



Motor Traders Policy

Motor Traders Policy

We (The Cornish Mutual Assurance Company Limited) agree with you (the Policyholder named in the Schedule) that we will provide the insurance set out in the Policy and in any Endorsements specified as operative in the Schedule in respect of events occurring during the Period of Insurance for which you have paid a premium.

The Period of Insurance is for the period indicated in the Schedule. Renewal of the Policy may be offered with changes to the Policy and premium.

The Policy, the Schedule and the Certificate of Motor Insurance are to be read together as one document.

Signed on our behalf.

The image shows two handwritten signatures in black ink. The signature on the left is 'Jeremy Oatey' written in a cursive style. To its right is another signature, which appears to be 'R. A.' or similar, also in cursive.

Chairman

Managing Director

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General Conditions

1. Failure to Fairly Present the Risk

It is your duty to make a fair presentation of your business to us.

- (a) If you fail to make a fair presentation and the failure is deliberate or reckless, we may:
 - (i) refuse all claims;
 - (ii) cancel the Policy from the beginning and retain all premiums paid.
- (b) If you fail to make a fair presentation and the failure is non-deliberate and non-reckless, we may:
 - (i) cancel the Policy from the beginning but we will refund your premium;
 - (ii) apply different terms which may proportionately affect any claim payment.

An example of a proportionate claim payment

If you declare the value of an insured item to be less than it is truly worth, albeit in a non-deliberate way, we would work out what percentage of the correct premium you had paid and apply this percentage to the claim payment. For example if the premium you paid was £500 and the premium you should have paid was £550, you have paid 91% of the correct premium so your claim payment would only be 91% of the full value of the claim.

2. Observance of Terms

Anyone claiming indemnity or benefit under this Policy must comply with its terms as far as they can apply.

3. Reasonable Precautions

You must:

- (a) take all reasonable precautions to prevent accident, loss, liability or bodily injury;
- (b) maintain your buildings, machinery, equipment and furnishings in a good state of repair;
- (c) exercise reasonable care in seeing that all statutory and other obligations and regulations are observed and complied with;
- (d) exercise care in the selection and supervision of employees.

4. Alteration of Risk

If after the commencement of this insurance:

- (a) there is any alteration of risk which increases the risk of damage, accident or liability;
- (b) your buildings undergo major structural alterations or major repair (that does not include where workmen are allowed on the site to carry out minor repairs alterations or general maintenance not involving external scaffolding);
- (c) your interest ceases except by will or operation of law;
- (d) an administrator or a liquidator or receiver is appointed or you enter into a voluntary arrangement;
- (e) there is any material change in your business activity;
- (f) you permanently move abroad

it is a condition of this Policy that immediate notice is given to us.

Upon any alteration described above we shall be entitled to cancel the Policy from the date of the alteration or impose special terms and/or charge an additional premium.

5. Changes to Premium

If you make a change in the Policy cover and it results in a charge or a refund for the period up to the renewal date of the Policy then any charge or refund will only be made or given by us if it exceeds £6.

General Conditions

6. Cancelling the Policy

(a) Your right to cancel

There is a fourteen day cooling off period from the date you receive your documents. If you decide to cancel the Policy during this time we will refund your premium provided no claims have been made. For a cancellation at any other stage during your Policy year please contact us and we will only charge you for the time on cover unless a claim has been made in which case we will keep the full premium.

b) Our right to cancel

We may cancel your Policy by sending at least seven days' notice in writing by recorded delivery to your last known address. We will only charge you for the time on cover unless a claim has been made in which case we will keep the full premium. Valid reasons for cancelling include but are not limited to:

- (i) non payment of premium, or any instalment of the premium;
- (ii) where we reasonably suspect fraud;
- (iii) where you fail to co-operate with us or give us information or documentation that we reasonably request;
- (iv) where you have not provided accurate and truthful responses to the questions we have asked when issuing, amending or renewing the Policy;
- (v) where you fail to comply with the Policy terms and conditions;
- (vi) where a change in your circumstances means we are unable to continue to provide cover.
- (vii) where you use threatening, abusive, intimidating or bullying behaviour towards our staff or suppliers.

7. Index Linking

We will automatically adjust the sums insured for your buildings in line with changes in suitable indices of cost. This adjustment will continue after any insured damage provided that the work of repair or reinstatement is done without delay.

8. Contracts (Rights of Third Parties) Act 1999

A person who is not party to this contract has no right to enforce the terms and conditions of this Policy under the Contracts (Rights of Third Parties) Act 1999.

9. Choice of Law

The parties to an insurance contract are free to choose the law that will apply. In the absence of a specific agreement between the parties the law applying to this contract is English Law and (except where the Policy specifically sets out a different position) the courts of England and Wales will have jurisdiction to settle any dispute or claim that arises out of or in connection with this Policy.

10. Fraudulent Claims

If you make any claim which is fraudulent or false no payment shall be made. We may, by giving notice to you, cancel the Policy with effect from the date of the fraudulent act.

11. Premium payment by instalments

- (a) if you agree to pay your premium by monthly direct debit or a similar arrangement you must pay any deposit we ask for and make sure your instalment payments are kept up to date;
- (b) if you make a claim, we may deduct any outstanding amounts due to us before paying the claim.

Claims Conditions

For Motor Legal Expenses claims please see Section One, Sub-Section 3.

For Environmental Damage claims please see Section Three.

For Commercial Legal Expenses claims please see Section Ten.

For all other Sections and Sub-Sections the following conditions apply:

Your duties

When an incident occurs that may result in a claim you shall:

- (a) tell us as soon as you become aware;
- (b) take all practicable steps to recover property lost and otherwise minimise the claim;
- (c) tell the police immediately if the damage is caused by thieves, malicious persons, vandals, or as a result of riot, civil commotion, strike or labour disturbance;
- (d) within 30 days give us any information we require and continue to provide us with any information and assistance we require before or after we pay your claim under the Policy;
- (e) not make or allow to be made on your behalf any admission, offer, promise, payment or indemnity without our consent;
- (f) forward to us every letter, claim, writ, summons and process immediately upon receipt without acknowledgement and advise us as soon as you have any knowledge of any impending prosecution, inquest or inquiry in connection with that event.

No claim shall be payable unless these conditions have been complied with and in the event of non-compliance any payment on account of the claim already made by us shall be repaid to us.

Our rights

We may:

- (a) start, take over, defend and conduct any legal action in your name;
- (b) prosecute in your name for our benefit any claim for payment or damages. We will have full discretion in the conduct and settlement of any such action;
- (c) enter any building where damage has occurred and take and keep possession of any property insured by this Policy. We will not accept property abandoned to us. This Policy shall be proof that you have authorised our rights under this condition;
- (d) at any time pay to you the limit of indemnity
 - (i) in the case of Prosecution Defence Cost claims less any amount already paid or incurred;
 - (ii) in the case of Public and Products Liability claims less any amount already paid or incurred as damages;

or any lesser amount for which at our discretion any claim or claims can be settled. We will then relinquish control of the claim and have no further liability except for any Public and Products Liability claim when we will also pay any legal costs incurred prior to the date of such payment.

Other Insurance

We will not make any payment for any claim that results from an incident that is covered by

Claims Conditions

any other insurance that you hold, in the event that any other policy that you hold with any other insurance company excludes payment under that policy where more than one insurance exists.

Where any other insurance policy that you hold provides an exclusion that each and every insurance company should pay their rateable proportion of any claim that is insured more than once, it is the intention of this clause that we will pay the appropriate rateable proportion.

Arbitration

Provided we have admitted liability for a claim any dispute as to the amount to be paid shall be resolved by arbitration in accordance with the statutory provisions in force at the time by:

- (a) an agreed arbitrator or, if an arbitrator cannot be agreed,
- (b) an arbitrator appointed by the Chartered Institute of Arbitrators following a request from either party provided they have given seven days written notice to the other party.

You must not take legal action against us over the dispute before the arbitrator has reached a decision.

Making a claim under your Policy

For Motor Legal Expenses claims please see Section One, Sub-Section 3.

For Environmental Damage claims please see Section Three.

For Commercial Legal Expenses claims please see Section Ten.

Should you need to make a claim under any other Section or Sub-Section of your Policy please contact Member Services at:

The Cornish Mutual Assurance Co. Ltd.
CMA House
Newham Road
Newham
Truro TR1 2SU
Tel 01872 277151
Fax 01872 263932

Email claims@cornishmutual.co.uk.

If writing to the above address, please mark your letter for the attention of the Member Services - Claims.

Please ensure you are able to provide details of the Policyholder and the Policy number to enable us to advise and assist you without delay. You should contact us as soon as practicable after the incident giving rise to the claim has occurred.

When corresponding with us by email please note that proof of sending an email does not mean we have received it. Please ensure we acknowledge receipt of your email.

General Exclusions

1. Geographical Limits

This Policy does not insure any damage, loss, bodily injury or liability arising outside Great Britain, Northern Ireland, the Isle of Man and the Channel Islands, except as specifically set out in the Policy.

2. Sonic Bangs

This Policy does not insure damage occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

3. War Risks

This Policy does not insure any liability or damage directly or indirectly occasioned by or happening through war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) civil commotion assuming proportions of or amounting to a popular rising, civil war, military rising, mutiny, rebellion, revolution, insurrection, military or usurped power, martial law or confiscation or destruction or requisition by order of the government or any public authority. (Not applicable to Section Four - Employers' Liability).

4. Radioactive contamination, chemical, biological, bio-chemical and electromagnetic weapons

This Policy does not cover the following:

- (a) Damage to any property or any resulting loss, expense or consequential loss, or
- (b) any legal liability

directly or indirectly caused by or contributed to by:

- (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- (iii) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- (iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but the exclusion in this sub-clause does not extend to radioactive isotopes other than nuclear fuel when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- (v) any chemical, biological, bio-chemical or electromagnetic weapon.

Part (b) of this exclusion does not apply to Section Four - Employers' Liability except in respect of liability of any principal and liability assumed by agreement.

5. Terrorism

This Policy does not cover any claim directly or indirectly caused by, resulting from or in connection with Terrorism regardless of any other contributory cause.

This insurance also excludes any claim directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to Terrorism.

For the purpose of this exclusion Terrorism means any act, including but not limited to the use

General Exclusions

of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

If we allege that by reason of this exclusion any claim is not covered by this Policy the burden of proving the contrary shall be upon you.

This exclusion does not apply to:

Section One – Sub-Section 2: Road Risks Accidental Damage, and

Section Four: Employers' Liability.

6. Deliberate Acts

This Policy does not insure any loss of or damage to any property or any liability caused deliberately by you.

7. Electronic Risks (Applicable to all policy sections other than Section 1 - Road Risks)

- (a) This policy excludes all loss, damage, legal liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- (b) However, in the event that a peril listed below results from any of the matters described in paragraph (a) above, this policy, subject to all its terms, conditions and exclusions will cover physical damage caused by such listed peril.
Listed Perils - Fire, Explosion.
- (c) This Policy excludes all loss, damage, destruction, distortion, erasure, corruption or alteration of electronic data from any cause whatsoever and loss of use, reduction in functionality, cost, expense or legal liability of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

8. Electronic Risks (Applicable to Road Risks Section Only)

- (a) This Policy does not insure any damage, loss, injury, liability, claim, cost, or expense of whatsoever nature arising directly or indirectly, wholly or in part, from any **Cyber Act** except to the extent that we must provide cover under the Road Traffic Acts
- (b) This Policy does not insure any damage, loss, injury, cost, liability, claim, or expense of whatsoever nature directly caused by, resulting from, or arising out of any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data**.

General Exclusions

For the purposes of this exclusion, each of the following words and expressions is given a specific meaning which applies where it appears in bold type.

Computer System: means any computer, hardware, software, communications system, electronic device, server or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

Cyber Act: means a malicious or criminal act or series of related malicious or criminal acts, regardless of time and place, involving access to, processing of, use of or operation of any **Computer System** used by a motor vehicle.

Data: means facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

9. Hazardous Goods

This Policy does not insure any damage, loss, bodily injury or liability arising from the use of any Vehicle the principle use of which is

- (a) transportation of high explosives such as nitro glycerine, dynamite and/or any other similar explosive
- (b) bulk transportation of any flammable liquid (use of a tank truck for the transportation of fuel oil for your own use is not excluded).
- (c) transportation of chemicals or gases in liquid, compressed and/or gaseous forms.

Section One – Road Risks

Definition of Terms - Applicable To Sub-Sections 1 and 2

Each of the following words and expressions is given a specific meaning which applies wherever it appears in **bold type** in this section, in the Schedule for this section or in any Endorsement to this section.

Business: means the business specified in the Schedule.

Excess(es): means the amount you must pay towards any claim for each **Insured Vehicle**.

Insured Vehicle: means any **Motor Vehicle** which is

- (a) owned by you or leased to you under a leased agreement;
- (b) held in trust by you or in your custody or control for the purposes of the motor trade **Business** as shown on the schedule;
- (c) privately owned by, or leased under a lease agreement to, any Director, Partner or Proprietor of the motor trade **Business**, or their spouse, if notified to us and its acceptance for insurance confirmed by us.

Motor Car: means any private passenger carrying motor vehicle not constructed or adapted to carry more than 8 passengers (excluding the driver).

Motor Vehicle: means any mechanically propelled land vehicle or agricultural implement or trailer.

Premises: means the premises specified in the Schedule and any other premises not owned or occupied by you where you are undertaking work as a Motor Trader.

Motor Insurance Database

Unless we agree otherwise, it is a condition of this Policy that you supply directly onto the Motor Insurance Database details of the **Motor Vehicles** whose use is covered by this section as required by the relevant law applicable in Great Britain and Northern Ireland.

You are responsible for updating the Motor Insurance Database with any changes to your vehicles throughout the period of insurance.

If your vehicle details are not on the Motor Insurance Database and not declared SORN, you may be committing an offence under the Road Traffic Act and risk enforcement action by the authorities.

You need to declare details of all registered vehicles, permanently and temporarily in your possession for more than 14 days.

Geographical Limits and Foreign Travel

For any use of an **Insured Vehicle** outside of the Geographical Limits shown under the General Exclusions heading, you should contact us on 01872 277151 to obtain an International Motor Insurance Card (Green Card).

Under Sub-Section 1 – Road Risks Third Party Liability, we provide the minimum third party liability cover that applies to the country concerned to allow you to use an **Insured Vehicle** covered by this Section in:

- a) any member country of the European Union
- b) any other country whose arrangements comply with EU directives following approval by the European Commission

The minimum third party liability cover automatically provided varies from country to country.

Section One – Road Risks

Subject to our prior agreement and provision of an International Motor Insurance Card (Green Card), the insurance provided by Sub-Section 2 – Road Risks Accidental Damage is extended to apply, for the period shown in the Green Card, in respect of the **Motor Vehicle** described in the Green Card, whilst it is either in any country to which the Green Card applies or in transit by sea between any ports therein or between any such ports and Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Sub-Section 1 – Road Risks Third Party Liability

Cover

What IS Insured	What IS NOT Insured
<p>A. Legal Liability</p> <p>1) We will indemnify:</p> <ul style="list-style-type: none"> (i) you; (ii) anyone driving with your permission who is allowed to do so by your current Certificate of Motor Insurance; (iii) anyone (other than the driver) using the Insured Vehicle with your permission who is allowed to do so by your current Certificate of Motor Insurance; (iv) any passenger; (v) the personal representatives of any person entitled to indemnity under this sub-section following their death; <p>against legal liability for death, injury or damage to property arising from any accident involving the Insured Vehicle.</p> <p>2) We will pay legal costs and professional fees and expenses incurred with our consent including the cost of:</p> <ul style="list-style-type: none"> (i) representation at any Coroner's Court, Fatal Accident Inquiry or Court of Summary Jurisdiction; (ii) defending proceedings arising from any death in respect of any event 	<p>A.</p> <p>This section does not insure legal liability:</p> <ul style="list-style-type: none"> (a) where to your knowledge or that of the person seeking indemnity the Insured Vehicle is being driven by anyone who is not allowed to do so by your current Certificate of Motor Insurance or is being used outside the Limitations as to Use in your current Certificate of Motor Insurance, except that the provision regarding a licence to drive will not operate when a licence is not required by law. (b) for loss of or damage to the Insured Vehicle or any property owned or held in trust by or in the care of anyone indemnified under this section. (c) for death of or injury to an employee arising out of and in the course of employment by anyone indemnified under this section except as necessary to comply with the Road Traffic Acts. (d) which arises only because of an agreement. (e) which arises from the operation as a tool of the Insured Vehicle or of plant forming part of the Insured Vehicle or attached thereto except as is required by any road traffic legislation. (f) directly caused by or contributed to by or arising from the Insured Vehicle while

What IS Insured	What IS NOT Insured
<p>which may be the subject of indemnity under this section.</p> <p>3) We will pay for emergency treatment as required by the Road Traffic Acts arising out of the use of the Insured Vehicle.</p> <p>4) Cross Liabilities : If you consist of more than one party (and in the case of partnerships this shall mean each individual partner) we will indemnify each party in the terms of this section against liability incurred to the other in the same manner and to the same extent as if a separate Policy had been issued to each subject to the maximum amount payable in respect of damages arising out of one event not exceeding the limit of indemnity of this section.</p> <p>5) Contingent Liability: We will indemnify you against legal liability arising from the use by an employee in connection with your Business of any Motor Vehicle not provided by you where at the time of the accident giving rise to the claim no other insurance indemnifies you or the driver or user of the Motor Vehicle in respect of that legal liability.</p> <p>6) Compensation for Court Attendance: If we request any of the following categories of people to attend court as a witness in connection with a claim under this sub-section of the Policy, we will provide you with the following rates of compensation for each day on which attendance is required:</p> <ul style="list-style-type: none"> - any of your directors trustees or partners £500 - any employee £250. 	<p>in or on that part of any aerodrome, airfield, airport or military installation provided for:</p> <ul style="list-style-type: none"> (i) the take off and landing of aircraft and aerial devices or the movement of aircraft and aerial devices on the ground and (ii) aircraft parking including any associated service roads, refuelling areas, ground equipment parking areas, aprons, maintenance areas and hangers <p>except as is required by any road traffic legislation.</p> <p>(g) (i) for damage to property exceeding £5,000,000 in respect of any one claim or a number of claims arising from one accident.</p> <p>(ii) for legal costs and professional fees and expenses arising from damage to property exceeding £2,000,000 in respect of any one claim or a number of claims arising from one accident.</p> <p>If indemnities to more than one person are involved the insurance will apply to the aggregate amount and in priority to you.</p> <p>Note – Compulsory Motor Insurance Laws We will provide the compulsory minimum insurance for motor vehicles required in any country which is a member of the European Community or which has satisfied the Commission of the E.C that its arrangements meet the requirements of Article 7(2) of E.C Directive 72/166/CEE or any subsequent amendment or replacement.</p> <p>If the law of any country obliges us to make a payment for which, because of breach of any of the terms or conditions of this Policy, we would not otherwise have been liable, we will require you to refund the amount paid.</p>

Sub-Section 2 – Road Risks Accidental Damage

Cover

What IS Insured	What IS NOT Insured
<p>A. Insured Vehicle – Loss or Damage We will indemnify you against loss of or damage to the Insured Vehicle (and/or its accessories) by, at our option, either paying the cost of repair or making a payment in settlement of not more than the market value.</p> <p>For the purpose of any claim settlement repair as near as is reasonably practicable will be sufficient even though the former appearance or condition of the Insured Vehicle (and/or its accessories) may not be precisely restored.</p> <p>If the Insured Vehicle is the subject of a hire purchase or leasing agreement any payment in settlement will be made to the legal owner.</p> <p>We will also pay the reasonable cost of removing the Insured Vehicle to the nearest repairer and returning it after repair to your address as noted in our records.</p>	<p>A.</p> <ul style="list-style-type: none"> (a) The sum of all Excesses shown in the schedule for each and every Insured Vehicle involved in any claim. (b) The VAT element of any claim where you are able to recover VAT from HM Revenue and Customs. (c) Any Motor Vehicle with a market value greater than £100,000 unless such Motor Vehicle has been notified to us and its acceptance for insurance confirmed by us. (d) Loss or damage occurring on the Premises. (e) Loss or damage where to your knowledge the Insured Vehicle is being driven by anyone who is not allowed to do so by your current Certificate of Motor Insurance or is being used outside the Limitations as to Use in your current Certificate of Motor Insurance, except that the provision regarding a licence to drive will not operate when a licence is not required by law. (f) Any caravan trailer owned by you or hired, leased or loaned to you. (g) Loss of use, depreciation (including diminution in value as a consequence of repair), wear and tear or mechanical, electrical, electronic or computer failure or breakdown. (h) Damage to tyres by punctures, cuts or bursts. (i) Loss or damage resulting from: <ul style="list-style-type: none"> (i) defective workmanship, or (ii) work being carried out on the Insured Vehicle. (j) Loss resulting from deception by a

What IS Insured	What IS NOT Insured
<p>B. Personal Effects Where the Insured Vehicle is a Motor Car we will pay up to a total of £500 for personal effects (other than money) lost or damaged whilst in or on the Insured Vehicle.</p> <p>C. Medical Expenses Where the Insured Vehicle is a Motor Car we will pay up to a total of £250 for medical expenses incurred by each person who is accidentally injured whilst in the Insured Vehicle.</p> <p>D. Personal Accident Benefits Where the Insured Vehicle is a Motor Car and any policy holder, director, partner or their spouse suffers accidental bodily injury in connection with the Insured Vehicle or whilst in any other Motor Car we will pay to the injured person £5,000 if within 12 months that injury alone causes:</p> <ul style="list-style-type: none"> (i) death, or (ii) complete and permanent loss of sight of an eye, or (iii) complete and permanent loss of the use of a hand or foot, or (iv) permanent total disablement from attending to any Business or occupation. <p>We will not pay more than £5,000 for injury to any one person and we will not pay for injury to any one person under more than one motor insurance policy.</p>	<p>purported purchaser or their agent.</p> <ul style="list-style-type: none"> (k) Loss or damage resulting from riot or civil commotion outside Great Britain, the Isle of Man and the Channel Islands. (l) Any amount in excess of the Maximum Vehicle Value shown in the schedule for any one Insured Vehicle. <p>B. Loss or damage occurring on the Premises.</p>

What IS Insured	What IS NOT Insured
<p>E. Loss of Use of Customers Vehicles We will pay costs or expenses necessarily and reasonably incurred by any customer, with our written consent, in being deprived of the use of a Motor Vehicle following loss of or damage indemnified under part A of this sub-section to each and any Motor Vehicle, but only during a reasonable period necessary to allow for repair or replacement thereof.</p> <p>We will not pay more than £50,000 in respect of any one event.</p>	

Sub-Section 3 – Motor Legal Expenses

This sub section is administered by ARAG plc on behalf of the Insurer SCOR UK Company Limited.

ARAG plc is registered in England number 02585818. Registered address 9 Whiteladies Road, Clifton, Bristol BS8 1NN. ARAG plc is authorised and regulated by the Financial Conduct Authority firm registration number 452369.

SCOR is registered in England and Wales number 01334736. Registered office address 10 Lime Street, London, EC3M 7AA. SCOR is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority firm registration number 202333.

Definition of Terms – Applicable To Sub-Section 3: Motor Legal Expenses

Appointed Advisor: means the solicitor or other advisor appointed by **Us** to act on **Your** behalf.

Collective Conditional Fee Agreement: means a legally enforceable agreement entered into on a common basis between the **Appointed Advisor** and **Us** for paying their professional fees on the basis of either

- i) 100% “no-win, no-fee” or
- ii) where discounted, that a discounted fee is payable.

Conditional Fee Agreement: means a legally enforceable agreement entered into between **You** and the **Appointed Advisor** for paying their professional fees on the basis of either

- i) 100% “no-win, no-fee” or
- ii) where discounted, that a discounted fee is payable.

Geographical Limit: means the United Kingdom, Channel Islands, Isle of Man, Norway, Switzerland and any member country of the European Union.

Definition of Terms – Applicable To Sub-Section 3: Motor Legal Expenses

Insured: means **You** and any driver or passenger in or on an **Insured Vehicle** with **Your** permission.

Insured Vehicle: means the vehicle specified in **Your** Certificate of Motor Insurance and any trailer attached to it.

Insurer: means SCOR UK Company Limited.

Legal Costs and Expenses: means

- (a) reasonable legal costs, fees and disbursements reasonably and proportionately incurred by the **Appointed Advisor** on the Standard Basis, and agreed in advance by **Us** or Fixed Recoverable Costs. The term “Standard Basis” can be found within the Court’s Civil Procedure Rules Part 44;
- (b) other side’s costs and disbursements where **You** have been ordered to pay them or pay them with **Our** agreement.

Reasonable Prospects of Success: means that it is always more likely than not that:

- (a) **Your** claim or appeal will be successful, and
- (b) any judgment being sought by **You** will be enforced.

We, Us, Our: means ARAG plc who is authorised under a coverholder agreement on behalf of the **Insurer**.

You, Your: means the person(s) named in the Certificate of Motor Insurance for this Policy.

Cover – Applicable To Sub-Section 3: Motor Legal Expenses

What IS Insured	What IS NOT Insured
<p>The Insurer will indemnify You if an event which is another party’s fault:</p> <ul style="list-style-type: none">1) damages the Insured Vehicle and/or personal property in or on it, and/or2) injures or kills the Insured whilst in or on an Insured vehicle. <p>The Insurer will pay Your Legal Costs and Expenses and vehicle hire costs up to a total of £100,000 (for all claims arising from or relating to the same original cause including the cost of appeals) provided that:</p>	<p>This sub-section does not insure:</p> <ul style="list-style-type: none">(a) Legal Costs and Expenses incurred before We accept a claim or without Our written agreement;(b) the defence of any claim other than appeals against the Insured;(c) an accident that happens before the start of this sub-section;(d) fines, penalties or compensation awarded against You;(e) a group litigation order;

What IS Insured	What IS NOT Insured
<ol style="list-style-type: none"> 1) the accident happens in the Geographical Limit; 2) the claim <ol style="list-style-type: none"> (a) always has Reasonable Prospects of Success; (b) is reported to Us <ol style="list-style-type: none"> (i) during the Period of Insurance (ii) as soon as possible after the accident; and 3) unless there is a conflict of interest, the Insured always agrees to use the Appointed Advisor chosen by Us before proceedings have been or need to be issued 4) the claim falls under the jurisdiction of a court or the Motor Insurers' Bureau and in the Geographical Limit; and 5) the Insured enters into a Conditional Fee Agreement (unless the Appointed Advisor has entered into a Collective Conditional Fee Agreement with Us) where legally permitted. <p>Vehicle hire costs apply for one continuous period following a road traffic collision between the Insured Vehicle and another vehicle occurring in England and Wales, the mainland of Scotland and Northern Ireland provided that:</p> <ol style="list-style-type: none"> (a) the Insured Vehicle cannot be driven safely or without risking a motor offence; (b) the accident was entirely the other person's fault; (c) the other person can be identified and has in place a valid Certificate of Motor Insurance; (d) We make the arrangements to provide a replacement vehicle for You. <p>This policy will pay any otherwise covered claim involving the use of or inability to use a computer, including devices such as smart phones, tablets and wearable technology. This cover is subject to all other policy terms.</p>	<ol style="list-style-type: none"> (f) a contract g) a dispute where providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

Conditions – Applicable To Sub-Section 3: Legal Expenses

Where the **Insurer's** risk is affected by the **Insured's** failure to keep to any conditions of this sub-section, the **Insurer** can refuse a claim or withdraw from an ongoing claim.

The **Insurer** also reserves the right to claim back **Legal Costs and Expenses** from the **Insured** if this happens.

1. The Insured's Responsibilities

The **Insured** must:

- (a) tell **Us** immediately of anything that may make it more costly or difficult for the **Appointed Advisor** to claim back losses;
- (b) cooperate fully with **Us**, give the **Appointed Advisor** any instructions **We** require, keep them updated with progress of the claim and not hinder them;
- (c) take reasonable steps to claim back **Legal Costs and Expenses** and vehicle hire costs and, where recovered, pay them to the **Insurer**;
- (d) keep **Legal Costs and Expenses** and vehicle hire costs as low as possible;
- (e) allow the **Insurer** at any time to take over and conduct in **Your** name, any claim.

2. Freedom to Choose an Appointed Advisor

- (a) In certain circumstances as set out in 2. (b) below, The **Insured** may choose an **Appointed Advisor**. In all other cases no such right exists and **We** shall choose the **Appointed Advisor**.
- (b) The **Insured** may choose an **Appointed Advisor** if:
 - i) **We** agree to start proceedings or proceedings are issued against an **Insured**, or
 - ii) there is a conflict of interest.
- (c) Where the **Insured** wish to exercise the right to choose, the **Insured** must write to **Us** with their preferred representative's contact details. Where the **Insured** chooses to use their preferred representative, the **Insurer** will not pay more than **We** agree to pay a solicitor from **Our** panel. (**Our** panel solicitor firms are chosen with care and **We** agree special terms with them including rates which may be lower than those available from other firms.)
- (d) If the **Insured** dismiss the **Appointed Advisor** without good reason, or withdraws from the claim without **Our** written agreement, or if the **Appointed Advisor** refuses to continue acting for the **Insured** with good reason, the cover will end immediately. **We** reserve the right to appoint another appointed representative in accordance with 2. (b) and (c) above.

3. Consent

- (a) The **Insured** must agree to **Us** having sight of the **Appointed Advisor's** file relating to the **Insured's** claim. The **Insured** is considered to have provided consent to **Us** or **Our** appointed agent to have sight of **Your** file for auditing and quality control purposes.
- (b) An **Insured** must have **Your** agreement to claim under this policy.

4. Settlement

- (a) The **Insurer** can settle the claim by paying the reasonable value of the **Insured's** claim.
- (b) The **Insured** must not negotiate, settle the claim or agree to pay **Legal Costs and Expenses** without **Our** written agreement.

Conditions – Applicable To Sub-Section 3: Legal Expenses

- (c) If the **Insured** refuses to settle the claim following advice to do so from the **Appointed Advisor** the **Insurer** may refuse to pay further **Legal Costs and Expenses** or vehicle hire costs.

5. Barrister's Opinion

We may require the **Insured** to obtain and pay for an opinion from a barrister regarding the merits or value of the claim. If the opinion supports the **Insured**, then the **Insurer** will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by **Us**, then the **Insurer** will pay for a final opinion which shall be binding on the **Insured** and **Us**. This does not affect the **Insured's** right under Condition 6 below.

6. Disputes

If any dispute between the **Insured** and **Us** arises from this sub-section of the Policy, the **Insured** can make a complaint to **Us** as described under the heading "Complaints Procedure" and **We** will try to resolve the matter. If **We** are unable to satisfy the **Insured's** concerns the **Insured** can ask the Financial Ombudsman Service to arbitrate over the complaint.

7. Fraudulent Claims and claims tainted by dishonesty

- a) If an **Insured** makes any claim which is fraudulent or false, this section of the policy may become void and all benefit under it may be lost.
- b) An **Insured** shall at all times be entirely truthful, accurate and open in any evidence, disclosure or statement they give and shall act with complete honesty and integrity throughout. Where, on the balance of probabilities and having considered carefully all the facts of the claim, it appears that the **Insured** has breached this condition and that the breach has:
- i) affected **Our** assessment of **Reasonable Prospects of Success**, and/or
 - ii) prejudiced in any part the outcome of the **Insured's** claim
- the **Insurer** shall have no liability for **Legal Costs and Expenses**.

8. Acts of Parliament

All legal instruments and rules referred to within this section shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation.

Making a claim – Applicable To Sub-Section 3: Motor Legal Expenses

Should an **Insured** need to make a claim under Sub-Section 3: Motor Legal Expenses; under no circumstances should the **Insured** instruct their own solicitor as **We** will not pay any costs incurred without **Our** agreement. the **Insured** should contact **Us** on 01872 272 160, lines are open 24 hours, 365 days per year for motor legal expenses reporting. **We** will require details of the accident and names and addresses of all parties involved including any witnesses.

If the advisor believes the accident is not the **Insured's** fault, **We** will arrange for a legal expert to contact the **Insured** who will help claim back losses and obtain compensation for any injuries and/or for the **Insured** to be contacted to assess their need and suitability for a replacement vehicle. Ensure no contact is made with anyone else regarding claiming back losses or compensation for personal injury.

Section Two: Public and Products Liability

Definition of Terms

Each of the following words and expressions is given a specific meaning which applies wherever it appears in **bold type** in this section, in the Schedule for this section or in any Endorsement to this section.

Action(s): means legal proceedings (including appeal) relating to incidents occurring or alleged to have occurred during the period of insurance and arising out of any prosecution, inquiry, emergency control order, forfeiture, improvement notice, order to warn, prohibition notice, prohibition order or suspension notice.

Asbestos: means asbestos, asbestos fibres or any derivatives of asbestos and any product containing asbestos, asbestos fibres or any derivatives of asbestos in whatever form or quantity.

Business: means the Business specified in the Schedule including

- (i) the ownership, occupation, repair, maintenance and decoration of your property in connection with the Business;
- (ii) the provision and management of canteens, social, sports, educational and welfare organisations for the benefit of your **Employees** and first aid, fire and ambulance services in connection with the Business;
- (iii) private work undertaken by an **Employee**, with your consent, for you or for your directors or partners.

Employee(s): means any person working for you in connection with the **Business** who is

- (i) under a contract of service or apprenticeship with you;
- (ii) a labour master, a labour-only sub-contractor or a person supplied by either of them;
- (iii) self-employed;
- (iv) working under a recognised work experience or training scheme;
- (v) a voluntary helper;
- (vi) borrowed by or hired to you; or
- (vii) a director of the **Business**.

Excess: means the amount you must pay towards any claim.

Excluded Events: means any claim which arises from

- (i) the manufacture, repair, supply or distribution of aircraft or ships, or, with your specific knowledge, of machinery or components with aviation or marine applications;
- (ii) the manufacture, making-up, dispensing, supply or distribution of drugs, medicines or pharmaceuticals other than the dispensing, supply or distribution of proprietary preparations in unopened containers as supplied by the manufacturers;
- (iii) the manufacture, supply or distribution of **asbestos** or **asbestos** products, chemicals of an explosive, toxic or noxious nature, or munitions.

Geographical Limits: means Great Britain, Northern Ireland, the Isle of Man and the Channel Islands.

Gradual Pollution: means **Pollution or Contamination** other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific

Section Two: Public and Products Liability

time and place during the Period of Insurance.

All such **Pollution or Contamination** which arises out of one incident will be deemed to have occurred at the time the incident takes place.

Injury: means physical injury or disease or a recognisable psychiatric injury, including death resulting therefrom.

Legal Liability: means your legal liability for damages and claimants' costs and expenses in respect of

- (i) accidental **Injury** to any person, not being an **Employee**;
 - (ii) accidental loss of or damage to material property;
 - (iii) accidental obstruction, trespass or nuisance
- occurring during the period of insurance.

Motor Vehicle(s): means any mechanically propelled land vehicle or agricultural implement or trailer.

Pollution or Contamination: means

- (i) all pollution or contamination of buildings or other structures or of water or land or the atmosphere, and
- (ii) all **Injury**, loss or damage directly or indirectly caused by such pollution or contamination.

Premises: means the **Buildings** and the land inside the boundaries at the Risk Address(es) stated in the schedule.

Products: means **Motor Vehicles** or goods (including their containers) sold, supplied, repaired, serviced, altered, renovated, processed or tested by you in the course of the **Business**.

Cover

What IS Insured	What IS NOT Insured
<p>A. Legal Liability</p> <p>1) Legal Liability arising in connection with the Business. The insurance extends to include Legal Liability arising in connection with the Business:</p> <ul style="list-style-type: none">(i) from an event occurring outside the Geographical Limits, caused by:<ul style="list-style-type: none">(a) you or your directors, partners or Employees while temporarily outside the Geographical Limits;	<p>A.</p> <ul style="list-style-type: none">(a) The Excess shown in the Schedule.(b) Excluded Events.(c) Liability arising from the use by you or your directors, partners or Employees, away from the Premises, of any trade process or equipment involving the generation or application of heat unless:<ul style="list-style-type: none">(i) Suitable portable fire extinguishers in full working order and complying with British Standard EN 3-7:2004+A1:2007, or its

What IS Insured	What IS NOT Insured
<p>(b) Products supplied from within the Geographical Limits;</p> <p>(ii) under Section 3 of the Defective Premises Act 1972 or Article 5 of the Defective Premises (Northern Ireland) Order 1975, or any subsequent amendments to this legislation, in connection with any premises disposed of by you which were prior to disposal owned by you, provided that the liability is not insured under another Policy;</p> <p>(iii) from loss of or damage to:</p> <p>(a) any building, including its contents, temporarily in your custody or control or that of your directors, partners or Employees (but not owned, hired, let or rented by you) for the purposes of carrying out work;</p> <p>(b) any building (including landlord's fixtures and fittings therein) hired, let or rented to you; but this extension shall not apply to loss or damage by any cause against which the lease or tenancy agreement stipulates that insurance shall be effected by the lessee or tenant;</p> <p>(c) directors' or Employees' property;</p> <p>(d) customers' or visitors' property while temporarily on the Premises (except property for alteration, cleaning, inspection, repair, servicing or storage);</p> <p>(e) any Motor Vehicle not belonging to you but which is or has been in your custody or control caused by your faulty or defective repair, servicing, cleaning, maintenance, inspection, testing, alteration or treatment. However, we will not pay for the cost of repeating or rectifying the original work that gave rise to the damage.</p>	<p>predecessors or successors, are made available at each area of work;</p> <p>(ii) All reasonable precautions are taken to prevent the outbreak of fire.</p> <p>(d) Liability arising from:</p> <p>(i) the use of plant or equipment loaned, leased or hired to any other party by you;</p> <p>(ii) the use by you or on your behalf of any aircraft, hovercraft, train, or watercraft;</p> <p>(iii) the use by you or on your behalf of any Motor Vehicle in circumstances to which the Road Traffic Acts apply or for which you insure liability under a more specific policy;</p> <p>(iv) advice, design, specification or treatment provided for a fee by or through you or your directors, partners or Employees;</p> <p>(v) known exports of any Products to the United States of America or Canada;</p> <p>(vi) Gradual Pollution.</p> <p>(e) Liability arising from loss of or damage to:</p> <p>(i) material property owned by you;</p> <p>(ii) material property in your custody or control or that of your directors, partners or Employees, other than as insured under 1) (iii);</p> <p>(iii) that part of any material property on which you or anyone acting on your behalf is or has been working if the loss or damage results directly from such work.</p> <p>(f) Any claim in respect of:</p> <p>(i) loss or damage to or the cost of altering, removing, replacing, reinstating or repairing Products, other than any Motor Vehicle;</p> <p>(ii) repeating or rectifying any original repair, servicing, cleaning, maintenance, inspection, testing, alteration or treatment;</p> <p>(iii) the cost of recalling or making refunds for Products.</p> <p>(g) Liability which arises:</p> <p>1) only because of an agreement relating to:</p> <p>(i) the sale or supply of Products;</p> <p>(ii) a building hired, let or rented to you;</p>

What IS Insured	What IS NOT Insured
<p>We will not pay more than £5,000,000 in respect of all events:</p> <ul style="list-style-type: none"> (a) arising from any one cause (b) occurring in any one Period of Insurance attributable to <ul style="list-style-type: none"> (i) Products (ii) Pollution or Contamination <p>This limit is reduced to £1,000,000 in respect of events involving the generation or application of heat away from the Premises.</p> <ul style="list-style-type: none"> 2) Costs and expenses incurred with our consent, including the cost of representation at any Coroner's Court, Fatal Accident Inquiry or Court of Summary Jurisdiction. 3) Cross Liabilities : If you consist of more than one party (and in the case of partnerships this shall mean each individual partner) we will indemnify each party in the terms of this section against liability incurred to the other in the same manner and to the same extent as if a separate policy had been issued to each subject to the maximum amount payable in respect of damages arising out of one event not exceeding the limit of indemnity of this section. 4) Compensation for court attendance: If we request any of the following categories of people to attend court as a witness in connection with a claim under this section of the Policy, we will provide you with the following rates of compensation for each day on which attendance is required: <ul style="list-style-type: none"> - any of your directors trustees or partners £500 - any Employee £250. <p>B. Additional Costs Costs and expenses incurred with our consent by you or your directors, partners or Employees in defending Actions arising in connection with the Business under:</p> <ul style="list-style-type: none"> (i) the Health and Safety at Work etc. Act 	<ul style="list-style-type: none"> 2) under the terms of any other contract or agreement unless such liability would have attached in the absence of such contract or agreement. (h) Liquidated, punitive or exemplary damages, fines or penalties. (i) Any claim which arises from an action brought in a court of law in the United States of America or Canada or in a country which operates under the laws of the United States of America or Canada, or from any proceedings to enforce a judgement in such an action. (j) Liability directly or indirectly arising out of or resulting from or in consequence or in any way involving: <ul style="list-style-type: none"> (i) exposure to inhalation or ingestion of or fears of the consequence of exposure to or inhalation of or ingestion of Asbestos; (ii) the cost of cleaning up, or removal of or loss of or damage to property arising out of any Asbestos other than the loss of or damage to property involving products containing Asbestos where the existence of Asbestos is not itself a direct or indirect cause of the loss of or damage to property. (k) Liability arising from: <ul style="list-style-type: none"> (i) the production, supply of, or presence on the Premises of any genetically modified Products, where liability may be attributed directly or indirectly to the genetic characteristics of the Products. (ii) the spread, the fear of spread, the threat of spread or the fear of threat of spread of genetically modified organism characteristics into the environment or any change to the environment arising from research into testing of or production of genetically modified organisms. <p>B.</p> <ul style="list-style-type: none"> (a) Fines or Penalties. (b) Any claim which arises from a deliberate act or omission by you or your directors or partners. (c) Any claim where the Action is solely in

What IS Insured	What IS NOT Insured
<p>1974, the Health and Safety Inquiries (Procedure) Regulations 1975 and the Health and Safety at Work (Northern Ireland) Order 1978;</p> <p>(ii) Part II of the Consumer Protection Act 1987;</p> <p>(iii) the Food Safety Act 1990 and the Food Safety (Northern Ireland) Order 1991;</p> <p>or any subsequent amendments to this legislation, provided that you give written notice to us immediately you have knowledge of an impending Action or any circumstances which might give rise to an Action.</p> <p>We will not pay more than £500,000 in respect of all Actions arising under the same Act in any one Period of Insurance.</p> <p>C. Corporate Manslaughter Defence Costs</p> <p>We will indemnify you in respect of legal costs and expenses incurred with our prior written consent in connection with the defence of any criminal proceedings or an appeal against conviction which arises from criminal proceedings for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed during the period of insurance in the course of the Business activity.</p> <p>Provided that:</p> <p>(a) Our liability under this extension shall not exceed £1,000,000 in any one period of insurance. This limit will form part of and not be in addition to the limit of indemnity stated in the schedule;</p> <p>(b) if this policy provides Legal Expenses insurance this extension shall only operate in respect of any excess beyond the amount payable under the Legal Expenses section;</p> <p>(c) where we have already provided an indemnity in respect of any legal costs incurred in the defence of any criminal proceedings arising out of the same event which has given rise to the proceedings in respect of corporate manslaughter or corporate homicide any amount already paid by us will be taken into account in calculating our liability under this extension;</p>	<p>connection with the health and safety of an Employee.</p> <p>C.</p> <p>No indemnity will be provided:</p> <p>(i) where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this extension indemnity would have been provided by such other source or insurance. However this exclusion shall not apply in the circumstances outlined in proviso (b);</p> <p>(ii) in respect of any proceedings which result from your deliberate act or omission or the deliberate act or omission of any trustees managerial employees partners directors of yours while acting in their corporate capacity and which could reasonably have been expected having regard to the nature and circumstances of such act or omission;</p> <p>(iii) in respect of fines or penalties of any kind including the costs of remedial or publicity orders or the steps required to be taken by such orders.</p>

What IS Insured	What IS NOT Insured
<p>(d) We must consent in writing to the appointment of any solicitor or counsel who is to act for you and on your behalf;</p> <p>(e) any appeal can only commence if counsel has advised that it is more likely for an appeal to be successful than not.</p> <p>D. Wrongful Interference Loss resulting from any Motor Vehicle purchased by you during the Period of Insurance being subject to a breach of implied warranty of title, in that if:</p> <p>(i) the rightful and lawful owner thereof substantiates a valid claim for the return of the Motor Vehicle or its equivalent value, or</p> <p>(ii) the person to whom you have sold the Motor Vehicle substantiates a valid claim for damages in lieu of the Motor Vehicle being returned to its rightful owner,</p> <p>we will pay up to £50,000 against 80% of any loss for each such Motor Vehicle provided that:</p> <p>(a) all payments for Motor Vehicles purchased or allowances for part exchange are settled by cheque or credit against the new purchase; and</p> <p>(b) no payment is made until HPI Limited or Experian Limited confirm the Motor Vehicle is not the subject of hire purchase interest. Such confirmation in writing will be required by the Company in the event of a claim; and</p> <p>(c) the maximum we will pay for all claims under this section shall not exceed £100,000 in any one Period of Insurance.</p> <p>E. Financial Loss Extension – Motor Vehicles Supplied Your legal liability for damages and claimant's costs and expenses in respect of Financial Loss sustained as a direct result of any Motor Vehicle sold or supplied by you, during the Period of Insurance in connection with the Business, which is</p>	<p>E.</p> <p>(a) The first £1,000 of each and every claim.</p> <p>(b) Liability arising from advice, design, specification or treatment provided for a fee by or through you or your directors, partners or Employees.</p> <p>(c) Liability arising from known exports of any Motor Vehicle to the United States</p>

What IS Insured	What IS NOT Insured
<p>not of merchantable quality or fit for the intended purpose.</p> <p>The maximum we will pay for all claims under this extension shall not exceed £250,000 in any one Period of Insurance.</p> <p>For the purposes of this extension Financial Loss means: an accidental pecuniary loss, cost or expense incurred in respect of any Motor Vehicle sold or supplied by you in connection with the Business and not caused by personal injury or damage to property.</p>	<p>of America or Canada.</p> <p>(d) Any claim which arises from an action brought in a court of law in the United States of America or Canada or in a Country which operates under the laws of the United States of America or Canada, or from any proceedings to enforce a judgement in such an action.</p> <p>(e) Liability which arises only because of an agreement relating to the sale or supply of a Motor Vehicle or under the terms of any other contract or agreement unless such liability would have attached in the absence of such contract or agreement.</p> <p>(f) Any claim in respect of the cost of recalling, altering, repairing, replacing or making any refund in respect of Motor Vehicle sold or supplied by you in connection with the Business.</p> <p>(g) Liquidated, punitive or exemplary damages, fines or penalties.</p>

Additional Parties

If more than one party is named as Policyholder in the Schedule the insurance provided under this section will apply separately to each party.

At your request this insurance will also apply to:

- (i) your directors, partners or **Employees** against any liability for which you would have been entitled to indemnity under this section had the claim been made against you;
- (ii) any officer or member of your canteen, social, sports, educational or welfare organisation or first aid, fire and ambulance services against any liability arising in their respective capacities;
- (iii) any principal for whom you are carrying out a contract for the performance of work but only to the extent required by the contract;
- (iv) the owner of plant hired-in by you but only to the extent of the conditions of hire.

We will not pay in total to all parties indemnified under this section more than the monetary limits specified in the section.

Claims Settlement Provisions

- (i) We will not be liable to make a payment under more than one sub-section of Section Two in respect of loss or damage caused by the same event.
- (ii) We will settle a claim for damages by payment on the basis of the liability incurred, subject to any relevant monetary limit and/or **Excess** specified in this section or in the Schedule. For the purpose of any claim settlement we may at any time at our option pay you the maximum amount specified in this section (less any sums already paid) or any smaller amount for which the claim or claims may be settled. We will then be under no further liability in respect of the claim or claims except for costs and expenses incurred prior to the payment.

Section Three: Environmental Damage

The schedule will show if this section applies and the cover is in force

Note (not forming part of the policy)

It is important that as soon as you become aware of any Claim being made against you or any Incident or any circumstances that might reasonably be expected to bring about a Claim or Incident, you notify us in writing or call the Environmental Damage Claims telephone number highlighted in the Claims Conditions part of this section.

This insurance is provided on a 'Costs Inclusive' basis. This means that legal costs are included within the limit of indemnity specified in the schedule.

If we agree to include additional Insureds to the policy, please refer to the revised terms which will apply to this section. We will provide you with these revised terms at the relevant time.

Definition of Terms

Each time any of the following words or phrases appear in this section in bold type (or in capital letters in the schedule) they will take the meaning shown below or if not defined below in the General Definitions.

Where words or phrases are not highlighted in this manner the everyday meaning will apply.

1. **Biological contaminants** means mould, mildew, fungi or bacterial matter including any substance produced by, emanating from, or arising out of any such biological contaminants.
2. **Bodily injury** means physical injury, sickness, disease, mental anguish or emotional distress including death resulting therefrom.
3. **Business activity** means the day to day business as described in the schedule and as undertaken throughout the European Economic Area, which shall include, but not be limited to:
 - (a) Your day to day activities on property you own, or lease;
 - (b) Your day to day activities at or on third party premises;
 - (c) transportation by you or on your behalf and associated with your **Business activity**.
4. **Claim(s)** means a written demand from someone who is not an **Insured** (including but not limited to a body designated by a member state as responsible for enforcing obligations provided for in the European Union Directive 2004/35/EC on environmental liability and/or any equivalent local legislation that implements it) seeking a remedy or asserting liability against you for **Loss**.
5. **Clean-up costs** means costs, charges and expenses, including reasonable and necessary legal expense incurred with our written consent (such consent not to be unreasonably withheld or delayed), to investigate, neutralise, remove, remediate, monitor and dispose of **Pollutants** to the extent required by **Environmental laws**, or that have actually been incurred by any governmental entity duly acting under the authority of **Environmental laws**, or that have actually been incurred by third parties where required by **Environmental laws**.

Clean-up costs shall also include:

 - (a) **restoration costs**; or
 - (b) **mitigation expenses**

Clean-up costs shall not include **Defence expense** or **Environmental damage expense**.
6. **Deductible** means the amount stated in the schedule as applicable to the Environmental Damage Section of the Policy applied in accordance with the 'Limits and deductibles' part of this section.

Definition of Terms

7. **Defence expense** means reasonable and necessary legal fees and all other charges costs and expenses that you have to pay resulting from the investigation, adjustment, defence and appeal of a **Claim**. **Defence expense** shall include any settlement or cost order or demand for claimants or government entity costs arising out of any **Claim**. **Defence expense** shall not include your internal expenses or the salaries of your employees.
8. **Emergency situation** means an unplanned and unexpected event following which you have a legal duty to take immediate action to reduce, mitigate, remediate or prevent any further **Incident**, **Claim** or further **Loss** under this policy.
9. **Environmental damage** means the measurable
 - (a) adverse change to water, land, protected species or natural habitats; or
 - (b) impairment of a natural resource service caused by an emission, event, incident or activity; andfor which you are legally responsible under European Union Directive 2004/35/EC on environmental liability and/or any local legislation that implements it.
10. **Environmental damage expense** means reasonable and necessary costs, charges and expenses to investigate and/or undertake Primary, Compensatory or Complementary Remediation required pursuant to the European Union Directive 2004/35/EC on environmental liability and/or any local legislation that implements it.
Primary Compensatory or Complementary Remediation are as defined by the European Union Directive 2004/35/EC on environmental liability and/or any local legislation that implements it.
11. **Environmental laws** means any applicable European Community directive, regulation or decision, any national statute, statutory instrument, regulation, by-law, rule, regulation, ordinance, circular or guidance provided that they have the force of law, or any permit, consent, licence, notice, order or instruction of any national or local governmental or statutory authority, agency, court or like entity.
12. **Extended reporting period** means the period as stated in the schedule.
13. **Genetically modified product** means a genetically modified item, animal and/or crop (including materials, parts, equipment, containers, labelling and packaging relating to such item, animal and/or crop).
14. **Imminent threat** means a reasonable likelihood that **Environmental damage or a Pollution condition** will occur if a fault within a facility, structure or piece of equipment is not repaired or remediated within 72 hours from when the fault is first identified, provided that such a fault has:
 - (a) suddenly arisen; and
 - (b) not been allowed to arise through a failure to maintain property, equipment and all other assets related to your **Business activity** in good repair.
15. **Incident** means
 - (a) any **Pollution condition**;
 - (b) any actual or potential **Environmental damage**; or
 - (c) any identified **Imminent threat** or **Emergency situation**.
16. **Loss** means as applicable
 - (a) **Environmental damage expense**; or
 - (b) **Clean-up costs**; or
 - (c) **Defence expense**; or
 - (d) **Third party damages expense**.

Definition of Terms

- 17. Mitigation expense** means reasonable and necessary costs incurred to mitigate a **Pollution condition** constituting an **Emergency situation** whereby in the absence of such mitigation:
- (a) **Bodily injury** or **Property damage** to third parties will occur; or
 - (b) **Environmental damage** will occur; or
 - (c) pursuant to **Environmental laws**, **clean-up costs** will be incurred.
- Mitigation expense** does not include costs associated with capital improvements, betterment, or routine maintenance.
- 18. Nuisance** includes statutory public or private nuisance arising from a **Pollution condition**.
- 19. Policy period** means the period of insurance as stated in the schedule to this policy or any shorter period arising as a result of cancellation.
- 20. Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled reconditioned or reclaimed.
- 21. Pollution condition** means the emission, discharge, dispersal, migration, release or escape of **Pollutants** provided such are not naturally occurring. The entirety of any such **Pollution condition** or any series of interrelated, associated, repeated or continuous **Pollution condition** shall be deemed to be one **Pollution condition**.
- 22. Property damage** means
- (a) Physical injury to or destruction of tangible property including all resulting loss of use and diminution in value of that property; or
 - (b) Loss of use, but not diminution in value, of tangible property that is not physically injured. For the avoidance of doubt this includes loss of, or interference with, amenity or enjoyment of property.
- 23. Responsible insured** means any officer, director, partner, manager or supervisor of the **Insured**.
- 24. Restoration costs** means reasonable and necessary costs incurred by the **insured** with our consent, which shall not be unreasonably withheld or delayed, to restore, repair or replace real or personal property to substantially the same condition it was in prior to being damaged during work performed in the course of incurring **clean-up costs**.
- Restoration Costs** shall also include the reasonable and necessary costs that you incur with our approval, which we will not unreasonably withhold or delay, to restore, repair or replace your buildings or facilities damaged during work performed in the course of incurring **clean-up costs**, to a standard which aims to reduce their impact upon the environment, and the costs of such environmental works shall not to exceed 15% of the total **Restoration Costs** for any one occurrence but in any event costs of such environmental works shall not exceed £1,000,000 in the aggregate, such limit to be within and part of the **Policy Aggregate Limit**. Such environmental works may include but are not limited to:
- (i) using sustainable construction materials;
 - (ii) modifying design and/or materials in order to reduce atmospheric emissions or improve energy efficiency.

Definition of Terms

Restoration Costs shall not include:

- (a) any cost associated with the regular maintenance, betterment, or upgrade or improvement of your own or leased equipment structures or facilities (but excluding any environmental works outlined above);
- (b) the replacement of any equipment, buildings or facilities that were not damaged by the work performed in the course of incurring **clean-up costs**;
- (c) restoration, repair or replacement costs exceeding the net present value of your equipment structures or facilities immediately prior to incurring **clean-up costs**;
- (d) **Defence Expense**.

25. Retroactive date means the date set out as such in the schedule.

26. Section limit means the applicable limit of liability attaching to this section (Environmental Damage) as stated in the schedule

27. Third party damages expense means monetary awards or settlements of compensatory damages arising out of **Bodily injury, Property damage** or **Nuisance** to a third party and where allowable by law, aggravated, exemplary or multiple damages for such **Bodily injury, Nuisance** and **Property damage**.

28. Underground storage tank system means a tank or tanks used to contain petroleum or chemical products which has at least ten (10) percent of its volume beneath the surface of the ground including any connected underground piping underground ancillary equipment and containment system.

Cover

We will pay on your behalf all **Loss** described below arising from an unexpected and unintended **Claim Incident** or legal obligation to pay **Environmental damage expense** and it is a condition precedent to our liability under this section that any such

- (i) awareness of your legal obligation to pay **Loss** first occurs; or
- (ii) **Claim** is first made against you; or
- (iii) an **Incident** first occurs

during the **Policy period** and is reported to us in accordance with the 'Claims conditions' part of this section.

A. Defence expense

Defence expense in response to **Claims** otherwise covered by this section.

B. Environmental damage

Environmental damage expense that you become legally obligated to pay as a result of **Environmental damage** or an **Imminent threat** associated with **Environmental damage** on or after the **Retroactive date** arising solely as a consequence of your **Business activity**.

C. Business activity

Clean-up costs that you become legally obligated to pay as a result of:

- (a) **Claims** arising from a **Pollution condition**; or
- (b) an **Emergency situation**;

on or after the **Retroactive date** arising solely as a consequence of your **Business activity**.

1. Reasonable care

You must take all reasonable care to prevent **Claims** or **Loss** and to maintain property equipment and all other assets related to your **Business activity** in good repair and to comply with all environmental licences and permits statutory obligations and regulations.

2. Extended reporting period

If you do not renew this section you have the right to the period of time stated in the schedule following the date of expiration in which to give notice of any covered **Loss**.

3. Assignment

You may not assign this section or any rights contained within it without our prior written consent which we will not unreasonably withhold or delay.

4. Inspections surveys & audits

We or our appointed representatives have the right but are not obligated to make inspections surveys or audits of your **Business activity** at our expense and at reasonable notice to you but during the **Policy period**. Any inspections, surveys or audits we undertake relate only to the insurability of the risk and the premiums to be charged.

5. Dispute resolution

If any dispute arises in relation to this section the parties will initially try to settle it by mediation in accordance with the Centre for Dispute Resolution Model Mediation Procedure.

If the dispute cannot be resolved by mediation within a period of 3 months from the commencement of mediation the dispute shall be referred to arbitration in London by a tribunal of three arbitrators under the provisions (both mandatory and non-mandatory) of the Arbitration Act 1996. Within 28 days of the failure of mediation each party will select a separate arbitrator with the third selected by the two party appointed arbitrators. If the two arbitrators cannot agree then the third arbitrator will be appointed by the President for the time being of the Chartered Institute of Arbitrators.

Each arbitrator will be suitably qualified and be from either the environmental insurance or legal professions.

The decision of this tribunal will be final and binding on all parties. The cost for the tribunal will be shared equally between all parties irrespective of its outcome.

Claims conditions

In the event of an **Incident, Loss** or **Claim**

1. When to notify – Condition precedent

- a. It is a condition precedent to our liability under this section that you shall notify us in writing, or by using the Environmental Damage Claims telephone number highlighted below, as soon as practicable, but in no event later than the end of the **Policy period** in which the **Incident** is identified, the **Claim** is received or the awareness of your legal obligation to pay **Environmental damage expense** occurs, of any **Incident, Claim** or **Loss**

Environmental Damage Claims telephone number: 01872 277151

To the extent possible such notification should include

- i) How when and where the **Incident** took place;
- ii) The names and addresses of any injured persons and witnesses; and
- iii) The nature and location of any injury or damage that has or could arise out of the **Incident**.

Any **Incident** reported to us in accordance with this provision shall be subject to paragraph 2 'Extended Reporting Period' in the 'Conditions' part of this section

Notice of an **Incident** is not notice of a **Claim**

- b. If you or a **Responsible Insured** receive a **Claim** for **Loss** covered by this section you must
 - i) record the specifics of the **Claim** and the date received;
 - ii) ensure that we receive written notice of the **Claim** as soon as practicable, but in no event later than the end of this **Policy period**;
 - iii) send us copies of any demands, notices, summonses or legal papers received in connection with the **Claim**;
 - iv) authorise us (such authorisation not to be unreasonably withheld or delayed) to obtain records and other information;
 - v) cooperate with us in the investigation, settlement or defence of the **Claim**; and
 - vi) assist us, upon our request, in the enforcement of any right against any person or organisation which may be liable to the you because of injury or damage to which this insurance may also apply.

2. After an incident has been identified

- a. You shall have the duty to, where practicably possible, reduce, mitigate, remediate or prevent any **Incident, Claim** or further **Loss** under this section.
- b. You shall have the duty to clean up **Pollutants**, remediate **Environmental damage** and remediate or prevent an **Imminent threat** to the extent required by **Environmental laws**. We shall have the right but not the duty to review and approve all such actions. In accordance with the above paragraph you shall retain competent professional(s) or contractor(s) mutually acceptable to us. We shall have the right but not the duty to review and approve all such parties.

You shall notify us of actions and measures taken pursuant to this paragraph as soon as practicable. Where such clean up is undertaken by you on our behalf all rates will be limited to rates we would actually pay to competent professional(s) or contractor(s) that we would retain to undertake such clean up or remediation works. Any such expenses incurred by you or on our behalf shall be subject to the **Deductible** and shall reduce the **Section limit**.

Claims conditions

3. Voluntary payments

Except for when there is an **Imminent threat** or an **Emergency situation** you will not make any payments, assume any obligation or incur any expense, without our consent (such consent not to be unreasonably withheld or delayed).

4. Our rights – Following an incident

We shall have the right but not the duty to clean-up, remediate or mitigate an **Incident** upon receiving notice as directed in item 1 above. Any sums expended by us will be deemed incurred or expended by you, shall be subject to the **Deductible** and shall reduce the **Section limit**.

5. Legal defence investigation and settlement

- a. We will have the right and the duty to defend you against any **Claim** seeking those sums to which this insurance applies. We may at our discretion investigate any **Pollution condition** regardless of whether any **Claim** has been made. With respect to any **Claim** we defend, subject to the **Section limit**, we will pay **Defence expense** for the investigation, defence or appeal of the **Claim**. In the event that the **Section limit** has been exhausted, then our right and duty to defend any **Claim** will cease. Any payment of **Defence expense** will be subject to the **Deductible** and shall reduce the **Section limit**.
- b. We shall not settle any **Claim**, without the consent of the **Insured** against whom the **Claim** is made. If however you refuse to consent to any settlement recommended by us and elect to contest the **Claim** or continue any legal proceedings in connection with such **Claim**, subject to the **Section limit**, our liability for **Loss** shall not exceed the amount for which the **Claim** could have been settled plus **Defence expense** incurred up to the date of such refusal, less the **Deductible** or the outstanding balance of the **Deductible**. Any payment of **Defence expense** will erode the **Section limit**.
- c. If, by mutual agreement or by law, you are entitled to select defence counsel to defend any **Claim** at our expense, the legal fees and all other litigation expenses we must pay to that counsel are limited to the rates we would actually pay to counsel that we retain in the ordinary course of business in the defence of similar **Claims** in the community where the **Claim** arose or is being defended. We will have the right to require that such counsel have certain minimum qualifications with respect to competency, including experience in defending claims similar to the one pending against you, and to require such counsel to have errors and omissions insurance coverage. You agree that such independent counsel will timely respond to our requests for information regarding any **Claim**.

6. Subrogation

In the event of any payment under this section, we shall be subrogated to all of your rights of recovery against any third party and you shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. You shall do nothing to prejudice our rights under this paragraph. Any recovery as a result of subrogation proceedings shall accrue first to you to the extent of any payments in excess of the **Section limit**; then to us to the extent of our payment under this section; and then to you to the extent of your **Deductible** or coinsurance. Expenses incurred in such subrogation proceedings shall be apportioned among the interested parties in the recovery in the proportion that each interested party's share in the recovery bears to the total recovery.

Limits and deductibles

The **Section limit** and the rules below fix the most we will pay regardless of the number of **Insureds Incidents** or **Claims** subject to the applicable **Deductible**.

The **Section limit** applies to the entire **Policy period**. If the **Policy period** is extended after policy issuance the additional period will be deemed part of the last preceding period for the purposes of determining the **Section limit**.

1. Multiple policy periods and claims

- a. When we issue claims made pollution liability coverage for your **Business activity** in one or more policy periods and a **Claim** is first made against you and reported to us in accordance with the terms and conditions of this section, or **Loss** is incurred during this **Policy period**, then all **Claims** or **Loss** arising out of the same, related or continuous **Incident** shall be deemed to have been first made and reported or incurred during this **Policy period**. This is provided that you have maintained claims made pollution liability coverage with us on a continuous uninterrupted basis since the first such **Loss** had been incurred or a **Claim** was first made against you, and reported to us. All such **Claims** or **Loss** will be subject to the terms, conditions and **Section limit**.
- b. All **Claims** first made against you and reported to us during the **Policy period** or all **Loss** incurred by you during the **Policy period** and arising out of the same, continuous, repeated or related **Incident** shall be deemed to be a single **Claim** and shall be deemed to have been made at the time the first of those **Claims** is made or **Loss** is incurred.

2. Deductible

Our obligation to make payments under this section for **Loss** is excess of the applicable **Deductible** stated in the schedule.

If the same related or continuous **Incident** result in cover under one or more coverages, only the highest **Deductible** amount stated in the schedule amongst all coverage sections applicable to the **Claim** for **Loss** will apply.

This section operates in excess of the **Deductible**, however we may, without any obligation whatsoever, advance payment of part or all of the **Deductible** and, upon notification of such payment made you will promptly reimburse us within thirty (30) days. Payment of any **Loss** or amounts within the **Deductible** will not create any obligations or be construed as a waiver of our rights under this section.

Exclusions

We shall have no liability under this section for any **Loss** or **Claim** arising directly or indirectly from:

1. Known prior incidents

an **Incident** that occurred and of which you or the **Responsible insured** were aware prior to the **Policy period**. This exclusion will not apply to any **Incident** that is listed in an endorsement to this section.

2. Identified underground storage tank system

any **Underground storage tank system** that is located at a property that you own or lease and that you or any **Responsible insured** as of the start of the **Policy Period** knew to be present

This exclusion does not apply to an **Underground storage tank system** that is:

- a. less than 10 years old as at the **Retroactive date**; or
- b. double skinned or has been relined within 10 years before the start of the **Policy Period** by a reputable servicer of **Underground storage tank systems**.

3. Deliberate acts or omissions

a deliberate or wilful act or omission by you or a **Responsible insured** where you or a **Responsible insured** either intends to cause **Environmental damage Bodily injury Property damage** or **Nuisance** or is reckless as to whether **Environmental damage Bodily injury Property damage** or **Nuisance** is caused.

4. Asbestos or lead based paint in buildings & structures

the actual or alleged presence of or exposure to

- a. lead based paint; or
- b. asbestos asbestos-containing material asbestos-based products asbestos fibres asbestos dust or asbestos waste;

present, installed, stored or applied in or upon any building or structure. For the avoidance of doubt, this exclusion does not apply to lead based paint or asbestos, asbestos-containing material, asbestos-based products, asbestos fibres, asbestos dust or asbestos waste buried in the soil, or in groundwater.

5. Biological contaminants in buildings & structures

the actual or alleged presence of or exposure to **Biological contaminants** present in or upon any building or structure, unless caused by the processing or treatment of waste as part of the **Business activity**. **For the avoidance of doubt, this exclusion does not apply to biological contaminants in the soil, or in groundwater.**

6. Upgrades and improvements

the cost of upgrades improvements or maintenance of any equipment, structures or facilities associated with your **Business activity**, whether or not such work is:

- a. in compliance with any permit or licence requirements; or
- b. directed by any government entity; or
- c. undertaken in response to an **Imminent threat** or **Emergency situation**.

7. Material change in business activity or use of covered location

a material change in:

- a. use at a property that you own or lease; or
- b. Your **Business activity**

as declared in the proposal form or as modified by endorsement during the **Policy period**.

8. Sale or abandonment

properties that you no longer own operate or control.

Exclusions

9. Contractual liability

Your assumption of liability in a contract or agreement unless you would have this liability in the absence of such contract or agreement or assumed in a contract that is listed in an endorsement to this section.

10. Products

any item that you sell, supply, manufacture, construct, assemble, alter, repair, service, treat, handle, distribute or dispose of including materials, parts, equipment, containers, packaging or labelling, once such item has ceased to be in your possession or control. This exclusion also applies to warranties or representations that you make, or are made on your behalf, in relation to the fitness, quality, durability, performance or use of such item.

11. Professional services

the performance of or failure to perform professional services by or on behalf of the **Insured**. Professional services will include but not be limited to recommendations, opinions, advice or strategies rendered by or on behalf of the **Insured** for a fee.

This exclusion does not apply to improper or inadequate supervision of any entity for which the **Insured** is legally liable when operating at third party properties.

12. Cargo at rest or wrongly delivered

cargo that is either no longer under the control of you or the entity transporting cargo on your behalf, has been relinquished to a third party, or has been delivered to the wrong address or receptacle.

This exclusion applies, but is not limited to **Incidents** that occur:

- a. after cargo is finally delivered; or
- b. while the cargo is in storage having been off loaded from the vehicle that was transporting it; or
- c. while the cargo is unsecured and at rest in excess of forty eight (48) hours.

13. Property damage to cargo or vehicles

Property damage to cargo or any vehicle.

14. Fines and penalties

criminal fines, criminal penalties, punitive or liquidated damages or contractual penalties.

15. Employer's liability

Bodily injury to:

- a. Your employees while performing their duties as part of your **Business activity**; or
- b. any person whose right to assert a **Claim** against you arises by reason of any employment, blood, marital or other relationship with your employees.

This exclusion applies to any liability imposed by the provisions of any Employers Liability legislation.

16. Territory and sanctions

an **Incident** or **Claim** where cover under this section would be prohibited by any applicable law or regulation including economic or trade sanctions. We shall have no liability to pay any claim or provide any benefit under the section where to do so would be a breach of any applicable economic or trade sanctions or other law or regulation. If payment of an otherwise valid and collectible claim under the section would be in breach of applicable economic or trade sanctions or other law or regulation, such payment will only be due if an appropriate licence permitting such payment is obtained. For any such time as it is reasonably likely that such a licence will be obtained, such payment funds will be held in escrow for the benefit of the **Insured** or claimant as applicable until the requisite licence is obtained.

Exclusions

17. Public & products liability

any **Claim** which is covered by under Section Two (Public and Products Liability).

18. Genetically modified products and organisms

- a. in connection with the **Business Activity**, the production, manufacture, distribution, handling, repair, alteration, treatment, supply of or presence (on the premises only) of any **Genetically modified product** where your liability may be attributed directly or indirectly to the genetic characteristics of such product; or
- b. the spread, the fear of spread, the threat of spread or the fear of threat of spread of genetically modified organism characteristics into the environment or any change to the environment arising from research into testing of or production of genetically modified organisms.

19. Landfills

material or items which are landfilled or landraised on property that you own lease or control .

20. Redevelopment

Any **Loss** arising from a **Pollution condition** or **Environmental damage** first discovered by the excavation or movement of any ground material (including but not limited to surface soils and subsurface soils) by a redevelopment, refurbishment or voluntary site investigation completed at the premises. For the avoidance of doubt this exclusion does not apply to below ground works required to install maintain or repair below-ground services on the premises.

Section Four: Employers' Liability

This Section of the Policy is operative only if stated in the Schedule

Definition of Terms

Each of the following words and expressions is given a specific meaning which applies wherever it appears in **bold type** in this section, in the Schedule for this section or in any Endorsements to this section.

Action(s): means legal proceedings (including appeal) relating to incidents occurring or alleged to have occurred during the period of insurance and arising out of any prosecution or inquiry.

Business: means the Business specified in the Schedule including

- (i) the ownership, occupation, repair, maintenance and decoration of your property in connection with the Business;
- (ii) the provision and management of canteens, social sports, educational and welfare organisations for the benefit of your **Employees** and first aid, fire and ambulance services in connection with the Business;
- (iii) private work undertaken by an **Employee**, with your consent, for you or for your directors or partners.

Employee(s): means any person working for you in connection with the **Business** who is

- (i) under a contract of service or apprenticeship with you;
- (ii) a labour master, a labour-only sub-contractor or a person supplied by either of them;
- (iii) self-employed;
- (iv) working under a recognised work experience or training scheme;
- (v) a voluntary helper;
- (vi) borrowed by or hired to you; or
- (vii) a director of the **Business**.

Geographical Limits: means Great Britain, Northern Ireland, the Isle of Man and the Channel Islands.

Injury: means physical injury or disease or a recognisable psychiatric injury, including death resulting therefrom.

Legal Liability to Employees: means your legal liability for damages and claimants' costs and expenses in respect of **Injury** to any **Employee** that occurs during the period of insurance.

Offshore: means from the time when the **Employee** embarks onto a conveyance at the point of final departure to an offshore rig or offshore platform until such time as the **Employee** disembarks from a conveyance onto land upon the **Employee's** final return from the offshore rig or offshore platform.

What IS Insured	What IS NOT Insured
<p>A. Legal Liability</p> <p>Legal Liability to Employees The insurance extends to include Legal Liability to Employees while temporarily outside the Geographical Limits. We will not pay more than £10,000,000 in respect of all events arising from any one cause, including costs and expenses incurred with our consent and the cost of representation at any Coroner's Court, Fatal Accident Inquiry or Court of Summary Jurisdiction. This limit is reduced to £5,000,000 in respect of all events directly or indirectly caused by, or contributed to by, or arising from Terrorism as defined under General Exclusions - 5. Compulsory Employers' Liability Insurance Law: This insurance complies with the law relating to compulsory insurance of liability to employees in Great Britain, Northern Ireland, the Isle of Man and the Channel Islands. If we are obliged to make a payment which we would not have been liable to make, but for such law, we will require you to refund the amount paid.</p> <p>B. Health and Safety at Work Costs and expenses incurred with our consent by you or your directors, partners or Employees in defending Actions arising in connection with the Business under the Health and Safety at Work etc. Act 1974, the Health & Safety Inquiries (Procedure) Regulations 1975 and the Health and Safety at Work (Northern Ireland) Order 1978, or any subsequent amendments to this legislation, provided that you give written notice to us immediately you have knowledge of an impending Action or any circumstances which might give rise to an Action. We will not pay more than £500,000 in respect of all Actions arising in any one Period of Insurance.</p>	<p>A. Any claim which arises from:</p> <p>(a) Injury to any Employee while working Offshore;</p> <p>(b) an event in respect of which liability is required to be insured under the compulsory motor insurance provisions of the Road Traffic Acts.</p> <p>B. (a) Fines or penalties.</p> <p>(b) Any claim which arises from:</p> <p>(i) a deliberate act or omission by you or your directors or partners;</p> <p>(ii) Injury to any Employee while working Offshore;</p> <p>(iii) an event in respect of which liability is required to be insured under the compulsory motor insurance provisions of the Road Traffic Acts.</p> <p>(c) Any claim where the Action is solely in connection with the health and safety of anyone not an Employee.</p>

What IS Insured	What IS NOT Insured
<p>C. Corporate Manslaughter Defence Costs We will indemnify you in respect of legal costs and expenses incurred with our prior written consent in connection with the defence of any criminal proceedings or an appeal against conviction which arises from criminal proceedings for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed during the period of insurance in the course of the Business activity.</p> <p>Provided that:</p> <ul style="list-style-type: none"> (a) Our liability under this extension shall not exceed £1,000,000 in any one period of insurance. This limit will form part of and not be in addition to the limit of indemnity stated in the schedule; (b) if this policy provides Legal Expenses insurance this extension shall only operate in respect of any excess beyond the amount payable under the Legal Expenses section; (c) where we have already provided an indemnity in respect of any legal costs incurred in the defence of any criminal proceedings arising out of the same event which has given rise to the proceedings in respect of corporate manslaughter or corporate homicide any amount already paid by us will be taken into account in calculating our liability under this extension; (d) We must consent in writing to the appointment of any solicitor or counsel who is to act for you and on your behalf; (e) any appeal can only commence if counsel has advised that it is more likely for an appeal to be successful than not. 	<p>C. No indemnity will be provided:</p> <ul style="list-style-type: none"> (i) where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this extension indemnity would have been provided by such other source or insurance. However this exclusion shall not apply in the circumstances outlined in proviso (b); (ii) in respect of any proceedings which result from your deliberate act or omission or the deliberate act or omission of any trustees managerial employees partners directors of yours while acting in their corporate capacity and which could reasonably have been expected having regard to the nature and circumstances of such act or omission; (iii) in respect of fines or penalties of any kind including the costs of remedial or publicity orders or the steps required to be taken by such orders.

Additional Parties

If more than one party is named as Policyholder in the Schedule the insurance provided under this section will apply separately to each party.

At your request this insurance will also apply to:

- (i) your directors, partners or **Employees** against any liability for which you would have been entitled to indemnity under this section had the claim been made against you;
- (ii) any officer or member of your canteen, social sports, educational or welfare organisations or first aid, fire and ambulance services against any liability arising in their respective capacities;
- (iii) any principal for whom you are carrying out a contract for the performance of work but only to the extent required by the contract;
- (iv) the owner of plant hired-in by you but only to the extent of the conditions of hire.

We will not pay in total to all parties indemnified under this section more than the monetary limits specified in this section.

Claims Settlement Provisions

We will settle a claim for damages by payment on the basis of the liability incurred, subject to any relevant monetary limit specified in this section.

For the purpose of any claim settlement we may at any time at our option pay you the maximum amount specified in this section (less any sums already paid) or any smaller amount for which the claim or claims may be settled. We will then be under no further liability in respect of the claim or claims except for costs and expenses incurred prior to the payment.

Section Five: Property Damage

This Section of the Policy is operative only if stated in the Schedule

Definition of Terms

Definition of Terms

Each of the following words and expressions is given a specific meaning which applies wherever it appears in **bold type** in this section, in the Schedule for this section or in any Endorsement to this section.

Buildings: means the main structure(s) at the Risk Address(es) stated in the schedule including

- (i) wind turbines and solar panels where attached to the main structure(s);
- (ii) outbuildings;
- (iii) walls, gates and fences;
- (iv) landlord's fixtures and fittings;
- (v) car parks, yards, paved areas, roads, drives, pavements, footpaths, fixed signs, cess pits and septic tanks but excluding bridges unless specifically mentioned in schedule;
- (vi) underground pipes, cables and wires;
- (vii) telecommunication, television and radio aerials, satellite dishes, aerial fittings and masts;
- (viii) fixed video, audio and building management and security systems and equipment;
- (ix) all fixed glass including shop fronts;
- (x) fixed signs and sanitary fixtures provided they are within the boundaries of the land for which you are responsible.

Business: means the Business specified in the Schedule.

Business Hours: means the period during which you or your directors, partners or **Employees** are in or on the **Premises** in connection with the **Business**.

Deeds: means deeds, documents, manuscripts, business books, computer systems records, patterns, models, moulds, plans, drawings and designs, owned by you or for which you are legally responsible, in the **Premises**.

Employee(s): means any person working for you in connection with the **Business** who is

- (i) under a contract of service or apprenticeship with you;
- (ii) a labour master, a labour-only sub-contractor or a person supplied by either of them;
- (iii) self-employed;
- (iv) working under a recognised work experience or training scheme;
- (v) a voluntary helper;
- (vi) borrowed by or hired to you; or
- (vii) a director of the **Business**.

Excess: means the amount you must pay towards any claim.

Definition of Terms

Insured Peril: means

- 1) Fire, excluding loss of or damage to property undergoing any process involving the application of heat.
- 2) Lightning.
- 3) Explosion, excluding loss or damage resulting from the bursting of any apparatus (other than boilers used for domestic purposes only), owned by you or under your control, in which internal pressure is due to steam only.
- 4) Earthquake, subterranean fire or volcanic eruption.
- 5) (i) Aircraft or other aerial devices or articles dropped from them.
(ii) Impact by trains, road vehicles or animals.
- 6) Riot, civil commotion, labour and political disturbances, excluding loss or damage in Northern Ireland.
- 7) Malicious persons, excluding:
 - (a) loss or damage caused by theft;
 - (b) loss or damage occurring while the **Premises** are **Unoccupied**;
 - (c) loss or damage in Northern Ireland.
- 8) Theft or attempted theft involving:
 - (a) violent and forcible entry to or exit from the **Premises** or
 - (b) assault or violence or threat of assault or violence to:
 - (i) You or your directors partners or **Employees**;
 - (ii) any member of your family or a directors partners or **Employee's** family;
 - (iii) any customer while on the **Premises**;excluding theft or attempted theft:
 - (a) arising where you or any member of your household or any of your directors, partners or Employees are concerned as principal or accessory;
 - (b) of moveable property in the open. This exclusion will not apply to **Motor Vehicles** at the **Premises** subject to the following security requirements being met:
 - (i) all keys are removed from **Motor Vehicles** and kept in a locked safe, cupboard or drawer;
 - (ii) all **Motor Vehicle** doors and similar openings are locked and all windows are fully closed;
 - (iii) all tracker immobilising and security protections are maintained and working when the **Motor Vehicles** are not in use.
 - (c) resulting from deception by a purported purchaser or his agent.
- 9) Accidental damage excluding:
 - (a) **Pollution or Contamination**;
 - (b) The cost of maintenance or routine redecoration;

Definition of Terms

- (c) Mechanical or electrical failure;
 - (d) Damage caused by:
 - (i) wear and tear, atmospheric, climatic or weather conditions, the action of light, or any gradually operating cause;
 - (ii) chewing, scratching, tearing or fouling by domestic pets;
 - (iii) vermin, insects, wet or dry rot, or fungus;
 - (iv) faulty workmanship, defective design or the use of defective materials;
 - (v) demolition or any structural alteration or repair to the **Buildings**;
 - (e) Damage occurring during any period in which the **Buildings** are **Unoccupied**;
 - (f) Deterioration of food;
 - (g) Damage to pedal cycles or sports equipment;
 - (h) Damage caused by any process of cleaning, dyeing, renovating or restoring.
 - (i) Damage to tyres by punctures, cuts or bursts.
- 10) Storm or Flood, excluding:
- (a) Loss or damage:
 - (i) caused by frost, subsidence, heave or landslip;
 - (ii) attributable solely to change in the water table level;
 - (b) Loss of or damage to moveable property in the open, fences and gates. This exclusion will not apply to **Motor Vehicles** at the **Premises**.
- 11) Escape of water or oil from any automatic sprinkler installation or other fixed water or heating system (but not loss of or damage to the system itself), excluding loss or damage occurring while the **Buildings** are **Unoccupied**.
- 12) Falling trees or branches or radio/television aerials or masts or satellite dishes.

Definition of Terms

13) Subsidence ground heave or landslip, excluding damage:

- (a) to outbuildings, yards, terraces, patios, pipes, cables, wires, ducting, car parks, roads, drives, paths, pavements, walls, gates, fences, hedges, cesspits, septic tanks, swimming pools, tennis courts and children's play areas unless the structure of the main building or buildings at the risk address stated in the Schedule is also affected at the same time by the same cause;
- (b) to solid floor slabs or damage resulting from their movement unless the foundations beneath the outside walls of the main building or buildings at the risk address stated in the Schedule are also affected at the same time by the same cause;
- (c) arising from the settlement or movement of made-up ground or by coastal or river erosion;
- (d) occurring as a result of the construction, demolition, structural alteration or structural repair of any property at the **Premises**;
- (e) arising from normal settlement or bedding down of new structures;
- (f) which originated prior to the granting of this cover;
- (g) caused by faulty or defective workmanship materials or design;
- (h) caused by fire, subterranean fire, explosion or earthquake;
- (i) recoverable under any warranty or guarantee including NHBC guarantee.

Insured Property: means the property described in the Schedule belonging to you or for which you are legally responsible.

Machinery and General Contents: means

- (i) machinery (including office machines), furniture, fixtures, fittings, internal decorations and all other contents in the **Premises** but not landlord's fixtures and fittings, **Stock of Motor Vehicles, Other Stock, Deeds and Personal Effects**;
- (ii) shop fronts and other tenant's improvements to the **Premises**;
- (iii) outdoor blinds, signs, aerials and satellite dishes, attached to the **Premises**.

Money: means cash, bank notes, cheques, girocheques, postal orders, current postage stamps, National Insurance Stamps, holidays-with-pay stamps, trading stamps, National Savings Certificates and stamps, premium bonds, luncheon vouchers, gift tokens, consumer redemption vouchers, credit card sales vouchers and VAT purchase invoices, owned by you or for which you are legally responsible in connection with the **Business**.

Motor Vehicle: means any mechanically propelled land vehicle or agricultural implement or trailer.

Other Stock: means stock and materials in trade and goods in trust excluding **Motor Vehicles**.

Personal Effects: means the property normally worn, used and carried about the person of your directors, **Employees**, customers and visitors, while on the **Premises**, but not property insured under another Policy.

Pollution or Contamination: means loss or damage caused by pollution or contamination except loss of or damage to the property insured (unless otherwise excluded) caused by:

- (i) pollution or contamination which itself results from an **Insured Peril**;
- (ii) an **Insured Peril** which itself results from pollution or contamination.

Definition of Terms

Premises: means the **Buildings** and the land inside the boundaries at the Risk Address(es) stated in the schedule.

Rent: means rent receivable in respect of the **Buildings**.

Stock of Motor Vehicles: means **Motor Vehicles**

- (i) owned by you and not more specifically insured;
- (ii) in your care, custody or control in connection with the **Business**.

Unoccupied: means empty or not in use by you, or any tenant of yours, for more than 30 consecutive days.

Cover

What IS Insured	What IS NOT Insured
<p>A. Property: Insured Perils Loss of or damage to Insured Property caused by an Insured Peril.</p> <p>We will not pay more than the relevant Sum Insured shown against each Item in the Schedule in respect of any one event.</p> <p>B. Property: Insured Perils – UK Extension The insurance provided by Sub-Section A above is extended to apply in respect of the property detailed in the Schedule whilst it is anywhere in the United Kingdom.</p> <p>Whilst any hand held portable property shown on the schedule is left unattended away from the Premises, this section does not cover loss, destruction or damage caused by theft or attempted theft unless the property is:</p> <ul style="list-style-type: none"> (a) Contained within a building which is locked and secured at all points of access, or (b) Contained within the locked boot of or 	<p>A.</p> <ul style="list-style-type: none"> (a) The Excess shown in the Schedule. (b) Pollution or Contamination. (c) Loss of or damage to Money. (d) Loss of or damage to dynamos, motors or any portion of the electrical apparatus, directly caused by its own overrunning, excessive pressure, short circuiting or self heating. (e) Losses occurring away from the Premises. (f) Any Motor Vehicle with a market value greater than £100,000 unless such Motor Vehicle has been notified to us and its acceptance for insurance confirmed by us. <p>B.</p> <ul style="list-style-type: none"> (a) The Excess shown in the Schedule. (b) Pollution or Contamination. (c) Loss of or damage to Money. (d) Loss of or damage to dynamos, motors or any portion of the electrical apparatus, directly caused by its own overrunning, excessive pressure, short circuiting or self heating. (e) Any Motor Vehicle with a market value greater than £100,000 unless such Motor Vehicle has been notified to us and its acceptance for insurance confirmed by us.

What IS Insured	What IS NOT Insured
<p>out of sight within any motor vehicle which is locked at all points of access and the theft or attempted theft involves forcible and violent entry into the building or motor vehicle.</p> <p>C. Loss of Rent Loss of Rent incurred during any period in which the Buildings are made unfit for occupation by any of the events insured under Sub-Section A of this section.</p> <p>We will not pay more than the Sum Insured shown in the Schedule in respect of any one event.</p> <p>D. Contents Temporarily Removed</p> <p>1) Loss of or damage to Motor Vehicles and their accessories while temporarily removed from the Premises for the purpose of cleaning, repair or renovation, caused by an Insured Peril.</p> <p>We will not pay more than 15% of the total Sum Insured shown against Stock of Motor Vehicles in the Schedule in respect of any one event.</p> <p>2) Loss of or damage to machinery, fixtures and fittings while temporarily removed from the Premises for the purpose of cleaning, repair or renovation, caused by an Insured Peril.</p> <p>We will not pay more than 15% of the total Sum Insured shown against Machinery and General Contents in the Schedule in respect of any one event.</p> <p>E. Deeds Loss of or damage to Deeds caused by an Insured Peril, but only for their value as materials and the cost of labour expended in reproducing them.</p> <p>We will not pay more than £5,000 in respect of any one event.</p> <p>F. Personal Effects Loss of or damage to Personal Effects caused by an Insured Peril.</p> <p>We will not pay more than £500 in respect of any one person or any one vehicle, or more than £2,500 in respect of any one event.</p>	<p>C. Pollution or Contamination.</p> <p>D.</p> <p>(a) The Excess shown in the Schedule.</p> <p>(b) Pollution or Contamination.</p> <p>(c) Loss of or damage to Motor Vehicles and their accessories whilst in transit.</p> <p>(d) Loss of or damage to dynamos, motors or any portion of the electrical apparatus, directly caused by its own overrunning, excessive pressure, short circuiting or self heating.</p> <p>E.</p> <p>(a) The Excess shown in the Schedule.</p> <p>(b) Pollution or Contamination.</p> <p>(c) Losses occurring away from the Premises.</p> <p>F.</p> <p>(a) Pollution or Contamination.</p> <p>(b) Loss of or damage to Money.</p> <p>(c) Loss of or damage to Motor Vehicles and their accessories.</p> <p>(d) Losses occurring away from the Premises.</p>

What IS Insured	What IS NOT Insured
<p>G. Underground Services Accidental damage to underground pipes, drains, ducts and cables (including their inspection covers) serving the Buildings, for which you are legally responsible.</p> <p>H. Tenant's Liability If you are the tenant of the Premises and not the owner, damage to the Premises caused by an Insured Peril provided that you are legally responsible for the damage under the tenancy agreement, hire agreement or lease. We will not pay more than: (a) the aggregate of the Sums Insured shown against Other Stock and Machinery and General Contents in the Schedule, or (b) £10,000, whichever is the lesser, in respect of any one event.</p> <p>I. Theft Damage to Buildings Damage to the Buildings caused by Insured Peril 8 - Theft, provided that: (a) the damage is not insured elsewhere, and (b) you are legally responsible for the damage. We will not pay more than £10,000 in respect of any one event.</p> <p>J. Theft of Keys (Premises) The cost necessarily incurred in replacing and installing locks in the Premises (including the operating mechanism of any key-operated intruder alarm system) if the keys to the locks are taken from the Premises by theft or stolen from the home(s) of their authorised holder(s).</p> <p>K. Theft of Keys (Vehicles) The cost necessarily incurred in replacing locks or lock mechanisms and all keys of any legitimate format necessary to maintain the security of Insured Vehicles following the theft of such keys from the Premises. We will not pay more than the market value in respect of any one Insured Vehicle and not more than £50,000 in total for any one event.</p>	<p>G. (a) The Excess shown in the Schedule. (b) Pollution or Contamination.</p> <p>H. (a) The Excess shown in the Schedule. (b) Pollution or Contamination. (c) Loss of or damage to dynamos, motors or any portion of the electrical apparatus, directly caused by its own overrunning, excessive pressure, short circuiting or self heating.</p> <p>I. The Excess shown in the Schedule.</p> <p>J. (a) The Excess shown in the Schedule. (b) Costs incurred following the theft from the Premises outside Business Hours of keys to any intruder alarm, safe or strongroom.</p> <p>K. The Excess shown in the Schedule.</p>

What IS Insured	What IS NOT Insured
<p>L. Loss of Metered Water The additional charges imposed on you by the water supply authority resulting from loss of metered water for which you are responsible following loss or damage caused by an Insured Peril to any part of the water apparatus at the Premises.</p> <p>We will not pay more than £10,000 in respect of any one event.</p> <p>M. Trace & Access. We will pay costs and expenses necessarily and reasonably incurred by you, with our consent, in locating the source of a leakage of oil or water at the Premises and the cost of making good damage caused by the search.</p> <p>We will not pay more than £10,000 in respect of any one event.</p> <p>N. Refrigerated Stock Loss of or damage to Stock in refrigerated cabinets, freezers or cold rooms in the Premises caused by deterioration, contamination or putrefaction resulting from</p> <p>(a) rise or fall in temperature due to</p> <ul style="list-style-type: none"> (i) breakdown of or unforeseen damage to the equipment (including non-operation of any thermostatic or automatic controlling device forming part of the equipment or its installation) other than caused by an Insured Peril. (ii) accidental failure of the public electricity or gas supply not occasioned by the deliberate act of the supply authority. <p>(b) accidental escape of refrigerant or refrigerant fumes.</p> <p>We will not pay more than £1,000 in respect of any one event.</p> <p>We will not pay any claim under this sub-section unless the equipment containing the Stock which is the subject of the claim is maintained in good working order.</p> <p>O. Loss of Use of Customers Vehicles We will pay costs or expenses necessarily and reasonably incurred by any customer, with our written consent, in being deprived</p>	<p>L. The Excess shown in the Schedule.</p> <p>M. The Excess shown in the Schedule.</p> <p>N. The Excess shown in the Schedule.</p>

What IS Insured	What IS NOT Insured
<p>of the use of a Motor Vehicle following loss of or damage to each and any Motor Vehicle at the Premises caused by an Insured Peril but only during a reasonable period necessary to allow for repair or replacement thereof.</p> <p>We will not pay more than £50,000 in respect of any one event.</p> <p>P. National and Local Government Regulations and Requirements Extension The insurance provided for Buildings extends to include the additional cost of reinstating the damaged parts of the Buildings incurred solely by reason of the necessity to comply with the stipulations of Building or other Regulations under or framed in pursuance of any Act of Parliament or bye-laws of any Public Authority (hereinafter referred to as "the Stipulations")</p> <p>Special Conditions applicable to this extension</p> <ol style="list-style-type: none"> 1) The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the damage or within such further time as we may allow (during the said 12 months) and may be carried out upon another site (if the Stipulations so necessitate) subject to our liability under this extension not being increased. 2) If our liability under the policy apart from this extension shall be reduced by the application of any of the terms and conditions of the policy then our liability under this extension (in respect of any such item) shall be reduced in like proportion. 3) The total amount payable under any item of the policy shall not exceed its sum insured. 4) All the terms and conditions of the policy continue to apply except where they have been varied by this extension. 	<p>P.</p> <p>(a) the cost incurred in complying with the Stipulations:</p> <ol style="list-style-type: none"> (i) in respect of damage occurring prior to the granting of this extension (ii) in respect of damage excluded or otherwise not insured by this policy (iii) under which notice has been served upon you prior to the happening of the damage (iv) for which there is an existing requirement which has to be implemented within a given period (v) in respect of any undamaged property <p>(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 the Stipulations not arisen</p> <p>(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 of the property by reason of compliance with the Stipulations</p>

What IS Insured	What IS NOT Insured
<p>Q. Fees We will pay architects', surveyors', consulting engineers' and legal fees necessarily and reasonably incurred in the reinstatement of the Insured Property following damage by an Insured Peril but not for preparing any claim.</p> <p>R. Removal of debris We will pay costs and expenses necessarily incurred by you with our consent in: (a) removing debris (b) dismantling and/or demolishing (c) shoring or propping up of any Insured Property which is damaged by any Insured Peril. The amount payable for such damage and costs incurred under (a) (b) and (c) shall not exceed, in the aggregate, the sum insured by each item.</p> <p>S. Additions or Extensions Under the Buildings item we will cover (a) alterations and additions to the Buildings but not in respect of any appreciation in value. (b) newly acquired property, so far as it is not otherwise insured. Provided that you undertake to give details of such extension of cover as soon as practicable and to effect specific insurance and pay any additional premium that is required from inception of the cover.</p>	<p>Q. The amount payable for such damage and fees shall not exceed in the aggregate the sum insured by each item, after deduction of the Excess.</p> <p>R. We will not pay for any costs or expenses (a) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site (b) arising from Pollution or Contamination of property not insured by this policy.</p> <p>S. At any one risk address this cover shall not exceed 10% of the Buildings sum insured or £500,000 whichever is less.</p>

Indemnity to Contracting Purchaser

When you have agreed to sell your interest in the **Buildings**, the buyer will have the benefit of the insurance under this section for the period from exchange of contracts to completion of the sale unless the buyer is insured under another policy.

Claims Settlement Provisions

Property

We will settle a claim for loss or damage to property on the following basis by payment or, at our option, by replacement, reinstatement or repair, subject to any relevant sum insured and/or monetary limit and/or **Excess** specified in this section or in the Schedule. If a claim is made

Claims Settlement Provisions

under more than one sub-section of Section 5 for damage arising from the same incident then only one **Excess** will apply.

(i) Buildings:

(a) If the repair or replacement is carried out, the cost necessarily incurred in repairing or replacing that part of the **Buildings** which is destroyed or damaged. A deduction will be made for any depreciation and wear and tear if:

- (i) the **Buildings** do not have walls constructed wholly of brick, stone or concrete;
- (ii) that part of the **Buildings** which is the subject of the claim is not in a good state of repair at the time of the destruction or damage.

(b) If repair or replacement is not carried out, what it would cost to settle a claim in the terms of (i)(a) above but with a deduction for any depreciation and wear and tear.

(ii) Fixed Glass: The cost (including alarm foil, lettering, painting, embossing, silvering and other ornamental work on the glass) of replacing the broken glass with glass of similar quality.

(iii) Motor Vehicles: For each and any **Motor Vehicle**, at our option, either paying the cost of repair or making a payment in settlement of not more than the market value.

For the purpose of any claim settlement repair as near as is reasonably practicable will be sufficient even though the former appearance or condition of each and any **Motor Vehicle** (and / or their accessories) may not be precisely restored.

If each and any **Motor Vehicle** is the subject of a hire purchase or leasing agreement any payment will be made to the legal owner.

We will pay the reasonable cost of removing each and any **Motor Vehicle** to the nearest repairer and returning it after repair to your address as noted in our records.

(iv) Other Property: The cost of repair or of replacement as new at cost price if an item is totally lost or destroyed. A deduction will be made for any depreciation and wear and tear:

- (a) in respect of **Other Stock**;
- (b) if that part of the property which is the subject of the claim is not maintained in good condition at the time of the loss or damage;
- (c) if repair or replacement is not carried out.

For the purpose of any claim settlement replacement, reinstatement or repair as near as is reasonably practicable will be sufficient even though the former appearance or condition of the property may not be precisely restored.

We will not be liable for the replacement of or work on any undamaged items or remaining parts solely because they form part of a set, suite, group or collection of articles of a similar nature, colour, pattern or design.

Rent

We will settle a claim for loss of **Rent** by payment on the basis of the loss of **Rent** for those parts of the **Buildings** unfit for occupation. We will not pay more than that proportion of the Sum Insured on **Rent** shown in the Schedule which the period necessary for the reinstatement of the **Buildings** bears to the period shown in the Schedule.

Section Six: Goods in Transit

This Section of the Policy is operative only if stated in the Schedule

Definition of Terms

Each of the following words and expressions is given a specific meaning which applies wherever it appears in **bold type** in this section, in the Schedule for this section or in any Endorsement to this section.

Employee(s): means any person working for you in connection with the **Business** who is

- (i) under a contract of service or apprenticeship with you;
- (ii) a labour master, a labour-only sub-contractor or a person supplied by either of them;
- (iii) self-employed;
- (iv) working under a recognised work experience or training scheme;
- (v) a voluntary helper;
- (vi) borrowed by or hired to you; or
- (vii) a director of the **Business**.

Excess: means the amount you must pay towards any claim.

Insured Property: means the property described in the Schedule belonging to you or for which you are legally responsible.

In Transit: means whilst being loaded on to or unloaded from a **Motor Vehicle**, whilst on the **Motor Vehicle** until unloaded at the final destination and whilst temporarily housed for up to 48 hours when in course of transit.

Motor Vehicle: means any mechanically propelled land vehicle or agricultural implement or trailer.

Cover

What IS Insured	What IS NOT Insured
<p>A. Insured Property – Loss or Damage</p> <p>1) Loss of or damage to:</p> <ul style="list-style-type: none">(i) Insured Property whilst In Transit;(ii) sacks, sheets, ropes, chains, tarpaulins, containers and packing materials belonging to you and in use on the Motor Vehicle up to a total of £500 in respect of any one event. <p>2) Reasonable costs and expenses necessarily incurred in:</p> <ul style="list-style-type: none">(i) unloading and reloading Insured Property on to another Motor Vehicle for delivery to the original destination or to the place of collection;	<p>A.</p> <ul style="list-style-type: none">(a) The Excess shown in the Schedule.(b) loss of money.(c) loss or damage caused by:<ul style="list-style-type: none">(i) atmospheric or climatic conditions (unless the property was properly protected at the time of loss or damage), the action of light or any gradually operating cause, fungus, insects, vermin, wear and tear, defective packing, the use of hooks, leakage or spillage from containers (unless caused by an accident to the Motor Vehicle) or theft in which an Employee is concerned.

What IS Insured	What IS NOT Insured
<p>(ii) removal of debris and site clearance or dismantling or breaking up of Insured Property;</p> <p>arising from loss or damage for which insurance is provided under this section, up to a total of £1,000 in respect of any one event.</p> <p>3) Loss of or damage to personal effects belonging to you or to an Employee, whilst in or on the Motor Vehicle up to a total of £500 in respect of any one event.</p> <p>Our total payment under all parts of this section will not exceed the Sum Insured shown in the schedule in respect of any one event.</p>	<p>(ii) the carriage of explosives, acids or other hazardous property</p> <p>(iii) scratching, bruising or denting of furniture or breakage of clocks, glass, china, crockery, statuary, marble, plasterwork or other brittle articles unless caused by fire, lightning, explosion or an accident to the Motor Vehicle.</p> <p>(d) loss or damage resulting from confiscation or destruction by Government or local authority order.</p> <p>(e) consequential loss of any kind.</p> <p>(f) loss of or damage to precious stones, bullion, cash, bank notes, deeds, bonds, bills of exchange or other documents representing money.</p> <p>(g) loss of or damage to property carried in a refrigerated, freezer-chilled or insulated condition resulting from a variation in temperature unless caused by an accident to the Motor Vehicle.</p> <p>(h) loss of or damage to:</p> <p>(i) wines and spirits, clothing, furs, jewellery, gold or silver articles, tobacco, cigars, cigarettes, watches, scientific instruments, instruments, electronic calculators, radios, televisions, audio and video equipment, domestic electrical equipment, pictures or non-ferrous metals</p> <p>(ii) livestock unless specifically included in the Schedule.</p> <p>(i) loss or damage resulting from riot or civil commotion outside Great Britain, the Isle of Man and the Channel Islands.</p>

Claims Settlement Provisions

Subject to any relevant Sum Insured and/or monetary limit and/or **Excess** specified in this section or in the Schedule we will settle a claim for loss of or damage to property by payment or, at our option, by replacement, reinstatement or repair on the basis of the cost of repair or replacement as new if an item is totally lost or destroyed less an allowance for any depreciation and wear and tear. We will not pay more than the limit contained in any specific conditions of carriage.

Section Seven: Money

This Section of the Policy is operative only if stated in the Schedule

Definition of Terms

Each of the following words and expressions is given a specific meaning which applies wherever it appears in **bold type** in this section, in the Schedule for this section or in any Endorsement to this section.

Buildings: means the main structure(s) at the Risk Address(es) stated in the schedule including

- (i) wind turbines and solar panels where attached to the main structure(s);
- (ii) outbuildings;
- (iii) walls, gates and fences;
- (iv) landlord's fixtures and fittings;
- (v) car parks, yards, paved areas, roads, drives, pavements, footpaths, fixed signs, cess pits and septic tanks but excluding bridges unless specifically mentioned in schedule;
- (vi) underground pipes, cables and wires;
- (vii) telecommunication, television and radio aerials, satellite dishes, aerial fittings and masts;
- (viii) fixed video, audio and building management and security systems and equipment;
- (ix) all fixed glass including shop fronts;
- (x) fixed signs and sanitary fixtures provided they are within the boundaries of the land for which you are responsible.

Business: means the Business specified in the Schedule.

Business Hours: means the period during which you or your directors, partners or **Employees** are in or on the **Premises** in connection with the **Business**.

Employee(s): means any person working for you in connection with the **Business** who is

- (i) under a contract of service or apprenticeship with you;
- (ii) a labour master, a labour-only sub-contractor or a person supplied by either of them;
- (iii) self-employed;
- (iv) working under a recognised work experience or training scheme;
- (v) a voluntary helper;
- (vi) borrowed by or hired to you; or
- (vii) a director of the **Business**.

Excess: means the amount you must pay towards any claim.

Money: means cash, bank notes, cheques, girocheques, postal orders, current postage stamps, National Insurance Stamps, holidays-with-pay stamps, trading stamps, National Savings Certificates and stamps, premium bonds, luncheon vouchers, gift tokens, consumer redemption vouchers, credit card sales vouchers and VAT purchase invoices, owned by you or for which you are legally responsible in connection with the **Business**.

Premises: means the **Buildings** and the land inside the boundaries at the Risk Address(es) stated in the schedule.

What IS Insured	What IS NOT Insured
<p>A. Loss of Non-negotiable Money Loss of crossed cheques, crossed girocheques, crossed postal orders, stamped National Insurance cards, National Savings certificates, premium bonds, credit card sales vouchers and VAT purchase invoices, owned by you or for which you are legally responsible in connection with the Business. We will not pay more than £100,000 in respect of any one event.</p> <p>B. Loss of Other Money Loss of Money:</p> <ol style="list-style-type: none"> 1) in the Premises during Business Hours - We will not pay more than: <ol style="list-style-type: none"> (a) £500 for loss from any room left unattended and unlocked unless the Money is contained in a locked cupboard, drawer, safe or strongroom and the key is removed from the room; (b) £5,000 in all; in respect of any one event. 2) in the Premises outside of Business Hours - We will not pay more than: <ol style="list-style-type: none"> (a) £2,500 in all for loss from locked safes or strongrooms; (b) £500 for any other loss; in respect of any one event 3) in transit or in a bank night safe -. We will not pay more than £5,000 in respect of any one event. 	<p>A.</p> <ol style="list-style-type: none"> (a) The Excess shown in the Schedule. (b) Loss resulting from a business transaction. (c) Consequential loss, shortage due to errors or omissions, or depreciation in value. (d) Loss arising from the fraud or dishonesty of your directors, partners or Employees or any member of your household. (e) Loss following the use of a combination code, key or duplicate key unless the combination code, key or duplicate key was obtained by violence or threat of violence to its authorised holder or to a member of the holder's family. (f) Loss from an unattended vehicle. <p>B.</p> <ol style="list-style-type: none"> (a) The Excess shown in the Schedule. (b) Loss resulting from a Business transaction. (c) Consequential loss, shortage due to errors or omissions, or depreciation in value. (d) Loss arising from the fraud or dishonesty of your directors, partners or Employees or any member of your household. (e) Loss following the use of a combination code, key or duplicate key unless the combination code, key or duplicate key was obtained by violence or threat of violence to its authorised holder or to a member of the holder's family. (f) Loss from an unattended vehicle.

What IS Insured	What IS NOT Insured
<p>4) in your own home or in the home of a director, partner or authorised Employee of your Business -</p> <p>We will not pay more than £500 in respect of any one event.</p> <p>C. Fraud and Dishonesty: Employees</p> <p>1) Loss of Money or goods owned by you or for which you are legally responsible in connection with the Business, directly caused by an act of fraud or dishonesty by an Employee, or number of Employees acting in collusion, and committed in the course of the Employee's employment by you during the uninterrupted currency of this section.</p> <p>We will not pay more than £500 for each Employee or £2,500 in all, in respect of all losses discovered in any one Period of Insurance (including any periods allowed for discovery after the termination of this section).</p> <p>2) Reasonable charges payable by you to your professional accountants for producing and certifying the exact amount of loss in connection with a claim under this sub-section.</p> <p>D. Personal Accident: Assault</p> <p>Benefit, as set out below -</p> <p>If you or any of your directors, partners or Employees, in the course of the Business, suffer accidental bodily injury as a direct result of assault with intent to steal Money we will pay to the injured person:</p> <p>(i) £5,000 if the injury is, within 12 months of its occurrence, the sole cause of</p> <ul style="list-style-type: none"> (a) death, or (b) complete and permanent loss of the sight of an eye, or (c) complete and permanent loss of the use of a hand or foot, or (d) permanent total disablement from attending to Business or occupation of any kind. 	<p>C.</p> <ul style="list-style-type: none"> (a) The Excess shown in the Schedule. (b) Loss arising from any act of fraud or dishonesty by an Employee, committed subsequent to the discovery or suspicion of an act of fraud or dishonesty by the same Employee which is the subject of a claim under this sub-section. (c) Loss discovered more than 18 months after the ending of the Employee's employment or of the termination of this section, whichever occurs first.

What IS Insured	What IS NOT Insured
<p>If the person is under 16 years of age at the time of death we will pay £500 only.</p> <p>(ii) £25 per week for a period of up to 104 weeks from the date of injury during which that injury alone causes temporary total disablement from attending to the person's usual Business or occupation.</p> <p>We will not pay this benefit in respect of any person who is under 16 years of age at the time of the injury.</p> <p>We will not pay more than £5,000 for each person in respect of all injuries arising out of any one accident.</p> <p>We will also pay</p> <p>(iii) up to a total of £250 for related medical expenses which are reasonably and necessarily incurred by the injured person.</p> <p>(iv) £10 for each 24 hours in hospital, up to a total of £250, if the injury results in the injured person's admission to hospital as an in-patient.</p> <p>E. Clothing and Personal Effects: Assault Loss of or damage to clothing and personal effects (including security bags, boxes and waistcoats) belonging to you or your directors, partners or authorised Employees, as a direct result of assault, in the course of the Business, with intent to steal Money.</p> <p>We will not pay more than £500 for each person in respect of any one event.</p>	

Claims Settlement Provisions

Money and Other Property

We will settle a claim for loss or damage to property on the following basis by payment or, at our option, by replacement, reinstatement or repair, subject to any relevant sum insured and/or monetary limit and/or **Excess** specified in this section or in the Schedule:

- (i) **Money:** Payment of the amount of money lost.

Claims Settlement Provisions

- (ii) Other Property: The cost of repair or of replacement as new at cost price if an item is totally lost or destroyed less a deduction for any depreciation and wear and tear

For the purpose of any claim settlement replacement, reinstatement or repair as near as is reasonably practicable will be sufficient even though the former appearance or condition of the property may not be precisely restored.

Personal Accident: Assault

We will settle a claim for Benefit by payment of the relevant amounts specified in this section.

We will pay weekly Benefit only when the total amount payable for the claim has been agreed.

Section Eight: Business Interruption – Loss of Gross Profit

This Section of the Policy is operative only if stated in the Schedule

Definition of Terms

Each of the following words and expressions is given a specific meaning which applies wherever it appears in **bold type** in this section, in the Schedule for this section or in any Endorsements to this section.

Annual Turnover: means the **Turnover** during the 12 months immediately before the date of the loss or damage.

Buildings: means the principal building and its outbuildings, including landlord's fixtures and fittings therein and walls, gates and fences, at the Risk Address specified in the Schedule.

Business: means the Business specified in the Schedule.

Customers: means those companies, organisations or individuals, with whom at the time of the damage you have contracts or trading relationships to supply goods or services.

Estimated Gross Profit: means your estimate of the Gross Profit which your **Business** will earn during the period of insurance (proportionately increased where the Maximum Indemnity Period is more than 12 months).

Gross Profit: means the **Turnover** less **Uninsured Working Expenses**.

Indemnity Period: means the period, beginning with the occurrence of the loss or damage and extending no longer than the maximum indemnity period shown in the Schedule, during which the results of the **Business** at the **Premises** are affected because of the loss or damage.

Insured Peril: means any peril for which, at the time of the loss or damage, there is in force insurance under Section Five of this Policy.

Neighbouring Property: means property in the vicinity of the **Premises**, the loss of or damage to which will prevent or hinder the use of or access to the **Premises**.

Premises: means those parts of the **Buildings** occupied by you in connection with the **Business**.

Property at the Premises: means property used by you at the **Premises** for the purpose of the **Business**.

Rate of Gross Profit: means the rate of **Gross Profit** earned on the **Turnover** during the financial year immediately before the date of the loss or damage.

Standard Turnover: means the **Turnover** during that period in the 12 months immediately before the date of the loss or damage which corresponds with the **Indemnity Period**, appropriately adjusted where the **Indemnity Period** exceeds 12 months.

Turnover: means the money paid or payable to you for goods sold and delivered and for services rendered in the course of the **Business** at the **Premises**, exclusive of Value Added Tax to the extent that you are accountable for it to the tax authorities.

Uninsured Working Expenses: means, unless otherwise amended by policy endorsement,:

- (1) Purchases net of discounts received
- (2) Bad debts
- (3) Packaging, carriage and freight
- (4) Discounts allowed

For the purposes of this definition the terms used will have the meaning usually attached to them in your books and accounts.

What IS Insured	What IS NOT Insured
<p>A. Loss of Gross Profit</p> <p>1) Loss of Gross Profit resulting from the Business at the Premises being interrupted or interfered with in consequence of loss or damage, caused by an Insured Peril, of or to:</p> <ul style="list-style-type: none"> (i) Property at the Premises, provided that payment has been made or liability admitted for the loss or damage under Section Five of this Policy. (ii) Neighbouring Property (whether the Premises or their contents are damaged or not), provided that liability would have been admitted for the loss or damage under Section Five of this Policy had the loss or damage occurred to Property at the Premises. <p>2) Reasonable charges payable by you to your professional accountants for producing and certifying the exact amount of loss in connection with a claim under this section.</p> <p>We will not pay more than 133.33% of the Estimated Gross Profit shown in the Schedule in respect of any one event.</p> <p>B. Public Utilities Extension</p> <p>This section is extended to cover loss of Gross Profit resulting from interruption of or interference with the Business as a result of the following:</p> <p>Damage caused by an Insured Peril at any</p> <ul style="list-style-type: none"> a) Generating station or sub-station of your electricity supplier; b) Land-based premises of your gas supplier or any directly linked natural gas producer; c) Water works or pumping station of your water supplier; d) Land-based premises of your telecommunications service provider. <p>We will not pay more than £250,000 in respect of any one event.</p>	<p>A.</p> <p>Loss resulting from:</p> <ul style="list-style-type: none"> (a) pollution or contamination other than loss resulting from loss of or damage to Property at the Premises or Neighbouring Property (not otherwise excluded), caused by: <ul style="list-style-type: none"> (i) pollution or contamination which itself results from an Insured Peril; (ii) an Insured Peril which itself results from pollution or contamination. (b) loss of or damage to the property of any supply undertaking from which you obtain electricity, gas, telecommunications or water services, which prevents or hinders the supply of such services to the Premises. (c) any human, contagious, or communicable disease. This includes the fear or threat of such disease or steps taken to control or prevent the spread or transmission of such actual, feared or threatened disease.

What IS Insured	What IS NOT Insured
<p>C. Suppliers Extension This section is extended to cover loss of Gross Profit resulting from interruption of or interference with the Business as a result of damage caused by an Insured Peril at any of your Suppliers premises.</p> <p>We will not pay more than £150,000 in respect of any one event.</p> <p>For purposes of this extension Suppliers means suppliers to you of goods, materials or services other than electricity, gas, water or telecommunications services.</p> <p>D. Customers Extension This section is extended to cover loss of Gross Profit resulting from interruption of or interference with the Business as a result of the following:</p> <p>Damage caused by an Insured Peril at any of your existing and direct customer's premises situated within the geographical limits of England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man.</p> <p>We will not pay more than £250,000 in respect of any one event.</p> <p>E. Book Debts Extension This section is extended to cover loss in respect of the Policyholder's books of account or other Business books or records at the Premises should there be loss covered under Section Five of this Policy and the Policyholder is as a result unable to trace or establish the outstanding debit balances in whole or in part due to them then we will pay:</p> <ol style="list-style-type: none"> 1) the difference between: <ol style="list-style-type: none"> (a) the outstanding debit balances, and (b) the total of the amount received or traced in respect thereof; 2) the additional expenditure incurred with our prior consent in tracing and establishing the outstanding debit balances; <p>but not exceeding the limit of liability provided herein which unless amended by endorsement to this policy shall be £25,000.</p>	

What IS Insured	What IS NOT Insured
<p>Outstanding debit balances shall be adjusted for:</p> <ol style="list-style-type: none"> 1) bad debts, 2) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of loss) to customers' accounts in the period between the date to which the last statement relates and the date of the loss, and 3) any abnormal condition of trade which had or could have had a material effect on the Business <p>so that the figure thus adjusted shall represent as nearly as reasonably practicable that which would have been obtained at the date of the loss had the loss not occurred.</p> <p>Special Conditions applying to this extension -</p> <ol style="list-style-type: none"> 1) Fire Resisting Safes If there are fire-resisting safes or cabinets in the Premises the Policyholder's books or records used for the Business in which outstanding debit balances are shown must be kept in such safes or cabinets when not in use. 2) Record Of Outstanding Debit Balances The Policyholder must calculate the total of outstanding debit balances every month and keep a record of each month's total (including back-up copies of computer data) in a place other than at the Premises. <p>F. Bomb Scares, Murder and Suicide Extension</p> <p>This sub-section is extended to cover loss of Gross Profit resulting from interruption of or interference with the Business as a result of the following:</p> <ol style="list-style-type: none"> (1) A bomb scare or bomb in or near the Premises which prevents or reduces access to the Premises for more than four hours (2) A murder or suicide at the Premises. <p>We will not pay more than £50,000 in respect of any one event.</p>	

Cessation of Interest

This section, Section Eight: Business Interruption – Loss of Gross Profit, will be made void immediately if:

(a) the **Business** is wound up, carried on by a liquidator or receiver, or permanently discontinued,

or

(b) your interest ceases other than by death,

unless we give our written consent to the contrary.

Claims Settlement Provisions

We will settle a claim for loss of **Gross Profit** by payment on the basis of reduction in **Turnover** and increase in cost of working, subject to any relevant monetary limit specified in this section. We will pay:

- (i) in respect of reduction in **Turnover**, the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** falls short of the **Standard Turnover** because of the loss or damage;
- (ii) in respect of increase in cost of working, reasonable and necessary additional expenditure incurred for the sole purpose of avoiding or diminishing the reduction in **Turnover** which otherwise would have taken place because of the loss or damage, up to the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction so avoided;

less any sum saved during the **Indemnity Period** in respect of those charges and expenses of the **Business** payable out of **Gross Profit** which cease or are reduced because of the loss or damage.

If during the **Indemnity Period** goods or services are supplied elsewhere than at the **Premises** for the benefit of the **Business** either by you or by others on your behalf the money paid or payable for them will be brought into account in arriving at the **Turnover** during the **Indemnity Period**.

If the Sum Insured shown in the Schedule is less than the sum produced by applying the **Rate of Gross Profit** to the **Annual Turnover**, appropriately adjusted where the **Indemnity Period** exceeds 12 months, you will be considered to be your own insurer for the difference and will bear a rateable proportion of the claim.

Annual Turnover, **Rate of Gross Profit** and **Standard Turnover** will be adjusted as may be necessary to provide for variations in or other circumstances affecting the **Business** so that the adjusted figures represent as far as possible the results which but for the loss or damage would have been obtained during the **Indemnity Period**.

Section Nine: Business Interruption – Additional Cost of Working

This Section of the Policy is operative only if stated in the Schedule

Definition of Terms

Each of the following words and expressions is given a specific meaning which applies wherever it appears in **bold type** in this section, in the Schedule for this section or in any Endorsements to this section.

Buildings: means the principal building and its outbuildings, including landlord's fixtures and fittings therein and walls, gates and fences, at the Risk Address specified in the Schedule.

Business: means the Business specified in the Schedule.

Indemnity Period: means the period beginning with the occurrence of the loss or damage and ending when the results of the **Business** at the **Premises** cease to be affected by the loss or damage but not exceeding a maximum period of 12 months.

Insured Peril: means any peril for which, at the time of the loss or damage, there is in force insurance under Section Five of this Policy.

Neighbouring Property: means property in the vicinity of the **Premises**, the loss of or damage to which will prevent or hinder the use of or access to the **Premises**.

Premises: means those parts of the **Buildings** occupied by you in connection with the **Business**.

Property at the Premises: means property used by you at the **Premises** for the purpose of the **Business**.

Cover

What IS Insured	What IS NOT Insured
<p>A. Additional Cost of Working Additional cost of working resulting from the Business at the Premises being interrupted or interfered with in consequence of loss or damage, caused by an Insured Peril, of or to:</p> <p>(i) Property at the Premises, provided that payment has been made or liability admitted for the loss or damage under Section Five of this Policy.</p> <p>(ii) Neighbouring Property (whether the Premises or their contents are damaged</p>	<p>A. Loss resulting from:</p> <p>(a) pollution or contamination other than loss resulting from loss of or damage to Property at the Premises or Neighbouring Property (not otherwise excluded), caused by:</p> <p>(i) pollution or contamination which itself results from an Insured Peril;</p> <p>(ii) an Insured Peril which itself results from pollution or contamination.</p>

What IS Insured	What IS NOT Insured
<p>or not), provided that liability would have been admitted for the loss or damage under Section Five of this Policy had the loss or damage occurred to Property at the Premises.</p> <p>We will not pay more than the Sum Insured shown in the Schedule in respect of any one Indemnity Period or in total for any one period of insurance.</p>	<p>(b) loss of or damage to the property of any supply undertaking from which you obtain electricity, gas, telecommunications or water services, which prevents or hinders the supply of such services to the Premises.</p>

Cessation of Interest

This section, Section Nine: Business Interruption - Additional Cost of Working, will be made void immediately if:

- (a) the **Business** is wound up, carried on by a liquidator or receiver, or permanently discontinued, or
 - (b) your interest ceases other than by death,
- unless we give our written consent to the contrary.

Claims Settlement Provisions

Subject to any relevant monetary limit specified in the schedule we will settle a claim for Additional Cost of Working by payment of the reasonable and necessary additional expenditure incurred with our prior written consent for the sole purpose of maintaining the **Business** during the **Indemnity Period**.

Section Ten: Commercial Legal Expenses

This Section of the Policy is operative only if stated in the Schedule

This section is administered by ARAG plc on behalf of the Insurer SCOR UK Company Limited.

ARAG plc is registered in England number 02585818. Registered address 9 Whiteladies Road, Clifton, Bristol BS8 1NN. ARAG plc is authorised and regulated by the Financial Conduct Authority firm registration number 452369.

SCOR is registered in England and Wales number 01334736. Registered office address 10 Lime Street, London, EC3M 7AA. SCOR is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority firm registration number 202333.

Definition of Terms – Applicable to Section Ten: Commercial Legal Expenses

Each time any of the following words or phrases appear in **bold** type they will take the meaning shown below.

Where words or phrases are not highlighted in this manner the everyday meaning will apply.

Appointed Advisor means the

- (a) solicitor, accountant or other advisor (who is not a mediator), appointed by **Us** to act on behalf of the **Insured**
- (b) mediator appointed by **Us** to provide impartial dispute resolution in relation to a claim accepted by **Us**.

Business means the occupation, trade, profession or enterprise carried out by the entity shown in the Schedule.

Collective Conditional Fee Agreement means a legally enforceable agreement entered into on a common basis between the **Appointed Advisor** and **Us** for paying their professional fees on the basis of either:

- i) 100% “no-win, no-fee” or
- ii) where discounted, that a discounted fee is payable.

Conditional Fee Agreement means a legally enforceable agreement between **You** and the **Appointed Advisor** for paying their professional fees on the basis of either:

- i) 100% “no-win no-fee” or
- ii) where discounted, that a discounted fee is payable.

Employee means a worker who has or alleges they have entered into a contract of service with **You**.

Geographical Limit means

- 1) For INSURED EVENT 6). Legal defence the United Kingdom, Channel Islands, Isle of Man, Norway, Switzerland and countries in the European Union.
- 2) For all other covers the United Kingdom, Channel Islands and the Isle of Man.

Insured means

- (a) **You**, **Your** directors, partners, managers, officers and **Employees** of **Your Business**;
- (b) a person declared to **Us**, who is contracted to perform work for **You**, who in all other respects **You** have arranged to insure on the same basis as **Your Employees** and who performs work under **Your** supervision.

Definition of Terms – Applicable to Section Ten: Commercial Legal Expenses

Insurer means SCOR UK Company Limited.

Legal Costs and Expenses means

- (a) reasonable legal costs and disbursements reasonably and proportionately incurred by the **Appointed Advisor** on the standard basis and agreed in advance by **Us**. The term “standard basis” can be found within the Courts’ Civil Procedure Rules Part 44.2
- (b) in civil claims, other side’s costs, fees and disbursements where the **Insured** has been ordered to pay them or pays them with **Our** agreement
- (c) reasonable accountancy fees reasonably incurred under INSURED EVENT 4) Tax Disputes by the **Appointed Advisor** and agreed by **Us** in advance
- (d) Health and Safety Executive Fees for Intervention
- (e) **Your Employee’s** basic wages or salary under INSURED EVENT 9) Loss of Earnings in the course of their employment with **You** while attending court or tribunal at the request of the **Appointed Advisor** or whilst on jury service where lost wages or salary cannot be claimed back from the court or tribunal
- (f) The reasonable cost of phone calls, postage (including special delivery), image scanning, photocopying or credit reports incurred under INSURED EVENT 11) (c) where the **Insured** has taken advice from Our Executive suite - identity theft resolution helpline
- (g) the professional fees and expenses of an **Appointed Advisor** selected by **Us** to reduce adverse or negative publicity or media attention directed towards **You** under INSURED EVENT 11) (e) Executive suite and INSURED EVENT 12) Crisis Communication.

Reasonable Prospects of Success means

- (a) other than as set out in (b) and (c) below, a greater than 50% chance of the **Insured** successfully pursuing or defending the claim and, if the **Insured** is seeking damages or compensation, a greater than 50% chance of enforcing any judgment that might be obtained
- (b) in criminal prosecution claims where the **Insured**
 - (i) pleads guilty, a greater than 50% chance of reducing any sentence or fine, or
 - (ii) pleads not guilty, a greater than 50% chance of that plea being accepted by the court
- (c) in all claims involving an appeal, a greater than 50% chance of the **Insured** being successful.

Where it has been determined that **Reasonable Prospects of Success** do not exist, the **Insured** shall be liable to pay any legal costs incurred should they pursue or defend their claim irrespective of the outcome.

We/Us/Our means ARAG plc who is authorised under a binding authority agreement to administer this insurance on behalf of the **Insurer**.

You/Your means the individual, partnership or corporate body named in the Schedule, including any subsidiary and/or associated companies declared to **Us**.

Cover – Applicable to Section Ten: Commercial Legal Expenses

Following an INSURED EVENT the **Insurer** will pay **Legal Costs and Expenses** including the cost of appeals (and compensation awards under INSURED EVENT 2) Employment Compensation Awards) up to

- (a) £100,000 for all claims related by time or originating cause
- (b) an aggregate limit of £1,000,000 for compensation awards under INSURED EVENT 2) Employment Compensation Awards

subject to all of the following requirements being met:

Cover – Applicable to Section Ten: Commercial Legal Expenses

1. the INSURED EVENT arises in connection with the **Business** shown in the Schedule and occurs within the **Geographical Limit**;
2. the claim
 - always has **Reasonable Prospects of Success**;
 - is reported to **Us**
 - during the Period of Insurance,
 - as soon as the **Insured** first becomes aware of circumstances which could give rise to a claim
3. unless there is a conflict of interest, the **Insured** always agrees to use the **Appointed Advisor** chosen by **Us** in any claim
 - to be heard by the Employment Tribunal and/or
 - before proceedings have been or need to be issued
4. any dispute will be dealt with through mediation or by a court, tribunal, Advisory Conciliation and Arbitration Service or a relevant regulatory or licensing body within the **Geographical Limit**.

A claim is considered to be reported to **Us** when **We** have received the **Insured's** fully completed claim form.

This section of the policy will pay any otherwise covered claim involving the use of or inability to use a computer, including devices such as smart phones, tablets and wearable technology. This cover is subject to all other policy terms.

INSURED EVENTS COVERED

What IS Insured	What IS NOT Insured
<p>1) Employment A dispute between You and Your Employee, ex-Employee, or a prospective Employee, arising from a breach or an alleged breach of their</p> <p>(a) contract of service with You and/or</p> <p>(b) related legal rights.</p> <p>You can claim under this section as soon as internal procedures as set out in the</p> <p>(i) ACAS Code of Practice for Disciplinary and Grievance Procedures, or</p> <p>(ii) Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland</p> <p>have been or ought to have been concluded.</p> <p>2) Employment Compensation Awards Following a claim We have accepted under INSURED EVENT 1) Employment, the Insurer will pay any</p>	<p>Any claim arising from or relating to:</p> <p>(a) the pursuit of an action by You other than an appeal against the decision of a court or tribunal;</p> <p>(b) actual or alleged redundancy that is notified to Employees within 180 days of the start of this policy, except where You have had equivalent cover in force up until the start of this policy;</p> <p>(c) costs You incur to prepare for an internal disciplinary hearing, grievance or appeal.</p> <p>(d) a pension scheme where actions are brought by 10 or more Employees or ex-Employees.</p> <p>(a) Money due to an Employee under a contract or a statutory provision relating thereto;</p>

What IS Insured	What IS NOT Insured
<p>(a) basic and compensatory award or</p> <p>(b) an amount agreed by Us in settlement of a dispute.</p> <p>Provided that compensation is:</p> <p>(i) agreed through mediation or conciliation or under a settlement approved by Us in advance or</p> <p>(ii) awarded by a tribunal judgement after full argument unless given by default.</p> <p>3) Employment Restrictive Covenants</p> <p>(a) A dispute with Your Employee or ex-Employee which arises from their breach of a restrictive covenant where You are seeking financial remedy or damages.</p> <p>Provided that the restrictive covenant</p> <p>(i) is designed to protect Your legitimate Business interests for a period not exceeding 12 months, and</p> <p>(ii) is evidenced in writing and signed by Your Employee or ex-Employee, and</p> <p>(iii) extends no further than is reasonably necessary to protect the Business interests.</p> <p>(b) A dispute with another party who alleges that You have breached their legal rights protected by a restrictive covenant.</p> <p>4) Tax Disputes</p> <p>(a) A formally notified enquiry into Your Business tax.</p> <p>(b) A dispute about Your compliance with HMRC regulations relating to your employees, workers or payments to contractors.</p> <p>(c) A dispute with HMRC about Value Added Tax.</p> <p>Provided that</p> <p>(i) You keep proper records in accordance with legal requirements</p> <p>and</p> <p>(ii) in respect of any appealable matter You have requested an Internal Review from HMRC where available.</p>	<p>(b) compensation awards or settlement relating to</p> <p>(i) trade union membership, industrial or labour arbitration or collective bargaining agreements</p> <p>(ii) civil claims or statutory rights relating to trustees of occupational pension schemes.</p> <p>Any claim arising from or relating to:</p> <p>(a) tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty or which contain careless or deliberate misstatements or omissions;</p> <p>(b) an investigation by the Fraud Investigation Service of HMRC;</p> <p>(c) circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to Your financial arrangements;</p> <p>(d) any enquiry that concerns assets, monies or wealth outside of Great Britain and Northern Ireland;</p> <p>(e) Your failure to register for VAT.</p>

What IS Insured	What IS NOT Insured
<p>5) Property A dispute relating to material property which You own or is Your responsibility</p> <ul style="list-style-type: none"> (a) following an event which causes physical damage to Your material property; (b) following a public or private nuisance or trespass; (c) which You wish to recover or repossess from an Employee or ex-Employee. <p>6) Legal Defence</p> <ul style="list-style-type: none"> (a) A criminal investigation and/or enquiry by <ul style="list-style-type: none"> (i) the police, (ii) other body with the power to prosecute (including Health & Safety Executive, Department for the Environment Food & Rural Affairs or the Environment Agency) where it is suspected that an offence may have been committed that could lead to the Insured being prosecuted. (b) The charge for an offence or alleged offence which leads to the Insured being prosecuted in a court of criminal jurisdiction. <p>7) Compliance and Regulation</p> <ul style="list-style-type: none"> (a) Receipt of a Statutory Notice that imposes terms against which You wish to appeal. (b) Notice of a formal investigation or disciplinary hearing by any regulatory body. (c) A civil action alleging wrongful arrest arising from an allegation of theft. (d) A claim against You for compensation under the Data Protection Act 2018 provided that <ul style="list-style-type: none"> (i) You are registered with the Information Commissioner (ii) You are able to evidence that you have in place a process to <ul style="list-style-type: none"> - investigate complaints from data subjects regarding a breach of their privacy rights - offer suitable redress where a breach has occurred and that Your complaints process has been fully engaged. 	<p>Any claim arising from or relating to:</p> <ul style="list-style-type: none"> (i) a contract between You and a third party except for a claim under 5) (c); (ii) goods lent or hired out; (iii) the compulsory purchase, demolition, restrictions, controls or permissions placed on land or property by any government, local or public authority. <p>Any claim relating to a parking offence.</p> <p>Any claim arising from or relating to:</p> <ul style="list-style-type: none"> (a) the pursuit of an action by You other than an appeal; (b) a routine inspection by a regulatory authority; (c) an enquiry, investigation or enforcement action by HMRC; (d) a claim brought against Your Business where unlawful discrimination has been alleged.

What IS Insured	What IS NOT Insured
<p>(e) A civil action alleging that an Insured (or an ex-Employee provided that they have Your agreement to claim under this policy) has:</p> <ul style="list-style-type: none"> (i) committed an act of unlawful discrimination; or (ii) failed to correctly exercise their fiduciary duty as a trustee of a pension fund set up for the benefit of Your Employees. <p>8) Statutory Licence Appeals An appeal against a formal written proposal by the relevant authority to alter, suspend, revoke or refuse to renew a licence or compulsory registration required to run Your Business.</p> <p>9) Loss of Earnings The Insured's absence from work to attend court, tribunal, arbitration, regulatory proceedings or a professional body's disciplinary hearing at the request of the Appointed Advisor or whilst on jury service which results in loss of earnings.</p> <p>10) Personal Injury An event that causes bodily injury to, or the death of, an Insured.</p> <p>11) Executive Suite This event applies only to the principal, executive officers, directors and partners of Your Business.</p> <ul style="list-style-type: none"> (a) An HMRC enquiry into the executive's personal tax affairs. (b) A motoring prosecution that arises from driving for personal, social or domestic use, including commuting to or from Your Business. (c) A claim that arises from personal identity theft provided that the person claiming has sought and followed advice from the Executive suite - identity theft resolution helpline. (d) A dispute that arises from the terms of Your Business partnership agreement that is to be referred to mediation. (e) Crisis communication as described in INSURED EVENT 12) below shall be available to the principal, executive officers, directors and partners of the Business for matters occurring in their private and personal capacity that cause significant adverse publicity or reputational damage. 	<p>Any sum which can be recovered from the court.</p> <p>Any claim arising from or relating to a condition, illness or disease which develops gradually.</p> <ul style="list-style-type: none"> (a) Any claim arising from or relating to: <ul style="list-style-type: none"> (i) tax returns which are submitted late or for any other reason, result in HMRC imposing a penalty or which contain careless and/or deliberate misstatements or omissions (ii) an investigation by the Fraud Investigation Service of HMRC (iii) circumstances where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the executive's financial arrangements (iv) any enquiry that concerns assets, monies or wealth outside of the United Kingdom (v) a parking offence (vi) costs incurred in excess of £25,000 for a claim under 11) (d) and 11) (e). (b) Crisis communication for a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast.

What IS Insured	What IS NOT Insured
<p>12) Crisis Communication Following an event which causes Your Business significant adverse publicity or reputational damage which is likely to have a widespread financial impact on Your Business, We will</p> <ul style="list-style-type: none"> (a) liaise with You and Your solicitor (whether the solicitor is an Appointed Advisor under this policy, or acts on Your behalf under any other policy), to draft a media statement or press release, and/or b) prepare communication for Your customers/staff and/or a telephone or website script and/or or social media messaging c) arrange, support and represent an Insured at an event which media will be reporting d) support the Insured by taking phone calls/email messages and managing interaction with media outlets e) support and prepare the Insured for media interviews <p>provided that You have sought and followed advice from Our Crisis Communication helpline.</p>	<p>Any claim arising from or relating to:</p> <ul style="list-style-type: none"> (a) matters that should be dealt with through Your normal complaints procedures (b) a matter that has not actually resulted in adverse publicity appearing online, in print or broadcast (c) costs incurred in excess of £25,000.

Optional Extension - Contract and Debt Recovery

This extension of the policy is operative only if stated in the schedule

What IS Insured	What IS NOT Insured
<p>This insurance extends to include cover for a breach or alleged breach of an agreement or alleged agreement which has been entered into by You or on Your behalf relating to the purchase, hire, hire purchase, lease, servicing, maintenance, testing, sale or provision of goods or services provided that if You are claiming for an undisputed debt You have exhausted Your normal credit control procedures. Cover is only provided within the United Kingdom, Channel Islands, Isle of Man, Norway, Switzerland, and countries in the European Union.</p>	<p>We will not cover any claim arising from or relating to</p> <ul style="list-style-type: none"> (a) an amount which is less than £200 (b) a dispute with a tenant or leasee where You are the landlord or lessor (c) the sale or purchase of land or buildings (d) loans, mortgages, endowments, pensions or any other financial product (e) computer hardware, software, internet services or systems which <ul style="list-style-type: none"> (i) have been supplied by You or (ii) have been tailored to Your requirements (f) a breach or alleged breach of a professional duty by an Insured (g) the settlement payable under an insurance policy (h) a dispute relating to an Employee or ex-Employee

What IS Insured	What IS NOT Insured
	(i) adjudication or arbitration.

Exclusions – Applicable to Section Ten: Commercial Legal Expenses

The **Insured** is not covered for any claim arising from or relating to:

1. costs or compensation awards incurred without **Our** consent;
2. any actual or alleged act, omission or dispute happening before, or existing at the start of cover under this section, and which the **Insured** knew or ought reasonably to have known could lead to a claim;
3. an allegation against the **Insured** involving:
 - (a) assault, violence, malicious falsehood or defamation
 - (b) indecent or obscene materials
 - (c) the use of alcohol or its unauthorised or unregulated manufacture, unlicensed dealing in alcohol or dealing in or using illegal drugs
 - (d) illegal immigration
 - (e) money laundering or bribery offences, breaches of international sanctions, fraud, or any other financial crime activities except in relation to INSURED EVENT 12) Crisis communication;
4. defending a claim in respect of damages for personal injury (other than injury to feelings in relation to INSURED EVENT 1-Employment), or loss or damage to property owned by the **Insured**;
5. National Minimum Wage and/or National Living Wage Regulations
6. patents, copyright, passing-off, trade or service marks, registered designs and confidential information except in relation to INSURED EVENT 3) Employment Restrictive Covenants)
7. a dispute with any subsidiary, parent, associated or sister company or between shareholders or business partners (except in relation to mediation under INSURED EVENT 11) (d)
8. (a) franchise agreement
 - (b) an agency agreement through which one party has the legal capacity to alter the legal relations of the other
9. a judicial review;
10. a dispute with **Us**, the **Insurer** or the party who arranged this cover not dealt with under Condition 6;
11. the payment of fines, penalties or compensation awarded against the **Insured** (except as covered under INSURED EVENT 2) Employment Compensation Awards) or costs awarded against the **Insured** by a court of criminal jurisdiction.
12. a dispute where providing cover, payment of any claim or the provision of any benefit would expose the **Insurer** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Conditions – Applicable to Section Ten: Commercial Legal Expenses

Where the **Insurer's** risk is affected by the **Insured's** failure to keep to these conditions the **Insurer** can refuse a claim or withdraw from an ongoing claim. The **Insurer** also reserves the right to claim back **Legal Costs and Expenses** from the **Insured** if this happens.

1. The Insured's responsibilities

An **Insured** must:

- (a) tell **Us** immediately of anything that may make it more costly or difficult for the **Appointed Advisor** to resolve the claim in their favour;
- (b) cooperate fully with **Us**, give the **Appointed Advisor** any instructions **We** require, and keep them updated with progress of the claim and not hinder them;
- (c) take reasonable steps to claim back **Legal Costs and Expenses** and, where recovered, pay them to the **Insurer**;
- (d) allow the **Insurer** at any time to take over and conduct in the **Insured's** name, any claim.

2. Freedom to choose an Appointed Advisor

- (a) In certain circumstances as set out in 2(b) below the **Insured** may choose an **Appointed Advisor**. In all other cases no such right exists and **We** shall choose the **Appointed Advisor**.
- (b) If:
 - (i) a suitably qualified advisor considers that it has become necessary to issue proceedings or proceedings are issued against an **Insured** or
 - (ii) there is a conflict of interestthe **Insured** may choose a qualified **Appointed Advisor** except where the **Insured's** claim is to be dealt with by the Employment Tribunal where **We** shall always choose the **Appointed Advisor**.
- (c) Where the **Insured** wishes to exercise the right to choose, the **Insured** must write to **Us** with their preferred representative's contact details.
- (d) Where the **Insured** chooses to use their preferred representative, the **Insurer** will not pay more than **We** agree to pay a solicitor from **Our** panel and will only pay the costs that the **Insurer** would have been liable to pay. (**Our** panel solicitor firms are chosen with care and **We** agree special terms with them including rates which may be lower than those available from other firms.)
- (e) If the **Insured** dismisses the **Appointed Advisor** without good reason, or withdraws from the claim without **Our** written agreement, or if the **Appointed Advisor** refuses with good reason to continue acting for an **Insured**, cover will end immediately.
- (f) For claims for Contract & Debt Recovery **You** must enter into a **Conditional Fee Agreement** (unless the appointed advisor has entered into a **Collective Conditional Fee Agreement**) where legally permitted.

3. Consent

- (a) The **Insured** must agree to **Us** having sight of the **Appointed Advisor's** file relating to the **Insured's** claim. The **Insured** is considered to have provided consent to **Us** or **Our** appointed agent to have sight of their file for auditing and quality and cost control purposes.
- (b) An **Insured** must have **Your** agreement to claim under this policy.

Conditions – Applicable to Section Ten: Commercial Legal Expenses

4. Settlement

- (a) The **Insurer** can settle the claim by paying the reasonable value of the **Insured's** claim.
- (b) The **Insured** must not negotiate, settle the claim or agree to pay **Legal Costs and Expenses** without **Our** written agreement.
- (c) If the **Insured** refuses to settle the claim following advice to do so from the **Appointed Advisor** the **Insurer** reserves the right to refuse to pay further **Legal Costs and Expenses**.

5. Barrister's opinion

We may require the **Insured** to obtain and pay for an opinion from a barrister if a dispute arises regarding the merits or value of the claim. If the opinion supports the **Insured**, then the **Insurer** will reimburse the reasonable costs of that opinion. If that opinion conflicts with advice obtained by **Us**, then the **Insurer** will pay for a final opinion which shall be binding on the **Insured** and **Us**. This does not affect **Your** right under Condition 6 below.

6. Arbitration

If any dispute between the **Insured** and **Us** arises from this policy, the **Insured** can make a complaint to **Us** as described on the back page of this policy and **We** will try to resolve the matter. If **We** are unable to satisfy the **Insured's** concerns and the matter can be dealt with by the Financial Ombudsman Service the **Insured** can ask them to arbitrate over the complaint.

If the dispute cannot be dealt with by the Financial Ombudsman Service, it can be referred for independent arbitration to a qualified person agreed upon by both parties. The loser of the dispute shall be liable to pay the costs incurred.

If **We** and the **Insured** fail to agree on a suitable person to arbitrate the matter **We** will ask the President of the relevant Law Society to nominate. The arbitration shall be subject to the Arbitration Acts and the arbitrator's decision shall be binding on the parties.

7. Other insurance

The **Insurer** will not pay more than their fair share (rateable proportion) for any claim covered by another policy or another section of this Policy, or any claim that would have been covered by any other policy or any other section of this policy if this section did not exist.

8. Fraudulent Claims and claims tainted by dishonesty

- a) If an **Insured** makes any claim which is fraudulent or false, this section of the policy may become void and all benefit under it may be lost.
- b) An **Insured** shall at all times be entirely truthful, accurate and open in any evidence, disclosure or statement they give and shall act with complete honesty and integrity throughout. Where, on the balance of probabilities and having considered carefully all the facts of the claim, it appears that the **Insured** has breached this condition and that the breach has:
 - i) affected **Our** assessment of **Reasonable Prospects of Success**, and/or
 - ii) prejudiced in any part the outcome of the **Insured's** claimthe **Insurer** shall have no liability for **Legal Costs and Expenses**.

9. Acts of Parliament, Statutory Instruments, Civil Procedure Rules & Jurisdiction

All legal instruments and rules referred to within the policy shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man and the Channel Islands and any subsequent amendment or replacement legislation.

Claims procedure – Applicable to Section Ten: Commercial Legal Expenses

Telling us about your claim

- 1) If an **Insured** needs to make a claim, they must notify **Us** as soon as possible.
- 2) If an **Insured** instructs their own solicitor or accountant without telling **Us**, they will be liable for costs that are not covered by this policy.
- 3) A claim form can be downloaded at www.arag.co.uk/newclaims or requested by telephoning **Us** on 0330 303 1955 between 9am and 5pm weekdays (except bank holidays).
- 4) The completed claim form and supporting documentation can be sent to **Us** by email, post or fax. Further details are set out in the claim form itself.

What happens next?

- 1) **We** will send the **Insured** a written acknowledgment by the end of the next working day after receiving their claim form.
- 2) Within five working days of receiving all the information needed to assess the availability of cover under the policy.

We will write to the **Insured** either:

- a) confirming cover under the terms of this policy and advising the **Insured** of the next steps to progress their claim; or
 - b) if the claim is not covered, **We** will explain in full the reason why and advise whether **We** can assist in another way.
- 3) When a representative is appointed they will try to resolve the **Insured's** dispute without delay, arranging mediation whenever appropriate.
 - 4) **We** will check on the progress of the **Insured's** claim with the **Appointed Advisor** from time to time. Sometimes matters cannot be resolved quickly, particularly if the other side is slow to cooperate or a legal timetable is decided by the courts.

Helplines and Legal Services – Applicable to Section Ten: Commercial Legal Expenses

We record and monitor calls for training purposes, to improve the quality of our service, to help us deal with queries or complaints from you and to prevent and detect fraud and financial crime.

Business Legal Services

www.araglegal.co.uk

Getting started

You will need to enter voucher code CCCFCF1FB3B8 when you register to use the website. Once you have registered you can access the website at any time to create and securely store your legal documents.

Helplines and Legal Services – Applicable to Section Ten: Commercial Legal Expenses

More help?

If you have problems using the website please contact our digital technical support team. Contact details can be found on the website. Our digital technical support team cannot give you legal or insurance advice.

Helplines

All helplines are subject to fair and reasonable use. The level of fair usage will depend on individual circumstances. However, if our advisors consider that your helpline usage is becoming excessive they will tell you. If following that warning, usage is not reduced to a more reasonable level, we can refuse to accept further calls.

Legal & tax advice 01872 270 174

If you have a legal or tax problem relating to your business we can connect you to our confidential legal and tax advice helpline. Legal advice is available 24 hours a day, 7 days a week, and tax advice is available between 9am and 5pm on weekdays (except bank holidays).

The advice covers business-related legal matters within UK, Isle of Man, Channel Islands and EU law and tax matters within the UK. Your query will be dealt with by a qualified specialist who is experienced in handling legal and tax-related matters. Use of this service does not constitute reporting of a claim.

Crisis communication 01872 272 174

If you are concerned about an event that may result in negative publicity which could affect your business, you can access professional public relations support from our Crisis Communication experts.

Where possible, initial advice for you to act upon will be provided over the phone, but if your circumstances require professional work to be carried out in advance of any actual adverse publicity, such services are available on a consultancy basis and subject to you paying a fee.

Where an event has led to actual publicity online, in print or broadcast, that could damage your business, you are insured against the costs of crisis communication services under Insured event 12 when you use this helpline.

Redundancy assistance 01872 270 159

We can arrange for specialist advice if you are planning redundancies. This will assist you to implement a fair selection process and ensure that the redundancy notices are correctly served. This unfunded service is available 9am and 5pm on weekdays (except bank holidays).

Counselling assistance 01872 270 154

For an employee (including family members permanently living with them) needing confidential help and advice, our qualified counsellors are available to provide telephone support on any matter that is causing your employee upset or anxiety, from personal problems to bereavement. Calls to the Counselling assistance service will not be recorded.

Executive suite - identity theft resolution 0333 000 2082.

This service is available to the principal, executive officers, directors and partners of the business between 9am and 5pm on weekdays (except bank holidays). This service provides telephone advice to help executives keep their personal identity secure. Where identity theft is suspected, specialist caseworkers can help the victim to restore their credit rating and correspond with their card issuer, bank or other parties. Identity theft expenses are insured under What is covered 11(c) when your executives use this helpline.

For Your Information

Accurate valuation of your property

It is important that you have the right level of insurance in place to fully protect your property. The consequences of underinsurance can be very damaging as you may find that your claim is not met in full – often at a time when the money is most needed.

Over-insuring your property can also leave you out of pocket as you are likely to be paying too much for your insurance.

You should insure your property for the full reinstatement value (This means the cost to fully rebuild the property, not the market value). To be confident of having an accurate buildings reinstatement valuation it is best to instruct a local chartered surveyor to carry out a detailed assessment on your behalf.

If you decide to calculate the full reinstatement value without professional help there are numerous aspects that require careful thought. In summary, your valuation should include:

- Demolition costs
- Site clearance costs
- Architects and other professional fees
- Rebuilding costs to restore the property.

Please take the following into consideration when assessing the likely costs and fees:

- Check the definition of 'buildings' that applies to your insurance policy (this may differ between insurers and policy types) to ensure that all the appropriate areas are included in your calculation.
- It is important to recognise the difference between a property's market value and its reinstatement value. Market value represents what the owner might get if the property is sold. The two valuations may, and generally do, vary significantly.
- Listed status typically leads to additional cost implications when it comes to rebuilding. Specialist contractors may need to employ certain building techniques and use specific materials which can influence reinstatement cost and time.
- Older properties are more likely to contain hazardous materials such as asbestos. Ensuring that such materials are safely dealt with can significantly increase demolition and clearance costs.
- Remote properties or those with limited access can also incur increased demolition, clearance and rebuild costs.
- It is important that reinstatement valuations are reviewed on a regular basis. Factors such as inflation and variations in local market labour and material costs over time can affect the accuracy of the valuation.

Car Sharing

We have undertaken that the receipt of contributions as part of a car sharing arrangement for social or other similar purposes in respect of the carriage of passengers on a journey in a vehicle insured under this policy will not be regarded as constituting the carriage of passengers for hire (or the use of the vehicle for hiring) provided that:

- (a) the vehicle is not constructed or adapted to carry more than 8 passengers (excluding the Driver)
- (b) the passengers are not being carried in the course of a business of carrying passengers
- (c) the total contributions received for the journey concerned do not involve an element of profit.

Note: The above undertaking does not apply to the Isle of Man or the Channel Islands.

If in any doubt whether a car sharing arrangement is covered by the terms of a motor car policy an enquiry should be made to us.

Complaints Procedure

As a mutual organisation we exist solely for our Members. We make sure we treat our Members fairly and honestly and always seek to give you an excellent service at all times.

Giving our Members the best possible service is important to us and if there are occasions when we have not met these high standards, we want you to tell us.

Making a complaint to Cornish Mutual Assurance Company Ltd

Your feedback is valuable to us and can help to improve our service. If you have a complaint, please let us know by writing to our Insurance Director using the details below.

The Cornish Mutual Assurance Company Ltd.

Registered Office: CMA House, Newham Road, Newham, TRURO, TR1 2SU

E-mail: askus@cornishmutual.co.uk

However, your complaint does not have to be in writing. If you prefer to call us then please contact us by telephone on:

Tel: 01872 277151

Responding to your complaint

Once you have contacted us, we will acknowledge your complaint within five working days and let you know the details of who is handling your complaint.

Resolving your complaint

We strive to deal with all complaints fairly. Once we receive your complaint we will resolve it as quickly as possible, we aim to provide you with a formal response within 20 working days. If we don't resolve your complaint in this time we will write to you to let you know why and when we expect to send you our final response.

If we are unable to resolve your complaint within eight weeks from the date the complaint is received by us or agents acting on our behalf or if you are unhappy with the response we give, you can contact the Financial Ombudsman Service to let them know.

The Financial Ombudsman Service

Registered Office: Exchange Tower, London E14 9SR

Tel: 0300 123 9123 or 0800 023 4567

E-mail: complaint.info@financial-ombudsman.org.uk

You can text the Financial Ombudsman Service on 07860 027 586 and they will call you back, but please don't send any account numbers or bank details by text – the Financial Ombudsman Service will sort that out later.

Our response to your complaint will always include a leaflet explaining The Financial Ombudsman Service.

Making a complaint with regard to the Motor Legal Expenses (Section One, Sub-Section 3) or Commercial Legal Expenses (Section Ten) sections of your policy:

Step 1

ARAG is committed to providing a first class service at all times. However, if a complaint arises, this should be addressed to the Customer Relations Department who will arrange to have it

Complaints Procedure

reviewed at the appropriate level. ARAG can be reached in the following ways:

Tel: 0117 917 1561
E-mail: customerrelations@arag.co.uk
Post: ARAG plc, 9 Whiteladies Road, Clifton, Bristol, BS8 1NN

Step 2

Should you remain dissatisfied you can refer your complaint to the Financial Ombudsman Service (FOS) provided that it falls within their jurisdiction – contact details as shown above. From 1 April 2019 the FOS will normally deal with complaints from small business with an annual turnover of less than £6.5million and which either; have up to 50 employees or a balance sheet threshold of £5million.

The Financial Services Compensation Scheme (FSCS)

Our activities are covered by the Financial Services Compensation Scheme as set up under the terms of the Financial Services and Markets Acts 2000. Its aim is to protect private and small business/charity customers should an insurer go out of business and be unable to meet its liabilities or pay claims. You may be entitled to compensation depending upon your income and the number of people you employ. For further information on the scheme you can:

Visit the website at: www.fscs.org.uk
Write to: Financial Services Compensation Scheme, 10th Floor,
Beaufort House, 15 St Botolph Street, London EC3A 7QU.
Tel: 0800 678 1100 or 0207 741 4100
E-mail: enquiries@fscs.org.uk

Data Protection – Information Uses

For the purposes of the General Data Protection Regulation, the Data Controller in relation to any personal data you supply is The Cornish Mutual Assurance Company Ltd.

Below you will find a summary of the key elements of our Privacy Policy describing how we use the personal data you supply to us. For a full copy of the Privacy Policy please visit our website at www.cornishmutual.co.uk/privacy-policy or you can contact us to request a copy.

What information we collect

In order to assess the terms of the insurance contract or administer claims which arise, we collect personal information such as your full name, address and date of birth. We also collect sensitive personal information only where necessary such as your health conditions or criminal convictions.

We may also collect information from sources such as social media, third party databases available to the insurance industry, loss adjusters or other suppliers appointed in the process of handling a claim.

Using and sharing your data for insurance administration purposes

Information you supply may be used for the purposes of insurance administration by Cornish Mutual, our reinsurers and associated service providers such as vehicle breakdown, home emergency or legal advisors. It may be disclosed to regulatory bodies for the purposes of monitoring and/or enforcing our regulatory responsibilities. Your information may also be used for offering renewals, research and statistical purposes and crime prevention.

Your information may be passed on to other parties where this is necessary to help deal with your claim or allow you to benefit from additional services such as vehicle breakdown, home emergency, credit hire, vehicle repairs or legal advice. Where we discuss your claim with other insurers we will only disclose the necessary information. Cornish Mutual or its agents may undertake checks against publicly available information (such as county court judgments, bankruptcy orders or repossessions).

Using and sharing your data for marketing and marketing research purposes

The Cornish Mutual Assurance Co. Ltd may use your information to keep you informed by post, telephone, email or other means about products and services which may be of interest to you.

We may also send your data to a market research company to enable independent research to improve our service to you. This will not be used to promote services of other companies or third parties. Your information may also be disclosed and used for these purposes after your policy has lapsed.

If you do not wish your information to be used for these purposes please contact us at Cornish Mutual, CMA House, Newham Road, Truro, TR1 2SU on 01872 277151 or email: askus@cornishmutual.co.uk.

Accessing your data

In the case of personal data, with limited exceptions, you have the right to access and if necessary rectify information held about you.

Data Protection – Information Uses

You can find full details of this process on our website.

In specific circumstances, you may make a request to have your personal data erased. There are reasons why a request may not be upheld, such as:

- You may want to make a future claim, so we need to be able to find your records.
- Insurance companies share data about policies and claims to prevent fraud.

If you would like to access or erase your personal data please contact us at Cornish Mutual on 01872 277151 or askus@cornishmutual.co.uk or by writing to CMA House, Newham Road, Truro TR1 2SU.

Privacy Notice (Section One, sub-Section 3 and Section Ten)

This is a summary of how ARAG collect, use, share and store personal information. To view ARAG's full privacy statement, please see their website www.arag.co.uk

Collecting personal information

ARAG may be required to collect certain personal or sensitive information which may include name, address, date of birth and if appropriate medical information. ARAG will hold and process this information in accordance with all relevant data protection regulations and legislation. Should ARAG ask for personal or sensitive information, ARAG undertake that it shall only be used in accordance with their privacy statement. ARAG may also collect information for other parties such as suppliers ARAG appoints to process the handling of a claim.

Using personal or sensitive information

The reason ARAG collects personal or sensitive information is to fulfil ARAG's contractual and regulatory obligations in providing this Section of cover, for example to process premium or handle a claim. To fulfil these obligations, ARAG may need to share personal or sensitive information with other organisations. ARAG will not disclose personal or sensitive information for any purpose other than the purpose for which it was collected. Please refer to ARAG's full privacy statement for full details.

Keeping personal information

ARAG shall not keep personal information for any longer than necessary.

Insured Individuals' rights

Insured Individuals have a number of rights in relation to how ARAG holds personal data including; the right to a copy of the personal data ARAG holds; the right to object to the use of personal data or the withdrawal of previously given consent; the right to have personal data deleted.

For a full list of privacy rights and when ARAG will not be able to delete personal data, please refer to ARAG's full privacy statement.

Fraud Prevention

Insurers pass information to the Claims and Underwriting Exchange Register and the Motor Insurance Anti-Fraud and Theft Register, run by the Motor Insurers' Bureau (MIB). The aim is to help us check information provided and also to prevent fraudulent claims. When we deal with your request for insurance, we may search these Registers. Under the conditions of your policy, you must tell us about any incident (such as an accident or theft) which may or may not give rise to a claim. When you tell us about an incident, we may pass information relating to it to the Registers.



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Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

MT Apr 2023