets and wardrobe and property more specifically insured

money means current currency, crossed and uncrossed bankers drafts national giro drafts and payment orders postal and money orders dividend warrants and cheques other than pre-signed blank cheques, travellers cheques, national savings stamps and certificates, bus and rail travel cards and passes, telephone cards, current postage stamps and unused postal franking machine units, luncheon vouchers, gift tokens, trading stamps, national insurance stamps and stamped or impressed national insurance cards, holiday with pay stamps, premium bonds, VAT purchase invoices, credit card cheque card and debit card sales vouchers, savings stamps, consumer redemption vouchers and National Lottery 'Instants' and other scratch cards, all pertaining to the business and belonging to the insured or for which the insured is legally responsible

period of insurance means the period stated in the schedule or any other period for which the Company has agreed to accept and for which the insured has paid or agreed to pay a premium

personal effects means personal effects, clothing, tools and pedal cycles not otherwise insured belonging to directors, partners, employees, customers and visitors, as shown in the schedule under the short title of Personal effects

pollution or contamination means pollution, contamination, sooting, deposition, impairment with dust, chemical precipitation, poisoning, epidemic and disease (including but not limited to foot and mouth disease), adulteration, impurification, or limitation or prevention of the use of objects because of hazards to health

principal person means any principal recording artiste, film star, director, producer, leading cameraman or recording effectsman or any other person on whom the production substantially depends

premises means that part of the buildings, situated at the risk address or locations stated in the schedule, occupied by the insured for the purposes of the business

premises technical equipment means all photographic and associated equipment including cameras, video cameras and camcorders, printers, grips, sound recording equipment, televisions and monitors, lighting equipment, projectors and all other business equipment in or on the premises, as shown in the schedule under the short title of Premises technical equipment being the property of the insured or for which the insured is legally responsible but excluding computing equipment, location technical equipment, props, sets and wardrobe, video/film negatives and property more specifically insured

production means the production, project or shoot in connection with any video, film, motion picture, commercial, advertising training or educational feature, documentary or other photographic work as declared and described to the Company

props, sets and wardrobe means props, sets, scenery, models, costumes, wardrobe and similar theatrical property used in connection with the production, as shown in the schedule under the short title of Props, sets and wardrobe being the property of the insured or for which the insured is legally responsible but excluding aircraft and other mechanically propelled vehicles or conveyances, jewellery, furs, precious metals, precious stones, curios, rare books and works of art, location technical equipment, video/film negatives and video/film stock (unless used as a prop in connection with a production) and property more specifically insured

responsible person means the insured or any person authorised by the insured to be responsible for the security of premises, property or equipment

stock means stock and materials in trade and work in progress all pertaining to the business, as shown in the schedule under the short title of Stock in trade being the property of the insured or held by the insured in trust or on commission for which the insured is legally responsible but excluding video/film negatives, video/film stock and property more specifically insured

tenant's improvements means tenant's improvements, alterations and decorations, as shown in the schedule under the short title of Tenant's improvements but excluding glass other than that insured by Sub-section 1 B Glass

territorial limits means the geographical area stated in the schedule being

United Kingdom	Great Britain, Northern Ireland, the Channel Islands and the Isle of Man
Europe	the United Kingdom and the countries of the European Community
Worldwide	anywhere in the world excluding USA or Canada unless agreed in writing by the Company and shown by an endorsement in the schedule

excluding countries where the Foreign Office of the British Government recommends prior to the commencement of any journey against travel to such countries or travel only where essential unless agreed in writing by the Company and shown by an endorsement in the schedule

the insured means the person, persons or company named in the schedule

unattended vehicle means any vehicle left without the insured or any employee or a responsible adult remaining therein

video/film negatives means raw stock, exposed film negative, interpositives, positives, working prints, cutting copies, fine grain prints, transparencies, matrices, lavenders, recorded video tapes, soundtracks, animation cells, art work, drawings and computer images, software and material used to generate images (other than third party proprietary software), in connection with the production being the property of the insured or for which the insured is legally responsible but excluding property more specifically insured

video/film stock means blank video tapes, cassettes, cartridges and computer media of any kind and raw film or tape stock used in connection with the business, as shown in the schedule under the short title of Video/film stock being the property of the insured or for which the insured is legally responsible but excluding stock, video/film negatives and property more specifically insured

General Conditions

1 Adjustment

If the premium for this policy or any section or item thereof has been based wholly or partly on any estimate given by the insured then the insured must keep an accurate record of all the relative particulars and such record must at all times be available for examination by the Company.

Within three months of the expiry of each period of insurance (unless stipulated otherwise in any section) the insured must supply to the Company such particulars as the Company may require and the premium for such expired period will then be adjusted and the difference shall be paid by or returned to the insured as the case may be subject to the retention by the Company of any minimum premium under this policy or any section thereof.

2 Avoidance of policy

This policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure in any material particular.

3 Cancellation

The insured may cancel this policy by giving written instructions to Essex Insurance Brokers Ltd or the Company

- a) within 14 days of issue, returning the policy document and schedule and receive a full refund of premium but if there has been an incident which has resulted or could result in a claim, the insured must reimburse the Company for any amounts we have paid or may be required to pay, in respect of that incident
- b) after 14 days of issue and receive pro rata proportional refund of the premium in respect of the unexpired term of this policy unless a claim or an incident likely to give rise to a claim has occurred during the current period of insurance;
 - i) if the cancellation occurs in the first period of insurance a maximum administration charge of 10% of the premium for that period of insurance will be deducted from any refund
 - ii) if the cancellation occurs in any subsequent period of insurance a maximum administration charge of 5% of the premium for that period of insurance will be deducted from any refund.

The Company may cancel this policy or any section by sending a recorded delivery letter to the last known address of the insured giving seven days notice. In the event of cancellation by the Company, the Company will refund a pro rata proportion of the premium paid in respect of the unexpired term of this policy unless a claim or an incident likely to give rise to a claim has occurred during the current period of insurance.

4 Change in risk

This policy shall be voidable from the date of the change if

- a) the insured's interest ceases other than by death or
- b) the business be wound up or carried on by a liquidator or receiver or permanently discontinued or
- c) any alteration be made either in the business, the production, the premises or in any property therein or in any other circumstances which may increase the possibility of loss, destruction, damage or accidental bodily injury covered by this policy

at any time after the commencement of this insurance unless the Company has agreed in writing to its continuance.

5 Claims

It is a condition precedent to the liability of the Company that on the happening of any event which could result in a claim under this policy (disregarding any deductible) the insured shall

- a) immediately advise the Company in writing
- b) not make any admission of liability or promise of payment without the Company's written consent
- c) immediately notify the police following loss, destruction or damage by theft, riot, vandalism or malicious act or if property be accidentally lost
- d) in respect of any loss, destruction or damage to the property insured submit, at the insured's own expense, a claim in writing with all such particulars and proofs as may be reasonably required within
 - i) seven days in the case of loss, destruction or damage caused by riot, civil commotion, strikes, labour disturbances or malicious persons
 - ii) thirty days in the case of any other loss, destruction or damage
- e) inform the Company immediately of any claim being made, or of any impending prosecution, inquest or fatal accident inquiry. Every letter, claim, writ or other document relating to any accident, claim, prosecution or civil proceedings must be sent to the Company immediately, unacknowledged
- f) give all such information and assistance as the Company may request.

6 Contracts (Rights of Third Parties) Act 1999

No person, persons, company or other party who is not named as the insured in this policy shall have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms or conditions of this policy. This shall not affect any right or remedy of a third party that exists or is available apart from that Act.

7 Death of the insured

In the event of the death of the insured the Company will in respect of liability or loss incurred by the insured indemnify the insured's personal representatives in the terms of and subject to the limitations of this policy, provided that such personal representatives shall as though they were the insured observe, fulfil and be subject to the terms and conditions of the policy as far as they can apply.

8 Disputes

Provided that liability under this policy has been admitted, if there is any dispute over the amount to be paid by the Company the matter will be referred to arbitration and the arbitrator will be appointed by the parties concerned according to the relevant statutory provisions in force at the time. In such a case there will be no right of action against the Company until an award is made.

9 Fraud

If the insured or anyone acting for the insured makes a claim under this policy knowing the claim to be false or fraudulent in any respect or if any damage is caused by wilful act of or with the connivance of the insured the Company will not pay the claim and all cover under the policy will cease from the date of the incident or circumstances in respect of which the fraudulent claim was made.

10 Insurance Premium Tax

Effective from 1st October 1994, the premium will be subject to insurance premium tax as set out in the Finance Act 1994 (or as amended by subsequent legislation) and detailed in the policy schedule or renewal notice issued from that date.

11 Law applicable

Under United Kingdom law the parties to the contract have the right to choose the law which should apply. In the absence of any agreement to the contrary, English law will apply.

12 Other insurance

If at the time of any loss, destruction or damage or at the time of the occurrence of any incident which may result in the insured being held legally liable for the consequences thereof and which is covered under this policy, there is any other insurance in force which covers the same loss, destruction, damage or legal liability, the Company's liability will be limited to its rateable proportion.

13 Reasonable care

It is a condition precedent to the liability of the Company that the insured shall at his own expense

- a) take all reasonable precautions to prevent loss, destruction, damage, accident or bodily injury
- b) keep the premises, buildings and other maintainable property which is insured by this policy in a satisfactory state of repair
- c) comply with all relevant statutory requirements and other regulations imposed by any authority and manufacturers' recommendations all relating to the use inspection and safety of property and the safety of persons
- d) as soon as possible after discovery, cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be effected as the circumstances may require
- e) exercise due care in the selection and supervision of employees.

14 Reinstatement of sum insured

It is agreed that in the absence of written notice by the insured or the Company to the contrary, the Company's liability shall not stand reduced by the amount of any loss, provided the insured undertakes to pay any appropriate premium for such automatic reinstatement of cover and implements immediately any recommendations made by the Company to prevent further loss, destruction or damage and effects all repair or replacement work without delay.

15 Rights

In the event of loss, destruction or damage to the property insured the Company will be entitled to enter any building where such loss, destruction or damage has happened and to take and keep possession of such property insured and to deal with the salvage in a reasonable manner and this policy shall be proof of leave and licence for such purpose. No property may be abandoned to the Company.

16 Security

It is a condition precedent to the liability of the Company that

- a) unless otherwise agreed in writing by the Company or as shown by endorsement in the schedule, the following protections be fitted to the under-mentioned doors, windows and other openings at the premises:

Doors

- 1 on timber final exit doors (excluding sliding doors):
 - a) if single leaf, a mortice deadlock conforming to BS3621 with matching boxed steel striking plate
 - b) if double leaf
 - i) on the first closing leaf, flush or barrel bolts, the latter at least 200mm (8") long, or key operated bolts, fitted top and bottom in every case
 - ii) on the second closing leaf, a mortice deadlock conforming to BS3621 with matching boxed steel striking plate, or a substantial padlocking bar and good quality close shackle padlock
- 2 on all other external timber doors, and on internal timber doors giving access to any part of the premises not occupied solely by the insured or to any adjoining premises (excluding sliding and fire exit doors):
 - a) if single leaf, a mortice deadlock conforming to BS3621 with matching boxed steel striking plate or key operated mortice rack bolts fitted top and bottom
 - b) if double leaf
 - i) on the first closing leaf, flush or barrel bolts, the latter at least 200mm (8") long, or key operated locks or bolts, fitted top and bottom in every case

- ii) on the second closing leaf, a mortice deadlock conforming to BS3621 with matching boxed steel striking plate, or a substantial padlocking bar and good quality close shackle padlock
- 3 on external aluminium or UPVC doors (excluding sliding and fire exit doors), cylinder operated mortice deadlock and, if double leaf, flush bolts on the first closing leaf
- 4 on steel final exit doors and all sliding final exit doors, substantial padlocking bar and good quality close shackle padlock
- 5 on all other steel doors and all other sliding doors (excluding sliding patio doors), substantial padlocking bar and good quality close shackle padlock fitted externally, or substantial padlocking bar and good quality open shackle padlock fitted internally
- 6 on sliding patio doors, a manufacturer's patent key operated locking system which engages boltwork into the doorframe either at the top and bottom of the opening section of each door, or into the side frame in at least three points (in the latter case all hook or shoot bolts must be mushroom headed)
- 7 on all fire exit doors, panic bar and other security devices which comply with fire safety requirements

Windows and other openings

- 8 on opening basement and ground floor windows and fanlights, and on other opening windows, fanlights and skylights which are accessible from roofs, balconies, canopies, fire escapes or downpipes:
key operated window locks with the keys removed when in operation
or
solid steel bars not less than 16mm (5/8") diameter and not more than 125mm (5") apart, securely fixed to the brickwork or masonry surrounding the window
or
internal wire mesh grilles securely fixed to surrounding brickwork, masonry or woodwork.

Provided that

- (a) sub-paragraphs 1 to 8 inclusive shall not apply where the insured has no control over the said doors, windows and other openings
 - (b) where a door is a designated fire exit the insured shall consult the Fire Officer of the nearest brigade before security devices are fitted.
- b) the insured shall ensure that all:
- i) security devices are put into full and effective operation whenever the premises are closed for business or left unattended
 - ii) keys and all details of any codes or combinations relating to any part of the intruder alarm installation and any safe or strongroom are removed from the premises whenever the premises are closed for business or left unattended
 - iii) fire break doors and shutters in the buildings are maintained in efficient working order and that the openings protected by such doors and shutters are kept clear of obstruction at all times and that all such doors and shutters other than those fitted with fusible links are kept closed except during business hours
 - iv) alterations or additions to or changes in or removal of security devices are advised to the Company immediately in writing.

17 Subjectivity

This policy, the proposal form or statement of fact incorporating the declaration signed by the insured and the schedule should be read together and form the contract of insurance between the insured and the Company.

- (a) The Company will clearly state in the schedule if the cover provided by the policy is subject to the insured
 - (i) providing the Company with any additional information requested by the required date(s)
 - (ii) completing any actions agreed between the insured and the Company by the required date(s)
 - (iii) allowing the Company to complete any actions agreed between the insured and the Company.
- (b) If required by the Company the insured must allow the Company access to the premises and/ or the business to carry out survey(s) within 60 days of the inception or renewal date unless the Company agree otherwise in writing.

Upon completion of these requirements (or if they are not completed by the required dates) the Company may, at the Company's option

- (i) modify the insured's premium
- (ii) issue a mid-term amendment to the insured's policy or section terms and conditions
- (iii) require the insured to make alterations to the premises insured by the required date(s)
- (iv) exercise the Company's right to cancel the policy
- (v) leave the policy or section terms and conditions and the premium unaltered

The Company's decision will be notified to the insured with and where applicable specify the date(s) by which any action(s) agreed needs to be completed by the insured and/ or any decision by the Company will take effect.

The Company's requirements and decisions will take effect from the date(s) specified unless and until the Company agree otherwise in writing. If the insured disagree with the Company's requirements and/or decisions the Company will consider the insured's comments and where the Company consider appropriate will continue to negotiate with the insured to resolve the matter to the insured's and the Company's satisfaction.

In the event that the matter cannot be resolved the insured and the Company may exercise the right to cancel this policy in accordance with the terms of General Condition 3 Cancellation.

Except where stated all other policy and section terms and conditions will continue to apply.

The above conditions do not affect the Company's right to void the policy if the Company discover information material to the Company's acceptance of the risk.

18 Subrogation

Before or after the Company has indemnified the insured the Company will be entitled to undertake in the name of and on behalf of the insured the absolute conduct, control and settlement of any proceedings and to take proceedings at its own expense and for its own benefit but in the name of the insured to recover compensation or secure indemnity from any third party in respect of anything covered by this policy.

19 Underinsurance

Whenever a sum insured is declared to be subject to this underinsurance condition, if the property insured by such item shall at the commencement of any loss, destruction or damage hereby insured against be collectively of greater value than such sum insured, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss.

20 Warranty

Every warranty shall from the time the warranty attaches apply and continue to be in force during each subsequent period of insurance. Non-compliance with any such warranty in so far as it increases the risk of loss, destruction, damage or accidental bodily injury shall be a bar to any claim for such loss, destruction, damage or accidental bodily injury.

General Exclusions

The Company will not be liable for

- 1 loss, destruction or damage to property or any cost or expense, consequential loss or bodily injury directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - c) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - d) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
 - e) an act of terrorism or any action taken in controlling, preventing, suppressing, retaliating against, responding to or in any way relating to an act of terrorism (other than in respect of bodily injury to an employee arising out of and in the course of employment in the business). If the Company alleges that by reason of this sub-paragraph any loss, destruction, damage, cost, expense, consequential loss or bodily injury is not covered by this policy the burden of proving the contrary shall be upon the insured
 - f) pressure waves caused by aircraft or other aerospace devices travelling at sonic or supersonic speeds
 - g) confiscation, nationalisation or requisition by order of any government or public, municipal, local or customs authority
 - h) erasure, loss, distortion or corruption of information on, or reduction in the functionality, availability or operation of any computer system, or any hardware, program, software, data, information repository, disk, microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not, caused by the malicious introduction or incursion of any unauthorised, unintended, undesired or unexpected program, instruction or command or any other computer or electronic virus.
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 - a) loss, destruction or damage to property caused by pollution or contamination except (unless otherwise excluded) loss, destruction or damage to the property insured caused by
 - i) pollution or contamination which itself results from a contingency hereby insured against (other than by leakage of oil or by accidental damage to underground service pipes or cables) which comprises a sudden, identifiable, unintended and unexpected event and occurs in its entirety at a specific time and place during the period of insurance
 - ii) any contingency hereby insured against (other than by leakage of oil or by accidental damage to underground service pipes or cables) which itself results from pollution or contamination
 - b) loss under Section 2 – Business Interruption or Section 6 – Film Producers’ Indemnity of this policy resulting from pollution or contamination but this will not exclude loss resulting from damage at the premises to property used by the insured for the purpose of the business or the production (unless otherwise excluded) caused by
 - i) pollution or contamination at the premises which itself results from a contingency hereby insured against (other than by leakage of oil or by accidental damage to underground service pipes or cables) which comprises a sudden, identifiable, unintended and unexpected event and occurs in its entirety at a specific time and place during the period of insurance
 - ii) any contingency hereby insured against (other than by leakage of oil or by accidental damage to underground service pipes or cables) which itself results from pollution or contamination
 - c) loss under Section 8 - Public Liability and Section 9 – Products Liability of this policy resulting from legal liability directly or indirectly caused by or arising from pollution or contamination unless caused by a sudden, identifiable, unintended and unexpected event which occurs in its entirety at a specific time and place during the period of insurance provided that
 - i) all pollution or contamination arising out of such event will be deemed to be one occurrence irrespective of the length of time or number of periods of insurance over which such pollution or contamination occurs
 - ii) the liability of the Company for all damages payable arising out of all pollution or contamination which is deemed to have occurred during any one period of insurance will not exceed the amount stated against the Public Liability section and the Products Liability section in the schedule

Definition and interpretation - for the purposes of General Exclusion 2 c) only
pollution or contamination includes
 - (a) all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
 - (b) all loss or damage or injury directly or indirectly caused by such pollution or contamination
- 3 loss, destruction or damage to property or any cost or expense, consequential loss or bodily injury directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any hazardous activity undertaken by the insured or by any director, partner or employee of the insured or by any other person on behalf of the insured in connection with any production
Definition and interpretation - for the purposes of General Exclusion 3 only
hazardous activity means
 - a) the use of any pyrotechnical device, explosive or firearm
 - b) any processes, work or activity undertaken at a height from ground level exceeding 10 metres or in respect of buildings or other permanent structures 10 metres from floor level
 - c) the performance of any stunt
 - d) ownership, possession or use of or any processes, work or activity in connection with aircraft, aerospace devices, hovercraft, watercraft other than hand propelled watercraft and other watercraft not exceeding 7 metres in length
 - e) flying other than as a fare paying passenger in a fully licensed passenger carrying aircraft
 - f) any processes, work or activity underground, underwater or airside

- g) any processes, work or activity in connection with
 - i) power stations, nuclear installations or establishments
 - ii) refineries, bulk storage or production premises in the oil, gas or chemical industries
 - iii) railways or railway installations
 - iv) towers, steeples, chimney shafts, bridges, viaducts, dams, reservoirs, wells, tunnels, mines, quarries or blast furnaces
 - v) loading or discharging of vessels or other manual work on ships
 - vi) offshore installations, oil or gas rigs

Definition and interpretation - for the purposes of this General Exclusion 3 g) vi)only

- **offshore installation** means any platform or rig or any aircraft or vessel servicing a platform or rig
- it is understood that any person is deemed to be 'offshore' as from the time when they embark onto a conveyance at the point of final departure to an offshore installation and that any person shall continue to be deemed 'offshore' until such time as they disembark from any conveyance onto land upon their return from an offshore installation.

- 4 loss, destruction or damage
 - a) to property undergoing any process involving the application of heat
 - b) to any electrical machine or apparatus or component thereof occasioned by its over-running, excessive pressure, short-circuiting or self-heating not resulting in fire
 - c) arising from theft or attempted theft where the insured or any director, partner or employee of the insured or any member of the insured's family or household be concerned as principal or accessory
 - d) due to theft or attempted theft, malicious damage, leakage of water following bursting or overflowing of water pipes, water apparatus or water tanks or from any automatic sprinkler installation, leakage of oil or breakage of glass and sanitary ware
 - i) during any period when the business has ceased to trade whether the premises are unfurnished or otherwise
 - ii) whilst the premises are unfurnished or untenanted
 - e) due to disappearance, unexplained loss, inventory shortage, misfiling or misplacing of information
- 5 loss, destruction or damage or any expense or consequential loss happening in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of loss destruction damage expense or consequential loss by fire or explosion) strikers, locked out workers or persons taking part in labour disturbances or malicious persons.
- 6
 - a) loss, destruction or damage
 - b) consequential loss, additional expenditure or extra expenses
 - c) legal liability
 - d) other fees, costs, disbursements, awards or other expenses of whatsoever nature
 directly or indirectly caused by or consisting of or contributed to by or arising from the failure in whole or in part of -
 - i) any computer
 - ii) any data processing equipment or media, microchip, integrated circuit or similar device
 - iii) any computer software
 whether the property of the Insured or not and whether occurring before, during or after the year 2000 to achieve all or any of the purposes and effects intended by the use of any number and/or word to denote a date, including the failure to -
 - (a) correctly recognise any date as its true calendar date
 - (b) recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than its true calendar date
 - (c) recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as the result of the operation of any command which has been programmed into any computer software or hardware being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date

but in respect of all sections other than Employers Liability, Public Liability or Products Liability this shall not exclude subsequent loss, destruction or damage to property specifically insured by any item, section or endorsement of this policy, or any expense or any consequential loss additional expenditure or extra expense (not otherwise excluded) which itself results from the following contingencies or perils -

Fire, lightning, explosion, aircraft and other aerospace devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, subterranean fire, impact by any mechanically propelled vehicle or by goods falling therefrom or by animals, theft or any attempt thereat, storm, flood, or escape of water or oil from any pipe tank or apparatus.

Section 1 – Property Damage

The Definitions and interpretation set out in pages 4-5, General Conditions set out in pages 6-9 and General Exclusions set out in pages 10-11 also apply to this section.

1A – Buildings and Contents

Definition and interpretation

For the purposes of this section only

territorial limits means Great Britain, Northern Ireland, the Channel Islands and the Isle of Man

Cover

The Company will indemnify the insured in respect of loss, destruction or damage occurring at the premises to the property insured described in the schedule or any part of such property caused by the following perils

- 1 fire (whether resulting from explosion or otherwise) not occasioned by or happening through
 - a) its own spontaneous fermentation or heating
 - b) earthquake or subterranean fire
- 2 lightning
- 3 explosion but excluding loss, destruction or damage (other than loss, destruction or damage by fire resulting from explosion)
 - a) caused by or consisting of 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
 - b) in respect of and originating in any vessel machinery or apparatus or its contents, belonging to or under the control of the insured which requires to be examined to comply with any statutory regulations unless such vessel, machinery or apparatus shall be the subject of a policy or other contract providing the required inspection service
- 4 aircraft and other aerospace devices or articles dropped therefrom.
- 5 theft or any attempt thereat but excluding theft
 - a) occurring outside business hours unless involving forcible and violent entry to or exit from the premises
 - b) of property from a garden, yard, open space or any open fronted or open sided building therein
 - c) of personal effects partly or wholly of precious metal, jewellery, watches, furs, contact lenses, portable electronic entertainment equipment, cameras, money and securities of any kind
- 6 riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation but excluding loss, destruction or damage caused in Northern Ireland or resulting from cessation of work
- 7 malicious persons not acting on behalf of or in connection with any political organisation but excluding loss, destruction or damage by theft or any attempt thereat
- 8 earthquake or subterranean fire
- 9 impact by any mechanically propelled vehicle (whether the vehicle be licensed for normal road use or not) or by goods falling therefrom or by animals but excluding loss or destruction of or damage to property in transit
- 10 storm but excluding loss, destruction or damage
 - a) caused by
 - i) the escape of water from the normal confines of any natural or artificial watercourse, lake, reservoir, canal or dam
 - ii) inundation from the sea, whether resulting from storm or otherwise
 - iii) frost, subsidence, ground heave or landslip
 - b) attributable solely to change in the water table level
 - c) to fences and gates and loose or moveable property in the open
- 11 flood but excluding loss, destruction or damage
 - a) caused by frost, subsidence, ground heave or landslip
 - b) attributable solely to change in the water table level
 - c) to fences and gates and loose or moveable property in the open
- 12 bursting or overflowing of water pipes, water apparatus or water tanks but excluding loss destruction or damage by water discharged or leaking from any automatic sprinkler installation
- 13 water accidentally discharged or leaking from any automatic sprinkler installation in the premises or the buildings not occasioned by or happening through
 - a) freezing whilst the premises or the buildings in the insured's ownership or tenancy are empty or disused
 - b) explosion, the blowing up of buildings, blasting, earthquake or subterranean fire or heat caused by fire but excluding loss or destruction of or damage to such installation other than that caused by water accidentally discharged or leaking from any such installation subject to the following special conditions
 - i) the insured shall take all reasonable steps to prevent frost and other damage to any such automatic sprinkler installation and to prevent the freezing of water in any part of such installation and so far as his responsibility extends to maintain all such installations including the automatic external alarm signals in efficient working condition and in the event of any discharge or leakage from any such installation the insured shall do and permit to be done all things practicable whether by removal or otherwise to save and protect the property insured
 - ii) when any changes, repairs or alterations to any such automatic sprinkler installation are proposed written notice thereof is to be given to the Company and its agreement obtained in writing
 - iii) the Company shall have access to the premises and the buildings at all reasonable times for the purposes of inspection and if the Company notifies the insured of defects in the construction or condition of any automatic sprinkler installation requiring alteration or repair the Company may also at its option by notice in writing suspend this insurance until such alterations or repairs be made and approved by the Company

- 14 breakage or collapse of television or radio aerials, aerial fittings or masts or satellite receiving equipment but excluding loss, destruction or damage caused by erection, dismantling, repair or maintenance thereof
- 15 leakage of oil from any fixed installation
- 16 falling trees or branches but excluding loss, destruction or damage
 - a) caused by felling or lopping carried out by or on behalf of the insured
 - b) to fences and gates and loose or moveable property in the open
- 17 accidental damage but excluding
 - a) loss, destruction or damage caused by or specifically excluded from the perils 1-16 above
 - b) wear, tear or depreciation or diminution in value
 - c) loss, destruction or damage caused by or arising from
 - i) frost, subsidence, ground heave or landslip or from settlement or bedding down of new structures
 - ii) collapse or cracking of buildings
 - iii) inherent vice, latent defect, defective design, plan or specification or the use of faulty materials
 - iv) faulty or defective workmanship operational error or omission on the part of the insured or any employee of the insured
 - v) marring, scratching, denting or mechanical or electrical defect, failure, breakdown or derangement
 - vi) atmospheric or climatic conditions or any other gradually operating cause, rot, fungus, rust, corrosion, woodworm, moths, insects, vermin or pests
 - vii) any process involving heating, drying, cleaning, dyeing, staining, repairing, restoring, renovating, fitting, installation, testing, commissioning, alteration or maintenance of any property
 - viii) use of any article contrary to manufacturers' instructions
 - ix) change in temperature colour flavour texture or finish
 - d) loss, destruction or damage to fences and gates and loose or moveable property in the open.
 - e) breakage of glass insured by or specifically excluded from Sub-section 1B Glass.

Limits of liability

The Company's liability in respect of any one occurrence will not exceed the sum insured against each item in the schedule nor in all the aggregation of the sums insured by this section.

Basis of claims settlement

Following loss, destruction or damage insured by this sub-section and subject to the adequacy of the sums insured and to the Limits of liability the Company will pay in respect of

- a) stock – the cost price of replacing the goods at the time of the loss, destruction or damage
- b) curios, pictures and other works of art – the cost of repairing or replacing such property at the time of the loss, destruction or damage for an amount not exceeding £500 in respect of any one item nor £1,000 in all or such other amounts as are stated in the schedule
- c) deeds, documents and business books - their value as stationery only together with the cost of clerical labour expended in writing up and not for the value to the insured of the information contained therein
- d) computer systems records - the value of the materials only together with the cost of clerical labour and computer time expended in producing such records (excluding any expense in connection with the production of information to be recorded therein) and not for the value to the insured of the information contained therein, for an amount not exceeding £10,000
- e) patterns, models, moulds, plans and designs - the value of the materials only together with the cost of labour expended in reinstatement of such property
- f) directors', partners', employees', customers' and visitors' personal effects not otherwise insured - the cost of repair or replacement at the time of the loss, destruction or damage after due allowance for wear, tear or depreciation, for an amount not exceeding, in respect of any one person, £250
- g) rent- the loss of rent payable or rent receivable by the insured for the term of twelve months or such other term stated against an Endorsement in the schedule during any period necessary for reinstatement or repair as a result of the buildings or any part thereof being rendered uninhabitable due to loss, destruction or damage caused by any of the perils insured by this section provided that the Company's liability for such loss of rent will not exceed such proportion of the sum insured on rent as the period necessary for reinstatement or repair bears to the term of rent insured
- h) all other property including buildings - the cost of repairing or reinstating the property equal to its condition when new

Provided that

 - i) this is carried out without delay and in the most economical manner
 - ii) when property is partially lost, destroyed or damaged the Company's liability shall not exceed the estimated reinstatement cost which would have been payable had it been wholly lost or destroyed
 - iii) until reinstatement has been carried out no payment shall be made beyond the amount which would be payable if an allowance were made for wear, tear or depreciation
 - iv) for the purposes of this sub-paragraph General Condition 19 Underinsurance shall be deemed to read – whenever a sum insured is declared to be subject to this underinsurance condition, if at the time of repair or reinstatement the amount representing the cost which would have been incurred in repair or reinstatement if the whole of the property insured by any item insured hereby had been lost or destroyed exceeds the sum insured by such item at the commencement of the loss, destruction or damage, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss
 - v) where for any reason no payment is to be made on the basis of repair or reinstatement as new (liability being otherwise admitted) then the liability of the Company will be arrived at as if this basis of claims settlement had not been incorporated herein and sub-paragraph h) shall then be deemed to read - all other property including buildings - in the case of buildings, the value of the buildings at the time of the loss, destruction or damage, or the amount of such loss, destruction or damage as the case may be, after due allowance for wear, tear or depreciation or at its option replace, reinstate or repair the lost, destroyed or damaged property and in the case of all other property, the cost of repair or replacement at the time of the loss, destruction or damage after due allowance for wear, tear or depreciation.

Special exclusions

The Company will not be liable under this sub-section for

- 1 the first £250 of each claim (except in respect of personal effects) after the application of the underinsurance condition
- 2 loss, destruction or damage to property stored in any outbuilding or basement caused by storm, flood, leakage of oil or water following bursting or overflowing of oil or water tanks, apparatus or pipes or from any automatic sprinkler installation, unless such property is raised at least 100mm above the ground floor level of the outbuilding or the floor level of the basement
Definition and interpretation - for the purposes of this Special exclusion only
basement means any storey of the buildings which is partially or wholly below ground level.
- 3 loss, destruction or damage caused by theft or attempted theft occurring outside business hours to any till or cash register unless its drawer has been left in an open position
- 4 loss or destruction of or damage to property which, at the time of the happening of such destruction or damage, is insured by or would, but for the existence of this sub-section, be insured by any marine policy or policies, except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
- 5 loss of metered gas or water other than that covered by Additional clauses 11 and 12 of this sub-section
- 6 consequential loss of any kind or description (other than loss of rent when such loss is included in the insurance by this sub-section)
- 7 loss, destruction or damage sustained as a result of security or custom checks

Additional clauses

1 Architects' and surveyors' fees

Within the overall limit of the sum insured on buildings and other property except stock, the Company will pay the cost of architects', surveyors', consulting engineers' legal and other fees necessarily and reasonably incurred in the reinstatement or repair of the property following loss, destruction or damage caused by any peril insured against but excluding fees charged for the preparation of any claim.

2 Capital additions

The insurance by this section extends to include

- a) newly acquired and/or newly erected fixtures, fittings and furniture and buildings anywhere within Great Britain, the Isle of Man or the Channel Islands in so far as such property is not otherwise insured
- b) alterations, additions and improvements to existing fixtures, fittings and furniture and buildings at the premises but excluding any appreciation in value of such property during the period of insurance

Provided that

- i) at any one situation or premises the liability of the Company shall not exceed 10% of the sum insured in the schedule on such property
- ii) the insured shall notify the Company of such capital additions as soon as possible and pay the appropriate additional premium that may be required to provide retrospective cover from the commencement date of the insured's liability for such property
- iii) following such notification the provisions of this clause are fully reinstated.

3 Contracting purchaser

If at the time of loss, destruction or damage to the buildings the insured shall have contracted to sell his interest in such buildings and the purchase shall not have been but shall be thereafter completed, the purchaser on the completion of the purchase if and so far as the buildings are not otherwise insured by or on behalf of the purchaser against such loss, destruction or damage shall be entitled to the benefit of this policy so far as it relates to such loss, destruction or damage without prejudice to the rights and liabilities of the insured or the Company under this policy up to the date of completion.

4 Debris removal costs

- a) The insurance by each item insuring buildings and other property and the sums insured in respect thereof extends to include costs and expenses necessarily incurred by the insured with the consent of the Company in
 - i) removing debris
 - ii) dismantling or demolishing
 - iii) shoring up or proppingof the portion or portions of such insured property lost, destroyed or damaged by any peril insured against but excluding any such costs or expenses incurred in respect of any item insuring stock
- b) Where stock is insured the insurance by this section extends to include costs and expenses necessarily incurred by the insured with the consent of the Company in removing debris of the portion or portions of such insured property lost, destroyed or damaged by any peril insured but the Company's liability in respect of loss or destruction of or damage to stock shall not be increased above the sum insured by the operation of this extension

Provided that the Company will not be liable under this clause for any such costs or expenses

- (a) incurred in removing debris except from the site of such insured property so lost, destroyed or damaged and from the area immediately adjacent to such site
- (b) arising from pollution or contamination of property not insured by this section.

5 Exhibitions

This sub-section extends to include loss, destruction or damage caused by any peril insured to property insured whilst within the premises of any trade show or exhibition within the territorial limits at which the insured is participating as an exhibitor, including whilst in transit thereto and therefrom but excluding theft or attempted theft of the property insured from any unattended vehicle.

The Company's limit of liability will not exceed £2,500 in any one period of insurance.

6 Extensions

Except where specifically insured the buildings and contents of

- a) outbuildings, annexes, tanks, bunds, gangways and conveniences
 - b) extensions adjoining or communicating with main buildings described herein
- are deemed to be insured under the respective item applying to the main buildings.

7 External CCTV equipment and security lighting

This sub-section extends to include loss, destruction or damage to external CCTV equipment and security lighting at the premises for which the insured is legally responsible provided that such property is located and fixed in an inaccessible position.

The Company's limit of liability will not exceed £2,500 in any one period of insurance.

8 Extinguishment expenses

This sub-section extends to include the cost of refilling fire extinguishing equipment used solely as a consequence of loss, destruction or damage caused by any peril insured.

The Company's liability will not exceed £10,000 in any one period of insurance.

9 Interested parties

Any act or omission by the leaseholder, lessee, mortgagor or the insured or by any tenant occupying or using the buildings which increases the possibility of loss, destruction or damage shall not prejudice the insured interest of the freeholder, lessor or mortgagee.

Provided that

- a) such act or omission is entirely without the authority of and is unknown to or beyond the control of the freeholder, lessor or mortgagee
- b) immediately the freeholder, lessor or mortgagee shall become aware of any such act or omission they shall give immediate written notice thereof to the Company and pay an additional premium if required.

10 Landscapes

This sub-section extends to include costs and expenses incurred by the insured with the consent of the Company in repairing or reinstating damage to the landscaped gardens and grounds, at the premises, caused by fire brigade equipment and personnel in the course of combating fire or any other peril insured against. Provided that the insured is legally responsible for the repair or reinstatement of such damage.

The Company's liability will not exceed £2,500 in any one period of insurance.

11 Loss of metered gas

This sub-section extends to include the cost of loss of metered gas for which the insured is legally responsible arising from loss, destruction or damage at the premises caused by any peril insured.

The Company's limit of liability will not exceed £10,000 in any one period of insurance.

12 Loss of metered water

This sub-section extends to include the cost of loss of metered water for which the insured is legally responsible arising from loss, destruction or damage at the premises caused by any peril insured.

The Company's limit of liability will not exceed £10,000 in any one period of insurance.

13 Non-invalidation

The insurance by this sub-section, other than in respect of loss destruction or damage by theft or any attempt thereat, shall not be invalidated by any act or omission or by any alteration unknown to or beyond the control of the insured whereby the risk of loss, destruction or damage is increased.

Provided that immediately the insured shall become aware of any such act omission or alteration they shall give immediate written notice thereof to the Company and pay an additional premium if required.

14 Public authorities costs

Within the overall limit of the sum insured on buildings and other property except stock and following loss, destruction or damage caused by any peril insured, the Company will pay the additional cost of reinstatement necessarily and reasonably incurred solely to comply with European Community Legislation or building or other regulations under or framed in pursuance of any Act of Parliament or Bye-Laws of any Public Authority in respect of

- a) the lost, destroyed or damaged property insured
 - b) undamaged portions thereof
- excluding
- a) any cost incurred in complying with such Legislation or regulations
 - i) in respect of damage occurring prior to the inception of this section
 - ii) under which notice has been served upon the insured prior to the occurrence of any loss, destruction or damage hereby insured
 - iii) for which there is an existing requirement which has to be implemented within a given period
 - iv) in respect of property entirely undamaged
 - b) the additional cost that would have been required to make good the property lost, destroyed or damaged to a condition equal to its condition when new had the necessity to comply with such Legislation or regulations not arisen

- c) the amount of any 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 Legislation or regulations

Provided that

- 1 the work of reinstatement must be completed within 12 months of the date of the loss, destruction or damage insured or within such additional time as the Company may allow and may be carried out upon another site if such Legislation or regulations so necessitate subject to the liability of the Company not being increased
- 2 if the liability of the Company under any item of this section apart from this clause shall be reduced by the application of any of the terms and conditions of the policy then the liability of the Company under this clause in respect of such item shall be reduced in the same proportion
- 3 the total amount recoverable under any item insured by this section in respect of this clause shall not exceed:
 - i) in respect of any property lost, destroyed or damaged 10% of the sum insured
 - ii) in respect of undamaged portions of property (other than foundations) 10% of the total amount for which the Company would have been liable had the property been wholly insured
- 4 the total amount recoverable under any item insured by this section shall not exceed its sum insured

15 Sanitary ware and underground service pipes or cables

This sub-section extends to include the cost of reinstatement or repair following accidental damage to

- a) fixed sanitary ware and fittings
- b) underground service pipes or cables extending from the public mains to the premises or the buildings.

Provided that the insured is legally responsible for the repair of such damage.

16 Subrogation waiver

In the event of a claim arising under this sub-section the Company agrees to waive any rights remedies or relief to which it may become entitled by subrogation against

- a) any company standing in the relation of Parent to Subsidiary or Subsidiary to Parent to the insured as defined in the Companies Act or Companies (N.I.) Order as appropriate current at the time of the loss, destruction or damage
- b) any company which is a Subsidiary of a Parent Company of which the insured are themselves a Subsidiary in each case within the meaning of the Companies Act or Companies (N.I.) Order as appropriate current at the time of the loss, destruction or damage.

17 Temporary removal

This sub-section extends to include loss, destruction or damage caused by any peril insured to the undernoted property insured (other than stock) whilst temporarily removed from the premises to any other premises anywhere within the territorial limits including transit by road rail or inland waterway

- a) computer systems records for an amount not exceeding £1,000
- b) deeds and documents (including stamps thereon) manuscripts plans and writing of every description and books (written and printed) for an amount not exceeding 10% of the value of such property
- c) other property (other than stock) for cleaning renovation repair or other similar purposes for an amount not exceeding 10% of the sum insured on the item after deducting the value of any building (other than fixtures and fittings) and stock but excluding
 - i) property more specifically insured
 - ii) motor vehicles and motor chassis licensed for normal road use
 - iii) property held by the insured in trust other than machinery and plant.

Provided that the Company will not be liable for loss, destruction or damage

- (a) to property in the open
- (b) caused by theft unless involving forcible and violent entry to or exit from a building.

18 Theft damage to the premises

If this sub-section insures loss, destruction or damage by peril 5 then this section is extended to include damage to the premises resulting from theft or any attempt thereat involving forcible and violent entry thereto or exit therefrom.

Provided that the insured is legally responsible for the repair of such damage.

19 Theft of keys

If this sub-section insures loss, destruction or damage by peril 5 then this sub-section is extended to include the cost of replacing locks or keys to the premises or any safe or strongroom therein resulting from loss of keys following their theft

- a) involving forcible or violent entry to the premises or the home of the insured or any authorised employee
- b) by hold up involving assault or violence or threat thereof whilst such keys are in the personal custody of the insured or any authorised employee.

Provided that the Company will not be liable for the cost of replacing locks or keys of any safe or strongroom following theft of the keys if they are left on the premises outside business hours.

The Company's liability will not exceed £1,000 in any one period of insurance.

20 Trace and access

In the event of loss, destruction or damage at the premises caused by peril 12 or peril 15 where insured, this sub-section extends to include costs necessarily and reasonably incurred with the consent of the Company in

- a) locating the source of such loss, destruction or damage in order to effect repairs
- b) making good.

The Company's limit of liability will not exceed £2,500 in any one period of insurance.

21 Unoccupied buildings

Notice is to be given to the Company when any buildings or portions thereof become unoccupied by any authorised person or when any such unoccupied building or portion thereof is again occupied and a suitable additional premium paid if required.

1B – Glass

Definitions and interpretation

For the purposes of this sub-section only

glass means plain plate or sheet or wired glass

Cover

The Company will indemnify the insured in respect of

- a)
 - i) breakage of or damage to fixed glass at the premises or in the buildings together with the necessary cost of temporary boarding up pending replacement
 - ii) the reasonable cost of removal or replacement of fixtures and fittings to effect replacement and of repairing window and door frames as a result of such breakage or damage
- b) breakage at the premises of fixed mirrors and fixed glass in showcases, counters and display cabinets
- c) breakage of or damage to neon and illuminated signs and fixed glass therein.

Additional cover

The cover under this sub-section is extended to include the following

- a) loss, destruction or damage caused by breakage of glass to any property of the insured pertaining to the business and which is on display in show windows.

The Company's liability in respect of any one occurrence will not exceed £500.

- b) loss or destruction of or damage to any alarm foil or other security devices caused by the breakage of glass at the premises or in the buildings.

The Company's liability in respect of any one occurrence will not exceed £500.

- c) loss or destruction of or damage to any armoured, bent or other special glass or lettering or designs superimposed on glass

The Company's liability in respect of any one occurrence will not exceed £1,000.

Special exclusions

The Company will not be liable under this sub-section for

- 1 the first £250 of each claim
- 2 any breakage or damage in respect of premises which are unoccupied
- 3 glass which was flawed, broken or cracked before the insurance commenced
- 4 superficial scratching, chipping or cracking
- 5 breakage or damage caused by or occurring through the insufficiency of the foundation or fabric of the premises or buildings in which the glass is situate
- 6 breakage or damage due to dilapidation of frames or framework
- 7 breakage or damage due to insecure fitting
- 8 breakage or damage caused during installation or removal or whilst alterations or repairs are being effected to the premises or buildings
- 9 breakage of or damage to
 - a) glass in greenhouses or conservatories
 - b) glass in lantern lights or in skylights or any other glass in roofs
- 10 breakage of or damage to
 - a) neon and illuminated signs and fixed glass therein
 - i) arising from adjustment, repair, dismantling or erection of any part of the sign or to any part whilst removed from its normal working position
 - ii) arising from mechanical breakdown of the sign or any part thereof
 - b) any part of any neon or illuminated sign caused by its own ignition, electrical breakdown or burn out
 - c) tubes in any neon or illuminated sign unless the glass is fractured at the same time
- 11 consequential loss of any kind or description.

1C – Money

Definition and interpretation

For the purposes of this sub-section only

non negotiable money means crossed cheques postal orders money orders bankers drafts national giro drafts and payment orders, dividend warrants, national savings certificates, unused postal franking machine units, stamped or impressed national insurance cards, holiday with pay stamps, premium bonds, VAT purchase invoices, credit card cheque card and debit card sales vouchers and consumer redemption vouchers.

Cover

The Company will indemnify the insured in respect of physical loss of money occurring within the territorial limits.

Additional cover

The cover under this section is extended to include the following

Safes

The cost of repair or replacement, following theft or attempted theft, of any

- a) safe
- b) postal franking machine
- c) security case, bag or waistcoat used to carry money.

The Company's liability will not exceed £2,500 in any one period of insurance.

Credit Cards

Any amount for which the insured becomes liable under the terms of issue of any bank charge credit debit or cash card issued and used only in connection with the business following fraudulent use by any unauthorised person

Provided that the insured reports the loss to the issuing company immediately and to the Police within 24 hours of discovering the loss and has complied with the terms and conditions of issue of the card

The Company's liability will not exceed £500 in any one period of insurance.

Limits of liability

The Company's liability will not exceed the limits stated below in respect of any one occurrence

Item	Limit
1 non negotiable money	£250,000
2 money, other than non negotiable money, whilst	
a) in transit in the personal custody of the insured or any authorised employee or whilst contained in a bank night safe	£ 2,500
b) on the premises during business hours	£ 2,500
c) on the premises outside business hours contained in locked safes	£ 1,000
d) in the home of the insured or any authorised employee	£ 500

Special exclusions

The Company will not be liable under this sub-section for

- 1 the first £100 of each claim
- 2 clerical or accounting errors or shortages due to error or omission
- 3 any loss due to the fraud or dishonesty of any director, partner or employee unless the loss is discovered within seven working days of the date of its occurrence
- 4 loss caused by dishonoured cheques or by the use of counterfeit money
- 5 loss from any unattended vehicle
- 6 loss from any coin-operated vending, gaming or amusement machine or payphone unless specially agreed as insured by an Endorsement shown in the schedule
- 7 loss, destruction or damage caused by theft or attempted theft occurring outside business hours to any till or cash register unless its drawer has been left in an open position
- 8 consequential loss of any kind or description

Special conditions

It is a condition precedent to the liability of the Company that

- a) a true and complete account shall be kept of all money in transit and on the premises and such record must be deposited in a secure place other than in any safe containing the money
- b) during business hours any safe shall be kept locked other than when money or other property is being placed therein or removed therefrom and the keys kept in the personal custody of the insured or any authorised employee
- c) outside business hours any safe shall be kept locked and its keys removed from the premises
- d) one copy of each completed credit card voucher shall be kept at all times in a secure place separate from its counterpart.

1D – Personal Assault

Definitions and interpretation

For the purposes of this sub-section only

insured person means the insured or any director, partner or employee of the insured aged between 16 and 65 years

loss of limb means total loss by physical severance of one or more limbs at or above the wrist or ankle or total and permanent loss of use of any entire limb

loss of sight means total and irrecoverable loss of sight in one or both eyes

permanent total disablement means permanent and absolute disablement from engaging in or giving attention to occupation or business of any kind

temporary total disablement means temporary and absolute disablement from engaging in or giving attention to usual occupation.

Cover

The Company will pay as compensation to the insured or the legal personal representative of the insured the relevant amount shown below if in the course of the business an insured person sustains accidental bodily injury consequent upon robbery or hold up or any attempt thereat occurring within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man and such bodily injury directly and independently of any other cause results within twelve months in death loss or disablement as stated in the Results

Results	Compensation
1 Death	£10,000
2 Loss of limb	£10,000
3 Loss of sight	£10,000
4 Permanent total disablement	£10,000
5 Temporary total disablement	£ 100 per week

Additional cover

The cover under this sub-section is extended to include damage to personal effects of an insured person arising in connection with the business as a direct result of robbery or hold up or any attempt thereat for an amount not exceeding £250 any one insured person.

Special exclusions

The Company will not be liable under this sub-section for death loss or disablement caused by

- 1 an insured person being under the influence of or being affected by intoxicating liquor or drugs except drugs taken in accordance with proper medical prescription and directions and not for the treatment of drug addiction
- 2 pregnancy or childbirth
- 3 any pre-existing physical or mental defect or infirmity, medical condition or chronic or recurring ailment which has not been declared to and accepted in writing by the Company
- 4 any communicable disease including acquired immune deficiency syndrome (AIDS) or an AIDS related condition.

Special conditions

- 1 Compensation shall not be payable for more than one of Results 1-4 in respect of any one insured person.
- 2 Compensation shall not be payable for Result 5
 - a) until the end of the period of disablement but the Company will on request make interim payments at intervals of not less than four weeks
 - b) for more than 104 weeks from the date of sustaining injury in respect of any one bodily injury
- 3 The total amount payable as compensation under Result 5 shall be deducted from any subsequent compensation payment under Results 1-4 that follows from the same cause
- 4 An insured person shall as often as required submit to a medical examination on behalf of the Company at its own expense and in the case of death the Company shall be entitled to have a post mortem examination at its own expense.

Section 2 – All Risks – Equipment

The Definitions and interpretation set out in pages 4-5, General Conditions set out in pages 6-9 and General Exclusions set out in pages 10-11 also apply to this section.

Cover

The Company will indemnify the insured in respect of loss, destruction or damage to the property insured described in the schedule or any part of such property caused by any accident or misfortune occurring within the territorial limits.

Additional cover

If shown as applicable in the schedule, the cover under this section is extended to include the following

Hire charges

In the event of loss, destruction or damage to insured equipment hired in by the insured the Company will indemnify the insured in respect of legal liability to pay loss of hire charges incurred by the owner of such equipment during the period necessary for reinstatement or repair. The Company agrees to negotiate with and settle directly with the owner of such equipment.

The Company's liability in respect of any one incident or series of incidents arising out of one occurrence will not exceed

- a) a period longer than 13 weeks from the date of the loss, destruction or damage
- b) £50,000 in all

Limits of liability

The Company's liability in respect of any one occurrence will not exceed the limit in respect of any single article specified in any item in the schedule, nor the sum insured against each item in the schedule, nor in all the aggregation of the sums insured by this section.

Basis of claims settlement

Following loss, destruction or damage insured by this section and subject to the adequacy of the sums insured and to the Limits of liability the Company will pay in respect of

- a) hired-in property – the cost of repairing or reinstating the property to the extent that the insured may be responsible under the terms, conditions and limits of the hire contract or agreement
- b) all other property - the cost of repairing or replacing the property equal to its condition when new provided that
 - i) this is carried out without delay and in the most economical manner
 - ii) when property is partially lost, destroyed or damaged the Company's liability shall not exceed the estimated replacement cost which would have been payable had it been wholly lost or destroyed
 - iii) in the event of loss, destruction or damage to any article forming part of a set the basis of settlement shall be a reasonable and fair assessment of the value of that article as part of the set but in no event shall the amount payable represent the total value of the set
 - iv) until replacement has been carried out no payment shall be made beyond the amount which would be payable if an allowance were made for wear, tear or depreciation
 - v) the sum insured against each item in the schedule is separately subject to General Condition 19 Underinsurance which for the purposes of this section shall be deemed to read -
whenever a sum insured is declared to be subject to this underinsurance condition, if at the time of repair or replacement the amount representing the cost which would have been incurred in repair or replacement if the whole of the property insured by any item insured hereby had been lost or destroyed exceeds the sum insured by such item at the time of the loss, destruction or damage, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss
 - vi) where for any reason no payment is to be made on the basis of repair or replacement as new (liability being otherwise admitted) then the liability of the Company will be arrived at as if this basis of claims settlement had not been incorporated herein and the basis of claims settlement shall then be deemed to read -
following loss, destruction or damage insured by this section and subject to the adequacy of the sums insured and to the Limits of liability the Company will pay the cost of repair or replacement of the property at the time of the loss, destruction or damage after due allowance for wear, tear or depreciation.

Special exclusions

The Company will not be liable under this section for

- 1 loss, destruction or damage caused by or consisting of
 - a) frost, wear, tear or depreciation or diminution in value
 - b) faulty or defective workmanship operational error or omission on the part of the insured or any employee of the insured
 - c) marring, scratching, denting, mechanical or electrical defect, failure, breakdown or derangement
 - d) atmospheric or climatic conditions or any other gradually operating cause, rot, fungus, rust, corrosion, woodworm, moths, insects, vermin, pests, magnetic fields, sand or grit
 - e) any process involving heating, drying, cleaning, dyeing, staining, repairing, restoring, renovating, fitting, alteration or maintenance of any property
 - f) use of any article contrary to manufacturers' instructions
 - g) storm or flood unless the property insured is contained in an enclosed vehicle or in a building
 - h) change in temperature colour flavour texture or finish

- 2 loss, destruction or damage by theft or attempted theft
- a) from any unattended vehicle unless all doors, windows and other openings are shut and securely locked and all security devices are in full and proper operation and any property insured by this section is secured within either
 - i) the closed glove compartment of the vehicle or
 - ii) the locked boot of a saloon car or
 - iii) the luggage space at the rear of an estate car or hatchback under the top cover and out of view or
 - iv) the enclosed storage compartment of a van of a fully enclosed and rigid type
 - b) from any unattended vehicle between the hours of 8pm and 8 am unless the vehicle is garaged in a building which has all security devices put into full and effective operation or a professionally operated security compound
 - c) from any unattended vehicle between the hours of 8 am and 8 pm unless the vehicle is either garaged in a building which has all security devices put into full and effective operation or a professionally operated security compound or is protected by an alarm system
 - d) other than from the premises or any vehicle unless the property insured is
 - i) in the personal custody of the insured or any partner, director or employee of the insured or
 - ii) kept in a building which has all security devices put into full and effective operation
- 3 loss, destruction or damage occurring whilst insured equipment is in transit caused by faulty or inadequate packing
- 4 loss, destruction or damage to property belonging to any freelance worker or for which they are legally responsible
- a) caused by theft or attempted theft of such property from
 - b) whilst in transit to or from the private dwelling of any freelance worker
- 5 loss, destruction or damage sustained as a result of security or custom checks
- 6 breakage of valves or bulbs
- 7 delay, frustration of contract or consequential loss of any kind or description other than hire charges if insured by this section
- 8 the first
- a) £250 of each claim, after the application of the underinsurance condition, increasing to
 - b) the first £1,000 of each claim, after the application of the underinsurance condition, in respect of any single article of insured equipment with a sum insured exceeding £20,000
- subject to a maximum of £1,000 in respect of any claim.

Section 3 – Business Interruption

The Definitions and interpretation set out in pages 4-5, General Conditions set out in pages 6-9 and General Exclusions set out in pages 10-11 also apply to this section.

Definitions and interpretation

For the purposes of this section only

damage means loss, destruction or damage by any perils insured by Section 1 – Property Damage

income means the money paid or payable to the insured for work done and services rendered, all in the course of the business at the premises

indemnity period means the period beginning with the occurrence of the damage and ending not later than the maximum indemnity period thereafter during which the results of the business shall be affected or increases in the cost of working are incurred in order to resume or maintain the business following or in consequence of the damage

maximum indemnity period means twelve months unless otherwise stated in the schedule

territorial limits means Great Britain, Northern Ireland, the Channel Islands or the Isle of Man

- Notes:
1. To the extent that the insured is accountable to the tax authorities for Value Added Tax all terms in this section shall be exclusive of such tax
 2. For the purposes of these definitions, any adjustment implemented in current cost accounting shall be disregarded.

Cover

In the event of damage to any building or other property or any part thereof used by the insured at the premises for the purposes of the business and provided that at the time of the happening of the damage there shall be in force an insurance covering the interest of the insured in the buildings or in the property at the premises against such damage and that payment shall have been made or liability admitted therefor under such insurance then

- 1 if loss of income is insured the Company will by payment indemnify the insured in respect of
 - a) any loss of income or additional expenditure incurred as a result of the business at the premises being interrupted or interfered with in consequence of such damage
 - b) professional accountants' charges incurred in accordance with the basis of claims settlement
- 2 if additional expenditure only is insured the Company will by payment indemnify the insured in respect of
 - a) any additional expenditure necessarily and reasonably incurred as a result of the business at the premises being interrupted or interfered with in consequence of such damage
 - b) professional accountants' charges incurred in accordance with the basis of claims settlement.

Additional cover

Loss as insured by this section resulting from interruption of or interference with the business in consequence of

- a) damage to property in the vicinity of the premises which prevents or hinders the use of or prevents access to the premises or which causes a fall in the number of customers attracted to the vicinity of and using the premises
- b) damage within the territorial limits at any site of a supplier of the insured other than a supplier of electricity, gas, water or telecommunications services provided that the Company's liability shall not exceed £10,000 in respect of any one occurrence
- c) accidental failure of public supplies of electricity, gas or water at the terminal ends of the public supply undertaking's feed to the premises except
 - i) in consequence of a deliberate act of any supply authority or the exercise by any such authority of its power to withdraw or restrict supply
 - ii) where such failure is for a period of less than sixty minutes
 - iii) in consequence of a fault in any part of the installation belonging to the insured or for which the insured is legally responsible
- d) damage to plans, deeds, briefs, manuscripts, books, documents and office records whilst temporarily removed from the premises to elsewhere within the territorial limits
- e) the occurrence at the premises of murder, suicide or rape
- f) the occurrence at the premises of any outbreak of a human infectious or contagious disease other than acquired immune deficiency syndrome (AIDS) or an AIDS related condition
- g) the compulsory closure of the premises by order of any competent authority due to its defective sanitation or to the presence therein of vermin or pests
- h) poisoning arising from or traceable to foreign or deleterious matter in food or drink sold, supplied or provided at the premises

shall be deemed to be loss resulting from damage to property used by the insured at the premises for the purposes of the business.

Limit of liability

The Company's liability in respect of

- a) loss of income and associated additional expenditure and accountants' charges shall not exceed in the aggregate in respect of any one occurrence nor in all in any one period of insurance the sum insured in the schedule
- b) additional expenditure when insured as a separate item and associated accountants' charges shall not exceed in the aggregate in respect of any one occurrence nor in all in any one period of insurance the sum insured stated in the schedule.

Basis of claims settlement

The Company's liability shall not exceed

- 1 in respect of loss of income
 - a) the amount by which the income earned (at the premises or elsewhere) during the indemnity period falls short of the income which it is estimated would otherwise have been earned in the absence of such damage less any amount saved during the indemnity period in respect of any charges or expenses of the business which may cease or be reduced in consequence of the damage
 - b) the additional expenditure necessarily and reasonably incurred to avoid the above shortfall in income but not exceeding the amount of shortfall thus avoided
 - c) the reasonable charges payable to the insured's professional accountant which may be incurred for producing and reporting on details required by the Company under the terms of General Condition 5
- 2 in respect of additional expenditure when insured as a separate item
 - a) the amount necessarily and reasonably incurred during the indemnity period for the sole purpose of resuming or maintaining the business or for avoiding or diminishing a reduction in income earned at the premises
 - b) the reasonable charges payable to the insured's professional accountant which may be incurred for producing and reporting on details required by the Company under the terms of General Condition 5.

Special exclusions

The Company will not be liable under this section for

- 1 increased metered water charges except where such increased charges are caused by any peril insured against
- 2 loss due to
 - a) erasure, loss, distortion or corruption of information on computer systems or other records, programs or software caused deliberately by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotion or malicious persons
 - b) other erasure, loss, distortion or corruption of information on computer systems or other records, programs or software unless resulting from any of the perils 1 to 16 of Section 1 – Property Damage of this policy in so far as it is not otherwise excluded
- 3 any loss of income or additional expenditure for which an indemnity is provided by Section 6 – Film Producers' Indemnity of this policy

Special conditions

- 1 At least once every seven days the insured shall back up data on computer systems and or other records programmes or software and either store such records
 - a) at the premises in a fire resisting data safe or cabinet of at least 2 hours fire resistance
 - or
 - b) elsewhere than at the premises
- 2 The insurance by this section shall not apply if the business be wound up, permanently discontinued or carried on by a liquidator or receiver.
- 3 If at the time of any damage the sum insured on income be less than the income which it is estimated would have been earned during the maximum indemnity period had such damage not occurred, then the amount payable in respect of loss of income and associated additional expenditure shall be proportionately reduced.

Section 4 – Book Debts

The Definitions and interpretation set out in pages 4-5, General Conditions set out in pages 6-9 and General Exclusions set out in pages 10-11 also apply to this section.

Definitions and interpretation

For the purposes of this section only

damage means physical loss, destruction or damage by any of the perils insured by Section 1 – Property Damage

outstanding debit balances means the individual amounts owed to the insured by customers and shown as outstanding in the insured's records after adjustment for

- a) bad debts and any abnormal condition of trade which had or could have had a material effect on the business
- b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the damage) to customers' accounts in the period between the date to which the total last recorded relates and the date of the damage

so that the amounts thus adjusted shall represent as near as reasonably practicable those which would have been obtained at the date of the damage had the damage not occurred

recovery period means the period beginning with the occurrence of the damage and ending not later than twelve months thereafter

territorial limits means Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Cover

The Company will indemnify the insured by payment in respect of

- a) any net outstanding debit balances which the insured is unable to recover from customers during the recovery period as a result of damage to any of the insured's books of account or other business books or records
- b) additional expenditure incurred in accordance with the Basis of claims settlement

in consequence of any damage occurring to any such books or records contained within the premises.

Additional cover

Loss as insured by this section resulting from damage to any of the insured's books of account or other business books or records whilst they are temporarily removed from the premises anywhere within the territorial limits shall be deemed to be damage to such property contained within the premises.

Professional accountants

Any particulars or details contained in the insured's books of account or other business books or documents which may be required by the Company under General Condition 5 for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the insured and their report shall be prima facie evidence of the particulars and details to which such report relates.

The Company will pay to the insured under this section the reasonable charges payable by the insured to their professional accountants for producing any particulars or details or any other proofs, information or evidence as may be required by the Company under the terms of General Condition 5 and reporting that such particulars or details are in accordance with the insured's books of account or other business books or documents provided that the sum of the amount payable under this memorandum and the amount otherwise payable under the section shall in no case exceed the sum insured by this section.

Limit of liability

The Company's liability during any period of insurance will not exceed the sum insured by this section.

Basis of claims settlement

Following damage insured by this section the Company will pay

- a) the amount by which the net outstanding debit balances received or traced after the damage and during the recovery period falls short of the outstanding debit balances at the time of such damage
- b) the additional expenditure necessarily and reasonably incurred in tracing and establishing the above net outstanding debit balances.

Special exclusions

The Company will not be liable under this section for any loss due to

- 1 deliberate falsification of business records
- 2 clerical or accounting errors or other errors or omissions
- 3 the fraud or dishonesty of any director partner or employee
- 4 the deliberate act of the public supply undertaking in restricting or withholding the supply of electricity
- 5 erasure or distortion of information on computer systems and other records
 - a) whilst mounted in or on any machine or data processing apparatus or due to the presence of magnetic flux
 - b) due to defects in such recordsunless caused by damage to the machine or apparatus in which the records are mounted.

6 loss due to

- a) erasure loss distortion or corruption of information on computer systems or other records programs or software caused deliberately by rioters strikers locked-out workers persons taking part in labour disturbances or civil commotion or malicious persons
- b) other erasure loss distortion or corruption of information on computer systems or other records programs or software unless resulting from any of the perils 1 to 16 of Section 1 – Property Damage of this policy in so far as it is not otherwise excluded.

Special conditions

- 1 At the end of each month the insured shall record the total amount outstanding in customers' accounts and shall maintain a separate record, in addition to the books of account, in a place other than the premises.
- 2 If at the time of any damage the sum insured on outstanding debit balances be less than the actual outstanding debit balances then the aggregate amount payable in respect thereof and associated additional expenditure shall be proportionately reduced

Section 5 – All Risks – Video/Film Negatives

The Definitions and interpretation set out in pages 4-5, General Conditions set out in pages 6-9 and General Exclusions set out in pages 10-11 also apply to this section.

Definitions and interpretation

For the purposes of this section only

production costs means all costs including overheads directly chargeable to the production but excluding

- a) costs of scenario, story rights, musical rights, dialogue, royalties, script, typing, schedules or plans (unless such costs are rendered entirely valueless), insurance premiums, taxes, completion guarantee fees, interest or finance charges
- b) costs or expenses relating to props, sets and wardrobe or any other equipment owned by the insured unless specifically designed for a production and subsequently rendered entirely valueless
- c) any amount which the insured may be liable to pay to any director or partner of the insured for salary or other payments incurred by reason of the production(s) being interrupted or extended unless the services rendered by such director or partner are in the capacity of producer, director, writer, actor or are directly related to the cost of the production(s).

In the event of abandonment production costs shall mean the amount of the contract value less:

- i) savings in costs and expenses between the date of the abandonment and the anticipated completion date
 - ii) the amounts, costs and expenses described in a), b) and c) above
- subject to the contract price having been reflected in the insured's estimate of the production costs.

Cover

The Company will indemnify the insured in accordance with the Basis of claims settlement in respect of loss, destruction, or damage to video/film negatives caused by any accident or misfortune occurring within the territorial limits

Limits of liability

Policy Type – Short Period (as stated in the schedule)

The Company's liability in respect of the insured production will not exceed the Limit of indemnity stated in the schedule.

Policy Type – Annual (as stated in the schedule)

The Company's liability in respect of

- a) any one production will not exceed the Limit of indemnity stated in the schedule
- b) any period of insurance will not exceed 133.3% of the estimate of production costs as stated in the schedule

Basis of claims settlement

Following loss, destruction or damage insured by this section (and subject to the adequacy of the sums insured and to the Limits of liability) the Company will pay in respect of

- a) any net increase in the productions costs necessarily incurred by the insured in the completion of the production(s) so far reasonably practicable in the manner originally intended
- or
- b) the amount of production costs expended prior to the production(s) being unavoidably interrupted, postponed, cancelled or abandoned with the prior written consent of the Company

Special exclusions

The Company will not be liable under this section for

- 1 loss, destruction or damage caused by or consisting of
 - a) frost, wear, tear or depreciation or diminution in value
 - b) faulty or defective workmanship, errors of judgement in lighting or sound recording, selection, operation or use of equipment or video/film stock on the part of the insured or any employee of the insured
 - c) marring, scratching, denting, mechanical or electrical defect, failure, breakdown or derangement
 - d) atmospheric or climatic conditions or any other gradually operating cause, rot, fungus, rust, corrosion, woodworm, moths, insects, vermin, pests, magnetic fields, sand or grit
 - e) any process involving heating, drying, cleaning, dyeing, staining, repairing, restoring, renovating, fitting, alteration or maintenance of any property
 - f) use or storage of any article contrary to manufacturers' instructions
 - g) storm or flood unless the property insured is contained in an enclosed vehicle or in a building
 - h) change in temperature colour flavour texture or finish
 - i) exposure of video/film negatives to magnetic or electrical fields other than in connection with their recording or reproduction

- 2 loss, destruction or damage by theft or attempted theft
 - a) from any unattended vehicle unless all doors, windows and other openings are shut and securely locked and all security devices are in full and proper operation and any property insured by this section is secured within either
 - i) the closed glove compartment of the vehicle or
 - ii) the locked boot of a saloon car or
 - iii) the luggage space at the rear of an estate car or hatchback under the top cover and out of view or
 - iv) the enclosed storage compartment of a van of a fully enclosed and rigid type
 - b) from any unattended vehicle between the hours of 8pm and 8 am unless the vehicle is garaged in a building which has all security devices put into full and effective operation or a professionally operated security compound
 - c) from any unattended vehicle between the hours of 8 am and 8 pm unless the vehicle is either garaged in a building which has all security devices put into full and effective operation or a professionally operated security compound or is protected by an alarm system
 - d) other than from the premises or any vehicle unless the property insured is
 - i) in the personal custody of the insured or any partner, director or employee of the insured or
 - ii) kept in a building which has all security devices put into full and effective operation
- 3 loss, destruction or damage to property insured occurring whilst it is in transit caused by faulty or inadequate packing
- 4 loss, destruction or damage sustained as a result of security or custom checks
- 5 loss, destruction or damage caused by or arising from avian influenza or foot and mouth disease
- 6 loss, destruction or damage to cut outs, unused footage or library stock which does not form part of the final completed production
- 7 loss, destruction or damage occasioned by any cause within the control of the insured
- 8 delay, frustration of contract or consequential loss of any kind or description
- 9 the first 5% of each claim or £250 whichever is the greater.

Special conditions

- 1 It is a condition precedent to the liability of the Company that
 - a) no original work animation artwork drawings prints or offshoots are intentionally destroyed until a protection print and/or duplicate tape and/or disc has been completed
 - b) all rushes are kept in the possession or control of the insured, or their authorised professional representatives or employees at all times and carried in hand luggage throughout the duration of any return air flight from a shoot location unless prohibited by the conveying airline
 - c) immediately prior to filming or recording all cameras, lenses and associated equipment and raw film stock and video tape must be checked and tested by an appropriately qualified person to ensure that they are satisfactory for the purpose and manner in which they are intended to be used
 - d) the insured shall send unprocessed negative film for processing as soon as reasonably practical but in any event such material will not be accumulated by the insured for more than 48 hours or as otherwise agreed by the Company
- 2 Applicable only in respect of Policy Type – Short Period (as stated in the schedule)
If at the commencement of any loss the production costs shall be of greater value than the Limit of liability stated against this section in the schedule, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss.
- 3 Applicable only in respect of Policy Type – Annual (as stated in the schedule)
Before each renewal date the insured shall provide the Company with an estimate of production costs for the financial year most nearly concurrent with the next period of insurance.
The first and annual premiums for this section are provisional and are based on the estimate provided.
The insured shall provide to the Company not later than six months after the expiry of each period of insurance a declaration confirmed by the insured's professional accountants of the production costs during the financial year most nearly concurrent with the period of insurance.
If any loss, destruction or damage shall have occurred giving rise to a claim under this section the said declaration shall be increased by the Company for the purpose of premium adjustment by the amount of the claim.
If such declaration
 - a) is less than the estimate of production costs for the relative period of insurance the Company will allow a pro rata return of the provisional premium paid on the estimate of production costs not exceeding 50% of such premium paid but subject to the retention by the Company of any minimum premium under this section
 - b) is greater than the estimate of production costs for the relative period of insurance the insured shall pay a pro rata addition to the provisional premium paid on the estimated gross profit not exceeding 33.3% of such premium paid.

Section 6 – Film Producers’ Indemnity

The Definitions and interpretation set out in pages 4-5, General Conditions set out in pages 6-9 and General Exclusions set out in pages 10-11 also apply to this section.

Definitions and interpretation

For the purposes of this section only

production costs means all costs including overheads directly chargeable to the production but excluding

- a) costs of scenario, story rights, musical rights, dialogue, royalties, script, typing, schedules or plans (unless such costs are rendered entirely valueless), insurance premiums, taxes, completion guarantee fees, interest or finance charges
- b) costs or expenses relating to props, sets and wardrobe or any other equipment owned by the insured unless specifically designed for a production and subsequently rendered entirely valueless
- c) any amount which the insured may be liable to pay to any director or partner of the insured for salary or other payments incurred by reason of the production(s) being interrupted or extended unless the services rendered by such director or partner are in the capacity of producer, director, writer, actor or are directly related to the cost of the production(s).

In the event of abandonment production costs shall mean the amount of the contract value less:

- i) savings in costs and expenses between the date of the abandonment and the anticipated completion date
- ii) the amounts, costs and expenses described in a), b) and c) above subject to the contract price having been reflected in the insured’s estimate of the production costs.

Cover

The Company will indemnify the insured in accordance with the Basis of claims settlement in respect of loss resulting from the interruption, postponement, cancellation or abandonment of the production through any cause beyond the control of the insured occurring within the territorial limits.

Limits of liability

Policy Type – Short Period (as stated in the schedule)

The Company’s liability in respect of the insured production will not exceed the Limit of indemnity stated in the schedule.

Policy Type – Annual (as stated in the schedule)

The Company’s liability in respect of

- a) any one production will not exceed the Limit of indemnity stated in the schedule
- b) any period of insurance will not exceed 133.3% of the estimate of production costs as stated in the schedule

Basis of claims settlement

Following loss, destruction or damage insured by this section (and subject to the adequacy of the sums insured and to the Limits of liability) the Company will pay in respect of

- a) any net increase in the productions costs necessarily incurred by the insured in the completion of the production(s) so far reasonably practicable in the manner originally intended
- or
- b) the amount of production costs expended prior to the production(s) being unavoidably interrupted, postponed, cancelled or abandoned with the prior written consent of the Company

Special exclusions

The Company will not be liable under this section for

- 1 interruption, postponement, cancellation or abandonment due to
 - a) strikes, lock-outs or any other cessation of work by the insured’s employees or contractors
 - b) the insolvency of the insured or of any person, company or other party with any financial interest in the production or insufficient finance
 - c) variations in the rate of exchange or stability of any currency
- 2 interruption, postponement, cancellation or abandonment of outdoor filming or recording due to weather conditions other than any loss due to such conditions preventing or delaying the scheduled arrival at or departure from any production location of any person or material property connected with an insured production
- 3 interruption, postponement, cancellation or abandonment due to loss, destruction or damage to video/film negatives
- 4 interruption, postponement, cancellation or abandonment due to the death, injury or sickness of any person
 - a) caused by
 - i) insanity, intentional self-injury, suicide or attempted suicide, participation in any criminal act or civil commotion, the influence or effects of intoxicating liquor or drugs except drugs taken in accordance with proper medical prescription and directions and not for the treatment of drug addiction
 - ii) the person engaging in abseiling, activities necessitating the use of ropes or guides, hunting, ice hockey, motor cycling other than by power assisted pedal cycle, parachuting, polo, professional sport, riding or driving in any kind of race, speed or duration test or practise therefor or winter sports in connection with an insured production

- iii) any menstrual or menopausal condition, pregnancy or childbirth or any disability or ailment pertaining thereto
 - iv) any pre-existing physical or mental disability or infirmity, medical condition or chronic or recurring ailment
 - v) any communicable disease including acquired immune deficiency syndrome (AIDS) or an AIDS related condition
 - vi) the person being on naval, military or airforce duty service or operations
 - vii) exposure to exceptional danger (except in an attempt to save human life)
 - b) directly or indirectly caused by or contributed to by chicken pox, diphtheria, german measles, measles, mumps, scarlet fever, tonsillitis or whooping cough if such person is less than 14 years of age
 - c) who at the commencement of any insured production is less than 4 years of age or greater than 65 years of age
- 5 interruption, postponement, cancellation or abandonment due to the failure of any
- a) videotape, film, recording or any special effect to fulfil its intended function or create the intended effect
 - b) animal to perform its intended function unless due to death, accidental injury or illness or disease first manifesting itself after the date of its engagement for the production
- 6 interruption, postponement, cancellation or abandonment due to the incapacity or inadequate performance of any person unless due to mental stress as a result of a serious accidental bodily injury to or illness requiring hospitalisation or death of their spouse, fiancé, child, parent, brother or sister
- 7 interruption, postponement, cancellation or abandonment due to
- a) use or storage of any article contrary to manufacturers' instructions
 - b) electrical or mechanical breakdown of any aircraft, helicopter, hovercraft, waterborne vessel, railway locomotive, mechanically propelled vehicle or plant which is intended to appear in the production
 - c) avian influenza or foot and mouth disease
- 8 any claim
- a) for the cost of repair or replacement of any material property of any kind including damage to video/film negatives
 - b) for liability for payment of continuing hire charges under a hire agreement following damage to equipment used in connection with an insured production
 - c) made against the insured for failure to fulfil a contract
- 9 money, securities or any other consideration surrendered as a ransom payment as a result of the kidnapping or alleged kidnapping of any person
- 10 any expenditure for which an indemnity is provided by Section 3 – Business Interruption of this policy
- 11 the first 5% of each claim or £250 whichever is the greater.

Special conditions

- 1 It is a condition precedent to the liability of the Company that
- a) all arrangements for travel and filming (including purchase of tickets, reservation of accommodation, acquisition of visas, filming permits and consents and undergoing all required or recommended immunisations) shall be completed prior to departure to the first film location of the production
 - b) no original work animation artwork drawings prints or offshoots are intentionally destroyed until a protection print and/or duplicate tape and/or disc has been completed
 - c) all rushes are kept in the possession or control of the insured, or their authorised professional representatives or employees at all times and carried in hand luggage throughout the duration of any return air flight from a shoot location unless prohibited by the conveying airline
 - d) immediately prior to filming or recording all cameras, lenses and associated equipment and raw film stock and video tape must be checked and tested by an appropriately qualified person to ensure that they are satisfactory for the purpose and manner in which they are intended to be used
 - e) the insured shall send unprocessed negative film for processing as soon as reasonably practical but in any event such material will not be accumulated by the insured for more than 48 hours or as otherwise agreed by the Company
 - f) any principal person shall be under contract to complete the production
 - g) in the event of injury or sickness of any principal person such principal person shall
 - i) as soon as is reasonably practicable consult a qualified medical practitioner and follow any medical advice given and all relevant medical records, notes and correspondence must be made available by such principal person on request to the Company or any medical advisor or practitioner appointed by the Company
 - ii) as often as required submit to a medical examination on behalf of the Company at its own expense and in the event of death the Company shall be entitled to have a post mortem examination at its own expense
 - h) other than in the event of injury or sickness the Company may at its option require any principal person to undergo an examination by a qualified medical practitioner at the insured's or such principal persons own expense and all relevant medical records, notes and correspondence must be made available by such principal person on request to the Company or any medical advisor or practitioner appointed by the Company
- 2 Applicable only in respect of Policy Type – Short Period (as stated in the schedule)
If at the commencement of any loss the production costs shall be of greater value than the Limit of liability stated against this section in the schedule, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss.

- 3 Applicable only in respect of Policy Type – Annual (as stated in the schedule)
- Before each renewal date the insured shall provide the Company with an estimate of production costs for the financial year most nearly concurrent with the next period of insurance.
- The first and annual premiums for this section are provisional and are based on the estimate provided.
- The insured shall provide to the Company not later than six months after the expiry of each period of insurance a declaration confirmed by the insured's professional accountants of the production costs during the financial year most nearly concurrent with the period of insurance.
- If any loss, destruction or damage shall have occurred giving rise to a claim under this section the said declaration shall be increased by the Company for the purpose of premium adjustment by the amount of the claim.
- If such declaration
- a) is less than the estimate of production costs for the relative period of insurance the Company will allow a pro rata return of the provisional premium paid on the estimate of production costs not exceeding 50% of such premium paid but subject to the retention by the Company of any minimum premium under this section
 - b) is greater than the estimate of production costs for the relative period of insurance the insured shall pay a pro rata addition to the provisional premium paid on the estimated gross profit not exceeding 33.3% of such premium paid.

Section 7 – Employers' Liability

The Definitions and interpretation set out in pages 4-5, General Conditions set out in pages 6-9 and General Exclusions set out in pages 10-11 also apply to this section.

Definitions and interpretation

For the purposes of this section only

act of terrorism means an activity that

- a) involves a violent act or the unlawful use of force or an unlawful act dangerous to human life, tangible or intangible property or infrastructure, or a threat thereof; and
- b) appears to be intended to
 - i) intimidate or coerce a civilian population, or
 - ii) disrupt any segment of the economy of a government de jure or de facto, state or country, or
 - iii) overthrow, influence, or affect the conduct or policy of any government de jure or de facto by intimidation or coercion, or
 - iv) affect the conduct of a government de jure or de facto by mass destruction, assassination, kidnapping or hostage taking

bodily injury means death, injury, illness, disease or shock

business means the business as stated in the schedule including

- a) provision and management of catering, social, sports, educational and welfare facilities for the benefit of employees, first aid, medical, ambulance, fire and security services and maintenance of the insured's premises
- b) private duties undertaken by an employee for the insured, or, with the insured's consent, for any director, partner or official of the insured
- c) ownership and maintenance of buildings, premises and land used in connection therewith
- d) participation as an exhibitor at trade shows or exhibitions

employee means any

- a) person under a contract of service or apprenticeship with the insured or with some other employer and who is supplied to or hired to or borrowed by the insured
- b) labour master or labour only sub-contractor or any person supplied by them
- c) self employed person or voluntary helper performing work of a kind ordinarily performed under a contract of service or apprenticeship with the insured provided that such work is under the immediate supervision and control of the insured
- d) person who is engaged under a Government or otherwise authorised work experience, training, study, exchange or similar scheme

who has entered into a contract of service or apprenticeship with or been engaged by the insured in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and whilst working for the insured in connection with the business.

Cover

The Company will indemnify the insured against all amounts which the insured shall become legally liable to pay as damages in respect of accidental bodily injury to any employee if such injury arises out of and in the course of his employment by the insured in the business and occurs

- a) during the period of insurance
- b) anywhere in the territorial limits stated in the schedule in connection with the performance of manual work or the supervision thereof
- c) anywhere in the world in respect of journeys or visits which do not involve manual work or the supervision thereof

Provided that any journey or visit outside Great Britain, Northern Ireland, the Isle of Man or the Channel Islands is temporary and in connection with the business and undertaken by any employee normally resident within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Additional cover

The cover under this section is extended to include the following

Cross liabilities

Where there is more than one person named as the insured in the schedule this section shall apply separately to each named person as if each is insured by a separate policy, provided always that the maximum liability of the Company in the aggregate for damages to all parties insured shall not exceed the Limit of liability.

Health and Safety at Work etc. Act 1974

The Company will indemnify the insured and, at the request of the insured, any director, partner or employee of the insured against legal costs and expenses incurred, with the Company's written consent, in the defence of any criminal proceedings brought in respect of a breach of the Health and Safety at Work etc. Act 1974 committed or alleged to have been committed during the period of insurance, including legal costs and expenses incurred with the written consent of the Company in an appeal against conviction arising from such proceedings.

The Company will not be liable for

- a) fines and penalties of any kind
- b) legal costs and expenses where an indemnity is provided by any other insurance
- c) proceedings arising out of any deliberate act or omission by the insured
- d) more than £10,000 in any one period of insurance.

Indemnity to other persons

The Company will indemnify at the request of the insured

- a) any director, partner or employee of the insured
- b) any officer, committee member or other person employed by the insured's catering, social, sports, educational or welfare organisations or first-aid, medical, ambulance, fire or security services
- c) any director, partner or official for whom with the consent of the insured an employee is undertaking private work
- d) any principal or public or local authority as far as is necessary to meet the requirements of any contract or agreement entered into by the insured for the performance of work
- e) the owner of plant hired by the insured but only to the extent of the conditions of hire
- f) any legal representative of any of the above in the event of their death

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.

Provided that

- i) any person indemnified is not entitled to indemnity under any other insurance
- ii) any person indemnified shall observe, fulfil and be subject to the terms and conditions of the policy as far as they can apply
- iii) the Company will retain the sole conduct and control of any claim
- iv) the maximum liability of the Company in the aggregate for damages to the insured and any such persons shall not exceed the Limit of liability.

Limit of liability

The Company's liability in respect of

- a) accidental bodily injury to employees
- b) all legal costs recoverable from the insured by any claimant
- c) any other costs and expenses of litigation incurred with the Company's written consent
- d) solicitors' and counsels' fees for legal representation at any coroner's inquest or fatal accident inquiry
- e) the costs incurred, with the Company's written consent, for defending in a Court of Summary Jurisdiction any proceedings arising out of any alleged breach of statutory duty in respect of any cause which may be the subject of indemnity under this section of the policy

arising out of and in the course of employment in the business will not exceed

- i) £5,000,000 as regards bodily injury which is directly or indirectly caused by, contributed to by, results from or arises out of or in connection with any act of terrorism or any action taken in controlling, preventing, suppressing, retaliating against responding to or in any way relating to any act of terrorism
- ii) £10,000,000 as regards any other bodily injury

in respect of any one claim against the insured or series of claims against the insured arising out of one cause.

Special exclusions

The Company will not be liable under this section in respect of

- 1 liability arising from and or caused by any processes or work in connection with any of the following
 - a) asbestos
 - b) any piling or demolition unless such work forms part of a contract for construction, alteration, maintenance or repair and prior permission for any such piling or demolition is obtained in writing by the insured from the Company
- 2 liability arising directly or indirectly out of exposure or inhalation of, or fears of the consequence of exposure to, or inhalation of asbestos
- 3 damages for bodily injury unless the action is brought against the insured in a Court of Law in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Special conditions

- 1 The indemnity granted includes protection to the insured as required by any law relating to compulsory insurance of the employer's legal liability to his employees whilst employed in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands but the insured shall repay to the Company all sums paid by the Company which the Company would not have been liable to pay but for the provisions of such law.
- 2 The Company may at any time pay to the insured the amount of the Limit of liability less any amount already paid, or any lesser amount for which any claim or claims can be settled and shall then cease to have the conduct and control of the negotiations, actions or proceedings and be under no further liability in respect of such claim or claims except for costs and expenses incurred prior to the date of such payment.
- 3 If this policy or this section is cancelled then any Certificate of Employers' Liability insurance issued by the Company is deemed to be cancelled at the same time and must be returned to the Company within seven days.

Section 8 – Public Liability

The Definitions and interpretation set out in pages 4-5, General Conditions set out in pages 6-9 and General Exclusions set out in pages 10-11 also apply to this section.

Definitions and interpretation

For the purposes of this section only

act of terrorism means an activity that

- a) involves a violent act or the unlawful use of force or an unlawful act dangerous to human life, tangible or intangible property or infrastructure, or a threat thereof; and
- b) appears to be intended to
 - i) intimidate or coerce a civilian population, or
 - ii) disrupt any segment of the economy of a government de jure or de facto, state or country, or
 - iii) overthrow, influence, or affect the conduct or policy of any government de jure or de facto by intimidation or coercion, or
 - iv) affect the conduct of a government de jure or de facto by mass destruction, assassination, kidnapping or hostage taking

bodily injury means death, injury, illness, disease or shock

business means the business as stated in the schedule including

- a) provision and management of catering, social, sports, educational and welfare facilities for the benefit of employees, first aid, medical, ambulance, fire and security services and maintenance of the insured's premises
- b) private duties undertaken by an employee for the insured, or, with the insured's consent, for any director, partner or official of the insured
- c) ownership and maintenance of buildings, premises and land used in connection therewith if buildings are insured by Section 1 – Property Damage of this policy
- d) participation as an exhibitor at trade shows or exhibitions

employee means any

- a) person under a contract of service or apprenticeship with the insured or with some other employer and who is supplied to or hired to or borrowed by the insured
- b) labour master or labour only sub-contractor or any person supplied by them
- c) self employed person or voluntary helper performing work of a kind ordinarily performed under a contract of service or apprenticeship with the insured provided that such work is under the immediate supervision and control of the insured
- d) person who is engaged under a Government or otherwise authorised work experience, training, study, exchange or similar scheme

who has entered into a contract of service or apprenticeship with or been engaged by the insured in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and whilst working for the insured in connection with the business.

products means any goods, including containers, packaging, labelling and instructions for use, sold, supplied, processed, delivered, installed, tested, repaired, serviced, altered, treated or hired out by the insured in connection with the business from the premises and no longer in the insured's possession or control.

Cover

The Company will indemnify the insured against all amounts which the insured shall become legally liable to pay as damages in respect of

- a) accidental bodily injury to any person
 - b) accidental loss or destruction of or accidental damage to material property
 - c) accidental obstruction, accidental trespass or accidental nuisance resulting in interference with or loss of enjoyment of material property
- happening in connection with the business and occurring
- i) during the period of insurance
 - ii) anywhere in the territorial limits stated in the schedule in connection with the performance of manual work or the supervision thereof
 - iii) anywhere in the world in respect of journeys or visits which do not involve manual work or the supervision thereof

Provided that any journey or visit outside Great Britain, Northern Ireland, the Isle of Man or the Channel Islands is temporary and in connection with the business and undertaken by the insured or any director, partner or employee normally resident within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Additional cover

The cover under this section is extended to include the following

Contingent motor liability (non-owned vehicles)

Notwithstanding Special exclusion 2 ii) the Company will indemnify the insured named in the schedule and no other for the purposes of this extension in respect of legal liability for accidental bodily injury to any person or accidental loss or destruction of or accidental damage to material property arising out of the use of any motor vehicle not the property of nor provided by the insured but being used in connection with the business.

Provided that the Company shall not be liable under this extension

- a) in respect of loss or destruction of or damage to such vehicle or to goods conveyed therein or thereon
- b) for bodily injury to any person or loss or destruction of or damage to property arising while such vehicle is being driven by
 - i) the insured
 - ii) any person who to the knowledge of the insured or his representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified for holding or obtaining such a licence
- c) in respect of liability more specifically insured under any other insurance
- d) in respect of liability arising outside Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

Cross liabilities

Where there is more than one person named as the insured in the schedule this section shall apply separately to each named person as if each is insured by a separate policy, provided always that the maximum liability of the Company in the aggregate for damages to all parties insured shall not exceed the Limit of liability.

Defective Premises Act 1972

The Company will indemnify the insured against all amounts which the insured shall become legally liable to pay as damages in respect of accidental bodily injury to any person or accidental loss or destruction of or accidental damage to material property occurring during a period of seven years immediately following disposal by the insured of buildings that have been insured by Section 1 – Property Damage of this policy.

Provided that such liability is incurred in connection with such buildings and by virtue of Section 3 of the Defective Premises Act 1972.

The Company will not be liable

- a) if at the date of their disposal by the insured such buildings were not insured by this policy or any other policies in respect of which this policy has been issued in substitution
- b) for the cost of repairing or rectifying any defect or alleged defect in such buildings
- c) if the insured is entitled to indemnity under any other policy.

Health and Safety at Work etc. Act 1974

The Company will indemnify the insured and, at the request of the insured, any director, partner or employee of the insured against legal costs and expenses incurred, with the Company's written consent, in the defence of any criminal proceedings brought in respect of a breach of the Health and Safety at Work etc. Act 1974 committed or alleged to have been committed during the period of insurance, including legal costs and expenses incurred with the written consent of the Company in an appeal against conviction arising from such proceedings.

The Company will not be liable for

- a) fines and penalties of any kind
- b) legal costs and expenses where an indemnity is provided by any other insurance
- c) proceedings arising out of any deliberate act or omission by the insured
- d) more than £10,000 in any one period of insurance.

Indemnity to other persons

The Company will indemnify at the request of the insured

- a) any director, partner or employee of the insured
- b) any officer, committee member or other person employed by the insured's catering, social, sports, educational or welfare organisations or first-aid, medical, ambulance, fire or security services
- c) any director, partner or official for whom with the consent of the insured an employee is undertaking private work
- d) any principal or public or local authority as far as is necessary to meet the requirements of any contract or agreement entered into by the insured for the performance of work
- e) the owner of plant hired by the insured but only to the extent of the conditions of hire
- f) any legal representative of any of the above in the event of their death

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.

Provided that

- i) any person indemnified is not entitled to indemnity under any other insurance
- ii) any person indemnified shall observe, fulfil and be subject to the terms and conditions of the policy as far as they can apply
- iii) the Company will retain the sole conduct and control of any claim
- iv) the maximum liability of the Company in the aggregate for damages to the insured and any such persons shall not exceed the Limit of liability.

Limit of liability

The Company's liability in respect of damages for any occurrence giving rise to any one claim against the insured or series of claims against the insured arising out of one cause will not exceed the amount stated in the schedule.

The Company will also pay

- a) all legal costs recoverable from the insured by any claimant
- b) any other costs and expenses of litigation incurred with the Company's written consent
- c) solicitors' and counsels' fees for legal representation at any coroner's inquest or fatal accident inquiry
- d) the costs incurred, with the Company's written consent, for defending in a Court of Summary Jurisdiction any proceedings arising out of any alleged breach of statutory duty in respect of any cause which may be the subject of indemnity under this section of the policy.

Special exclusions

The Company will not be liable under this section in respect of

- 1 bodily injury to any employee arising out of and in the course of his employment by the insured in the business
- 2
 - a) loss or destruction of or damage to property
 - b) bodily injury sustained by any person arising from the ownership, possession or use by or on behalf of the insured of
 - i) any lift, elevator, hoist, crane, steam boiler or other apparatus operating under steam pressure, for which a statutory inspection certificate is required but which is not in force
 - ii) any mechanically propelled vehicle or plant or trailer attached thereto in circumstances in respect of which insurance or security is necessary to meet the requirements of road traffic legislation
- 3 loss or destruction of or damage to property owned by the insured or held in trust by or borrowed, rented, leased or hired by the insured other than
 - a) personal effects (including motor vehicles and their contents) of directors, employees and visitors
 - b) buildings or the contents therein, where such buildings are temporarily occupied by the insured for the purpose of carrying out work therein or thereon
 - c) buildings or the contents therein, hired, rented, leased or lent to the insured but excluding
 - i) loss, destruction or damage if liability is assumed by the insured under a contract or under a tenancy or other agreement if such liability would not have attached in the absence of such contract or agreement
 - ii) loss, destruction or damage caused by fire or any other peril in respect of which any contract or tenancy or other agreement stipulates that insurance shall be effected by or on behalf of the insured
- 4 liability which attaches solely under the terms of any contract or agreement if such liability would not have attached in the absence of such contract or agreement
- 5 liability arising from or caused by
 - a) breach of professional duty
 - b) the provision of advice or any plan, design, formula or specification given separately for a fee
 - c) any diagnosis, treatment (other than first aid treatment), therapy, medical advice, aerobic or other fitness related instruction given or performed or administration of drugs or medicines
 - d) the use of solaria, sunbeds, saunas and hydro-massage facilities
 - e) the use of welding or flame cutting equipment or asphalt bitumen or tar heaters away from the premises
 - f) loss or destruction of or damage to property, buildings or land caused by vibration or by the removal or weakening of support
 - g)
 - i) the actual or threatened abuse or molestation of any person or any act of physical or mental cruelty towards any person
 - ii) the failure to report to the relevant authority any person who is or has been alleged to have been involved in the actual or threatened abuse or molestation of any person or any act of physical or mental cruelty towards any person
- 6 liability arising from and or caused by any processes or work in connection with any of the following
 - a) asbestos
 - b) any piling or demolition unless such work forms part of a contract for construction, alteration, maintenance or repair and prior permission for any such piling or demolition is obtained in writing by the insured from the Company
- 7 bodily injury or loss or destruction of or damage to property caused by products (other than food or drink for consumption on the premises by directors, partners, employees, or visitors of the insured)
- 8 loss or destruction of or damage to products nor the cost of making good or recalling such products
- 9 loss or destruction of or damage to that part of any property upon which the insured is or has been working
- 10 liability arising directly or indirectly out of exposure or inhalation of, or fears of the consequence of exposure to, or inhalation of asbestos
- 11 the cost of cleaning up or removal of or damage to property arising out of any asbestos
- 12 liability at law for loss, damage, cost or expense of whatsoever nature directly or indirectly arising out of, contributed by, caused by, resulting from, or in connection with any of the following, or any action taken in controlling, preventing, suppressing, retaliating against or responding to any of the following, regardless of any other cause or event contributing concurrently or in any other sequence of the loss:
 - i) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power, confiscation by order of any public authority or government de jure or de facto or martial law; or
 - ii) riots, strikes or civil commotion; or
 - iii) any act of terrorismIf the Company alleges that by reason of this Special exclusion any actual or alleged losses, liabilities, damages, injuries, defence costs, costs or expenses is not covered by this section the burden of proving the contrary shall be upon the insured
- 13 fines, penalties or liquidated, punitive or exemplary damages
- 14 damages for bodily injury or loss or destruction of or damage to property unless the action is brought against the insured in a Court of Law in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- 15 the first £250 of each claim in respect of loss or destruction of or damage to property.

Special conditions

- 1 It is a condition precedent to the liability of the Company that the undernoted precautions shall be complied with whenever there be any burning of waste or other materials on the insured's own premises or on the premises of any other person
 - a) the work shall be in a clear area at a distance of at least 15 metres from any property
 - b) waste or other materials shall be checked to ensure that no explosive substances or pressurised containers are present
 - c) suitable fire extinguishing appliances shall be available for instant use and in the immediate proximity of any fire for controlling or extinguishing the fire
 - d) fires will not be left unattended
 - e) reasonable precautions shall be taken to prevent the escape of smoke or dust in a way which might cause nuisance or danger to persons passing by or to the property of any person
 - f) all fires shall be extinguished at least one hour before leaving the area.
- 2 The Company may at any time pay to the insured the amount of the Limit of liability less any amount already paid, or any lesser amount for which any claim or claims can be settled and shall then cease to have the conduct and control of the negotiations, actions or proceedings and be under no further liability in respect of such claim or claims except for costs and expenses incurred prior to the date of such payment.

Section 9 – Products Liability

The Definitions and interpretation set out in pages 4-5, General Conditions set out in pages 6-9 and General Exclusions set out in pages 10-11 also apply to this section.

Definitions and interpretation

For the purposes of this section only

act of terrorism means an activity that

- a) involves a violent act or the unlawful use of force or an unlawful act dangerous to human life, tangible or intangible property or infrastructure, or a threat thereof; and
- b) appears to be intended to
 - i) intimidate or coerce a civilian population, or
 - ii) disrupt any segment of the economy of a government de jure or de facto, state or country, or
 - iii) overthrow, influence, or affect the conduct or policy of any government de jure or de facto by intimidation or coercion, or
 - iv) affect the conduct of a government de jure or de facto by mass destruction, assassination, kidnapping or hostage taking

bodily injury means death, injury, illness, disease or shock

business means the business as stated in the schedule including

- a) provision and management of catering, social, sports, educational and welfare facilities for the benefit of employees, first aid, medical, ambulance, fire and security services and maintenance of the insured's premises
- b) private duties undertaken by an employee for the insured, or, with the insured's consent, for any director, partner or official of the insured
- c) ownership and maintenance of buildings, premises and land used in connection therewith if buildings are insured by Section 1 – Property Damage of this policy
- d) participation as an exhibitor at trade shows or exhibitions

employee means any

- a) person under a contract of service or apprenticeship with the insured or with some other employer and who is supplied to or hired to or borrowed by the insured
- b) labour master or labour only sub-contractor or any person supplied by them
- c) self employed person or voluntary helper performing work of a kind ordinarily performed under a contract of service or apprenticeship with the insured provided that such work is under the immediate supervision and control of the insured
- d) person who is engaged under a Government or otherwise authorised work experience, training, study, exchange or similar scheme

who has entered into a contract of service or apprenticeship with or been engaged by the insured in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands and whilst working for the insured in connection with the business.

products means any goods, including containers, packaging, labelling and instructions for use, sold, supplied, processed, delivered, installed, tested, repaired, serviced, altered, treated or hired out by the insured in connection with the business from the premises and no longer in the insured's possession or control.

Cover

The Company will indemnify the insured against all amounts which the insured shall become legally liable to pay as damages in respect of

- a) accidental bodily injury to any person
 - b) accidental loss or destruction of or accidental damage to material property
- happening in connection with the business and caused by or through or in connection with any products and occurring
- i) during the period of insurance
 - ii) anywhere in the world.

Additional cover

The cover under this section is extended to include the following

Cross liabilities

Where there is more than one person named as the insured in the schedule this section shall apply separately to each named person as if each is insured by a separate policy, provided always that the maximum liability of the Company in the aggregate for damages to all parties insured shall not exceed the Limit of liability.

Consumer Protection Act 1987

The Company will indemnify the insured and, at the request of the insured, any director, partner or employee of the insured against legal costs and expenses incurred in the defence of any criminal proceedings in respect of a breach of the Consumer Protection Act 1987 committed or alleged to have been committed during the period of insurance including legal costs and expenses incurred with the consent of the Company in an appeal against conviction arising from such proceedings.

The Company will not be liable for

- a) fines and penalties of any kind
- b) legal costs and expenses where an indemnity is provided by any other insurance
- c) proceedings arising out of any deliberate act or omission by the insured
- d) more than £25,000 in any one period of insurance.

Food Safety Act 1990

The Company will indemnify the insured and, at the request of the insured, any director, partner or employee of the insured against legal costs and expenses incurred in the defence of any criminal proceedings in respect of a breach of the Food Safety Act 1990 committed or alleged to have been committed during the period of insurance including legal costs and expenses incurred with the consent of the Company in an appeal against conviction arising from such proceedings.

The Company will not be liable for

- a) fines and penalties of any kind
- b) legal costs and expenses where an indemnity is provided by any other insurance
- c) proceedings arising out of any deliberate act or omission by the insured
- d) more than £25,000 in any one period of insurance.

Limit of liability

The Company's liability in respect of damages for all occurrences giving rise to a claim or a number of claims in any one period of insurance will not exceed the amount stated in the schedule in the aggregate.

The Company will also pay

- a) all legal costs recoverable from the insured by any claimant
- b) any other costs and expenses of litigation incurred with the Company's written consent
- c) solicitors' and counsels' fees for legal representation at any coroner's inquest or fatal accident inquiry
- d) the costs incurred, with the Company's written consent, for defending in a Court of Summary Jurisdiction any proceedings arising out of any alleged breach of statutory duty in respect of any event which may be the subject of indemnity under this section of the policy.

Special exclusions

The Company will not be liable under this section in respect of

- 1 bodily injury to any employee arising out of and in the course of his employment by the insured in the business
- 2 liability arising from or caused by
 - a) the provision of advice or any plan, design, formula or specification given separately for a fee
 - b) the making up, sale or supply of any drug or medical preparation obtainable on prescription from a medical practitioner
 - c) the making up, sale or supply of cosmetics, toiletries, animal feeds, seeds, fertilisers, insecticides or pesticides unless of proprietary manufacture
 - d) any products manufactured, constructed or prepared in accordance with their plan, design, formula or specification failing to perform the function for which they are intended by the insured
- 3 loss or destruction of or damage to products nor the cost of making good or recalling such products nor the cost of rectifying defective work
- 4 liability attaching solely under the terms of any contract or agreement if such liability would not have attached in the absence of such contract or agreement
- 5 liability arising in the United States of America or in Canada unless the insured did not know or could not reasonably have been expected to know that the products would be sold or supplied to or used within these countries
- 6 fines, penalties or liquidated, punitive or exemplary damages
- 7 any products which with the insured's knowledge are used in the aircraft, space, petro-chemical, gas, off-shore, ship building and repair or nuclear industries
- 8 any products which with the insured's knowledge are used in the motor industry other than those not affecting the safety, stability, steering or braking of any vehicle
- 9 liability arising directly or indirectly out of exposure or inhalation of, or fears of the consequence of exposure to, or inhalation of asbestos
- 10 the cost of cleaning up or removal of or damage to property arising out of any asbestos
- 11 liability at law for loss, damage, cost or expense of whatsoever nature directly or indirectly arising out of, contributed by, caused by, resulting from, or in connection with any of the following, or any action taken in controlling, preventing, suppressing, retaliating against or responding to any of the following, regardless of any other cause or event contributing concurrently or in any other sequence of the loss:
 - i) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power, confiscation by order of any public authority or government de jure or de facto or martial law; or
 - ii) riots, strikes or civil commotion; or
 - iii) any act of terrorismIf the Company alleges that by reason of this Special exclusion any actual or alleged losses, liabilities, damages, injuries, defence costs, costs or expenses is not covered by this section the burden of proving the contrary shall be upon the insured
- 12 damages for bodily injury or loss or destruction of or damage to property unless the action is brought against the insured in a Court of Law in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Special condition

The Company may at any time pay to the insured the amount of the Limit of liability less any amount already paid, or any lesser amount for which any claim or claims can be settled and shall then cease to have the conduct and control of the negotiations, actions or proceedings and be under no further liability in respect of such claim or claims except for costs and expenses incurred before the date of such payment.

Section 10 – Terrorism

The Definitions and interpretation set out in pages 4-5, General Conditions set out in pages 6-9 and General Exclusions set out in pages 10-11 also apply to this section.

Definitions and interpretation

For the purposes of this section only

computer equipment means any computer or other equipment or component or system or item which processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the insured or not

denial of service attack means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems including but without limitation the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

General Cover means any insurance by this policy in respect of property and/or consequential loss in Great Britain

Great Britain means England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man nor the Channel Islands

hacking means unauthorised access to any computer equipment

nuclear installation means any installation of such class and description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument, being an installation designed or adapted for:

- a) the production or use of atomic energy
- b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations, or
- c) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter, being matter which has been produced or irradiated in the course of the production or use of nuclear fuel

nuclear reactor means any part (including any machinery, equipment or appliance, whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons

operative sub-section means any sub-section against which a sum insured has been inserted in the schedule

virus or similar mechanism means program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations, whether involving self-replication or not, including but without limitation Trojan horses, worms and logic bombs

Terrorism – Property Damage

This sub-section applies to the property insured as described, defined and specified as insured in the General Cover provided by this policy, save only that any insurance in respect of loss of rent or cost of alternative accommodation shall be deemed to be insured by the Terrorism – Consequential Loss sub-section of this section.

Terrorism – Consequential Loss

This sub-section applies to loss of gross profit, gross revenue, income or rent, cost of alternative accommodation or increase in cost of working or other such items of loss (other than Book Debts) resulting from interruption or interference as described, defined and specified as insured in the General Cover provided by this policy.

Provided that at the time of the happening of the loss, destruction or damage that causes the interruption or interference there shall be in force an insurance provided by the Company covering the interest of the insured in the property that suffers such loss, destruction or damage and that payment shall have been made or liability admitted therefor under such insurance or that 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.

Terrorism – Book Debts

This section applies to outstanding debit balances as described, defined and specified as insured in the General Cover provided by this policy.

Cover

The Company will indemnify the insured in the event of loss, destruction or damage to the property insured or consequential loss resulting therefrom, insofar and to the extent that it is insured in Great Britain by the General Cover and in respect of which there is an operative sub-section in the schedule, the cause of which is an act of terrorism

Special exclusions

The Company will not be liable under this section in respect of

- 1 loss, destruction or damage or consequential loss directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from
 - a) riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
 - b) virus or similar mechanism or hacking or denial of service attack in response to any computer equipment

- 2 loss, destruction or damage or consequential loss in respect of
 - a) any nuclear installation or nuclear reactor
 - b) any property not being a block of flats which is insured in the name of a private individual and is occupied by that individual for residential purposes
 - c) any property which is insured by or would but for the existence of this policy be insured by any form of transit or aviation or marine policy other than any Goods in Transit section, sub-section or extension of the General Cover provided by this policy insofar as it relates to loss, destruction or damage occurring in Great Britain
 - d) any other type of property which is specifically excluded elsewhere in this policy.

Special conditions

- 1 This section is concurrent and conjunctive with and dependent upon the General Cover provided by this policy.
- 2 This section is not subject to any of the General Exclusions of this policy other than those stated in the Special exclusions of this section.
- 3 This section is subject to all the other terms, sums insured, limits of liability, definitions, provisions, bases of settlement and conditions which apply to the General Cover provided by this policy (including but without limitation any excess or deductible to be borne by the insured) except as expressly varied hereby.
- 4 In any action, suit or other proceedings where the Company alleges that any loss, destruction, damage or consequential loss is not covered by this section the burden of proving that such loss, destruction, damage or consequential loss is covered shall be upon the insured.
- 5 This section is not subject to General Condition 14 Reinstatement of sum insured, nor to any Inflation protection or to any Long Term Agreement or Undertaking which may apply to the General Cover provided by this policy.
- 6 This section is to be lapsed or cancelled simultaneously with any lapse or cancellation of the General Cover.

Endorsements and Warranties

The following endorsements and warranties apply only if they are shown in the schedule under the heading "Endorsements and warranties applicable".

FVE01 Construction

The buildings are constructed other than as defined and full details of such other construction are entered in the Company's records.

FVE02 Curios, pictures and other works of art - Section 1A

The insured having paid or agreed to pay such additional premium as required by the Company the limit referred to in the Basis of claims settlement to Section 1 is amended to that stated against this endorsement in the schedule.

FVE03 Loss of rent – amended term – Section 1A

The term of twelve months in the Basis of claims settlement to Section 1 is amended to that stated against this endorsement in the schedule.

FVE04 Coin-operated machines - Section 1D

The insured having paid or agreed to pay such additional premium as required by the Company the special exclusion of loss of money from any coin-operated vending machine or payphone is deleted.

FVE05 Hire charges – increased limit – Section 2

The insured having paid or agreed to pay such additional premium as required by the Company the amount of £50,000 referred to in sub paragraph b) of Additional cover Hire charges is amended to the amount stated against this endorsement in the schedule.

FVW01 Alarm warranty (Bells Only signalling)

It is warranted by the insured that

- 1 the premises be protected by an intruder alarm installation complying with the undernoted Requirements or as otherwise agreed with the Company in writing
- 2 the intruder alarm installation be maintained in full and efficient working order
- 3 no alteration to or substitution of
 - a) any part of the intruder alarm installation
 - b) the maintenance contractbe made without the written agreement of the Company
- 4 the alarmed premises be not left without at least one responsible person therein without the agreement of the Company unless the intruder alarm installation be set in its entirety with the means of communication used to transmit signals in full operation
- 5 all keys to the intruder alarm installation be removed from the premises when they are left unattended
- 6 the insured maintains secrecy of codes for the operation of the intruder alarm installation and no details of same be left on the premises
- 7 the insured has appointed at least two keyholders and has lodged written details (which must be kept up to date) with the alarm company and police authorities
- 8 in the event of notification of any activation of the intruder alarm installation or interruption of the means of communication during any period that the intruder alarm installation is set, a keyholder shall attend the premises as soon as reasonably possible and shall not leave the premises without at least one responsible person remaining therein until the provisions of paragraph 4 of this warranty have been complied with unless specifically agreed by the Company in writing
- 9 in the event of the insured receiving any notification
 - a) from a local authority or magistrate imposing any requirement for abatement of nuisance
 - b) that the intruder alarm installation cannot be returned to or maintained in full and efficient working orderthe insured shall advise the Company as soon as possible and in any event not later than 10 am on the Company's next working day and comply with any subsequent requirements stipulated by the Company.

Requirements for the intruder alarm system

- 1 The intruder alarm system must be designed and installed to the requirements of either BS4737 or EN50131 – Alarm Systems-Intrusion Systems: Part 1, General Requirements and must be installed and maintained under contract by a company which appears in the National Security Inspectorate's (NSI) or Security Systems & Alarms Inspection Board's (SSAIB) directory of approved companies.
- 2 The intruder alarm system must include signalling by means of external self-actuating bells to both the front and rear of the property.

FVW02 Alarm warranty (Remote signalling)

It is warranted by the insured that

- 1 the premises be protected by an intruder alarm installation complying with the undernoted Requirements or as otherwise agreed with the Company in writing
- 2 the intruder alarm installation be maintained in full and efficient working order
- 3 no alteration to or substitution of
 - a) any part of the intruder alarm installation
 - b) the procedures agreed with the Company for police authority or any other response to any activation of the intruder alarm installation
 - c) the maintenance contractbe made without the written agreement of the Company
- 4 the alarmed premises be not left without at least one responsible person therein without the agreement of the Company
 - a) unless the intruder alarm installation be set in its entirety with the means of communication used to transmit signals in full operation
 - b) if the police authority have withdrawn their response to alarm calls
- 5 all keys to the intruder alarm installation be removed from the premises when they are left unattended
- 6 the insured maintains secrecy of codes for the operation of the intruder alarm installation and no details of same be left on the premises
- 7 the insured has appointed at least two keyholders and has lodged written details (which must be kept up to date) with the alarm company and police authorities
- 8 in the event of notification of any activation of the intruder alarm installation or interruption of the means of communication during any period that the intruder alarm installation is set, a keyholder shall attend the premises as soon as reasonably possible and shall not leave the premises without at least one responsible person remaining therein until the provisions of paragraph 4 of this warranty have been complied with unless specifically agreed by the Company in writing
- 9 in the event of the insured receiving any notification
 - a) that police authority attendance in response to alarm signals or calls from the intruder alarm installation may be withdrawn or the level of response reduced or delayed
 - b) from a local authority or magistrate imposing any requirement for abatement of nuisance
 - c) that the intruder alarm installation cannot be returned to or maintained in full and efficient working order the insured shall advise the Company as soon as possible and in any event not later than 10 am on the Company's next working day and comply with any subsequent requirements stipulated by the Company.

Requirements for the intruder alarm system

- 1 The intruder alarm system must be designed and installed to the requirements of either BS4737 or EN50131 – Alarm Systems-Intrusion Systems: Part 1, General Requirements and must be installed and maintained under contract by a company which appears in the National Security Inspectorate's (NSI) or Security Systems & Alarms Inspection Board's (SSAIB) directory of approved companies.
- 2 The intruder alarm system must include remote signalling, involving an automatic telecommunications link between the premises and a central monitoring station certified as conforming to BS5979 – Code of Practice for Remote Centres receiving signals from security systems.
- 3 Where remote signalling is by digital communicator this must be connected via an ex-directory, outgoing only telephone line and must incorporate a line fault monitor.
- 4 The intruder alarm system must be subject to police authority response Level 1 as described in the Association of Chief Police Officers policy on Intruder Alarm Systems.
- 5 All telephone lines used for the remote signalling must, wherever possible, enter the premises underground or in a concealed manner.

FVW03 Alarm warranty (RedCare signalling)

It is warranted by the insured that

- 1 the premises be protected by an intruder alarm installation complying with the undernoted Requirements or as otherwise agreed with the Company in writing
- 2 the intruder alarm installation be maintained in full and efficient working order
- 3 no alteration to or substitution of
 - a) any part of the intruder alarm installation
 - b) the procedures agreed with the Company for police authority or any other response to any activation of the intruder alarm installation
 - c) the maintenance contractbe made without the written agreement of the Company
- 4 the alarmed premises be not left without at least one responsible person therein without the agreement of the Company
 - a) unless the intruder alarm installation be set in its entirety with the means of communication used to transmit signals in full operation
 - b) if the police authority have withdrawn their response to alarm calls
- 5 all keys to the intruder alarm installation be removed from the premises when they are left unattended
- 6 the insured maintains secrecy of codes for the operation of the intruder alarm installation and no details of same be left on the premises
- 7 the insured has appointed at least two keyholders and has lodged written details (which must be kept up to date) with the alarm company and police authorities
- 8 in the event of notification of any activation of the intruder alarm installation or interruption of the means of communication during any period that the intruder alarm installation is set, a keyholder shall attend the premises as soon as reasonably possible and shall not leave the premises without at least one responsible person remaining therein until the provisions of paragraph 4 of this warranty have been complied with unless specifically agreed by the Company in writing

- 9 in the event of the insured receiving any notification
 - a) that police authority attendance in response to alarm signals or calls from the intruder alarm installation may be withdrawn or the level of response reduced or delayed
 - b) from a local authority or magistrate imposing any requirement for abatement of nuisance
 - c) that the intruder alarm installation cannot be returned to or maintained in full and efficient working order the insured shall advise the Company as soon as possible and in any event not later than 10 am on the Company's next working day and comply with any subsequent requirements stipulated by the Company.

Requirements for the intruder alarm system

- 1 The intruder alarm system must be designed and installed to the requirements of either BS4737 or EN50131 – Alarm Systems-Intrusion Systems: Part 1, General Requirements and must be installed and maintained under contract by a company which appears in the National Security Inspectorate's (NSI) or Security Systems & Alarms Inspection Board's (SSAIB) directory of approved companies.
- 2 The intruder alarm system must include BT RedCare signalling, involving an automatic telecommunications link between the premises and a central monitoring station certified as conforming to BS5979 – Code of Practice for Remote Centres receiving signals from security systems.
- 3 The intruder alarm system must be subject to police authority response Level 1 as described in the Association of Chief Police Officers policy on Intruder Alarm Systems.
- 4 All telephone lines used for the remote signalling must, wherever possible, enter the premises underground or in a concealed manner.

FVW04 Alarm warranty (DualCom / RedCare GSM signalling)

It is warranted by the insured that

- 1 the premises be protected by an intruder alarm installation complying with the undernoted Requirements or as otherwise agreed with the Company in writing
- 2 the intruder alarm installation be maintained in full and efficient working order
- 3 no alteration to or substitution of
 - a) any part of the intruder alarm installation
 - b) the procedures agreed with the Company for police authority or any other response to any activation of the intruder alarm installation
 - c) the maintenance contract
 be made without the written agreement of the Company
- 4 the alarmed premises be not left without at least one responsible person therein without the agreement of the Company
 - a) unless the intruder alarm installation be set in its entirety with the means of communication used to transmit signals in full operation
 - b) if the police authority have withdrawn their response to alarm calls
- 5 all keys to the intruder alarm installation be removed from the premises when they are left unattended
- 6 the insured maintains secrecy of codes for the operation of the intruder alarm installation and no details of same be left on the premises
- 7 the insured has appointed at least two keyholders and has lodged written details (which must be kept up to date) with the alarm company and police authorities
- 8 in the event of notification of any activation of the intruder alarm installation or interruption of the means of communication during any period that the intruder alarm installation is set, a keyholder shall attend the premises as soon as reasonably possible and shall not leave the premises without at least one responsible person remaining therein until the provisions of paragraph 4 of this warranty have been complied with unless specifically agreed by the Company in writing
- 9 in the event of the insured receiving any notification
 - a) that police authority attendance in response to alarm signals or calls from the intruder alarm installation may be withdrawn or the level of response reduced or delayed
 - b) from a local authority or magistrate imposing any requirement for abatement of nuisance
 - c) that the intruder alarm installation cannot be returned to or maintained in full and efficient working order the insured shall advise the Company as soon as possible and in any event not later than 10 am on the Company's next working day and comply with any subsequent requirements stipulated by the Company.

Requirements for the intruder alarm system

- 1 The intruder alarm system must be designed and installed to the requirements of either BS4737 or EN50131 – Alarm Systems-Intrusion Systems: Part 1, General Requirements and must be installed and maintained under contract by a company which appears in the National Security Inspectorate's (NSI) or Security Systems & Alarms Inspection Board's (SSAIB) directory of approved companies.
- 2 The intruder alarm system must include either DualCom, DualCom Plus or BT RedCare GSM signalling, involving an automatic telecommunications link and secondary signalling path between the premises and a central monitoring station certified as conforming to BS5979 – Code of Practice for Remote Centres receiving signals from security systems.
- 3 The intruder alarm system must be subject to police authority response Level 1 as described in the Association of Chief Police Officers policy on Intruder Alarm Systems.
- 4 All telephone lines used for the remote signalling must, wherever possible, enter the premises underground or in a concealed manner.

FVW05 Unoccupancy warranty

The undernoted special terms and conditions are applicable to the insurance by this policy in respect of those premises stated against this warranty in the schedule:

- 1 The insurance by this policy does not cover loss, destruction or damage caused by or resulting from the perils stated against this warranty in the schedule.
- 2 It is warranted by the insured that all reasonable precautions are taken to ensure that the premises are secure against unauthorised entry, including
 - i) securely locking and fastening all doors and windows
 - ii) sealing all letter boxes
 - iii) setting all security and alarm protections in full operation and ensuring that the protections are in proper working order.
- 3 It is warranted by the insured that all electrical, gas and water supplies are turned off at the mains other than those supplies connected to automatic sprinkler installations or isolated electrical circuits to lighting and alarm systems which remain in operation for security or fire protection purposes.
- 4 It is warranted by the insured that all water tanks, apparatus, pipes and heating systems (other than those connected to automatic sprinkler installations) are drained down.
- 5 It is warranted by the insured that any fuel supply to the premises is turned off at all stop points between the oil storage tank and the boiler.
- 6 It is warranted by the insured that the premises are visited and inspected at least weekly internally and externally by the insured or a responsible representative to ensure that:
 - i) no deterioration in the condition or state of repair of the buildings has occurred
 - ii) all physical and alarm protections remain in full operationAny deterioration or defects in the condition or state of repair of buildings and/or the security and alarm protection systems must be rectified, remedied or repaired immediately.
- 7 It is warranted by the insured that all waste refuse and obsolete combustible materials are removed and taken away from the premises.
- 8 The Company will not be liable for the amount(s) stated against this warranty in the schedule in respect of each and every claim and not as may be stated elsewhere in this policy.

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