

# Marine Trade

## Policy Wording

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Geo Specialty Marine Trade

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# The Contract of Insurance

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Before this contract of insurance is entered into, You must make to Us a fair presentation of the risk. You must tell Us about any material circumstances which affect Your insurance and which have occurred either since Your Policy started or since Your last renewal date.

If, on or after 12 August 2016, any insurer subscribes to the terms of an insurance contract on materially identical terms to those of this insurance contract, then regardless of when it was concluded, this insurance contract shall be governed by the Insurance Act 2015.

Your Policy wording, the Policy Schedule, Schedule of vessels (where applicable), the Statement of Fact and any Endorsement form the contract of insurance between Us and You and must be read together.

In consideration of You having paid or agreed to pay the Premium, We will indemnify You within the limits, terms, conditions and exceptions of Your Policy against the events set out in the sections operative and occurring in connection with Your Business during the Period of Insurance, and any subsequent period, for which You pay and We agree to accept a Premium.

We agree that where there has been a breach of any term (express or implied) which would otherwise result in Us automatically being discharged from any liability, then such a breach shall result in any liability We might have under Your Policy being suspended. Such a suspension will apply only from the date and time at which the breach occurred and up until the date and time at which the breach is remedied. This means that We will have no liability in respect of any loss occurring, or attributable to something happening, during the period of suspension.

Where there has been non-compliance with any term (express or implied) of Your Policy, other than a term that defines the risk as a whole, and compliance with such term would tend to reduce the risk of:

- loss of a particular kind, and/or
- loss at a particular location, and/or
- loss at a particular time,

then We agree that We may not rely on the non-compliance to exclude, limit or discharge Our liability under Your Policy if You show that non-compliance with the term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

All claims will be handled in accordance with the Insurance Act 2015.

Each Underwriter is only liable in respect of the cover provided under the section(s) of Your Policy shown against them in Your Schedule and not any other section.

Your Policy is underwritten by Markel International Insurance Company limited (hereinafter called the 'the Underwriters') and your policy is administered by Marine & Leisure @ Geo Specialty.

Marine & Leisure @ Geo Specialty, a trading name of Geo Underwriting Services Limited, are the administrators of **Your Policy** on behalf of **Your Insurers**. Geo Underwriting Services Limited are authorised & regulated by the Financial Conduct Authority, No: 308400. Registered in England & Wales, No: 4070987. Registered Office: 2 Mincing lane, London, EC3R 7PD.

You can check this information on the Financial Conduct Authority register by visiting the FCA's website [www.fca.org.uk/register/](http://www.fca.org.uk/register/) or by contacting the Financial Conduct Authority on 0800 111 6768.

Although reference is made at various points in this clause to "this contract" in the singular, where circumstances so require, this should be read as a reference to contracts in the plural.

Signed for and on behalf of the Underwriters



**Tony Harris**

Head of Marine & Leisure Division  
Geo Underwriting Services Limited

# How to make a claim and Your obligations

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## Claim Procedure Condition

If in relation to any claim You have failed to fulfil any of the following provisions, You will lose Your right to indemnity for that claim.

1. Claim Notification
  - a) On the happening of any event or occurrence which may give rise to a claim, You must:
    - i) notify Us immediately by calling 0345 604 9855 (from the UK), email us at 'GEOMarineClaims@uk.sedgwick.com' or contact us via Your Insurance Advisor.
    - ii) inform the police immediately of damage caused by riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances, or malicious persons acting on behalf of or in connection with any political organisation, or thieves.
2. Your Duties
  - a) On the happening of any event or occurrence which may give rise to a claim, You must:
    - i) forward to Us immediately every letter, claim, writ, summons, and process upon receipt without acknowledgment.
    - ii) advise Us in writing immediately You have knowledge of any pending prosecution, inquest or fatal accident inquiry.
    - iii) at Your expense provide Us with all information and assistance We may require.
    - iv) not make or allow to be made on Your behalf, any admission, offer, promise or payment of indemnity without Our written consent.
    - v) take or permit to be taken all reasonably practicable steps to prevent or minimise loss and/or interruption of Your Business and otherwise to prevent further Damage or injury.
    - vi) within fourteen (14) days or such further time as We may allow, in writing provide Us with a written claim providing at Your own expense all detailed proofs of evidence and information regarding the cause and amount of damage as We may require together with details of any other insurance on any property insured by this policy and a statutory declaration of the truth of the claim and any related matters.
3. Our Rights
  - a) We will be entitled at any time, upon a happening of Damage, to:
    - i) enter or take possession of Your Premises.
    - ii) take possession of or require to be delivered to Us, Property insured which We will deal with in a reasonable manner and Your Policy shall be evidence of leave and licence for such purpose, but the Property may not be abandoned to Us.
  - b) Any claimant under Your Policy shall at Our request and at Our expense take and permit to be taken all necessary steps for enforcing rights against any other party in Your name before or after any payment We may make.
  - c) We shall be entitled to take over and conduct in Your name, the defence or settlement of any claim or to prosecute in Your name at our expense and for our benefit, any claim for indemnity or damages or otherwise.
  - d) We shall be entitled to take over and conduct in Your name at our expense, representation at any inquest, inquiry, prosecution or similar proceedings which may give rise to a claim.
  - e) We shall be entitled to require You to undergo a medical examination at Our expense following the notification of a claim under Your Personal Accident section.
  - f) We shall be entitled to require a post mortem examination to be carried out upon the death of an Insured Person following the notification of a claim under Your Personal Accident section.

## Important Information

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Your Policy has been prepared in accordance with Your instructions. Please read it carefully to ensure that it meets all of Your requirements.

Your Policy consists of:

Your Policy wording, the Policy Schedule, Schedule of vessels (where applicable) the Statement of Fact and any Endorsement, form the contract of insurance between Us and You and must be read together.

Alterations in the cover required after the inception date of Your Policy will be confirmed by a separate Endorsement and/or Schedule which You should file with Your Policy. You should refer to all of these documents to ascertain precise details of cover currently in force.

Immediate notice should be given to Your Insurance Adviser or The Administrators of any changes which may affect the insurance provided by Your Policy.

If this cover does not meet with Your requirements, please return all of Your documents and any Employers Liability Certificate(s) to Your Insurance Adviser who has arranged the cover, within fourteen (14) days of receipt. We will void Your policy ab initio and return any Premium paid in full providing there have been no claims or incidents reported.

If You wish to terminate the cover at any other time please contact Your Insurance Adviser. Any return premium due will be calculated as per the Cancellation Condition contained in Your Policy.

The Employers Liability (Compulsory Insurance) Regulations 1998 lay down certain obligations for employers and in particular You should be aware of the following:

### **Display of Certificates**

We will provide You with a Certificate of Employers Liability Insurance and this will state clearly the companies covered by it. You must display either an original copy or make available a copy of the Certificate of Employers Liability Insurance in an electronic format at each Business Premises where Your Employees can see it easily.

### **Retention of Certificates**

The Employers' Liability (Compulsory Insurance Amendment) Regulations 2008 remove the requirement for You to retain copies of Certificates of Employers Liability Insurance that have expired for at least forty (40) years. However, it is still good business practice to retain the certificates because certain claims for example disease, could be made many years after the disease is caused and if We cannot be identified You could be liable for any payments.

### **Employers' Liability Tracing Office**

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

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

The database will assist individual consumer claimants who have suffered an employment related injury or disease, arising out of their course of employment in the UK for employers carrying on or who have carried on business in the UK and who are covered by the Employers' Liability insurance of their employers (the claimants):

1. To identify which Insurer (or Insurers) was (or were) providing Employers' Liability cover during the relevant periods of employment; and
2. to identify the relevant Employers' Liability insurance policies.

The database will be managed by the ELTO.

The database and the data stored on it may be accessed and used by the claimants, their appointed representatives, Insurers with potential liability for UK commercial lines Employers' Liability insurance cover and any other persons or entities permitted by law.

By entering into this insurance contract, You will be deemed to specifically consent to the use of Your insurance Policy data in this way and for these purposes.

### **Data Protection Notice**

This Data Protection Notice explains what personal information is collected and how this is used. It tells You about the registers and databases that Geo Underwriting Services Limited "Geo" and others have in place that help to detect and prevent fraudulent applications and claims, and must be shown to any party related to this insurance. In accepting this Insurance it will be understood that You have read and accepted the terms of this Data Protection Notice.

All phone calls relating to applications and claims may be monitored and recorded and the recordings used for fraud prevention and detection, training and quality control purposes.

Geo will process your details in accordance with the Data Protection Act and/or other applicable legislation in force.

You are entitled to receive a copy of the information Geo hold about You. If You require a copy of Your data or have any questions please contact:

**The Compliance Officer  
Geo Underwriting Services Limited  
2 Mincing Lane  
London  
EC3R 7PD  
E-Mail: [DPO@geounderwriting.com](mailto:DPO@geounderwriting.com)**

For more information on the Data Protection Act You may also write to the Office of the Information Commissioner at:

**Wycliffe House, Water Lane  
Wilmslow, Cheshire, SK9 5AF  
Tel: 0303 123 1113 or 01625 54 57 45  
E- mail: [mail@ico.gsi.gov.uk](mailto:mail@ico.gsi.gov.uk)**

#### Your Data

It is necessary to collect Your personal data so that Geo or Your Insurers can assess/administrate the terms of Your Policy, claims or losses.

Personal data includes:

- Contact Data
- Profile Data
- Sensitive Personal Data
- Correspondence Data

Please be aware that only where relevant Geo use and may share Your details with approved partner service providers/professional advisers including those that operate, process or share data outside of the European Economic Area and suitable safeguards are in place to ensure data is secure for purposes including but not limited to:

- Underwriting
- Fraud Prevention
- Claims Management
- Complaints Handling
- Electronic Licensing
- Continuous Insurance Enforcement
- Law enforcement (prevention, detection, apprehension and/or prosecution of offenders)
- The provision of government services aimed at reducing the level of uninsured driving

Any organisations or bodies Geo share Your data with will only use Your data for the purposes set out in our Fair Processing Notice which can be viewed on our website at ([www.geounderwriting.com/fair-processing-notice/](http://www.geounderwriting.com/fair-processing-notice/)). A paper version is also available upon request.

Before sharing Your data with any third party, Geo will ensure that the third party has the appropriate technical and organisation measures in place to protect Your data.

Please see the Privacy Policy for details of Your rights not covered more specifically in this notice.

# General Conditions

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Each section of Your Policy contains Conditions and must be read in conjunction with the following General Conditions which apply to all sections unless otherwise stated in Your Schedule.

You must comply with the following General Conditions and if in relation to any claim You have failed to fulfil any of the following General Conditions, Your claim will be handled within the terms set out in the Insurance Act 2015.

## **Additional Conditions**

Additional Conditions are applicable to Your Policy where stated in Your Schedule as applying.

## **Arbitration**

Any dispute arising out of or relating to this insurance including over its construction, application or validity will be referred to a single arbitrator in accordance with the current Arbitration Act.

## **Average**

Where a Sum Insured is subject to average as stated in Your Schedule, if at the time of the Damage, the Sum Insured is less than the actual value of the property, You will be considered as Your own insurer for the difference and bear a proportionate share of the loss.

## **Breach of Condition**

If any claim would be recoverable under any section of Your Policy but is prohibited from recovery under that section by any breach of any Condition, it will not be recoverable or any liability payable under any other section of Your Policy.

## **Bunding of Oil Tanks**

You must ensure that all above ground oil tanks storing more than 250 litres are surrounded by bund walls, capable of containing at least 110% of the maximum capacity of the oil tanks and comply with current regulations.

## **Cancellation**

### **Cooling-off period**

If this cover does not meet with Your requirements, please return all of Your documents and any Employers Liability Certificate(s) to Your Insurance Adviser who has arranged the cover, within fourteen (14) days of receipt. We will void Your policy ab initio and return any Premium paid in full providing there have been no claims or incidents reported.

### **Outside the cooling-off period**

You may cancel Your Policy at any time by providing prior written notice to Your Insurance Adviser. Providing You have not incurred eligible claims during the period We have been on cover, We will retain an amount of the Premium in proportion to the time We have been on cover and return the balance to You with the exception of minimum and deposit retained Premium.

We reserve the right to cancel Your Policy where there is a valid reason for doing so by providing fourteen (14) days' notice by registered post to Your last known address. The reason for cancellation will be set out in Our letter to You. Valid reasons may include but are not limited to:

1. where We have been unable to collect a Premium payment. There are no days of grace for payment of Premium under Your Policy and We reserve the right to void or cancel Your Policy from the date that the Premium became due in the event of non-payment either via Your Insurance Adviser or a Premium payment supplier if used. If We cancel Your Policy because We have been unable to collect the Premium by direct debit instalments, We will charge a cancellation fee to take account of Our costs in providing Your Policy and for recovering any Premium owed to Us for the period of time We were on cover.
2. Your non-compliance in accordance with the terms of Your Policy to co-operate with Us or send Us information or documentation and where this non-compliance materially affects Our ability to process a claim or Our ability to defend Our interests.
3. where there is a failure by You to take care of Your Insured Property and keep Your Vessels in a Seaworthy condition as per the General Conditions of Your Policy.
4. where You have deliberately or recklessly misrepresented any information You have supplied or withheld any information which We or Your Insurance Adviser have asked for.

5. where We reasonably suspect fraud.
6. Your use of threatening or abusive behaviour or language, or intimidation or bullying of Our staff or service providers.

### **Change of Risk**

You must advise Us without delay if:

1. there has been any change to the risk as detailed on the Statement of Fact/Proposal Form after the commencement of this insurance whereby the risk of Damage or Injury is increased; or
2. Your interest ceases (unless the cessation is brought about by will or operation of law).
3. You:
  - a) make a composition or arrangement with creditors.
  - b) have a proposal for a voluntary arrangement for a composition of debts or scheme of arrangement approved in accordance with the Insolvency Act 1986.
  - c) have an application made under the Insolvency Act 1986 to the court for the appointment of an administrator.
  - d) have a winding up order made or (except for the purposes of amalgamation or reconstruction) a resolution for voluntary winding up passed or have a provisional liquidator receiver or receiver and manager of the Business or undertaking duly appointed.
  - e) have an administrative receiver as defined in the Insolvency Act 1986 appointed or having possession taken by or on behalf of the holders of any debentures secured by floating charge or of any property comprised in or subject to the floating charge
4. any of Your Building(s) or Premises or part thereof stated in Your Schedule has a change of tenant or a change of use.

### **Claims Procedure**

You must comply with the Claims Procedure Conditions as stated in Your Policy.

### **Construction Heating and Occupation of the Buildings**

Unless otherwise stated in Your Schedule, the Buildings are occupied by You for the sole purpose of Your Business and otherwise only as a private dwelling and are:

1. constructed of brick, stone or concrete.
2. roofed with slates, tiles, concrete, metal or other non-combustible materials.
3. heated by:
  - a) low pressure hot water or steam.
  - b) overhead gas or electrical appliance.
  - c) gas or electric fires in offices only.

### **Contracts (Rights of Third Parties) Act 1999**

A person or company who was not a party to Your Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of Your Policy, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

### **Contribution**

Applicable to the Legal Liability sections:

1. If the insurance provided by these sections is also covered by another policy (or would but for the existence of these sections) We will only indemnify You in respect of Our share of the claim.

Applicable to all other sections insured by Your Policy:

2. Where any Damage or liability covered by Your Policy is also covered by another Policy (or would be but for the existence of Your Policy) We will only pay a rateable share of the loss, subject to the Non-contribution condition in Your Policy
3. If the other insurance is subject to a Condition of Average and Your Policy is not, Your Policy will be become subject to the same Condition of Average
4. If the Property covered by the other insurance is subject to a provision excluding proportional payment in whole or part, the payment We make will be limited to the proportion of Damage as the Sum Insured bears to the value of the property.

### **Craft In Your Custody**

All craft on trailers left in Your care, custody and control will be immobilised by the use of a Wheel Clamp and any attached outboard motors will be fitted with an Outboard Motor Lock in addition to their normal method of attachment.



**Discharge of Liability**

We may at any time pay:

1. the Limit of Liability or the Limit of Indemnity; or
2. the Sum Insured; or
3. a smaller amount for which a claim can be settled after deduction of any sum already paid.

We will not make any further payments except for costs and expenses incurred prior to the payment of the claim.

**Electrical Circuit /Appliances**

You must ensure that:

1. all electrical circuits will be tested within thirty (30) days of the inception or renewal of this insurance or You have an existing certificate of a test carried out not more than five (5) years prior to the inception of this insurance; and
2. all electrical circuits will be tested at least once in every five (5) years from the date of the last test by a properly qualified electrical engineer and any defects found during such testing will be remedied or any recommendations made will be carried out immediately in accordance with the requirements and regulations of the Institute of Electrical Engineers and You will have obtained a certificate confirming the appropriate works have been undertaken and You will make such certificate available to Us on Our request.
3. all portable appliances comply with HSE guidelines.
4. You will make all applicable certificates available to Us on Our request.

**Engine Cut Off Devices**

If fitted, Engine Cut Off devices will be worn at all times whilst the Vessel is underway or the engine is running.

**Fire Extinguishing Appliances**

You must maintain all fire extinguishing appliances on Your Premises in proper working order and under a contract of maintenance during the Period of Insurance. Subject to the observance of this condition, this section shall not be invalidated by any defect in any of the said appliances due to any circumstances unknown to You or beyond Your control.

**Fraudulent Claims**

If You make a fraudulent claim under this insurance contract, We:

- a) are not liable to pay the claim; and
- b) may recover from You any sums paid by Us to You in respect of the claim; and
- c) may by notice to You treat the contract as having been terminated with effect from the time of the fraudulent act.

If We exercise Our right as above:

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

**Fraudulent Claims – group insurance**

If this insurance contract provides cover for any person who is not a party to the contract, and a fraudulent claim is made under the contract by or on behalf of a covered person, We may exercise the rights set out in Fraudulent Claims Condition above as if there were an individual insurance contract between Us and the covered person. However, the exercise of any of those rights shall not affect the cover provided under the contract for any other person.

### **Heat Work (Own Premises and Work Away)**

In connection with any work undertaken by You involving the use or application of heat for the purposes of Your Business, You must comply with the following:

1. specific permission is obtained to commence work from a responsible person at the place at which such work is to be undertaken; and
2. before operations commence:
  - a) the area in which the work is to be undertaken is to be cleared of moveable combustible material; and
  - b) other combustible material including floors and fixtures will be covered with adequate fire resistant covers; and
  - c) the area on the other side of bulkheads, hulls, decks, walls, partitions or floor where work is to be undertaken is inspected to ensure that there are no combustible materials which can be ignited, and if such combustible materials are identified and are capable of removal must be removed, and if not capable of removal will be covered with a non-combustible shield; and
  - d) appropriate fire extinguishing appliances are kept near the scene of work for immediate use; and
  - e) an examination of the immediate and surrounding areas is carried out after each period of work to ensure that there is no likelihood of fire breaking out; and
  - f) a further examination is carried out immediately prior to You leaving either Your Premises or the third party Premises on each day to ensure that there is no likelihood of fire breaking out and a written log of Your actions recorded; and
  - g) a suitable Employee is appointed at each site of operation to be responsible for fire safety for each period of work and to ascertain the location of fire alarms and fire extinguishing appliances installed by the occupier(s) and that the fire alarms and fire extinguishing appliances are capable of immediate use; and
  - h) blow lamps, blow torches and other similar heating or cutting apparatus are lit strictly in accordance with manufacturer's instructions and not left unattended whilst alight; and
  - i) gas cylinders not required for immediate use are kept outside the Building or Vessel in or upon which the work is being undertaken and stored away from any obvious fire hazard; and
  - j) where required hot permits shall be issued prior to commencement of work.

### **Height Work**

You must ensure that Your Employees do not work at heights in excess of twenty (20) metres above the deck of any Vessel or floor level in respect of Building maintenance work.

### **Insurance Act 2015**

#### *General*

1. Unless otherwise indicated, no term of this insurance contract is intended to limit or affect the statutory rights or obligations of any of the parties to this contract under, and/or the effect of, Parts 2, 3, 4 or 5 of the Insurance Act 2015.
2. Any term of this insurance contract which would, but for this Condition, put You in a worse position as respects any of the matters provided for in Parts 2, 3 or 4 of the 2015 Act than it would be in by virtue of the provisions of those Parts is, to that extent, of no effect, unless We have complied with the transparency requirements in Section 17 of the 2015 Act.
3. You should ask Your Insurance Advisor for clarification of any matters which are not clear to You regarding the scope of disclosure required or the provisions of this insurance contract.

#### *The duty of fair presentation*

4. Before this insurance contract is entered into, You must make a fair presentation of the risk to Us, in accordance with Section 3 of the Insurance Act 2015. In summary, You must:
  - a) disclose to Us every material circumstance which You know or ought to know. Failing that, You must give Us sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgement of a prudent insurer as to whether to accept the risk, or the terms of the insurance (including premium); and
  - b) make the disclosure in Condition (4)(a) above in a reasonably clear and accessible way; and
  - c) ensure that every material representation of fact is substantially correct, and that every material representation of expectation or belief is made in good faith.
5. For the purposes of Condition (4)(a) above, You are expected to know the following:
  - a) If You are an individual, what is known to You and anybody who is responsible for arranging Your insurance.
  - b) if You are not an individual, what is known to anybody who is part of Your senior management; or anybody who is responsible for arranging Your insurance.

- c) Whether You are an individual or not, what should reasonably have been revealed by a reasonable search of information available to You. The information may be held within Your organisation, or by any third party (including but not limited to Your Insurance Advisor, subsidiaries, affiliates or any other person who will be covered under the insurance). If You are insuring subsidiaries, affiliates or other parties, We expect that You will have included them in Your enquiries, and that You will inform Us if this has not been done. The reasonable search may be conducted by making enquiries or by any other means.

*Breach of warranty or condition precedent: suspensory*

6. If You breach a warranty or condition precedent in this insurance contract, Our liability under the contract shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). We will have no liability to You for any loss which occurs, or which is attributable to something happening, during the period when Our liability is suspended.

*Terms not relevant to the actual loss*

7. Where:
  - (i) there has been a failure to comply with a term (express or implied) of this insurance contract, other than a term that defines the risk as a whole; and
  - (ii) compliance with such term would tend to reduce the risk of loss of a particular kind and/or loss at a particular location and/or loss at a particular time, We cannot rely on the breach of such term to exclude, limit or discharge Our liability if You show that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

*Fraudulent claims Condition*

8. If You make a fraudulent claim under this insurance contract, We:
  - a) are not liable to pay the claim; and
  - b) may recover from You any sums paid by Us to You in respect of the claim; and
  - c) may by notice to You treat the contract as having been terminated with effect from the time of the fraudulent act.
9. If We exercise Our right under Condition (8)(c) above:
  - a) We shall not be liable to You in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to Our liability under the insurance contract (such as the occurrence of a loss, the making of a claim, or the notification of a potential claim); and,
  - b) We need not return any of the premiums paid.

*Fraudulent claims – group insurance*

10. If this insurance contract provides cover for any person who is not a party to the contract (“a covered person”), and a fraudulent claim is made under the contract by or on behalf of a covered person, We may exercise the rights set out in Condition (8) above as if there were an individual insurance contract between Us and the covered person. However, the exercise of any of those rights shall not affect the cover provided under the contract for any other person.

*Remedies for breach of the duty of fair presentation*

11. If, prior to entering into this insurance contract, You breach the duty of fair presentation, the remedies available to Us are set out below.
  - a) If Your breach of the duty of fair presentation is deliberate or reckless:
    - i) We may avoid the contract, and refuse to pay all claims; and,
    - ii) We need not return any of the premiums paid.
  - b) If Your breach of the duty of fair presentation is not deliberate or reckless, Our remedy shall depend upon what We would have done if You had complied with the duty of fair presentation:
    - i) if We would not have entered into the contract at all, We may avoid the contract and refuse all claims, but must return the premiums paid.
    - ii) if We would have entered into the contract, but on different terms (other than terms relating to the premium), the contract is to be treated as if it had been entered into on those different terms from the outset, if We so require.
    - iii) in addition, if We would have entered into the contract, but would have charged a higher premium, We may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, We shall pay only X% of what We would otherwise have been required to pay, where  $X = (\text{premium actually charged/higher premium}) \times 100$ .

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

#### *Reasonable search of information*

Under Section 4 of the Insurance Act 2015, You ought to know what should reasonably have been revealed by a reasonable search of information available to You, which includes (under Section 4(7)) information held within Your organisation and any other person who may hold material information.

#### *Remedies for breach of the duty of fair presentation - variations to contracts concluded before 12 August 2016*

This Condition applies to any insurance contract which was concluded before 12 August 2016, but is subject to a variation after that date ("the variation"). Before the variation is entered into, You must make a fair presentation of the risk to Us, under Section 3 of the Insurance Act 2015. If, prior to concluding the variation, You have breached the duty of fair presentation, the remedies available to Us are set out below.

- a) If Your breach of the duty of fair presentation is deliberate or reckless:
  - i) We may by notice to You treat the contract as having been terminated from the time when the variation was concluded; and,
  - ii) We need not return any of the premiums paid.
- b) If Your breach of the duty of fair presentation is not deliberate or reckless, Our remedy shall depend upon what We would have done if You had complied with the duty of fair presentation:
  - i) if We would not have agreed to the variation at all, We may treat the contract as if the variation was never made, but must in that event return any extra premium paid.
  - ii) if We would have agreed to the variation to the contract, but on different terms (other than terms relating to the premium), the variation is to be treated as if it had been entered into on those different terms, if We so require.
  - iii) if We would have increased the premium by more than We did or at all, then We may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, We shall pay only X% of what it would otherwise have been required to pay, where  $X = (\text{premium actually charged/higher premium}) \times 100$ .
  - iv) if We would not have reduced the premium as much as We did or at all, then We may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, We shall pay only X% of what You would otherwise have been required to pay, where  $X = (\text{premium actually charged/reduced total premium}) \times 100$ .

Nothing in this Condition is intended to vary the position under the Insurance Act 2015.

#### **Interest Clause**

The interests of third parties in the Property which You are required to include on Your Policy under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically noted subject to You advising Us as soon as is reasonably practicable.

#### **Language**

Unless agreed otherwise, We will communicate with You in English.

## Law and Jurisdiction

In the absence of agreement to the contrary, Your Policy shall be governed by and construed in accordance with the laws of England and Wales. Any dispute relating to limits terms, conditions and exceptions or validity of Your Policy shall be subject to the jurisdiction of the courts of England and Wales.

## Marine Insurance Act (1906)

The conditions and warranties of the Marine Insurance Act (1906) shall apply to this insurance except where they conflict with the other provisions of Your Policy and those provisions shall take precedent.

## Minimum Standards of Protections

Unless agreed otherwise by Us in writing, within thirty (30) days of inception of Your Policy, the following protections must be fitted to the under-mentioned doors, windows and other openings (where these are under Your control) and put into full and effective operation, whenever Your Premises are closed for business or left unattended,:

1. on final exit doors or other external doors and on internal doors giving access to any part of the Premises not occupied solely by You or to any adjoining premises (excluding sliding doors and fire exit doors)
  - a) a mortice deadlock which has five or more levers and/or conforms to BS3621 specification for thief resistant locks with matching steel box striking plate.
  - b) if double leaf:
    - i) flush or barrel bolts or key operated locks or bolts fitted top and bottom in every case
    - ii) a substantial padlocking bar and close shackle padlock with minimum of five levers or high security cylinder mechanism.
  - c) if outward opening hinge bolts fitted top and bottom
2. on external aluminium or UPVC doors (excluding sliding and fire exit doors) cylinder operated mortice pivot bolt lock including anti-turn cylinder collar, and if double leaf flush bolts on the first closing leaf.
3. on sliding patio doors:
  - a) a manufacturer's patent key-operated locking system; or
  - b) two key-operated patio door locks fitted internally one at the top and one at the bottom of each opening section
4. any door officially designated as Fire Exit by the Fire Authority must be secured only by devices agreed by the Fire Officer, this must be a suitable lock for use in emergency escape situations.
5. on all accessible windows and fanlights, with key-operated windows locked and the keys removed.
6. where installed, on all roller shutters a manufacturer's standard recommended locking device for that type of roller shutter.

## Portable Space Heating/Heater(s)

1. If declared to and accepted by Us, You must ensure that any portable space heating/heater(s) and the like:
  - a) are serviced in accordance with the manufacturer's instructions.
  - b) are never moved whilst alight.
  - c) are fitted with a proprietary guard to prevent Injury to persons or Items being placed on top of the heater.
  - d) are not sited in areas where flammable atmospheres are habitually or intermittently present.
  - e) are not sited on combustible floors or surfaces.
  - f) are kept clear of combustible materials and fitted with a guard to maintain a clear space of at least one (1) metre.
  - g) are not sited within five (5) metres of any combustible materials.
  - h) are not sited in passenger ways or other places where they are liable to be overturned or subject to mechanical Damage.
2. You must ensure that all gas fired portable space heaters and the like have the gas bottles chained either to the fabric of the building or to a purpose built trolley.

## Premium Payment

We will not make any payment under Your Policy unless You have paid the Premium.

## Reasonable Care

You must ensure that:

1. You take all reasonable care to prevent or minimise any circumstances or to cease any activity which may cause Damage accident or Injury whether insured or not.
2. You inspect at least weekly and maintain in a good state of repair in respect of all risks or Items insured hereunder (including but not limited to the Business Premises, machinery, equipment, furnishings and Marine Installations)
3. You keep Your Marine Installations in a safe and serviceable condition and pontoons and walkways are regularly pressure hosed to remove any build-up of slippery material.
4. You exercise care in the selection and supervision of Employees.

5. You comply with all relevant statutory requirements, manufacturers' recommendations and other regulations relating to the use, inspection and safety of property, Vehicles and Vessels and the safety of persons.
6. You, without delay, make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require.
7. You keep a fully updated log of all inspections, maintenance work, rectifications and repairs carried out detailing:
  - a) the person carrying out the inspection.
  - b) their position within the company.
  - c) the date and time of the inspection.
  - d) any defects found during the inspection.
  - e) proposed action to remedy the defects.
  - f) date time and details of the completion of the rectification work.
8. You and Your Employees take all reasonable precautions to:
  - a) exercise reasonable care in the selection of fit and proper competent drivers; and
  - b) maintain and keep in efficient condition any Vehicle or trailer in Your ownership or control used for the conveyance of goods and ensure they are fit for purpose; and
  - c) maintain and keep in efficient condition all protections on and to Your Vehicles or Property.
9. Your Vessel(s) stated in Your Schedule will at all times whilst under power, navigating or otherwise moving be manned by a suitably experienced person.
10. unless We otherwise agree in writing, Your Vessel will not be used for any purpose other than in connection with Your Business as stated in Your Schedule and when underway will have a competent skipper or suitably experienced person on board at all times.
11. at all times Your trailer will be:
  - a) securely locked to a road Vehicle and the road Vehicle will be occupied or securely locked; or
  - b) attended; or
  - c) secured by a wheel clamp approved by Us; or
  - d) in a locked place of storage.
12. if Your Vessel is carried on the roof rack of a Vehicle, Your Vessel and the roof rack and the road Vehicle are all fit for the purpose and all lashings and other fastenings are secure fastenings are secure

### **Reinstatement**

When We decide or are required to reinstate or replace any Property, You will, at Your expense, provide any information which We may reasonably require.

### **Seaworthy**

Your Insured Property is fit to encounter the ordinary perils of the sea, rivers, lakes and any other navigable waterways and is suitably moored, crewed, equipped, fuelled and provisioned with all equipment in proper working order.

### **Spraying**

You must ensure that spray-painting activities are carried out within a purpose built area of a Building or other permanent structure either of which is fully ventilated.

### **Subcontractors**

In connection with any work undertaken by Your contractor or sub-contractors You must obtain evidence that the contractor or sub-contractor have current policies providing Indemnity for Public and Products Liabilities which:

1. have a Limit of Liability:
  - a) of not less than £2,000,000 any one claim in respect of Public Liability or £2,000,000 any one Period Of Insurance in respect of Products Liability; or
  - b) where required, at least equivalent to the Limit Of Our Liability under Your policy.
2. cover the work to be undertaken.
3. remain in force for the duration of the contract.
4. provide an Indemnity to You as principal.
5. do not contain any agreement to waive Your rights of recovery.

### **Subrogation**

Anyone making a claim under this Policy must, at Our request and expense, do everything We may reasonably require to enforce a right or remedy or obtain relief or indemnity from other parties to which We will become entitled or subrogated because of payment for or making good accident, Damage or Injury.

We may require You to carry out such actions before or after We make any admission of or payment of a claim. You shall not admit liability nor give any waiver of subrogation without Our express permissions.

**Terms of Business**

You must ensure that:

1. All estimates, tenders, indemnities, agreements, contracts and acceptances, whether verbal or in writing, given or issued by You, will incorporate or draw attention to the Terms of Business currently sponsored by the British Marine Federation or such other terms of Business as may be approved by Us.
2. a notice of those terms will be exhibited by You in a prominent position at Your Premises.

Provided that, if Your Policy or Section or item stated in Your Schedule is renewed, a claim in respect of Damage occurring following renewal date shall not be barred by reason of a warranty not having been complied with at any time before the date of renewal.

**Vacant or Disused Premises**

You must tell Us without delay when any Building becomes Vacant or Disused and:

1. You must ensure all public services to the Building(s) are turned off at the mains supply or stop cock and all water systems drained; and
2. You will or will arrange for the Building(s) to be inspected internally at least once every seven days and will remedy forthwith any defects found and maintain a written log of such inspections; and
3. the Building(s) will be adequately secured against unauthorised entry; and
4. any fuel supply to the Building(s) are turned off at all stop points between the oil storage tank and the boiler; and
5. all letter boxes are secured shut; and
6. the Building(s) are kept clear of all combustible materials and gas bottles either within or outside the Building(s).
7. where the Building(s) are protected by an intruder alarm You must provide sufficient power to operate the system.
8. where the Building(s) are protected by a wet sprinkler installation, You must provide sufficient heat to prevent freezing or bursting of the sprinkler installation.
9. any Building or Premises or part thereof stated in Your Schedule as Vacant or Disused becomes occupied, including contractors being on site for renovation and or alteration.

**Waste**

You must ensure that:

1. all trade refuse will be collected or swept up and bagged daily; and
2. such bagged up trade refuse will not be allowed to accumulate in or on Your Premises and will be removed at least weekly; and
3. waste, including smoking waste, will not be allowed to accumulate within two (2) metres of any Building.

**Workmen**

We will allow workmen in and about Your Premises for the purposes of making minor repairs, decoration, plant installation, general maintenance and the like, without affecting the terms of Your Policy.

## General Definitions

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Each section of Your Policy contains definitions which apply to that particular section and they must be read in conjunction with the following General Definitions.

Unless stated otherwise, the following words or phrases will have the same meaning attached each time they appear in Your Policy and will be denoted by a capital first letter except for headings and titles.

### **Asbestos**

Crocidolite, amosite, chrysotile, fibrous actinolite, fibrous anthophyllite or fibrous tremolite or any mixture containing any of those materials, fibres or particles of Asbestos or any material containing Asbestos or Asbestos dust.

### **Boat**

Any type of small craft which forms part of the Vessel's equipment and is used for the operation of the Vessel and is permanently marked with the name of the Vessel. Any reference by Us to the "Vessel" in Your Policy includes the Vessel's Boat(s). A personal water craft or a life raft is not a Boat.

### **Building(s)**

The structures at Your Premises stated in Your Schedule covered by a roof and with walls constructed of brick, stone, concrete or incombustible hollow or solid building blocks and covered by a roof with slates, tiles, asphalt, metal or sheets or slabs composed entirely of incombustible mineral ingredients and including:

1. concrete, paved or asphalt forecourts, yards, terraces, drives and foot paths.
2. walls, gates and fences.
3. Glass, Sanitaryware and signs.
4. conveyors pipes and wires for the conducting of water, sound, light, gas and electricity and electronic aerials.
5. fixed water and oil tanks and other similar equipment.
6. landlord's fixtures and fittings in and on the structures.
7. annexes, conveniences and external hoists, gangways and staircases.
8. extensions communicating with any of the Buildings sub-stations.

are insured under the respective items applying to the Property Insured to which such Property is attached or belongs.

### **Building Sum Insured**

This shall include:

1. architects', surveyors', consulting engineers', legal and other fees incurred in reinstatement of the Item, but not exceeding the scale of fees authorised by the respective professional institutes.
2. the costs of reinstating underground water drainage, sewage and gas pipes, underground electricity and telephone cables, supplying Your Premises from the mains.

### **Business**

Your Business activities as stated to Us in Your Proposal Form or Statement of Fact and stated in Your Schedule.

### **Business Equipment**

Your equipment used by Your Business as stated in Your Schedule including:

1. internal machinery, tools, fixtures, fittings, other trade equipment, trade and office furniture, furnishings, stationery and all other contents excluding Electronic Business Machines and Yard Plant.
2. documents, manuscripts and Business books, but only for the value of materials as stationery, together with the cost of labour expended in writing up. No value attaches in respect of the information contained in such documents.
3. patterns, models, plans and designs for an amount not exceeding the cost of labour and materials in reinstating such.
4. directors', visitors' and Employees' pedal cycles and tools and other personal effects but not exceeding £500 in respect of any one person.
5. individual Computer system records, but only for the value of the materials together with the cost of labour and Computer time expended in producing such records and excluding any expense in connection with the production of information to be recorded. It does not include the value to You of the information contained within the record. Unless such records are separately stated in Your Schedule, the Limit Of Our Liability will not exceed £5,000 in respect of all Computer records for any one claim.



**Business Hours**

Your usual office, sales or workshop hours on Your Premises (including overtime).

**Coastal waters of the United Kingdom**

Non-tidal waters of the United Kingdom, inland tidal waters and waters around the coast of the United Kingdom up to a distance of twelve (12) miles offshore including waters between two points in the United Kingdom which enables travel by the most direct route, even though this route may be outside of the twelve (12) mile limit. This does not include travel between Great Britain, and either Northern Ireland, the Channel Islands or the Isle of Man.

**Compensation**

The amount awarded to a third party by a Court of Law in respect of damages including interest and costs but excluding all fines, punitive or exemplary damages.

**Continental Waters between Brest and Elbe**

All tidal, coastal and inland waters between Brest and Elbe. It does not include waters which are further north than 61 degrees north or further east than 10 degrees east or further south than 48 degrees 10 minutes north and further west than 12 degrees west.

**Continental Waters between La Rochelle and Elbe**

All tidal, coastal and inland waters between La Rochelle and Elbe. It does not include waters which are further north than 61 degrees north or further east than 10 degrees east or further south than 46 degrees north and further west than 12 degrees west.

**Cruising Area**

The area stated in Your Schedule within which any Vessel may be navigated, moved, moored, stored, displayed or worked upon.

**Cyber Vandals**

The person or persons whether identified or not, responsible for or involved with creating a Virus Or Similar Mechanism or a Denial of Service Attack, unauthorised access to or use of Electronic Business Machines.

**Damage**

Accidental loss, destruction or damage to tangible property including theft.

**Data**

All information which is:

1. electronically stored; or
2. electronically represented; or
3. contained on any current and back-up disks, tapes or other materials or devices used for the storage of Data including but not limited to operating systems, records, programs, software or firmware code or series of instructions.

**Data Storage Materials**

Any materials or devices used for the storage or representation of Data including but not limited to disks, tapes, CD-ROMs, DVDs, memory sticks, memory cards or other materials or devices which may or may not also constitute Electronic Business Machines.

**Declared Value**

Your assessment of the cost of reinstatement or replacement of an Item by a similar Item in a condition equal to but no better or more extensive than its condition when new at the commencement of the Period Of Insurance, together with the cost of reinstatement to comply with Public Authority requirements, professional fees and debris removal costs.

**Denial of Service Attack**

Any actions or instructions with the ability to damage, interfere with or otherwise affect the availability of Electronic Business Machines or Data including but not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic within, between or amongst networks.

### **Electronic Business Machines**

1. All computer equipment (comprising of peripheral devices, interconnecting wiring, fixed disks, telecommunications equipment, computerised telephone systems, electronic access equipment and electronic point of sale systems) used for the storage and communication of electronically processed Data including:
  - a) portable computer equipment at Your Premises.
  - b) facsimile or photocopying machines but shall not include within its meaning:
    - i) computer equipment controlling manufacturing processes;
    - ii) computer equipment manufactured for sale or held as stock for sale;unless stated in Your Schedule.
2. Data carrying materials.
3. All current and backup computer software and programs held on hard disks or data carrying materials unless specifically stated otherwise in Your Schedule.
4. Computer lock down plates, security enclosures, security cables and other similar devices all belonging to You or held by You in trust for which You are responsible but excluding any property which is more specifically insured.

### **Employee**

Any person working under Your control in connection with Your Business who is:

1. under a contract of service or apprenticeship with You.
2. a person under a contract of service or apprenticeship with some other employer and who is hired to or borrowed by You.
3. a labour master or person supplied by him.
4. a person engaged by a labour only sub-contractor.
5. a self-employed person working on a labour only basis under Your control or supervision.
6. a driver or operator of hired-in plant.
7. a trainee or person undergoing work experience.
8. a voluntary helper.
9. a person working under the Community Offenders Act 1978, the Community Offenders (Scotland) Act 1978 or similar legislation.
10. at Your request, an outworker or home worker employed under contract to execute personally any work in connection with Your Business.

### **Endorsement**

An alteration in writing to the terms of Your Policy.

### **Engine Cut Out Device**

A device that attaches to both Your Vessel/Boat and the helmsman, specifically designed, marketed and sold to stop the engine(s) automatically should the device become detached from Your Vessel / Boat or from the helmsman.

### **Excess**

The first amount of each and every claim for which You shall be responsible as stated in Your Schedule and, where applicable, as more particularly defined in the relevant sections of Your Policy.

The Excess will apply per incident and, if more than one section of cover is involved, the higher of the Excesses will apply.

### **Failure**

Any partial or complete reduction in the performance, availability, functionality or ability to recognise or process any date or time of any Electronic Business Machine or web site.

### **Geographical Limits**

Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

### **Glass**

All fixed glass at Your Premises in windows, doors, fan lights, sky lights, partitions, fixed furniture, display cabinets, show cases, counters and shelves owned by You or for which You are responsible.

### **Hacking**

Unauthorised access to any Electronic Business Machine, component, system or Item which processes, stores or retrieves Data whether Your property or not.

**Heat Work**

Use of blow torches, blow lamps, electric oxy-acetylene or similar, cutting equipment, hot compressed air blowers, hot air guns, hot air strippers, asphalt/bitumen/tar or pitch heaters, grinding wheels or cutting discs.

**Houseboat**

A Vessel that is located or moored at a single location which is used as a main / permanent residence and is connected to the on shore mains gas or mains electricity supply.

**In Commission**

The period when the Vessel is not required to be laid up and may be used for navigation purposes.

**Indemnity**

The amount payable under the relevant section.

**Injury**

Bodily injury including death, illness or disease.

**Insurance Adviser**

The insurance agent, broker or adviser through whom You have arranged Your Policy.

**Insured**

1. The first named party stated in Your Schedule.
2. Any subsidiary company of the first party provided it is stated in Your Schedule operating in or from Premises in the Geographical Limits or location stated in Your Schedule.
3. At the request of You:
  - a) any director or Employee of Yours while acting on Your behalf, or in the course of their employment or engagement by You, in respect of liability for which You would have been entitled to Indemnity under this Policy if the claim against any such person had been made against You.
  - b) any officer, member or Employee of Your sports or welfare organisation or first aid or ambulance service in their respective capacity as such.
  - c) in the event of Your death, Your personal representatives in respect of liability incurred by You, provided that such persons shall as though they were You, observe, fulfil and be subject to the terms, exceptions, conditions and Endorsements of Your Policy as far as they can apply.

The total amount which We will pay shall not exceed the Limit Of Our Liability regardless of the number of parties claiming to be indemnified or Insured hereunder.

**Insured Value**

The sum(s) stated in Your Schedule.

**Insurer**

Markel International Insurance Company Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number 202570), Registered in England & Wales, no. 00966670. Registered office: 20 Fenchurch Street, London, EC3m 3AZ, United Kingdom.

**Immediate Family**

Those members of Your family who reside permanently with You.

**Item**

An individual piece of tangible property for which We insure You.

**Legal Costs**

Legal Costs and expenses of Your representation in legal proceedings incurred with Our written consent.

**Limit of Indemnity**

The limit stated in Your Schedule.

**Limit of Our Liability**

The maximum amount as stated in Your Policy or in Your Schedule that We are liable to pay You arising out of any one event or series of events due to one cause.

**Loss of Data**

Loss of or destruction or alteration or loss of use, whether permanent or temporary, of or damage to Data, of whatsoever nature, in whole or in part, including, but not limited to, loss of Data resulting from loss or Damage to Electronic Business Machines or Data Storage Materials, including while stored on Data Storage Materials.

**Malicious Damage**

Riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation other than thieves and Cyber Vandals.

**Marine Installations**

Piers, quays, docks, gangways, pontoons, moorings, piles, dolphins, staging, jetties, breakwaters and their equipment and services owned by You or for which You are responsible.

**Marine Stock Vessel(s)**

Those Vessel(s) owned by You for the purpose of resale.

**Market Value**

The most likely sale value between willing buyer and willing seller immediately prior to the claimed loss of Damage taking into account the condition and location of Your Vessel.

**Mediterranean Waters**

Up to two hundred (200) nautical miles off the Mediterranean coast including the Straits of Gibraltar, the Dardanelles and adjacent seas of the Mediterranean but excluding Libya, Syria and Algeria.

**Money**

Cash, bank currency notes, cheques, money orders, postal orders, bankers drafts, unused postage stamps, National Insurance Stamps and Certificates, trading stamps, luncheon vouchers, credit company sales vouchers, Value Added Tax, purchase invoices, gift vouchers, lottery and other prize scratch cards, utility vouchers, top-up cards and mobile phone vouchers.

**Moulds and Mouldings**

Plugs, moulds, mould tools, component parts whilst in construction and other types of mouldings that may be stated in Your Schedule whilst in construction.

**Non tidal waters of the United Kingdom**

Inland waters of the United Kingdom where there are no tides and inland tidal stretches which are necessary to navigate in order to enter or leave the non-tidal system.

**North America**

The United States of America or Canada or any other territories within their jurisdiction.

**Outboard Engine Lock**

A device specifically designed, marketed and sold as a secure method of preventing theft of outboard engines from a Vessel.

**Peril**

The direct cause of a loss or Damage to the tangible property whether or not insured by Us.

**Period of Insurance**

The period stated in Your Schedule and any further period agreed by Us in writing, each such period being a separate Period Of Insurance.

**Policy**

This document and Your Schedule make up Your insurance Policy.

**Premises**

Buildings, outbuildings, yards, staging, jetties, breakwaters, slipways, piers, quays, docks, gangways, pontoons, moorings, driveways, paths, walls, fences, gates at the location(s) stated in Your Schedule and the land belonging to it.

**Premium**

The amount paid or to be paid by You to Us for the cover and benefits provided by Your Policy.

**Property**

All Items described in the relevant sections.

**Proposal**

This is all the information that You provided to Your Insurance Adviser upon which Your insurance cover is based.

**Sanitaryware**

Washbasins, pedestals, sinks, bidets, shower trays, shower screens, baths, bath panels, lavatory pans, urinals and cisterns.

**Schedule**

The document including Endorsements for the period in force which makes Your Policy specific to You.

**Statement of Fact**

The record of the information that You provided to Your Insurance Adviser upon which Your insurance quotation and Policy is based.

**Stock**

Your merchandise, raw materials and materials in trade (including work in progress and goods in trust) excluding:

1. Vessels, personal watercraft, any waterborne craft or personal propulsion craft.
2. motor vehicles, motorcycles, tractors, mowers, quad bikes, all-terrain vehicles, scooters or other similar or like vehicle.
3. video, audio, computer and electronic equipment and their accessories.
4. clothing, wines, spirits, tobacco, cigarettes, non-ferrous metals, precious stones, watches, gold, platinum and silver articles.

unless stated in Your Schedule.

**Sum Insured**

The amount stated in Your Schedule for an Item or section.

**Tenants' Improvements**

Structural fixtures and fittings and decorations of Yours as occupier of the Premises.

**Terrorism**

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

**Total Loss**

When Your Vessel is completely lost, destroyed or Damaged so that it can no longer be used as intended or if the cost of recovery and/or repairs is more than the value of Your Vessel.

**Turnover**

All monies paid or due to You for goods sold or delivered and for services provided by Your Business from Your Premises.

**Unlawful Association**

Any organisation which is engaged in Terrorism including any organisation which at any relevant time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973.

**Us/We/Our(s)**

Markel International Insurance Company Limited

**Vacant or Disused**

The Premises, or any part thereof, that is unoccupied, untenanted or which has not been actively used for a period of more than twenty one (21) consecutive days.

**Vehicle**

Any motor vehicle owned and/or operated by You or by Your contracted carrier including a temporary substitution whilst any such vehicle is out of use for maintenance, repair or official testing.

**Vessel**

Waterborne craft stated in Your Schedule including its sails, machinery, gear equipment and trailer, but excluding:

1. consumables such as food, lubricants, fuel or paint.
2. the personal property of any person.
3. Diving, fishing or sporting equipment.
4. moorings not carried on board the Vessel.
5. personal water craft.

unless specifically stated in Your Schedule.

**Virus or Similar Mechanism**

Program code, programming instruction or any set of instructions with the ability to damage, interfere with or otherwise adversely affect Electronic Business Machines or Data, whether involving self-replication or not including but not limited to Trojan horses, worms and logic bombs.

**Wheel Clamp**

A device that is specifically designed, marketed and sold to prevent a wheel being turned or removed.

**Yard Plant**

Vessel moving equipment/lifting equipment and their attachments used in and around the boatyard excluding that which is more specifically defined in Business Equipment.

**You/Your/Yours/Policyholder**

(This definition applies to the Marine and Builders Risks sections only)

The person(s) or company/companies/partnership(s) or unincorporated association(s) stated in Your Schedule as the Policyholder or any other person who is navigating or in charge of Your Vessel with Your permission.

**You/Your/Yours/ Policyholder**

(This definition applies to all other sections)

The person(s) or company, companies, partnership(s) or unincorporated association(s) stated in Your Schedule as the policyholder, or anyone using Your Vessel(s) with Your permission.

## General Exceptions

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Each section of Your Policy contains exceptions and must be read in conjunction with the following General Exceptions which apply to all sections unless otherwise stated.

Your Policy does not cover:

### Computer Virus and Hacking

1. Damage to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether Your Property or not, where such Damage is caused by Virus or similar mechanism or Hacking;
2. financial loss directly or indirectly caused by or arising from Virus or similar mechanism or Hacking;

but this shall not exclude Damage or financial loss which is not otherwise excluded from this Policy and which results from Fire, Lightning, Explosion, Earthquake, Aircraft or other aerial devices or articles dropped from them, Riot, Civil Commotion, Strikes, Labour Disturbances, Malicious Persons (including the acts of thieves but excluding the acts of Malicious Persons which do not involve physical force or violence) Storm, Flood, Escape of Water or Oil from any tank or apparatus or pipe, Impact by any vehicle, animal or Vessel.

For the purpose of this Exception:

Virus or similar mechanism shall mean program code, programming, instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations whether involving self-replication or not. The definition of Virus or similar mechanism includes but is not limited to Trojan horses, worms and logic bombs.

Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data whether Your Property or not.

### Date Recognition (This Exception does not apply to Your Employers Liability section)

Damage, accident or liability directly or indirectly caused by or consisting of or arising from the failure of any computer data processing equipment or media, microchip, integrated circuit or similar device or other equipment or system for processing, storing or receiving data or any computer software whether Your property or not and whether occurring before, during or after the year 2000:

1. to correctly recognise any date as its true calendar date.
2. to capture, save or retain and/or correctly to manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date.
3. to capture, save, retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture, save, retain or to correctly process such data on or after any date.

This exception shall not exclude subsequent Damage not otherwise excluded which itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any tank or apparatus or pipe, theft or impact by any vehicle, animal or Vessel.

### Date Recognition Computer Equipment

The expected cost which would have been incurred in modifying any computer, data processing equipment or media microchip, integrated circuit or similar device or other equipment or system for processing, storing or receiving data or any computer software so as to be able to correctly recognise, save, retain, manipulate, interpret or process any date after December 31st 1999 where such computer or other property is unable to do so at the time of any Damage insured by Your Policy.

### **Nuclear Risks**

Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature, directly or indirectly caused by or contributed to by or arising from:

1. Ionising, radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
2. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

Subject to indemnity under Your Employers' Liability section as far as concerns Injury caused to any of Your Employees if such Injury arises out of and in the course of employment or engagement of such person by You, this General Exception shall only apply:

1. in respect of liability of any Principal.
2. liability assumed by You under agreement and which would not have attached in the absence of such agreement.

### **Pollution and Contamination** (This Exception does not apply to Your Legal Liabilities sections of Your Policy)

Damage caused by or arising from pollution or contamination except (unless otherwise excluded) destruction of or damage to the Property insured caused by:

1. pollution or contamination which itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, malicious persons other than thieves, earthquake, storm, flood, bursting or overflowing or discharging or leaking of water tanks, apparatus or pipes, sprinkler leakage or impact by any road vehicle, animal or Vessel.
2. any of the Insured Perils in (1) above which itself results from pollution or contamination.

### **Sanctions Limitation**

No (re)Insurer shall be deemed to provide Cover and no (re)Insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such Cover, payment of such claim or provision of such benefit would expose that (re)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.

### **Sonic Bangs**

Loss, destruction or damage or any consequential loss occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

### **War, Government Action and Terrorism**

1. Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from:
  - a) War, Government Action or Terrorism.
  - b) civil commotion in Northern Ireland.
2. legal liability of whatsoever nature or any costs or expenses whatsoever directly or indirectly caused by or contributed to by or arising from War, Government Action or Terrorism except to the extent stated in the Liability Provisions.

For the purpose of this General Exception and its Liability Provisions:

War shall mean war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution or military or usurped power.

Government Action shall mean martial law, confiscation, nationalisation, requisition or destruction of property by or under the order of any government or public or local authority or any action taken in controlling, preventing, suppressing or in any way relating to War.

Terrorism shall mean any act(s) of any person(s) or organisation(s) involving:

1. the causing, occasioning or threatening of harm of whatever nature and by whatever means;
2. putting the public or any section of the public in fear;

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) are wholly or partly of a political, religious, ideological or similar nature.

In any action, suit or other proceedings where We allege that by reason of this Exception as far as it relates to Terrorism, any Damage or resulting loss or expense or consequential loss is not covered by this insurance, the burden of proving that such Damage, loss, expense or consequential loss is covered shall be upon You.



## Liability Provisions

Subject otherwise to the terms, definitions, exceptions, provisions and conditions of Your Policy and its Legal Liabilities sections:

We will indemnify You under Your Employers' Liability section provided that in respect of any one claim or series of claims arising out of any one original event, Our liability in respect of all legal liability costs and expenses directly or indirectly caused by or contributed to, by or arising from Terrorism shall not exceed £5,000,000.

## Property Cyber and Data Exclusion

1. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:
  - 1.1.1 Cyber Loss;
  - 1.1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with 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;regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
3. This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

## Definitions

4. Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
5. Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
6. Cyber Incident means:
  - 6.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
  - 6.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
7. Computer System means:
  - 7.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,  
  
owned or operated by the Insured or any other party.
8. Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

**Coronavirus** (this Exception does not apply to Your Public Liability Section or Your Employers Liability Section) Your Policy does not cover any claim in any way caused by or resulting from:

1. Coronavirus disease (COVID-19);
2. Severe acute respiratory syndrome coronavirus 2(SARS-CoV-2);
3. Any mutation or variation of SARS-CoV-2;
4. Any fear or threat of 1(, 2) or 3) above

**The following General Exceptions apply to the Marine and Builders Risks sections only****Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical And Electromagnetic Weapons**

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith:

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:
  - 1.1. ionising radiations from or contamination radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
  - 1.2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
  - 1.3. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
  - 1.4. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.
  - 1.5. 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.
  - 1.6. any chemical, biological, bio-chemical, or electromagnetic weapon.

**Marine Cyber Exclusion**

This clause shall be paramount and shall override anything in this insurance inconsistent therewith.

1. In no case shall this insurance cover any loss, damage, liability or expense directly or indirectly caused by, contributed to by or arising from:
  - 1.1. the failure, error or malfunction of any computer, computer system, computer software programme, code, or process or any other electronic system, or
  - 1.2. the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

## How to Complain

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Your Insurer is committed to providing a high quality and professional service and to maintain fair outcomes for our customers. If You are dissatisfied or have any complaints about Your Policy or the handling of a claim You should, in the first instance, contact Laura Green on the following details:

By telephone: +44 (0)20 7953 6020  
Email: [complaints@markelintl.com](mailto:complaints@markelintl.com)  
Write to: Legal & Regulatory, Markel International, London, EC3M 3AZ

The aim of this procedure is to settle the complaint fairly and as quickly as possible. We will use Our best endeavours to comply with the timeframes set out below.

1. A complaint received by Markel International Insurance Company Ltd (whether by letter, facsimile, e-mail, telephone conversation or other oral representation) will be allocated to an appropriate person to carry out an independent review of the justification of the complaint.
2. Complaints will be acknowledged in writing no later than 5 working days after receipt. That acknowledgement will include the name of the person who will be reviewing the complaint and a copy of this Complaint Procedure.
3. We will try to resolve a complaint within 4 weeks and give a written final response, or send an interim response explaining why we are not yet in a position to resolve matters.
4. By the end of eight weeks following receipt of a complaint, a final response will be issued or a further interim response giving an indication as to when a final response can be expected.
5. When we issue our acknowledgement of the complaint and our final response we will include a copy of a leaflet published by Financial Ombudsman Service ("FOS").

The FOS operates a dispute resolution facility for consumers, micro-enterprises (small businesses), small charities and trustees. An eligible complainant has up to six months to register a complaint with the FOS if the outcome was not to their satisfaction. Should it prove necessary for the FOS to make a determination and the complainant accepts it, then we are bound by that determination up to a specified maximum amount.

You can contact the FOS at: Financial Ombudsman Service, Exchange Tower, London E14 9SR Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Telephone: 0800 0234 567 (normally free for land line users)  
Telephone: 0300 1239 123 (charged at the same rate as 01 or 02 numbers on mobile phone tariffs) Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

### Financial Services Compensation Scheme (FSCS)

We are members of the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if We are unable to meet Our liabilities under Your insurance. This depends on the type of business and the circumstances of the claim. Such claims are protected for 90% without any upper limit. For compulsory classes of insurance, the claim will be met in full. Further information about the compensation scheme arrangements is available from FSCS Information can be obtained on request, or by visiting the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk)

Financial Services Compensation Scheme  
7th Floor  
Lloyd's Chambers  
Portsoken Street  
London  
E1 8BN

# Your Property at Your Premises

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## Definitions

The following definitions apply to this section only and shall keep the same meaning wherever they appear in this section. They should also be read in conjunction with the General Definitions in Your Policy.

### Breakdown

The actual breaking or burning out of any part of the freezer while in use, arising from either mechanical or electrical defects or pressures within the freezer, a sudden unforeseen stoppage of the freezer necessitating a repair or replacement before the freezer can resume working.

### Gross Rent Payable

Monies paid for the actual occupation of Your Premises but excluding other monies that are payable even under a lease such as insurance premium, management charges, service charges, rates, sinking funds and all other like and similar payments.

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## Cover

We will indemnify You in respect of Damage to Property occurring during the Period of Insurance at Your Premises caused by the undernoted Insured Perils unless otherwise stated in Your Schedule.

### Insured Perils

#### Fire (including Subterranean Fire)

We will not indemnify You for Damage:

1. caused by explosion or lightning or earthquake resulting from fire including subterranean fire.
2. caused by its own self ignition, leakage of electricity, short circuiting or over running.
3. caused by:
  - a) spontaneous fermentation or heating.
  - b) any heating process or involving the application of heat.

#### Lightning

#### Explosion

We will not indemnify You for Damage:

1. caused by the bursting of any boiler, economiser or other vessel, machine or apparatus belonging to You or under Your control in which internal pressure is due to steam only.
2. to any vessel or machine or apparatus including its contents, resulting therein from the explosion thereof, but this shall not exclude Damage caused by explosion of any boiler or gas appliance used for domestic purposes only.

#### Aircraft (including any form of aerial device) and/or articles dropped from them

#### Riot, Civil Commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation

We will not indemnify You in respect of Damage:

1. arising from the cessation of work.
2. arising from confiscation or destruction or requisition by order of the Government or any public authority.
3. by fire caused by strikers or locked-out workers or persons taking part in labour disturbances or malicious persons.

**Malicious Persons not acting on behalf of or in connection with any political organisation but only where Riot or Civil Commotion is also insured by this section**

We will not indemnify You in respect of Damage (other than by Fire or Explosion):

1. by theft.
2. to any Vacant or Disused Buildings.

**Earthquake****Theft or attempted theft involving**

We will indemnify You for Damage caused by theft or attempted theft involving:

1. entry to or exit from the Buildings at Your Premises by forcible and violent means excluding any damage to or from any structure which is incapable of being locked
2. violence or threat of violence to You or any director partner or Employee or their families.

We will not indemnify You for:

1. theft from any garden or yard or open space. This exclusion shall not apply to Marine Installations or Yard Plant or Moulds, provided:
  - a) they are contained within an area enclosed by water or properly maintained walls or fences, and gates which are locked at all times other than during Business Hours; and
  - b) the keys (where applicable) have been removed to a locked or attended Building.
2. Property in any part of Your Premises which is Vacant or Disused.
3. dishonest or fraudulent action by You or Your partners or directors or Employees or any person lawfully on the Premises.
4. loss of Money.

**Storm**

We will not indemnify You for Damage:

1. caused by:
  - a) subsidence or ground heave or landslip.
  - b) Frost.
  - c) escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal or dam.
2. to fences, gates and moveable Property in the open or in open sided Buildings other than Yard Plant, Moulds and Marine Installations.

**Flood**

We will not indemnify You in respect of Damage:

1. caused by:
  - a) storm or tempest.
  - b) subsidence or ground heave or landslip.
  - c) Frost.
  - d) escape of water from any tank, apparatus or pipe.
2. attributable solely to change in the water table level.
3. to fences or gates and moveable Property in the open or in open sided Buildings other than Yard Plant, Moulds and Marine Installations.

**Escape of Water from any tank, apparatus, pipe or an escape of fuel from any fixed oil heating installation**

We will not indemnify You for Damage:

1. caused by water discharged or leaking from an automatic sprinkler installation.
2. to Your Premises or parts thereof which are Vacant or Disused.
3. caused by the gradual emission or seepage of contents from any fixed oil heating installation.

**Impact by any animal, vehicle or train or watercraft or by goods falling from them, or collapse or breakage of television or radio receiving aerials or satellite dishes****Sprinkler Leakage**

Accidental escape of water from any automatic sprinkler installation fitted in Your Premises. We will not indemnify You in respect of Damage caused by:

1. freezing whilst Your Premises or parts thereof are Vacant or Disused.
2. explosion, earthquake, subterranean fire or heat caused by fire.
3. repairs, alterations or extensions to Your Buildings and/or sprinkler installations.

**Accidental Damage**

We will not indemnify You for Damage:

1. caused by or specifically excluded from any of the Insured Perils in this section.
2. caused by or consisting of:
  - a) inherent vice or latent defect, gradual deterioration, frost, wear and tear, faulty or defective design or materials.
  - b) faulty or defective workmanship, operational error or omission by You, Your partners, directors or Employees or contracted consultants.

but this shall not exclude subsequent Damage which results from a cause not otherwise excluded.
3. caused by or consisting of:
  - a) Corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects.
  - b) change in temperature, colour, flavour, texture or finish, the action of light or atmospheric conditions
  - c) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers or economisers or super heaters or pressure vessels or any range of steam and feed piping in connection therewith;
  - d) mechanical or electrical breakdown or derangement or overloading in respect of the item in which such breakdown or derangement originates;
 

but this shall not exclude:

    - i) such Damage not otherwise excluded which itself results from an Insured Peril or any other accidental cause.
    - ii) any subsequent Damage which itself results from a cause not otherwise excluded.
4. caused by or consisting of:
  - a) settling or shrinkage or expansion of foundations, walls, floors, ceilings or roof settlement or bedding down of new structures or extensions, subsidence, ground heave or landslip.
  - b) unexplained disappearance, unexplained shortage, inventory shortage, misfiling or misplacing of information.
  - c) electrical or magnetic disturbance or erasure of electronic recordings.
  - d) You voluntarily parting with the title or possession of any Property or rights to Property.
  - e) cessation of work.
  - f) the solidification of molten material unless such Damage is directly caused by any other Insured Peril that is insured by this section.
5. to a Building or structure caused by its own collapse or cracking, however We will indemnify You in respect of such Damage if it results from an Insured Peril and is not otherwise excluded.
6. to:
  - a) moveable Property in the open by wind, rain, hail, sleet, snow, flood or dust.
  - b) Property insured in transit by air or sea or inland waterway or road.
7. a) to Buildings or structures in the course of construction or demolition or alteration or structural repair and materials or supplies in connection with all such construction or erection;
  - b) to vehicles licensed or intended to be licensed for road use including accessories thereon or attached or unattached caravans;
  - c) caused by aircraft (including any form of aerial device) or articles dropped from them;
  - d) to livestock or growing crops or trees;
  - e) to Money;
  - f) to fixed glass and Sanitary Ware other than as defined in Buildings;
 

unless specifically stated in Your Schedule and the Damage is not otherwise excluded.
8. to Property resulting from its undergoing:
  - a) any process of production.
  - b) any process of packaging, treatment, testing, commissioning, cleaning, servicing, repair or any other similar process.

However We will indemnify You in respect of such Damage if it is caused by fire or explosion and is not otherwise excluded.

**Subsidence or ground heave or landslip or avalanche** (if stated in Your Schedule as operative)

We will not indemnify You for Damage:

1. to car parks, forecourts, yards, terraces, patios, drives, footpaths, walls, gates, fences, swimming pools, security lighting and cameras, fuel tanks, service tanks and their bases, drains, piping, ducting cables and wires unless a Building insured by this section is damaged by the same cause at the same time.
2. arising from the settlement or movement of made-up ground or by coastal or river erosion.
3. occurring as a result of the construction or demolition or alteration or structural repair of any Buildings/structures at Your Premises.
4. arising from the normal settlement or bedding down of new structures.
5. that has been provided for or would have been but for the existence of this insurance under any contract or a guarantee or by law.
6. commencing prior to the issue of cover under Your Policy.

### Limit of Our Liability

The maximum We will pay under this section will not exceed:

1. the Sum Insured on each item; or
2. the total Sum Insured; or
3. any other maximum amount payable or limit of liability stated in Your Schedule.

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## Extensions

The following extensions apply to this section only.

### Capital Additions

We will indemnify You in respect of Damage to:

1. alterations, additions and/or improvements to the Buildings and/or machinery but no appreciation in value thereof.
2. newly acquired and/or newly occupied Premises provided they are not otherwise insured anywhere in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

Provided that:

- a) at any one Premises, this extension shall not exceed ten (10) per cent of the Sum Insured under the relevant item or £100,000 in the aggregate whichever is the less.
- b) You shall advise Us:
  - i) every six (6) months in respect of any such alterations, additions and improvements.
  - ii) as soon as practicable of any newly acquired and or newly occupied Premises.

You will pay the appropriate additional premium required by Us, calculated from inception of such additional cover, the amounts declared shall be added by Endorsement to the Sum Insured against the relative item stated in Your Schedule, whereupon these provisions shall be fully reinstated.

### Contract Sale Price

In the event that a contract for the sale of goods (not yet delivered) is cancelled following Damage by an Insured Peril to goods by reason of conditions attaching to the contract, then We will pay the contract price for the goods which have suffered Damage.

Any calculation for the purpose of Average will be on the basis of the contract price for all goods sold but not delivered, whether suffering Damage or not.

### Debris Removal

The Sum Insured for each item of Property Insured under this section includes costs and expenses necessarily incurred by You with Our consent in:

1. removing debris from;
2. dismantling and/or demolishing;
3. shoring up or propping;

part or parts of the Property Insured by the said items following Damage.

We will not indemnify You in respect of costs and expenses:

1. incurred in removing debris from any area other than Your Premises.
2. arising from pollution or contamination of Property not insured by this section.

The maximum We will pay for costs and expenses in respect of Stock in Trade is £1,000 in respect of each and every claim under this section.

### Drain Clearance

The Sum Insured for each item under Buildings extends to include costs and expenses necessarily incurred by You, and for which We agree to, for clearing and/or cleaning drains, sewers and gutters, for which You are responsible and liable, following Damage as insured by this section.

The maximum We will pay in respect of any one claim under this Extension is £10,000 subject to a £1,000 Excess each and every claim.

### European Union and Public Authorities Clause

Following Damage as insured by this section to each item under Buildings and Business Equipment, We will pay the additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with any:

1. European Union legislation; and/or
2. building or other regulations under or framed in pursuance of any Act of Parliament or by-laws of any public authority.

(both of which are hereinafter referred to as “Regulations” in respect of the destroyed or damaged Property insured).

This Extension does not apply to:

1. the cost incurred in complying with the Regulations:
  - a) in respect of any graded or listed Building unless stated in Your Schedule.
  - b) under which notice has been served upon You prior to the happening of the Damage.
  - c) for which there is an existing obligation which has to be implemented within a given period.
  - d) in respect of undamaged Property insured or undamaged portions of Property insured, other than foundations (unless specifically excluded) of that portion of the Property insured, destroyed or damaged.
2. the additional cost that would have been required to make good the Property insured, destroyed or damaged, to a condition equal to its condition when new, had the necessity to comply with the Regulations not arisen.
3. the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the Property insured or by the owner thereof by reason of compliance with Regulations.

Provided that:

1. the work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve (12) months after the Damage or within such further time as We may allow (during the said twelve (12) months) and may be carried out upon another site (if the regulations so necessitate), subject to the Our liability under this section Extension not being thereby increased.
2. if Our liability under any item of this section apart from this section Extension shall be reduced by the application of any of the terms, Conditions and Exceptions of this section, then Our liability under this section extension, in respect of any such item, shall be reduced in like proportion.
3. the total amount recoverable under any item of this section under this section Extension shall not exceed:
  - a) in respect of European Union Legislation:
    - i) 15% of the Sum Insured.
    - ii) where the Sum Insured by the item applies to Property Insured at more than one Premises, 15% of the total amount for which We would have been liable had the Property Insured by the item at the Premises where Damage has occurred been wholly destroyed.
  - b) in respect of Regulations, the Sum Insured.

### Fire Brigade Damage

We will indemnify You in respect of costs and expenses necessarily incurred in reinstating or repairing landscaped gardens and grounds following Damage caused by fire brigade equipment or personnel in the course of combating fire.

The maximum We will pay in respect of any one claim under this Extension is £10,000 subject to a £1000 Excess each and every claim.

### Fire Extinguishing Expenses

We will indemnify You in respect of costs and expenses incurred in refilling, recharging or replacing any:

1. portable fire extinguishing appliances; or
2. local fire suppression system; or
3. fixed fire suppression system; or
4. sprinkler installation; or
5. sprinkler heads;

as a result of Damage as insured by this section.

We will not indemnify You in respect of any costs and expenses which are recoverable from the maintenance company or fire service.

You must maintain all such equipment in accordance with the manufacturer’s instruction. The maximum We will pay in respect of any one claim under this extension is £2500.



**Glass**

The insurance by each item on Buildings or other Property for which You are responsible at Your Premises, is extended to include breakage occurring during the Period of Insurance of all fixed Glass in windows, doors, fanlights, skylights, partitions, furniture displays, show cases, counters, shelves, neon and eliminated signs, electric light fittings and fixed sanitary ware.

Breakage shall mean accidental fracture extending through the entire thickness of the Glass.

As a direct result of breakage, We will also pay for:

1. Damage to any lettering, embossing, beading, silvering or ornamental work, for an amount not exceeding £1,000 for any one claim.
2. the reasonable cost of:
  - a) boarding up.
  - b) repair or replacement of window frames, frame work, security fittings and/or alarm foil, for an amount not exceeding £500 for any one claim.

This extension does not apply to breakage caused by or arising from:

1. repairs, alterations or other fittings to Your Premises.
2. defects in frames and framework.
3. any Vacant or Disused Buildings.
4. faulty or defective workmanship on Your part or any of Your Employees.
5. wear, tear, gradual deterioration, mechanical or electrical breakdown of neon and eliminated signs and electric light fittings.

**Index Linking**

Each item of Property Insured is declared to be subject to Index Linking unless otherwise stated in Your Schedule and it is adjusted at annual intervals in accordance with the percentage change in various inflation/cost indices that We may use.

At each renewal the premium will be adjusted to apply to the Sum Insured which then pertains and We waive all rights to additional premium arising solely out of such index adjustments prior to renewal. We reserve the right to use alternative suitable indices at any time without prior notice.

**Loss of Metered Water**

We will pay for charges for which You are responsible if water is accidentally discharged from a metered water system providing service to Your Premises.

The maximum We will pay in any one period of Insurance under this Extension is £10,000 subject to a £500 Excess per any one claim.

**Non-invalidation**

The insurance by this section shall not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased unknown to or beyond Your control, provided that, immediately You become aware thereof, You shall give notice to Us and pay an additional premium if required.

**Other Interests**

The interest of parties supplying Property to You under a hiring, leasing or similar agreement is noted in this insurance, the nature and extent of any such interest to be disclosed by You in the event of Damage.

**Replacement Locks**

We will indemnify You for the cost and expenses of replacing locks at the Premises if keys are lost from:

1. Your Premises;
2. Your home;
3. the home of any authorised Employee;

following Theft or attempted Theft or whilst in Your custody or that of an Employee following Theft or attempted Theft.

If the keys belong to a safe or strong room, they must be:

- a) removed from Your Premises overnight.
- b) kept in a secure place away from the safe when You or an Employee occupies Your Premises. The maximum We will pay in respect of any one claim or series of claims arising from one original cause is £500.

**Rent**

The insurance on Rent applies only if any of the Buildings or any part thereof are unfit for occupation in consequence of Damage thereto, but the amount payable shall not exceed such proportion of the Sum Insured on Rent as the period necessary for reinstatement bears to the term of Rent insured.

Any claim under this extension shall only be considered if the Building or relevant part thereof was occupied/tenanted or contracted to be occupied/tenanted at the time of the Damage.

**Subrogation Waiver**

In the event of a claim arising under this section We agree to waive any rights remedies or relief to which We might become entitled by subrogation against:

1. any Company standing in the relationship of Parent to Subsidiary (Subsidiary to Parent) to You as defined in the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage.
2. any Company which is a Subsidiary of a Parent Company of which You are a subsidiary in each case within the meaning of the Companies Acts or Companies (NI) Order as appropriate current at the time of Damage.

**Theft Damage to Buildings**

We will indemnify You for the cost of repairing Damage by theft or any attempted theft to the buildings at Your Premises (whether or not the Buildings are insured hereunder) if You are responsible for the repairs and the Damage is not otherwise insured.

**Temporary Boarding Up**

We will indemnify You in respect of Damage to fixed Glass including the costs of any necessary boarding up or temporary glazing, pending the replacement of broken glass and of removing and re-fixing window fittings and other obstacles to replacement.

The maximum We will pay in respect of any one claim under this Extension is £1000.

**Temporary Removal (General)**

We will indemnify You in respect of Damage insured by this section, other than to Stock, whilst temporarily removed from Your Premises for cleaning, renovation, repair and in transit thereto and therefrom in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

The maximum We will pay under this Extension is 10% of the Sum Insured for each Item after the deduction of the value of any Building and Stock in Trade included within the Item insured.

We will not indemnify You in respect of:

1. motor vehicles and motor chassis licensed for normal road use.
2. Property otherwise insured.
3. Property held in trust by You.
4. Property insured removed for more than ninety (90) consecutive days.

**Temporary Removal of Documents and Electronic Business Machine Records**

We will indemnify You in respect of Damage insured by this section to documents and Electronic Business Machine records whilst temporarily removed to any premises not in Your occupation and whilst in transit thereto and therefrom, all in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

The maximum We will pay under this Extension is 10% of the total value of the Item.

**Transfer of Interest**

If at the time of Damage You shall have contracted to sell Your interest in any Buildings hereby insured and the purchase shall not have been, but shall be thereafter completed, the purchaser on completion of the purchase if and so far as the Building is not otherwise insured by or on behalf of the purchaser against such Damage shall be entitled to the benefit of this section so far as it relates to such Damage without prejudice to Our or Your rights and liabilities under this section up to the date of completion.

### **Trace and Access**

We will pay costs and expenses which You have incurred with Our consent in locating the source of any escape of water from any fixed domestic water services or heating installation or escape of fuel oil, including subsequent repair to walls, floors or ceilings of Your Premises.

We will not indemnify You:

1. for the cost of repairs to any fixed domestic water services or heating installation.
2. where Damage results solely from a change in the water table level.

Our maximum liability shall under this Extension not exceed £10,000 in the aggregate during any one Period of Insurance subject to a £500 Excess per claim.

### **Unauthorised Use of Electricity, Gas and Water**

We will include the cost of metered electricity, gas or water for which You are legally responsible, arising from its unauthorised use by persons taking possession, keeping possession or occupying Your Premises without Your authority.

Our maximum liability shall under this Extension not exceed £10,000 any one loss in respect of each & every claim.

### **Underground Services**

We will pay for Damage for which You are legally liable to underground pipes, cables, drains and their relevant inspection covers which supply services to and carrying waste from Your Premises to the point of junction with public supply lines, mains and sewers.

Our maximum liability shall under this Extension not exceed £10,000 in the aggregate during any one Period of Insurance subject to a £500 Excess per claim.

### **Workmen**

Workmen are allowed in or about any of Your Premises for the purposes of carrying out minor alternations, repairs, decoration and/or any maintenance without prejudice to Your Policy.

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## **Exceptions**

The following exceptions apply to this section only and should be read in conjunction with the General Exceptions in Your Policy.

We will not indemnify You for:

1. delay, loss of market, loss of use or consequential loss of any kind unless cover is stated in Your Schedule and the Damage is not otherwise excluded.
2. any Property more specifically insured by You or on Your behalf.
3. Damage to working dynamos, motors, wires, main or electrical apparatus, through short circuiting, overrunning or excessive pressure.

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## **Conditions**

The following conditions apply to this section only and should be read in conjunction with the General Conditions in Your Policy.

### **Automatic Reinstatement**

We shall, in the event of Damage under this section, automatically reinstate the Sum Insured unless there is written notice by Us to the contrary, provided that:

1. You undertake to pay the appropriate additional premium.
2. You shall take immediate steps to carry out any alterations to the protections of the Premises which We may require.

**Day One Basis**

This condition is only applicable to those items stated in Your Schedule with Declared Value as operative.

1. You having stated in writing the Declared Value incorporated in each item to which this Condition applies and the premium has been calculated accordingly.

For the purposes of this Condition, Declared Value shall mean:

Your assessment of the cost of reinstatement of the Property insured, arrived at in accordance with the Basis of Claims Settlement Condition at the start of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with an allowance for:

- a) the additional cost of reinstatement to comply with:
    - i) European Union Legislation.
    - ii) Act of Parliament.
    - iii) Bye-Laws of any public authority.
  - b) professional fees.
  - c) debris removal costs.
2. You must notify Us of the Declared Value at the start of each Period of Insurance. If You fail to do so, We will use the last Declared Value notified to Us for the ensuing Period of Insurance.
  3. If at the time of the Damage the Declared Value is less than the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (1) of this condition at the start of the Period of Insurance, Our liability for any Damage will be limited to that proportion which the Declared Value bears to the cost of reinstatement of the Property Insured.

The Sums Insured will be limited to the percentage of the Declared Values stated in Your Schedule.

**Designation**

For the purpose of determining where necessary the item heading under which any property is insured, We agree to accept the designation under which such property has been entered in Your books or business records.

**Fire Alarms, Sprinkler Installations and Fire Doors**

You shall:

1. carry out the testing, checking and evidence requirements in relation to the automatic fire alarms and sprinkler installation(s) referred to on any completion certificate and remedy promptly any defect disclosed; and
2. carry out the maintenance procedures in relation to the automatic fire alarms and sprinkler installation(s) specified by the manufacturers of the equipment; and
3. notify Us immediately of any disconnection or failure of the automatic fire alarm and sprinkler installation likely to leave any area unprotected for more than twelve (12) hours or more, record details of all events such as alarm faults, tests, maintenance and disconnections and keep such details available for examination by Us or Our representatives; and
4. keep all fire break doors and shutters closed except during working hours and in efficient working order.

**Fire Extinguishing Appliances**

You must maintain all fire extinguishing appliances on Your Premises in full and efficient working order and under a contract of maintenance during the Period of Insurance. Subject to the observance of this Condition, this section shall not be invalidated by any defect in any of the said appliances due to any circumstances unknown to You or beyond Your control.

**Flat Roof Inspection**

You must ensure that:

1. flat roof areas are inspected every six (6) months and a written record kept of Your findings; and
2. any defects discovered must be rectified immediately and a written record kept.

**Freezer**

You must ensure that You have evidence of a current maintenance contract with a refrigeration engineer for each Item which is not a sealed unit.

### Minimum Standards of Protections

Unless agreed otherwise by Us in writing, within thirty (30) days of inception of Your Policy the following protections must be fitted to the under-mentioned doors, windows and other openings (where these are under Your control) and put into full and effective operation whenever Your Premises are closed for business or left unattended:

1. On final exit doors or other external doors and on internal doors giving access to any part of Your Premises not occupied solely by You or to any adjoining premises (excluding sliding doors and fire exit doors):
  - a) a mortice deadlock which has five or more levers and/or conforms to BS3621 specification for thief resistant locks with matching steel box striking plate.
  - b) if double leaf:
    - i) flush or barrel bolts or key operated locks or bolts fitted top and bottom in every case.
    - ii) a substantial padlocking bar and close shackle padlock with minimum of five levers or high security cylinder mechanism.
  - c) if outward opening hinge bolts fitted top and bottom.
2. On external aluminium or UPVC doors (excluding sliding and fire exit doors) cylinder operated mortice pivot bolt lock including anti-turn cylinder collar, and if double leaf flush bolts on the first closing leaf.
3. On sliding patio doors the manufacturers' patent key-operated locking system.
4. Any door officially designated as Fire Exit by the Fire Authority must be secured only by devices agreed by the Fire Officer, this must be a suitable lock for use in emergency escape situations.
5. On all accessible windows and fanlights, key-operated window locks with the keys removed when in operation.
6. On all roller shutters a manufacturer's standard recommended locking device for that type of roller shutter.

### Security

You must ensure that:

1. whenever Your Premises are closed for business or left unattended all locks, bolts and other security devices including any intruder alarm system(s) are put into full and effective operation and any keys removed from Your Premises.
2. You restrict the secrecy codes for the operation of the Intruder Alarm System to authorised persons and no details of same are left on Your Premises.

### Stillage

You must ensure that all Stock and Materials in Trade and work in progress is, and will be, kept at least thirty (30) centimetres above the floor level of the part of the Premises in which they reside.

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## Basis of Claims Settlement Condition

The basis of settlement under this section shall be as stated in Your Schedule.

### Reinstatement

The amount payable in respect of Buildings, Electronic Business Machines, plant, machinery or tenant's improvements, Yard Plant, Moulds and Mould tools, shall be the cost of the reinstatement of the Damage.

For this purpose "reinstatement" means:

1. the rebuilding or replacement of Property lost or destroyed which, provided Our liability is not increased, may be carried out:
  - a) in any manner suitable to Your requirements;
  - b) upon Your current site;
2. the repair or restoration of Property damaged;

in either case, to a condition equivalent to, or substantially the same as, but not better or more extensive than its condition when new.

Provided that

1. Our liability for the repair or restoration of Property damaged in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed.
2. If Average is stated on Your Schedule as applicable, at the time of reinstatement, the sum representing 85% of the cost which would have been incurred in reinstating the whole of the Property covered by any item subject to this Basis of Claims Settlement Condition exceeds its Sum Insured at the commencement of any Damage, Our liability shall not exceed that proportion of the amount of the Damage which the Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such Property at that time.
3. No payment beyond the amount which would have been payable in the absence of this Basis of Claims Settlement Condition shall be made:
  - a) unless reinstatement commences and proceeds without unreasonable delay.
  - b) until the cost of reinstatement shall have been actually incurred.
  - c) if the Property Insured at the time of the Damage shall be insured by any other insurance effected by You, or on Your behalf, which is not upon the same basis of reinstatement.
4. All the terms and Conditions of this Policy shall apply:
  - a) in respect of any claim payable under the provisions of this Basis of Claims Settlement Condition except insofar as they are varied hereby.
  - b) where claims are payable as if this Basis of Claims Settlement Condition had not been incorporated.
5.
  - a) when We decide or are required to reinstate or replace any Property Insured, You will at Your own expense provide all such plans, documents, books and information as may be reasonably required.
  - b) We will not be obliged to reinstate Property Insured exactly, but only in a satisfactory manner as circumstances allow.

The maximum amount We will pay in respect of any one item is the Sum Insured less, in all cases, the Excess.

### **Indemnity**

For this purpose "indemnity" means that We shall pay the current market value at the time of Damage, or at Our option, the cost of reinstatement or replacement of such Property, or any part of it, in the same or similar condition that the Property was in immediately prior to the Damage

Provided that:

If Average is stated on Your Schedule as applicable, if at the time of Damage the Sum Insured for the item is less than 85% of the value of the item insured, then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the value of Your Property.

### **Cost Price**

For this purpose "cost price" means the amount paid by You when originally purchasing the Property which has been lost or damaged

Provided that:

If Average is stated on Your Schedule as applicable, if at the time of Damage the Sum Insured for the item is less than 85% of the cost price of the item insured, then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the cost price of Your Property.

# Your Property Away from Your Premises

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## Cover

We will indemnify You in respect of Damage caused by an Insured Peril occurring during the Period of Insurance:

1. to Property stated in Your Schedule provided the Damage occurs within the Geographical Limits stated in Your Schedule.
2. to Exhibition Property whilst at exhibition premises or in direct inland transit to or from the exhibition(s) anywhere within the Geographical Limits stated in Your Schedule.
3. for Loss of Exhibition expenses sustained by You as a result of the Damage:
  - a) at the exhibition premises; or
  - b) to any Exhibition Property used in connection with the exhibition while in transit to or from the exhibition premises, or whilst in the exhibition premises happening at any time before the advertised public closing time of the exhibition, and as a result of which the exhibition is interfered with or abandoned.

unless otherwise stated in Your Schedule.

## Non-Contribution

If the loss and/or Damage which is the subject of a claim under this section is or would, but for the existence of this section, be insured by any other insurance, We shall not be liable under this section except in respect of any amount beyond which would have been payable under such other insurance had this section not been in existence.

## Limit of Our Liability

The maximum We will pay under this section shall not exceed:

1. the Sum Insured on each item or the total Sum Insured; or
2. any other maximum amount payable; or
3. limit of Our liability stated in Your Schedule.

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## Exclusions

The following exclusions apply to this section only and should be read in conjunction with the General Exceptions in Your Policy.

We will not indemnify You for:

1. consequential loss of any kind.
2. Damage caused by:
  - a) inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table, Your own faulty or defective design or materials;
  - b) faulty or defective workmanship, operational error or omission on the part of You or any of Your Employees;but this shall not exclude subsequent Damage which itself results from a cause not being an excepted cause under this section or otherwise excluded.
3. Damage caused by:
  - a) Corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects.
  - b) change in temperature or atmospheric or climatic conditions;
  - c) mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates; but this shall not exclude:
    - i) such Damage which itself results from an Insured Peril or from any other cause not being an excepted cause under this section or otherwise excluded.
    - ii) subsequent Damage which itself results from a cause not being an excepted cause under this section or otherwise excluded.
4. any loss from an unattended vehicle or trailer vehicle being any vehicle with no person in charge or keeping the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle.

5. Damage caused by:
    - a) acts of fraud or dishonesty by You, Your Family or Your Employees.
    - b) unexplained disappearance, unexplained or inventory shortage, misfiling or misplacing of information.
    - c) any process of fitting, testing, servicing, repair, renovation or adjustment.
  6. the Excess stated in Your Schedule.
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## Exceptions to Exhibition cover

We do not Cover:

1. Vessels.
2. loss of market, loss of profit, delay or any consequential loss of any kind.
3. Money and securities.
4. jewellery, clocks, watches, fur, livestock.
5. Damage to Glass, china, marble, earthenware, scientific instruments, antiques, curios, sculptures, works of art, pictures, prints, drawings, engravings and goods of a brittle nature unless caused by fire, theft or as a direct result of collision of the conveying Vehicle or overturning of the conveying Vehicle.
6. Damage to:
  - a) machinery due to overrunning operations.
  - b) any electrical machine or apparatus due to overrunning, excessive pressure, short circuiting or self-heating.
  - c) clothing and effects of visitors taken in transit to or from the exhibition.
7. Damage to Exhibition Property:
  - a) due to insufficient labelling or incorrect addressing or as a result of Failure to make proper and complete declarations that may be required by carriers.
  - b) arising as a result of packaging which was inadequate to withstand normal handling during transit in or on:
    - i) any Vehicles owned or operated by You or Your Employees or agents when left unattended.
    - ii) any Vehicle which is being used for social, domestic or pleasure purposes except this will not apply to Exhibition Property in the custody of the postal authority, railway or other carrier.
    - iii) open Vehicles owned or operated by You, caused by atmospheric or climatic conditions in relation to the Exhibition Property that is not protected by Vehicle sheets unless the wind speed exceeds force 8 gusting or sustained on the Beaufort scale as recorded at the nearest weather station to the location of the Damage.
8. Loss of or Damage to Exhibition Property and/or loss of Expenses caused by or arising from:
  - a) atmospheric, climatic or weather conditions in any part of any exhibition held in the open, unless the wind speed exceeds force 8 on the Beaufort scale and all Exhibition Property is contained within a weatherproofed stand, marquee, portacabin, exhibition unit.
  - b) wear, tear, depreciation, deterioration, mildew, moss, vermin, any process of cleaning or repairing, inherent vice, inherent nature, mechanical or mechanical breakdown, failure or derangement unless external Damage has occurred.
9. Physical loss of or Damage to any Item caused by pollution or contamination or any cost or expense or any consequential loss resulting therefrom, but this does not exclude destruction or Damage to Property insured or Business interruption resulting from destruction or Damage to Property used by You at Your Premises for the purpose of Your Business, not otherwise excluded caused by:
  - a) pollution or contamination by a sudden unforeseen and unintended event which itself results from a Insured Peril; or
  - b) any Insured Peril which itself results from pollution or contamination occurring suddenly and is unforeseen and unintended which pollution or contamination happens at one time.
10. loss of or Damage to Exhibition Property whilst being demonstration and/or worn.
11. theft of Exhibition Property:
  - a) during exhibition hours whilst the stand is left unattended by You or Your representative
  - b) from a room containing exhibits outside Exhibition Opening Hours unless the room is attended by You or Your representative or theft involves entry or exit from the room by forcible and violent means or the site is controlled by security personnel.



## Conditions

The following conditions apply to this section only and should be read in conjunction with the General Conditions in Your Policy.

### Automatic Reinstatement

In the absence of written notice from Us to the contrary, the Sum Insured by this section shall not be reduced by the amount of loss and in return You undertake to pay the appropriate additional premium at a rate to be agreed on the amount of the loss from the date thereof.

### Camcorders, Cameras & Laptops (air travel)

If in relation to any claim or loss You have failed to fulfil the following condition, You will lose Your right to Indemnity or payment for that claim or loss. You must ensure that all camcorders, cameras and laptops go as accompanied hand luggage whilst travelling on aircraft.

### Keyholder

You or any person or key holding company authorised by You, must be available at all times to accept notification of faults or alarm signals relating to the intruder alarm system, and attend and allow access to Your Premises.

### Responsible Person

You or any person authorised by You to be responsible for the security of Your Premises.

The following are conditions precedent to Our liability to indemnify You in relation to any claim for Damage. If You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim:

1. Your Premises are protected by an intruder alarm system and means of communication used to transmit signals from such an intruder alarm system, designed, installed and maintained as agreed by Us.
2. Your Protected Premises must not be left without at least one Responsible Person in attendance:
  - a) unless the intruder alarm system is set in its entirety with all means of communication used to transmit signals in full operation.
  - b) if the police have withdrawn their response to alarm calls unless We agree otherwise.
3. in the event of notification of any activation of the intruder alarm system or interruption of any of the means of communication during any period that the intruder alarm system is set, a Keyholder shall attend Your Premises as soon as reasonably possible in order to confirm the security of Your Premises and reset the intruder alarm system in its entirety. If the intruder alarm system cannot be reset in its entirety or all the means of communication used to transmit signals are not in full operation, a Keyholder must remain at Your Premises unless We agree otherwise in writing.
4. You shall advise Us as soon as possible and in any event not later than 10.00am on Our next working day:
  - a) that police attendance in response to alarm signals/calls from the intruder alarm system may be withdrawn or the level of response reduced or delayed;
  - b) of notice from a Local Authority or Magistrate imposing any requirement for abatement of nuisance;
  - c) that the intruder alarm system and the means of communication used to transmit signals from such installation cannot be returned to or maintained in full working order;and You must comply with any of Our subsequent requirements.
5. No alteration or substitution of:
  - a) any part of the intruder alarm system;
  - b) the structure of Your Premises or changes to the layout of Your Premises which would affect the effectiveness of the intruder alarm system;
  - c) the means of communication used to transmit signals from the intruder alarm system;
  - d) the procedures agreed with Us for police or any other response to any activation of the intruder alarm system;
  - e) the maintenance contract;shall be made without Our written agreement.
6. You and each Keyholder must maintain secrecy of codes and security of keys and setting/unsetting devices for the operation of the intruder alarm system. All keys and other setting/unsetting devices for the intruder alarm system must be removed from Your Premises when they are left unattended.
7. the intruder alarm system shall be maintained in full and efficient working order under a contract to provide both corrective and preventative maintenance with the installing company or other such company as agreed by Us.
8. You will appoint at least two Keyholders and lodge written details (which must be kept up to date) with the alarm company contracted to maintain the intruder alarm system.

### **Theft Protections**

The following is a condition precedent to Our liability to indemnify You in relation to any claim for loss under this section at Your Premises outside Business Hours. If You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim. All fastenings and protections on Your Premises at the commencement of this insurance and all additional fastening and protections which have been stipulated by Us shall be maintained during the currency of this insurance.

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### **Basis of Claims Settlement Condition**

The basis of settlement under this section shall be as stated in Your Schedule.

#### **Reinstatement**

For this purpose “reinstatement” means:

- a) the rebuilding or replacement of Property lost or destroyed which provided Our liability is not increased may be carried out:
  - i) in any manner suitable to Your requirements.
  - ii) upon another site.
- b) repair or restoration of Property damaged.

In either case to a condition equivalent to or substantially the same as, but not better or more extensive than its condition when new.

Provided that:

1. Our liability for the repair or restoration of Property damaged in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed.
2. If Average is stated shown on in Your Schedule as operative, applicable if at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the Property covered by any item subject to this Basis of Claims Settlement Condition exceeds its Sum Insured at the commencement of any Damage, Our liability shall not exceed that proportion of the amount of the Damage which the Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such Property at that time.
3. No payment beyond the amount which would have been payable in the absence of this Basis of Claims Settlement Condition shall be made:
  - a) unless reinstatement commences and proceeds without unreasonable delay.
  - b) until the cost of reinstatement shall have been actually incurred.
  - c) if the Property Insured at the time of the Damage shall be insured by any other insurance effected by You or on Your behalf which is not upon the same basis of reinstatement.
4. All the terms and Conditions of this Policy shall apply:
  - a) in respect of any claim payable under the provisions of this Basis of Claims Settlement Condition except insofar as they are varied hereby.
  - b) where claims are payable as if this Basis of Claims Settlement Condition had not been incorporated.
5.
  - a) when We decide or are required to reinstate or replace any Property Insured, You will at Your own expense provide all such plans, documents, books and information as We may be reasonably required.
  - b) We will not be obliged to reinstate Property Insured exactly, but only in a satisfactory manner as circumstances allow.

The maximum amount We will pay in respect of any one item is the Sum Insured less in all cases the Excess.

#### **Indemnity**

For this purpose “Indemnity” means the current market value after allowance for wear and tear at the time of Damage or, at Our option, the cost of reinstatement or replacement of such Property or any part of it in the same or similar condition that the Property was in immediately prior to the Damage.

Provided that:

if Average is stated in Your Schedule as applicable, if at the time of Damage the Sum Insured for the item is less than 85% of the value of the item insured, then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the value of Your Property.

**Cost Price**

For this purpose "cost price" means the amount paid by You when originally purchasing Stock which has been lost or damaged.

Provided that:

if Average is stated in stated in Your Schedule as applicable, if at the time of Damage the Sum Insured for the item is less than 85% of the cost price of the item insured, then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the cost price of Your Property.

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**Basis of Exhibition Property cover Claims Settlement Condition**

If You suffer loss or Damage which is covered under the terms of this section the amount that We will pay You will be calculated as follows:

- a) Abandonment - if the exhibition is abandoned as much of the exhibition Expenses as You have paid or are liable to pay.
- b) Interference - if the exhibition is interfered with such proportion of the Expenses as You have paid or are liable to pay.
- c) Partial Loss - if the exhibition is open to the public at the time of the loss or Damage occurring We will only pay such proportion of the Expenses which that part interfered with bears to the whole period of the event.
- d) Damage - if You suffer loss or Damage to Exhibition Property at Our option We will either pay You the cost of repair or replacement of the Property lost or Damaged.
- e) Replacement - replace the Exhibition Property lost or Damaged and in each case less the Excess.
- f) Limit Of Our Liability - the Limit Of Our Liability for any loss will not exceed the Sum Insured less the Excess.

# Goods in Transit

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## Definitions

The following definitions apply to this section only and shall keep the same meaning wherever they appear in the section. They should also be read in conjunction with the General Definitions in Your Policy.

### **Clothing and Personal Effects**

Personal possessions belonging to You or Your Employees, worn or carried during transit but excluding Money, watches and jewellery.

### **Damage**

Accidental loss or destruction of or Damage to the Property Insured.

### **Excess**

The amount or amounts stated in Your Schedule which We will deduct from each and every claim and will be deducted after the application of Average.

### **Overnight**

From 21.00 hours (local time) or whenever the Vehicle was last occupied (whichever is the earlier) to 06.00 hours (local time) or until the Vehicle is first used whichever is the later.

### **Property Insured**

Stock, including Vessels not belonging to You in Your care, custody and control, connected with Your Business and for which You are responsible.

### **Tools**

Instruments or test equipment which You own or are hired by You or used by You in connection with Your Business and for which You are responsible.

### **Vehicle**

Any motor vehicle and/or trailer and/or container which You own or operate in connection with Your Business.

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## Cover

We will indemnify You in respect of Damage to Property Insured, occurring during the Period of Insurance whilst being carried by the means of transit within or between the Geographical Limit's stated in Your Schedule, including whilst:

1. being loaded and unloaded.
2. temporarily stored in or on a Vehicle during transit.
3. conveyed on recognised "roll-on roll-off" vehicle ferries providing no unloading or reloading of the Vehicle is involved.
4. temporarily housed in securely locked premises in the ordinary course of transit whether on or off the Vehicle for a period of up to thirty (30) consecutive days.

### **Non-Contribution**

If the loss and/or Damage which is the subject of a claim under this section is or would, but for the existence of this section, be insured by any other insurance, We shall not be liable under this section except in respect of any amount beyond which would have been payable under such other insurance had this section not been in existence.

## Extensions

The following extensions apply to this section only.

### Additional Expenses

We will indemnify You for costs and expenses You reasonably incur with Our consent, in respect of:

1. transferring the Property Insured to any other Vehicle or trailer, or delivering such property to its original destination, or returning to its place of dispatch, consequent upon collision or overturning of the conveying Vehicle.
2. the reloading of Property Insured to the conveying Vehicle or trailer following accidental discharge.
3. the removal of debris and site clearance following Damage to Property Insured up to a limit of £2,500 or the amount stated in Your Schedule.

### Clothing and Personal Effects

We will indemnify You for Damage to Clothing and Personal Effects caused by or following an accident to any Vehicle up to a limit of £500 any one claim or the limit stated in Your Schedule whichever is the lesser.

### Tools

We will indemnify You for Damage to Tools in or on any Vehicle up to a limit of £500 any one claim or the amount stated in Your Schedule whichever is the lesser.

### Substitution of Vehicles

Where Vehicles are individually stated in Your Schedule, We will insure, subject to the Limit of Liability and any other terms and conditions applicable to the original Vehicle, the Property Insured whilst in or on any other Vehicle:

1. temporarily substituted for the specified Vehicle whilst the Vehicle is out of use for maintenance, repair or official vehicle testing.
2. permanently substituted for the specified Vehicle provided that You inform Us in writing immediately of this substitution.

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## Exceptions

The following exceptions apply to this section only and should be read in conjunction with the General Exceptions in Your Policy.

We will not indemnify You in respect of:

1. Damage caused by:
  - a) defective or inadequate packing, insulation or labelling, delay, inadequate documentation, disappearance or unexplained or inventory shortage.
  - b) evaporation or ordinary leakage.
  - c) vermin, insects, wear, tear, inherent vice, latent defect, gradual deterioration.
  - d) pollution or contamination.
  - e) an existing or hidden defect.
  - f) loss of market or indirect or consequential loss.
  - g) vibration, denting, scratching or bruising.
  - h) mechanical or electrical breakdown, derangement, defect or failure.
2. shortage in weight.
3. Damage caused by deterioration or variation in temperature unless directly consequent upon fire, theft or overturning or collision of the carrying Vehicle.
4. Damage arising from:
  - a) Confiscation, requisition or destruction by order of any government or any public authority.
  - b) Riot, Civil Commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation.
5. Damage:
  - a) occurring outside the Geographical Limit unless otherwise stated in Your Schedule.
  - b) not connected with Your Business.

6. Damage to:
    - a) jewellery, precious stones, watches, clocks, gold and silver articles, furs, curios;
    - b) wines, spirits, perfumes and tobacco products;
    - c) audio visual equipment;
    - d) computer hardware and software;
    - e) rare books and works of art;
    - f) Money and bullion, non-ferrous metals;
    - g) living creatures;
    - h) explosives;unless such Property Insured is specifically stated in Your Schedule as insured and the Damage is not otherwise excluded.
  7. Damage caused by theft or attempted theft of the Property Insured and/or Tools and/or Clothing and Personal Effects from any unattended Vehicle, being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle, unless You have ensured that:
    - a) all doors, windows and other points of access have been locked where locks have been fitted; and
    - b) all manufacturers' security devices have been put into effect; and
    - c) the keys have been removed from any unattended Vehicle; and
    - d) unattached trailers have anti-hitching devices fitted and they are put into effect.
  8. Damage resulting from theft or attempted theft from any unattended Vehicle during the hours from 9pm until 6am (local time) unless such Vehicle is garaged in a securely locked building of substantial nature or in a compound which has secure walls and/or fences and securely locked gates.
  9. the Excess stated in Your Schedule.
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## Conditions

The following conditions apply to this section only and should be read in conjunction with the General Conditions in Your Policy.

### Automatic Reinstatement

The Limits of Liability stated in Your Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary. You must pay the additional premium required by Us to reinstate the Limit of Liability.

### Declarations

The insurance on the Property Insured is subject to the following:

If Your premium for this section is calculated on the Annual Carryings as stated in Your Schedule, the first and annual premiums paid are provisional and subject to a minimum and deposit basis which is non-refundable.

1. You must declare to Us the actual value of the property in transit for the Period of Insurance within one (1) month of the expiry of the Period of Insurance.
2. At the end of each Period of Insurance, We will calculate the actual premium by applying the rate to the average amount declared and if the actual premium is more than the provisional premium paid You will pay the difference.

## **Basis of Claims Settlement Condition**

The amount payable shall be on an Indemnity basis, the market value of the Property Insured at the time of its Damage or at Our option the reinstatement or replacement of such Property or any part of it. In respect of Stock or Marine Stock, the basis of claims settlement will be Cost Price.

### **Indemnity**

For this purpose "indemnity" means that We shall pay the current market value after allowance for wear and tear at the time of Damage or at Our option the cost of reinstatement or replacement of such Property or any part of it in the same or similar condition that the Property was in immediately prior to the Damage.

Provided that:

If Average is stated in Your Schedule as applicable, if at the time of Damage the Sum Insured for the item is less than 85% of the value of the item insured, then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the value of Your Property.

### **Cost Price**

For this purpose "cost price" means the amount paid by You when originally purchasing Stock which has been lost or damaged.

Provided that:

If Average is stated in shown on Your Schedule as applicable, if at the time of Damage the Sum Insured for the item is less than 85% of the cost price of the item insured, then Our liability shall be limited to that proportion of the Damage which the Sum Insured bears to the cost price of Your Property.

The maximum amount We will pay in respect of any one item is the Sum Insured stated in Your Schedule, less in all cases the Excess.

### **Options Clause**

We may at our option reinstate the Item or pay a sum of Money equivalent to the cost of reinstatement less the Excess. If We decide to exercise this option You must give Us all appropriate help and assistance and all relevant documentation to allow Us to reinstate. In reinstating, We are only obliged to provide an Item of similar type and not a replica.

### **Betterment**

If an Item Damaged by an Insured Peril is repaired and as a result its value increases, We will reduce our payment by the amount of that increase.

# Business Interruption

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## Definitions

The following definitions apply to this section only and shall keep the same meaning wherever they appear in the section. They should also be read in conjunction with the General Definitions in Your Policy.

### **Annual Gross Revenue**

The Gross Revenue during the twelve (12) months immediately before the date of the Damage.

### **Annual Gross Rent Receivable**

The Gross Rent Receivable during the twelve (12) months immediately before the date of the Damage.

### **Annual Turnover**

The Turnover during the twelve (12) months immediately before the date of the Damage.

### **Damage**

Loss of or Damage to the Property used by You at Your Premises for the purpose of Your Business.

### **Estimated Gross Profit/Gross Revenue/Gross Rent Receivable**

The amount declared by You to Us as representing not less than the Gross Profit/Gross Revenue/Gross Rent Receivable which it is anticipated will be earned by Your Business during the financial year most nearly concurrent with the Period of Insurance (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months).

### **Food and/or Drink Poisoning**

The occurrence of an illness sustained by any person, caused by an outbreak of food and/or drink poisoning emanating from Your Premises.

### **Gross Profit**

The sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed the sum of the amount of the opening stock and work in progress and Uninsured Working Expenses.

The amounts of the opening and closing stocks (including work in progress) shall be arrived at in accordance with Your usual accounting methods, due provision being made for depreciation and any discounts allowed.

### **Gross Rent Receivable**

The money paid, or payable, to You for tenancies and other charges and for services rendered in the course of Your Business at Your Premises.

### **Gross Revenue**

The money paid or payable to You for services rendered in the course of Your Business less the amount of any Uninsured Working Expenses.

### **Harmful Organism**

The discovery of an organism at Your Premises likely to result in the occurrence of Food and/or Drink Poisoning or a Human Notifiable Disease.

### **Human Notifiable Disease**

The occurrence of any disease sustained by any person at Your Premises, notifiable (to Local Authority Proper Officers) under the Health Protection (Notifications) Regulations 2010 or other current legislation.

### **Human Notifiable Disease in the Area**

Food and/or Drink Poisoning or Human Notifiable Disease occurring within a radius of five (5) miles from Your Premises.



## **Indemnity Period**

The period beginning with the occurrence of the Damage and ending when Your Business ceases to be affected by the consequences of the Damage or on expiry of the Maximum Indemnity Period, whichever occurs first.

## **Insured Perils**

### **Fire (including Subterranean Fire)**

We will not indemnify You for Damage:

1. caused by explosion, or lightning or earthquake resulting from fire including subterranean fire.
2. caused by its own self ignition, leakage of electricity, short circuiting or over running.
3. caused by:
  - a) spontaneous fermentation or heating.
  - b) any heating process or involving the application of heat.

### **Lightning**

### **Explosion**

We will not indemnify You for Damage:

1. caused by the bursting of any boiler, economiser or other vessel machine or apparatus belonging to You or under Your control in which internal pressure is due to steam only.
2. to any vessel or machine or apparatus including its contents resulting therein from the explosion thereof but this shall not exclude Damage caused by explosion of any boiler or gas appliance used for domestic purposes only.

### **Aircraft (including any form of aerial device) and/or articles dropped from them**

### **Riot, Civil Commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation**

We will not indemnify You in respect of Damage:

1. arising from the cessation of work.
2. arising from confiscation or destruction or requisition by order of the Government or any public authority.
3. by fire caused by strikers or locked-out workers or persons taking part in labour disturbances or malicious persons.

### **Malicious Persons not acting on behalf of or in connection with any political organisation but only where Riot or Civil Commotion is also insured by this section**

We will not indemnify You in respect of Damage (other than by Fire or Explosion):

1. caused by theft.
2. to any Vacant or Disused Buildings.

### **Earthquake**

### **Theft or attempted theft involving**

We will indemnify You for Damage caused by theft or attempted theft involving:

1. entry to or exit from the Buildings at Your Premises by forcible and violent means excluding any damage to or from any structure which is incapable of being locked.
2. violence or threat of violence to You or any director partner or Employee or their families.

We will not indemnify You for:

1. theft from any garden or yard or open space. This exclusion shall not apply to Marine Installations or Yard Plant or Moulds, provided:
  - a) they are contained within an area enclosed by water or properly maintained walls or fences, and gates which are locked at all times other than during Business Hours; and
  - b) the keys (where applicable) have been removed to a locked or attended Building.
2. Property in any part of Your Premises which is Vacant or Disused.
3. dishonest or fraudulent action by You or Your partners or directors or Employees or any person lawfully on the Premises.
4. loss of Money.

**Storm**

We will not indemnify You for Damage:

1. caused by:
  - a) subsidence or ground heave or landslip.
  - b) frost.
  - c) escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal or dam.
2. to fences, gates and moveable Property in the open or in open sided Buildings other than Yard Plant, Moulds and Marine Installations.

**Flood**

We will not indemnify You in respect of Damage:

1. caused by:
  - a) storm or tempest.
  - b) subsidence or ground heave or landslip.
  - c) Frost.
  - d) escape of water from any tank , apparatus or pipe.
2. attributable solely to change in the water table level.
3. to fences or gates and moveable Property in the open or in open sided Buildings other than Yard Plant, Moulds and Marine Installations.

**Escape of Water from any tank, apparatus, pipe or an escape of fuel from any fixed oil heating installation**

We will not indemnify You for Damage:

1. caused by water discharged or leaking from an automatic sprinkler installation.
2. to Your Premises or parts thereof which are Vacant or Disused.
3. caused by the gradual emission or seepage of contents from any fixed oil heating installation.

**Impact by any animal, vehicle or train or watercraft or by goods falling from them, or collapse or breakage of television or radio receiving aerials or satellite dishes****Sprinkler Leakage**

Accidental escape of water from any automatic sprinkler installation fitted in Your Premises. We will not indemnify You in respect of Damage caused by:

1. freezing whilst Your Premises or parts thereof are Vacant or Disused.
2. explosion, earthquake, subterranean fire or heat caused by fire.
3. repairs, alterations or extensions to Your Buildings and/or sprinkler installations.

**Accidental Damage**

We will not indemnify You for Damage:

1. caused by or specifically excluded from any of the Insured Perils in this section.
2. caused by or consisting of:
  - a) inherent vice or latent defect, gradual deterioration, frost, wear and tear, faulty or defective design or materials;
  - b) faulty or defective workmanship, operational error or omission by You, Your partners, directors or Employees or contracted consultants;
 but this shall not exclude subsequent Damage which results from a cause not otherwise excluded.
3. caused by or consisting of:
  - a) Corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects.
  - b) change in temperature, colour, flavour, texture or finish, the action of light or atmospheric conditions
  - c) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers or economisers or super heaters or pressure vessels or any range of steam and feed piping in connection therewith.
  - d) mechanical or electrical breakdown or derangement or overloading in respect of the item in which such breakdown or derangement originates.
 

but this shall not exclude:

    - i) such Damage not otherwise excluded which itself results from an Insured Peril or any other accidental cause.
    - ii) any subsequent Damage which itself results from a cause not otherwise excluded.

4. caused by or consisting of:
  - a) settling or shrinkage or expansion of foundations, walls, floors, ceilings or roof settlement or bedding down of new structures or extensions, subsidence, ground heave or landslip.
  - b) unexplained disappearance, unexplained shortage, inventory shortage, misfiling or misplacing of information.
  - c) electrical or magnetic disturbance or erasure of electronic recordings.
  - d) You voluntarily parting with the title or possession of any Property or rights to Property.
  - e) cessation of work.
  - f) the solidification of molten material unless such Damage is directly caused by any other Insured Peril that is insured by this section.
5. to a Building or structure caused by its own collapse or cracking, however We will indemnify You in respect of such Damage if it results from an Insured Peril and is not otherwise excluded.
6. to:
  - a) moveable Property in the open by wind, rain, hail, sleet, snow, flood or dust.
  - b) Property insured in transit by air or sea or inland waterway or road.
7.
  - a) to Buildings or structures in the course of construction or demolition or alteration or structural repair and materials or supplies in connection with all such construction or erection;
  - b) to vehicles licensed or intended to be licensed for road use including accessories thereon or attached or unattached caravans;
  - c) caused by aircraft (including any form of aerial device) or articles dropped from them;
  - d) to livestock or growing crops or trees;
  - e) to Money;
  - f) to fixed glass and Sanitary Ware other than as defined in Buildings; unless specifically stated in Your Schedule and the Damage is not otherwise excluded.
8. to Property resulting from its undergoing:
  - a) any process of production.
  - b) any process of packaging, treatment, testing, commissioning, cleaning, servicing, repair or any other similar process.

However We will indemnify You in respect of such Damage if it is caused by fire or explosion and is not otherwise excluded.

### **Subsidence or ground heave or landslip or avalanche** (if stated in Your Schedule as operative)

We will not indemnify You for Damage:

1. to car parks, forecourts, yards, terraces, patios, drives, footpaths, walls, gates, fences, swimming pools, security lighting and cameras, fuel tanks, service tanks and their bases, drains, piping, ducting cables and wires unless a Building insured by this section is damaged by the same cause at the same time.
2. arising from the settlement or movement of made-up ground or by coastal or river erosion.
3. occurring as a result of the construction or demolition or alteration or structural repair of any Buildings/structures at Your Premises.
4. arising from the normal settlement or bedding down of new structures.
5. that has been provided for or would have been but for the existence of this insurance under any contract or a guarantee or by law.
6. commencing prior to the issue of cover under Your Policy.

### **Maximum Indemnity Period**

The period stated in Your Schedule during which You are covered for the interruption of or interference with Your Business.

### **Maximum Limit**

The Sum Insured as stated in Your Schedule for Increased Cost of Working which will apply to each and every Premises as specified in Your Schedule and in the aggregate in respect of any one event unless otherwise stated.

### **Outstanding Debit Balances**

The money owed to You by Your customers at the date of the Damage taking into account

1. bad debts
2. debit and credit amounts owed and not passed through the books during the period between the last record and the date of the Damage
3. abnormal trading conditions affecting Your Business
4. Your last record of amounts owed by customers.

**Rate of Gross Profit**

The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage.

**Standard Gross Rent Receivable**

The Gross Rent Receivable during the twelve (12) months immediately before the date of the Damage, which corresponds with the Indemnity Period to which such adjustments shall be made as may be necessary to provide for the trend of Your Business and for variations in or other circumstances affecting the Business either before or after the Damage, or which would have affected Your Business had the Damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

**Standard Gross Revenue**

The Gross Revenue during the period in the twelve (12) months immediately before the date of the Damage which corresponds with the Indemnity Period.

**Standard Turnover**

The Turnover during the period in the twelve (12) months immediately before the date of the occurrence which corresponds with the Indemnity Period.

**Turnover**

The Money paid or payable to You for goods sold and delivered and for services rendered in the course of Your Business at Your Premises.

**Uninsured Working Expenses**

- Purchases (less discounts received)
- Carriage packaging and freight
- Discounts allowed
- Bad debts

or unless otherwise stated in Your Schedule the words used in this definition will have the meaning usually attached to them in Your books and accounts.

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**Cover**

In respect of Damage to each item of Property in Your Schedule, We will indemnify You in respect of loss resulting from interruption of or interference with Your Business carried on by You at Your Premises in consequence of Damage occurring during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule, provided that:

1. payment shall have been made or liability admitted for the Damage under an insurance covering Your interest in the Property; or
2. payment would have been made or liability admitted for the Damage but for the operation of a provision in such insurance excluding liability for losses below a specified amount.

**Limit of Our Liability**

The Limit of Our Liability during any one Period of Insurance will not exceed:

1. 133 1/3% of the Gross Profit or Gross Revenue or Gross Rentals Received shown in Your Schedule and
2. 100% of the total Sum Insured shown in Your Schedule for each other item stated in Your Schedule.

## Extensions

The following extensions shall apply where stated in Your Schedule.

### Cover

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage:

1. to Your Premises; or
2. to Your Property;

during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy, unless otherwise stated in Your Schedule.

### Limit of Our Liability

The Limit of Our Liability under each extension for any one occurrence will not exceed the amount stated in Your Schedule

### Breach of Canal

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule for Accidental Damage to the canal(s) and other inland waterways which hinders or prevents access to your Premises resulting in interruption of or interference with Your Business.

We do not cover under this Extension any interruption with Your Business caused by:

1. drought.
2. storm or flood.
3. inundation by the sea or tidal action.
4. frost subsidence or landslip.
5. the canal(s) or waterways own collapse, cracking or leakage.
6. Damage solely due to the changes in the water table level.

The maximum We will pay under this extension is stated in Your Schedule.

### Contract Sites

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule to any situation within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man where You are carrying out a contract.

The maximum We will pay under this extension is stated in Your Schedule.

### Exhibition Sites

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule to any situation within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man where You are exhibiting goods.

The maximum We will pay under this extension is stated in Your Schedule.

### Increased Cost of Working

We will pay Your additional expenditure which has been reasonably and necessarily incurred as a result of Damage to continue Your Business during the Indemnity Period.

The maximum amount We will pay will not exceed 50% of the Maximum Limit during the first three (3) months of the Indemnity Period and then pro rata for the balance unless stated otherwise in Your Schedule.

**Additional Increased Cost of Working**

We will pay in respect of additional cost of working the additional expenditure incurred due to the Damage to maintain the Business during the Indemnity Period which exceeds the amount recoverable in respect of increase in the cost of working insured by this section.

The maximum We will pay under this extension is stated in Your Schedule.

**Outstanding Debit Balances**

If Your account books or other Business books or records whilst on Your Premises or temporarily removed to any premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man or in transit between them sustain Damage which results in Your inability to trace or establish the Outstanding Debit Balances, We will pay You:

1. the difference between the Outstanding Debit Balances and the total of the amounts received or traced in respect thereof.
2. the additional expenditure incurred with Our consent in tracing and establishing customers' debit balances after the Damage.
3. auditors' or accountants' charges reasonably incurred for producing and certifying details of a claim under this specification.

provided that if the Sum Insured stated in Your Schedule is less than the Outstanding Debit Balances the amount payable shall be proportionately reduced.

We will not indemnify You as a result of:

1. erasure or distortion of information on computer systems or other records.
2. deliberate falsification of business records.
3. mislaying or misfiling of tapes and records.
4. the deliberate act of the public utility undertaking in restricting or withholding electricity supply.
5. wear and tear and gradual deterioration, vermin, rust, damp or mildew.
6. dishonest or fraudulent acts by any of Your Employees.

The total amount payable in respect of any one claim shall not exceed the Sum Insured stated in Your Schedule at the time of the Damage.

**Patterns**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule, in respect of Damage at any Premises You partially or fully occupy, to Your Patterns, jigs, models, templates, moulds, dies, tools, plans, drawings and designs, which are Your Property or held by You in trust or on commission for which You are responsible whilst at Premises in the Geographical Limits of any manufacturers, suppliers, moulders, machine makers, engineers, founders or other metal workers, but excluding any Premises wholly or partly occupied by You and whilst in transit by road rail or inland waterway within the Geographical Limits.

The maximum We will pay under this extension is stated in Your Schedule.

**Prevention of Access**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule, to property within a one (1) mile radius of Your Premises which hinders or prevents access to Your Premises.

The maximum We will pay under this extension is stated in Your Schedule.

**Property Stored Away**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule, to Your property whilst stored in any premises within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

We will not indemnify You in respect of Property stored in any premises You partially or fully occupy. The maximum We will pay under this extension is stated in Your Schedule.

**Public Utilities - Electricity**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule to property at the premises of any generating station or sub-station of Your electricity supplier in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

The maximum We will pay under this extension is stated in Your Schedule.

**Public Utilities - Gas**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule to property at the premises of Your gas supplier and any natural gas producer directly linked to Your gas supplier in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

The maximum We will pay under this extension is stated in Your Schedule.

**Public Utilities - Telecommunications**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule to property at any land based premises of Your Telecommunications supplier in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

The maximum We will pay under this extension is stated in Your Schedule.

**Public Utilities - Water**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule to property at the premises of any water works or pumping station of Your water supplier in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

The maximum We will pay under this extension is stated in Your Schedule.

**Specified Customers**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule, to property at the premises of Your customers as stated in Your Schedule.

The maximum We will pay under this extension is stated in Your Schedule.

**Specified Suppliers**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule, to property at the premises of Your suppliers as named in Your Schedule.

The maximum We will pay under this extension is stated in Your Schedule.

**Unspecified Customers**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule, to property at the premises of any of Your customers with Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

The maximum We will pay under this extension is stated in Your Schedule.

### **Unspecified Suppliers**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule, to property at the premises of any of Your suppliers within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, but excluding the premises of any supply undertaking from which You obtain gas, water, electricity or telecommunications services.

The maximum We will pay under this extension is stated in Your Schedule.

### **Vermin, Defects in Drains, Murder, Suicide, Food and/or Drink Poisoning and Human Notifiable Diseases.**

We will indemnify You in respect of interruption of or interference with Your Business in consequence of Damage during the Period of Insurance caused by the operation of an Insured Peril covered under the Property Damage, Marine or Builders Risks sections of Your Policy unless otherwise stated in Your Schedule. We will Cover you for interruption of or interference with your Business in consequence of:

1. the discovery of vermin or pests at Your Premises which causes restrictions to the use of Your Premises upon the order or advice of a competent Local Authority.
2. any accident causing defects in the drains or other sanitary arrangements at Your Premises which causes restrictions on the use of Your Premises on the order or advice of a competent Local Authority.
3. murder or suicide at Your Premises.
4. Food and/or Drink Poisoning at Your Premises.
5. Human Notifiable Diseases at Your Premises.

For the purpose of this extension the Indemnity Period during which We will pay for interruption of or interference with Your Business will be the period beginning in the case of 1, 2, 4 and 5 above, the date from which the restrictions to Your Premises are applied and in the case of 3. above, the occurrence or discovery of the incident and ending not later than the Maximum Indemnity Period.

We will not be liable for any costs incurred in the cleaning, repair, replacement, recall or checking of any Property or premises. We will only be liable for the loss arising at Your Premises which are directly affected by the incident.

The maximum We will pay under this extension is stated in Your Schedule.

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## **Exclusions**

The following exclusions apply to this section only and should be read in conjunction with the General Exceptions in Your Policy.

We will not Cover any loss or Damage caused by:

1. the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services.  
However we will Cover you in respect of loss resulting from:
  - a) loss or Damage caused by a fire, lightning, explosion, aircraft, malicious persons, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, earthquake, storm, tempest, flood, escape of water from water tank apparatus or pipes, sprinkler leakage, impact by any road Vehicle or animal or train or watercraft..
  - b) any other loss or Damage not otherwise excluded.
  - c) an ensuing cause which is not excluded.
2. erasure or distortion of information on computer systems or other records:
  - a) while mounted in or on any machine or Data processing equipment; or
  - b) due to the presence of magnetic flux;  
unless caused by loss or Damage to the equipment in which the records are mounted.
3. change in the water table level.



4. pollution or contamination.  
However we will Cover you in respect of loss or Damage unless otherwise excluded caused by:
- a) pollution or contamination at Your Premises which itself results from fire, lightning, explosion, aircraft, malicious persons, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, earthquake, storm, tempest, flood, escape of water from water tank apparatus or pipes, sprinkler leakage, impact by any road Vehicle or animal or train or watercraft..
  - b) fire, lightning, explosion, aircraft, malicious persons, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, earthquake, storm, tempest, flood, escape of water from water tank apparatus or pipes, sprinkler leakage, impact by any road Vehicle or animal or train or watercraft, which itself results from pollution or contamination.
- We will not Cover any loss or Damage if:
5. Your Business is:
    - a) wound up or carried on by a liquidator or receiver.
    - b) permanently discontinued.
  6. Your interest ceases otherwise than by Your death. However We will Cover You if We agree otherwise in writing.
  7. Physical loss or Damage to any Item caused by pollution or contamination or any cost or expense or any consequential loss resulting therefrom, but this does not exclude destruction or Damage to Property Insured or Business interruption resulting from destruction or Damage to Property used by You at Your Premises for the purpose of Your Business not otherwise excluded, caused by:
    - a) pollution or contamination by a sudden, unforeseen and unintended event which itself results from an Insured Peril; or
    - b) any Insured Peril which itself results from pollution or contamination occurring suddenly and is unforeseen and unintended which pollution or contamination happens at one time.
  8. caused by or arising from any outbreak of foot and mouth disease.
  9. caused by or arising from loss of revenue in respect of Vessels hired out.

## Conditions

The following conditions apply to this section and should be read in conjunction with the General Conditions.

### Accumulated Stocks

The following condition is only applicable to items on a Gross Profit/Estimated Gross Profit Basis of Settlement.

In adjusting any loss, account shall be taken and an equitable allowance made if any reduction in Turnover (where applicable) due to the Damage is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of raw materials, work in progress or finished goods at Your Premises or elsewhere.

### Alternative Trading

If during the Indemnity Period goods shall be sold, accommodation provided or services shall be rendered elsewhere than at the Premises for the benefit of Your Business either by You or by others on Your behalf, the money paid or payable in respect of such sales, accommodation or services shall be brought into account in arriving at the Turnover, Gross Revenue, Gross Profit or Gross Rent Receivable during the Indemnity Period.

### Automatic Reinstatement

We shall, in the event of Damage under this section, automatically reinstate the Sum Insured unless there is written notice by Us to the contrary, provided that You undertake to pay the appropriate additional premium.

### Current Cost Accounting

For the purpose of these section Definitions any adjustment implemented in current cost accounting shall be disregarded.

### Departmental Clause

If You conduct the Business in departments and independent trading results are obtainable, the Basis of Claims Settlement of the Gross Profit or Gross Revenue or Gross Rent Receivable will apply separately to each department affected by the Damage.

If the insurance is not on a declaration linked basis if the Sum Insured by such item is less than the total of all the sums produced by applying the Rate of Gross Profit or Gross Revenue or Gross Rent Receivable for each department of the Business (affected by the Damage or not) to its relative Annual Turnover (proportionately increased where the Maximum Indemnity Period exceeds twelve (12) months) You will be Your own Insurer for the difference and bear a rateable share of the loss.

**Excess**

We will deduct the amount of the excess stated in Your Schedule in respect of each and every claim as calculated after the application of all other terms of this section.

**Insolvency**

You must advise Us immediately if Your Business is wound up or carried on by a liquidator, receiver or administrator or permanently discontinued, otherwise Cover will cease automatically unless We agree otherwise in writing.

**New Business**

For the purposes of any claims arising from Damage occurring before the completion of the first years trading of the Business such loss will be ascertained by applying the Gross Profit or Gross Revenue or Gross Rent Receivable earned during the period between the commencement of the Business and the date of the Damage to the amount by which the Gross Profit or Gross Revenue or Gross Rent Receivable during the period of interruption or interference will have fallen short of the proportional equivalent for that period of the Gross Profit or Gross Revenue or Gross Rent Receivable realised during the period between the commencement of the Business and the date of such Damage.

**Premium Adjustment**

The following provisions apply separately to each item of Estimated Gross Profit or Estimated Gross Revenue.

1. Where the premium paid is not on a provisional basis, it may be adjusted at the end of the Period of Insurance. We will allow a pro rata return of premium not exceeding 25% of the premium paid if the premium calculated at the appropriate rate on the actual Gross Profit or actual Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance as reported by Your auditors is less than the premium paid.

If any Damage shall have occurred giving rise to a claim for loss of Gross Profit or Gross Revenue the above mentioned declaration shall be increased by Us for the purpose of premium adjustment by the amount by which the Gross Profit or Gross Revenue was reduced during the financial year solely in the consequence of the Damage.

2. Where a provisional premium is paid at the commencement of each Period of Insurance, You shall declare to Us within six months of the expiry of each period the actual Gross Profit or actual Gross Revenue earned during the financial year most nearly concurrent with the Period of Insurance as reported by Your auditors.

The premium will be calculated at the appropriate rate on the declaration and the premium paid will be adjusted as stated below provided that if any Damage shall have occurred giving rise to a claim for loss of Gross Profit or Gross Revenue, the above mentioned declaration shall be increased by Us for the purpose of premium adjustment by the amount by which the Gross Profit or Gross Revenue was reduced during the financial year solely in consequence of the Damage.

3. In respect of Limit of Liability (1) of this section if the premium calculated is:

- a) less than the premium paid We will repay the difference to You.
- b) greater than the premium paid You shall pay Us the difference.

4. In respect of Limit of Liability (2) of this section if the premium calculated is:

- a) less than the premium paid We will repay the difference to You but not exceeding the difference between the premium paid and the premium payable on 50% of the Sum Insured.
- b) greater than the premium paid You shall pay the difference not exceeding the difference between the premium paid and the premium payable on the full Sum Insured.

In the event that no declaration is received within six months of the expiry of the Period of Insurance the Sum Insured will be deemed to be the declaration and the additional premium due will become payable.

**Record keeping**

If in relation to any claim or loss You have failed to fulfil the following conditions You will lose Your right to Indemnity or payment for that claim or loss:

1. You must ensure to Us that Your accounts books and records are kept in fire resistant cabinets when not in use; and
2. You must ensure that You will make back-up copies of all computer records at least every seven (7) days and will keep at least one copy of the back-up either:
  - a) in fire resistant container; or
  - b) away from Your Premises.

**Subrogation Waiver Clause**

In the event of a claim arising under this section We agree to waive any rights remedies or relief to which We may be entitled by subrogation against:

1. any company whose relationship to You is either a parent to subsidiary or subsidiary to parent;
2. any company which is a subsidiary of a parent company of which You are Yourself a subsidiary; as defined in or within the meaning of the relevant Companies Act or Companies (NI) Order current at the time of the Damage.

**Value Added Tax**

To the extent that You are accountable to HM Customs and Excise for Value Added Tax all terms in this section shall be exclusive of such tax.

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**Basis of Claims Settlement**

The following terms of settlement apply only if the paragraph title appears in Your Schedule as operative.

**Gross Profit/Estimated Gross Profit**

The insurance under this item is limited to loss of Gross Profit due to (1) a reduction in Turnover and (2) an increase in cost of working and the amount payable as indemnity thereunder shall be:

1. in respect of a reduction in Turnover, the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall fall short of the Standard Turnover in consequence of the Damage.
2. in respect of an increase in cost of working, the additional expenditure (subject to the provisions of the Uninsured Working Expenses) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover, which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided.

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

If the sum insured by the item on Gross Profit be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve (12) months), the amount payable shall be proportionately reduced.

**Gross Revenue/Estimated Gross Revenue**

The insurance under this item is limited to (1) a loss of Gross Revenue and (2) an increase in cost of working and the amount payable as indemnity thereunder shall be,:

1. in respect of a loss of Gross Revenue, the amount by which the Gross Revenue during the Indemnity Period shall fall short of the Standard Gross Revenue in consequence of the Damage;
2. in respect of increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue, which, but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Revenue thereby avoided;

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

If the sum insured by the item on Gross Revenue be less than the Annual Gross Revenue (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve (12) months) the amount payable shall be proportionately reduced.

**Gross Rent Receivable / Estimated Gross Rent Receivable**

The insurance under this item is limited to (1) a loss of Gross Rent Receivable and (2) an increase in cost of working and the amount payable as indemnity thereunder shall be,:

1. in respect of the loss of Gross Rent Receivable, the amount by which the Gross Rent Receivable during the Indemnity Period shall fall short of the Standard Gross Rent Receivable in consequence of the Damage;
2. in respect of an increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Rent Receivable, which, but for the expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Rent Receivable thereby avoided;

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

If the sum insured by the item on Gross Rent Receivable be less than the Annual Gross Rent Receivable (or at a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve (12) months) the amount payable shall be proportionately reduced.

**Increased Cost of Working**

The maximum amount We will pay will not exceed 50% of the Maximum Limit during the first three (3) months of the Indemnity Period and then pro rata for the balance unless stated otherwise in Your Schedule.

**Payments on Accounts**

Claims payments on account may be made to You during the Indemnity Period if so required.

**Professional Accountants**

We will pay Your auditors and professional accountants' reasonable charges for producing information We require for investigating any claim and confirming the information is in accordance with Your business books. The maximum We will pay for any claim including auditors and professional accountants' charges is the Sum Insured stated in Your Schedule.

# Money and Personal Accident Assault

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## Definitions

The following Definitions apply to this section and shall keep the same meaning wherever they appear in the section. They should also be read in conjunction with the General Definitions in Your Policy.

### **Bodily Injury**

Physical damage to a person's body by violent and visible means.

### **Loss of Limb**

Physical separation of one or more limbs at or above the wrist or ankle, or permanent and total loss of use of one or more hands, arms, legs or feet.

### **Non Negotiable Money**

Crossed cheques, crossed giro cheques, travellers cheques, stamped national insurance cards, crossed money orders, crossed postal orders, crossed bankers' drafts, crossed warrants, national savings certificates, premium savings bonds, unexpired units in franking machines, credit card sales vouchers, debit card sales vouchers, VAT purchase invoices.

### **Person Insured**

You or any of Your partners, directors or Employees and in respect of Assault cover, aged not less than sixteen (16) years and not more than seventy five (75) years.

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## Money

### **Cover**

We will indemnify You in respect of loss of Money by any cause occurring at Your Premises in transit or at the private residences of any Person Insured anywhere within the Geographical Limit's, during the Period of Insurance.

### **Limit of Our Liability**

Our liability under this section shall not exceed the limits stated in Your Schedule or limit specified in any Extension to this section.

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## Extensions applicable to Money cover

We will indemnify You for loss or destruction of or damage to:

1. any cases, bags, containers, belts or waistcoats, owned by You or for which You are responsible, being used for carrying Money, resulting from theft or attempted theft of Money up to a limit of £1,000 any one occurrence.
2. clothing and personal effects belonging to You or any Person Insured resulting from theft or attempted theft of Money up to a limit of £500 any one person.
3. Safes and Strong rooms resulting from theft or attempted theft of Money up to the limit stated in Your Schedule.

We will indemnify You in respect of the cost of changing locks or lock mechanisms on doors, windows, safes and strong rooms at Your Premises to maintain security following theft of keys from Your Premises or from Your home or the home of any Person Insured up to a limit of £1,000 any one occurrence.

### Contingent Security Company Cover

We will indemnify You in respect of loss of Money in the custody of any security company You have an agreement with if You are unable to recover the Money from the security company.

If in relation to any claim in respect of loss of Money in the custody or control of any security company You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim.

You must:

1. provide Us with a copy of the agreement between You and the security company.
2. obtain Our written agreement before any changes are made to the agreement.
3. comply with the terms of the agreement.

### Exceptions applicable to Money cover

We shall not indemnify You in respect of loss, destruction or damage:

1. arising from fraud or dishonesty of any director, partner or Employee unless discovered and reported to the Police and Us in writing within seven (7) days after the event.
2. resulting from use of any form of payment which proves to be counterfeit, false, invalid, uncollectable or irrecoverable for any reason.
3. where a more specific insurance is in force except for any Excess beyond the amount recoverable thereunder.
4. due to errors or omissions.
5. from unattended vehicles being any vehicle with no person in charge or keeping the vehicle under observation and able to observe or prevent any attempt by any person to interfere with the vehicle.
6. occurring outside Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.
7. resulting directly or indirectly from forgery, fraudulent alteration or substitution or fraudulent use of a computer or electronic transfer.
8. from any gaming machine, vending machine or automated teller machine or cash dispensing machine unless specifically stated in Your Schedule.

### Conditions applicable to Money cover

The following conditions apply to Money Cover and should be read in conjunction with the General Conditions in Your Policy.

#### Accompaniment Limits

Whenever Money (other than Non-Negotiable Money) is in transit it is to be accompanied by the following numbers of authorised persons between the ages of sixteen (16) and seventy five (75) unless otherwise stated in Your Schedule:

| <u>Amount of Money in transit at any one time</u> | <u>Accompaniment Requirement</u> |
|---|----------------------------------|
| Up to £3,000                                      | 1 person                         |
| Over £3,000 up to £6,000                          | 2 persons                        |
| Over £6,000 up to £12,000                         | 3 persons                        |
| Over £12,000                                      | Approved security company        |

The maximum amount we will pay in respect of any item insured under this Section is the limit stated above.

#### Records and Key Security

We will not indemnify You unless:

1. a complete record of all Money held by You is kept in a secure place other than in any safe or other receptacle containing Money.
2. safe keys are removed from Your Premises outside Business Hours.
3. all security devices to protect Your Premises are properly fitted and put into full operation outside Business Hours.

## Additional Conditions to Money Cover

The following are conditions precedent to Our liability to indemnify You in relation to any claim for loss of Money at Your Premises outside Business Hours. If You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for that claim.

### Theft Protections

All fastenings and protections on Your Premises at the commencement of Your Policy and all additional fastening and protections which have been stipulated by Us shall be maintained in full and effective working order during the Period of Insurance and put into full and effective operation outside Business Hours.

### Minimum Security Standard

As stated in the General Conditions of Your Policy.

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## Personal Accident Assault

### Cover

We will pay compensation as detailed below in respect of any Bodily Injury sustained by any Person Insured in the course of Your Business caused solely and directly by violence occurring during theft or attempted theft of Money and which directly and independently of any other cause results in any of the following:

| Cover | Description   | Benefit       |
|-------|---|---------------|
| 1     | Death (which shall not be presumed by disappearance of the Person Insured) occurring within 24 months of Bodily Injury  | £10,000       |
| 2     | Disablement occurring within 24 months of Bodily Injury being total and permanent loss of hearing, speech, all sight in one or both eyes or total loss of Limb    | £10,000       |
| 3     | Permanent total disablement which after 24 months of Bodily Injury prevents the Person Insured from pursuing any occupation                                       | £10,000       |
| 4     | Total disablement which within 24 months of Bodily Injury prevents the Person Insured from pursuing their normal occupation                                       | £10,000       |
| 5     | Partial disablement which within 24 months of Bodily Injury prevents the Person Insured from pursuing a substantial and essential part of their normal occupation | £100 per week |
| 6     | Incurred medical expenses   | up to £500    |

### Exceptions applicable to Personal Accident Assault cover

The following exceptions apply to this section only and should be read in conjunction with the General Exceptions in Your Policy.

We will not be liable under Cover Assault in respect of any death or disablement attributable to, contributed to or accelerated by pregnancy or any pre-existing physical or mental condition.

## Conditions applicable to Personal Accident Assault cover

The following conditions apply to this section only and should be read in conjunction with the General Conditions in Your Policy.

1. In the event of death We shall be entitled to have a post mortem carried out at Our own expense.
2. In the event of any Bodily Injury, the Person Insured must immediately place himself/herself under the care of a qualified medical practitioner and act upon such medical and/or surgical advice as is given as soon as reasonably practicable.
3. In the event of any Bodily Injury, the Person Insured must as often as may be required by Us submit to medical examination at Our expense.

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## Basis of Claims Settlement condition

1. We will pay:
  - a) weekly compensation at four (4) weekly intervals.
  - b) compensation under Covers 4 and 5 for a maximum of two (2) years from the date the disablement commenced.
2. any weekly benefit being paid for the same Bodily Injury will cease if We pay compensation under Covers 1 - 3.
3. insurance will cease for the Person Insured if We pay compensation under Covers 1 - 3.
4. The amount payable under Covers 4 and 5 shall be payable when the total amount has been agreed or at Your request at intervals of not less than four (4) weeks (but not in advance), commencing four (4) weeks after We have received written notice of any Bodily Injury.



# Loss of Licence

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## Definitions

The following definitions apply to this section only and shall keep the same meaning wherever they appear in this section. They should also be read in conjunction with the General Definitions in Your Policy.

### Licence

Legally binding document granted to You under the Licensing Act 2003 or any subsequent legislation in respect of the retail sale of excisable liquor at Your Premises but excluding any temporary licence.

### Loss of Licence

Temporary or permanent forfeiture or refusal to renew Your Licence by the licensing authority due to reasons beyond Your control.

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## Cover

We will indemnify You for the reduction in the value during the Period of Insurance of Your interest in:

1. Your Premises; or
  2. Your Business;
- following Loss of Licence.

### Limit of Our Liability

We will indemnify You up to, but not exceeding, the Limit of Liability stated in Your Schedule in respect of any one Period of Insurance, provided that if We shall be liable to indemnify more than one party, the aggregate amount of indemnity to all parties shall not exceed the Limit of Liability stated in Your Schedule.

### Non-Contribution

If the forfeiture or refusal to renewal Your Licence which is the subject of a claim under this section is or would, but for the existence of this Policy, be insured by any other insurance, We shall not be liable under this section except in respect of any amount beyond which would have been payable under such other insurance had this Policy not been in existence.

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## Exceptions

The following exceptions apply to this section only and should be read in conjunction with the General Exceptions in Your Policy.

We will not indemnify You where:

1. You are entitled to obtain payment of compensation under any legislation or Bye-law in respect of the refusal to renew Your Licence.
2. the Loss of Licence arises out of:
  - a) directly or indirectly by the misconduct, procurement, connivance, neglect or omission by You or Your failure to take any step necessary for keeping the Licence in force.
  - b) the alteration of Your Premises without the consent of the appropriate authority.
  - c) Your premises:
    - i) being closed for any period which is not required by Law.
    - ii) not being maintained in a sanitary condition or satisfactory state of repair.
    - iii) being required for any public purposes or affected by any Town and Country planning or improvement or redevelopment.
  - d) by a change in law affecting the issue of Licences.
  - e) a compulsory purchase or surrender.
  - f) a reduction or redistribution of Licences.

## Conditions

The following conditions precedent apply to this section only and should be read in conjunction with the General Conditions in Your Policy.

1. It is a condition precedent to Our liability that You shall notify Us in writing immediately and supply such additional information and give assistance as We may reasonably require if You become aware of any:
  - a) complaint against Your Business and/or Your Premises.
  - b) proceedings against or conviction of the Licence holder, manager, tenant or occupier of Your Business and/or Your Premises for any breach of any relevant licencing law or regulation or any other matter whatsoever where the character or reputation of the person concerned is affected or called into question with respect to their honesty, moral standing or sobriety.
  - c) change in the tenancy or management of Your Business and/or Your Premises.
  - d) transfer or proposed transfer of the Licence.
  - e) alteration in the purpose for which Your Premises is used.
  - f) objection to renewal or other circumstances which may endanger the Licence or its renewal.
2. In the event of death, bankruptcy or incapacity or desertion of Your Premises, or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect to their honesty, moral standing or sobriety) of the Licence holder, tenant, manager or occupier, You will, where practicable and at Our request, procure a suitable person to replace them and one to whom the Licence will be transferred or a new Licence will be granted by way of renewal.
3. In the event of the Licence being forfeited or refused renewal You must:
  - a) give notice in writing to Us within forty eight (48) hours of receiving knowledge of such event stating the grounds upon which the Licence was forfeited or refused renewal.
  - b) give all assistance as We may require for the purpose of an appeal against such forfeiture or refusal to renew and allow Our solicitors and Us full discretion in the conduct of such proceedings.
  - c) apply, if practicable, and if required by Us, for the grant of such new Licence for the same or alternative Premises as may enable You to continue Your Business in a similar or alternative form.
  - d) provide a statement of Your loss, if any, together with such documents, statements and accounts as may be reasonably required by Us to verify the same and also if required by Us make a statutory declaration as to the truth, accuracy and comprehensiveness thereof and give Us free access to Your Premises and the books and accounts of Your Business as may be necessary for ascertaining the value of any loss.

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## Basis of Claims Settlement Condition

We will pay:

1. the reduction in the value during the Period of Insurance of Your interest in Your Premises or Your Business following a Loss of Licence; and
2. for costs and expenses incurred by You with Our written consent where You appeal against the Loss of Licence;

less, in all cases, the Excess stated in Your Schedule.

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## Defective Title of Sale

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### Cover

We will indemnify You for the purchase price of a Vessel if, within the Geographical Limits and during the Period of Insurance:

1. You purchase or sell a Vessel; or
  2. You act as agent in the sale of a Vessel;
- for which it transpires that there is not good title at the time of the transaction.

We will indemnify You in respect of financial loss if either:

1. the true owner proves a valid claim for the return of the Vessel from You, or its value; or
2. the person to whom You have purported to sell the Vessel proves a valid claim for monies paid to You because You are unable to provide a good title for the Vessel.

### Limit of Our Liability

The Limit Of Our Liability for any one claim and in any Period of Insurance during which the claim(s) occurs will be the Limit of Liability stated in Your Schedule.

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### Conditions

The following conditions apply to this section only and should be read in conjunction with the General Conditions in Your Policy.

You must:

1. obtain from any vendor of any Vessel prior to purchasing or agreeing to purchase it, a signed declaration that they are the true owner and that there are no outstanding charges on the Vessel.
  2. obtain an original bill of sale and use reasonable endeavours to establish details of any finance agreement affecting the Vessel and ensure the same is discharged
  3. ensure that you keep accurate written records of all purchase transactions for second hand Vessels
  4. ensure that all payments for Vessels purchased by You or allowances for part exchange given by You must be paid by cheque, bank draft or Money transfer or by credit given by You against a new purchase
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### Basis of Claims Settlement Condition

We will pay to You the purchase price of the Vessel less the Excess.

# Fidelity Guarantee

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## Definitions

The following definitions apply to this section only and shall keep the same meaning wherever they appear in this section. They should be read in conjunction with the General Definitions in Your Policy.

### Date of Acceptance

1. The commencement date of the first Period of Insurance; or
2. the date on which Your Employee enters into contract of service or apprenticeship with You; whichever is the latest.

### Employee

The definition of Employee as defined in the General Definitions in Your Policy is extended to include the following:

1. any director of Yours if such person:
  - a) is also employed by You under a contract of service; and
  - b) controls no more than five (5) per cent of the issued share capital of Your Business or of any subsidiary of Your Business.
2. any person retired from full-time employment with You who is working for You as a consultant under Your control or direction.

### Insured Person(s)

Person or persons named in Your Schedule.

### Theft

Any act of fraud or dishonesty by any Employee committed with the intent of obtaining an improper financial gain for themselves or for any other person or organisation.

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## Cover

In the event of You sustaining any direct loss of Money or tangible property belonging to You or for which You are legally responsible, caused by any Theft during the Period of Insurance through any dishonest, fraudulent or criminal act of any Employee named in Your Schedule normally resident within the Geographical Limits, whether committed by such named person alone or in collusion with other persons, We will indemnify you in respect of such loss or losses provided they are discovered within eighteen (18) months:

1. of the expiry of any Period of Insurance in which the act of Theft was committed; or
  2. of the termination of the membership or employment of the Insured Person; or
  3. of the termination of Your Policy;
- whichever occurs first.

### Continuation

The continuation of this section beyond the original Period of Insurance shall not of itself increase the Limit of Liability.

### Limit of Our Liability

The Limit of Our Liability:

1. in respect of any one claim caused by one Employee shall not exceed the Limit of Liability stated in Your Schedule applicable to that Employee;
  2. in respect of any one claim caused by two or more Employees acting in collusion, shall not exceed the greater of the individual Limit of Liability stated in Your Schedule applicable to the Employees involved;
  3. in respect of any one claim irrespective of the number of Periods of Insurance during which the insurance by this section shall remain in force, shall not exceed the Limit of Liability stated in Your Schedule; provided that if We are liable to indemnify more than one party, the aggregate amount of indemnity to all parties shall not exceed the Limit of Liability stated in Your Schedule.
  4. in respect of any one Period of Insurance, shall not exceed the aggregate Limit of Liability stated in Your Schedule.
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## **Territorial Limits**

This section only applies to acts of Your Employees within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

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## **Extensions**

The following extensions apply to this section only.

### **Automatic Reinstatement**

Except as regards the Insured Persons concerned, the Limit of Liability shall not be reduced by the payment of any losses by Us. You shall pay the appropriate additional premium on the amount of the loss from the date thereof to the expiry date of the Period of Insurance.

### **Previous Insurance**

If this Policy immediately supersedes a Fidelity Guarantee insurance effected by You (the Superseded Insurance), We will indemnify You in respect of any loss discovered during the continuation of this insurance but committed during the continuation of the Superseded Insurance if the loss is not recoverable there under solely because the period allowed for discovery has expired.

Provide that:

1. such insurance had been continuously in force from the time of the loss until inception of this insurance.
2. the loss would have been insured by this insurance had it been in force at the time of the loss.
3. Our Liability shall not exceed whichever is the lesser of:
  - a) the amount recoverable under the insurance in force at the time of the loss, or
  - b) the Limit of Liability stated in Your Schedule.

In any event the Our total liability in respect of any one claim continuing through both the term of the Superseded Insurance and the continuation of this insurance shall not exceed the Limit of Liability stated in Your Schedule.

### **Non-Contribution**

If at the time of loss of Money or goods for which You are legally responsible or at the time a claim for such property arises, You are or would but for the existence of this Policy be entitled to indemnity under any other insurance or to recover under any guarantee or indemnity fund, We shall not be liable except in respect of any amount beyond which would have been payable under such other insurance guarantee or fund had this Policy not been in existence.

### **Temporary Agency Staff**

The term Employee shall include any person supplied by a staff or employment agency who by arrangement with such agency is working for You on a temporary or part-time basis in connection with Your Business to perform the function and duties of an Employee under Your control or direction, but not including persons employed as drivers or in connection with warehouse duties or with computer operations or computer programming unless stated in Your Schedule as insured.

Provided that:

1. We shall not be liable for any loss caused by any such person if such loss is also covered for the benefit of You by an insurance or guarantee held by the staff or employment agency supplying the person concerned.
2. The amount of wages and salaries declared shall include the total amount of fees paid to staff and employment agencies in respect of temporary agency staff described above.

## Exceptions

The following exceptions apply to this section only and should be read in conjunction with the General Exceptions in Your Policy.

We shall not indemnify You:

1. for loss of interest or consequential loss of any kind.
2. for loss caused by any act of any Employee committed prior to the Date of Acceptance applicable to that Employee.
3. any loss brought about by any Employee) who, to Your knowledge, has committed a dishonest or fraudulent act, provided that this exclusion shall not be deemed to relieve Us of liability for loss occurring prior to You obtaining such knowledge.
4. for loss where You continue to entrust the defaulting Employee with Money or goods after becoming aware of any material fact bearing on the honesty of the said Employee.
5. if there is a change:
  - a) in the nature of Your Business.
  - b) to the system of check set out in Your proposal for this section and accepted and agreed by Us.
  - c) in the position of employment of the defaulting Employee.
6. for any unexplained shortages.
7. for the amount of the Excess state in Your Schedule.

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## Conditions

The following are conditions precedent to Our liability to indemnify You.

### Cessation of Cover

Immediately following the discovery by You of any act of Theft by Your Employee, all liability for further acts of Theft by that Employee shall cease.

### Claims Action by You

Upon the discovery of any act which may give rise to a claim, You shall:

1. notify Us immediately.
2. notify the police immediately and take all practical steps to discover any person involved and to trace and recover the Money and goods.
3. carry out and permit to be taken any action which may be reasonably practicable to prevent further loss.

### Employees Money

Any money of the Employee in Your hands upon discovery of any loss and any money which but for the Employee's Theft would have been due to the Employee from You, shall be deducted from the amount of the loss before You make a claim under this Policy.

### Minimum Standards of Control

1. All employees must be instructed as to their duties or responsibilities in respect of the Minimum Standards of Control and compliance enforced by You.
2. Money:
  - a) **Cash receipts** - Employees are required to pay in daily all cash and cheques received in the course of Your Business. Monies, cheques and postal orders received must be paid over to You or banked.
  - b) **Cash and Petty Cash** - cash in hand and petty cash must be checked independently of Employees responsible, at least monthly and additionally without warning every six (6) months.
  - c) **Reconciliation** - bank statements, stamped bank paying in slips, receipts, counterfoils and vouchers must be checked at least monthly against cash book entries and the balance tested with cash and un-presented cheques. This must be done independently of the Employee making the cash book entries, signing cheques or paying into the bank.
  - d) **Cheque signing** - all cheques or other bank instructions drawn for more than £10,000 must be manually signed by two authorised persons after the amount has been inserted and You must have advised Your bankers accordingly. No cheque or instrument must be signed until one signatory has validated the requisition, examined the supporting documentation and ensured that the payee is a genuine client or creditor.
  - e) **Wages** - wages and salary sheets must be checked independently of the Employees responsible for their preparation to ensure that the amounts are correct and that no fictitious names have been included.

3. Stock taking - there must be a physical check on all stock and materials held against verified stock records independently of Employees responsible, at intervals of not more than twelve (12) months.
4. Computer security:
  - a) All computer operations and security precautions must have been vetted by professional auditors at regular intervals and whenever amendments are carried out and any recommendations made fully complied with.
  - b) All Employees with access to wage, accounts or stock control functions must have a secure individual password to access the system which must be changed at least every three (3) months.
  - c) All computer media in respect of wages, accounts or stock control must be securely stored in locked cabinets when not in use by authorised Employees.
5. Auditors - Your accounts must be examined by external auditors every twelve (12) months. All recommendations or alternatives acceptable to the Auditors must be implemented without delay.
6. References - You must obtain satisfactory references direct from former employers for the two (2) years immediately preceding employment to confirm the honesty of each Employee.
7. Termination of Service - upon the termination of service of any Employee, You shall take all reasonable security precautions to prevent Theft by that Employee.
8. Investments - dual control will be exercised over all investment documents and capital expenditure to ensure that no one Employee can complete a transaction from beginning to end.

### **Prosecution**

You shall if and when requested by Us use all diligence in prosecuting any member, Employee or any other person suspected of any dishonest, fraudulent or criminal act and in consequence of which a claim shall have been made under this section.

### **Recovery of Further Monies**

Any recoveries effected by You less any costs incurred in the recovery shall accrue:

1. in the event that Your claim has exceeded the Limit of Liability stated in Your Schedule firstly to Your benefit to reduce or extinguish the amount of Your loss (but not the Excess).
2. thereafter to the Our benefit to the extent of the claim paid or payable.
3. and finally to Your benefit where the Excess had been deducted from the claim.

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## **Basis of Claims Settlement Condition**

We will pay to You the face value of the Money or the value of the goods at the time of the loss or at Our option the replacement or reinstatement of the goods, less in all cases the Excess.

We will also indemnify You in respect of:

1. auditor's and other professional fees incurred with Our written consent solely for the purpose of submitting and quantifying a loss as herein defined; and
2. the reasonable cost of rewriting or amending the software programmes or systems where such rewriting or amending is necessary to correct the security codes following the fraudulent use of computer systems the subject of a claim for which liability is admitted under this section.

# Legal Liabilities

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## Definitions

The following definitions apply to the Employer's Liability, Public Liability and Products Liability sections only and shall keep the same meaning wherever they appear in these sections. They should be read in conjunction with the General Definitions in Your Policy.

### Business

The definition of Business for this section is extended to include:

1. the provision and management of catering, social, sports and other organisations for the benefit of Your Employees.
2. first aid, fire, ambulance services and security services in connection with Your Premises which You occupy.
3. Your participation in exhibitions within the Geographical Limits.

### Costs and Expenses

1. Costs and expenses of claimants for which You are legally liable and which may be the subject of indemnity under this section.
2. Other costs and expenses incurred with Our written consent in respect of any claim which may be the subject of indemnity under this section.
3. Legal costs and expenses incurred with Our written consent for representation by You at:
  - a) any proceedings brought in any court arising out of any alleged breach of a statutory duty resulting in Injury;
  - b) any coroners' inquest or inquiry in respect of any death; which may be the subject of indemnity under this section.

### Compensation

Damages including interest but excluding:

1. liquidated damages.
2. penalty clauses.
3. fines.
4. aggravated, restitutionary, punitive or exemplary damages or any additional damages resulting from multiplication of compensatory damages or other non-compensatory damages.

### Contractual Liability

Liability attaching to You by virtue of a contract but which would not have attached in the absence of such contract.

### Event

Any accident or occurrence including continuous or repeated exposure to substantially the same general conditions which results, during the Period of Insurance, in Injury or Damage to property. All accidents or occurrences consequent of one cause shall be regarded as one Event for the purposes of Your Policy.

### Injury

Death, bodily injury, illness, disease, mental injury, mental anguish or nervous shock but not defamation.

### Legal Costs

1. Any claimant's Legal Costs and expenses for which You are legally liable and ordered as payable by You by a Court of Competent Jurisdiction within the Geographical Limits and all costs and expenses incurred with Our written consent.
2. Your Legal Costs and expenses incurred with Our prior written consent and any prosecution costs awarded against such person in respect of:
  - a) the defence of any proceedings brought against You for an offence committed during the Period of Insurance within the Geographical limits under the Health & Safety at Work etc Act 1974, Health & Safety at Work (Northern Ireland) Order 1978 and similar safety legislation, arising from Your Business; and
  - b) an appeal against a conviction arising from such proceedings.



- c) proceedings in any Court of Summary Jurisdiction arising out of any alleged breach of statutory duty which may be the subject of a claim under this section of Your Policy; provided that We will not be liable for:
- i) the payment of fines or penalties.
  - ii) proceedings consequent upon a deliberate management decision, act or omission of management.

### **Offshore**

From the time of embarkation onto a conveyance at the point of final departure from land to any offshore rig, offshore platform, sub-station turbine platform, or support or accommodation vessels and whilst on any offshore rig, offshore platform or sub-station turbine platform or support or accommodation vessels until such time of final disembarkation from a conveyance onto land upon return from any offshore rig, offshore platform or sub-station turbine platform or support or accommodation vessels.

### **Principal**

The other party to a contract or agreement for whom You are undertaking work or service where such party is responsible for setting out the terms of the contract or agreement.

### **Product Supplied**

Any product or tangible property including packaging, containers, instructions and labels, sold, supplied, erected, repaired, altered, treated, installed, tested, serviced or delivered by or through You in the course of Your Business within the Territorial Limits and no longer in Your custody or control.

### **Territorial Limits**

1. Anywhere within England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man other than Offshore.
2. Elsewhere in the world (other than North America or Offshore) for temporary visits by Your non- manual Employees in connection with Your Business undertaken by You or any of Your directors or Employees normally resident in (1) above.
3. Elsewhere in the world in respect of any Product Supplied (other than those to Your knowledge sold, supplied, erected, repaired, altered, treated or installed by You in or for delivery or use in North America or Offshore).

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## **Extensions**

The following extensions shall apply to the Employer's Liability, Public Liability and Products Liability sections only.

### **Compensation for Court Attendance**

If, at Our request, any director, partner or Employee of Yours is required to attend court as a witness in connection with any claim made against You, We will provide compensation to You up to a maximum of £250 per day on which their attendance is required.

### **Contractual Liability and Indemnity to Principal**

Notwithstanding the Contractual Liability exception 6 of the Public Liability section and exception 1c of the Products Liability section, We will indemnify You under the Employers Liability, Public Liability and Products Liability sections in respect of Injury or loss of or damage to tangible property as follows:

To the extent that any contract or agreement entered into by You with any Principal so requires, We will indemnify You against liability assumed by You and the Principal in like manner to You, in respect of the liability of the Principal where the liability arises out of the performance by You of such contract or agreement provided that:

1. the conduct and control of claims is vested in Us.
2. the Principal shall observe, fulfil and be subject to the terms of Your Policy so far as they apply.
3. the indemnity shall not apply in respect of liquidated damages or any penalty clause.
4. the indemnity granted under the Employers Liability section shall only apply in respect of liability to any person who is an Employee of Yours.
5. the indemnity shall not apply in respect of loss or damage against which You are required to effect insurance under the terms of the Joint Contracts Tribunal Standard of Building Contract 1963 Edition Clause 19 (2) (a) 1980 Edition Clause 21.2.2 or any subsequent amendments thereof or any form of contract requiring a similar indemnity.

6. where indemnity is granted to any Principal, We will treat each Principal and You as though a separate Policy had been issued to each of them, provided that the total amount of indemnity payable to all parties shall not exceed the Limit of Indemnity of any section stated in Your Schedule.

### **Corporate Manslaughter and Corporate Homicide Act 2007**

We will indemnify You in respect of legal costs and expenses with Our written consent and costs awarded against You arising in connection with any criminal proceedings (including an appeal against any conviction resulting from such proceedings) as a result of a charge or investigations in connection with an offence committed or alleged to have been committed during the Period of Insurance and in the course of Your Business under the Corporate Manslaughter and Corporate Homicide Act 2007 or similar legislation in the Channel Islands or the Isle of Man provided that:

1. Our liability under this extension shall be limited to a maximum amount of £1,000,000 any one occurrence and in the aggregate in any one Period of Insurance.
2. this extension shall only apply to proceedings brought in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.
3. We must consent to the appointment of any solicitor or counsel, acting on Your behalf.
4. You shall immediately notify Us of receipt of any summons or other process, served upon You, which may give rise to proceedings arising from the cover under this extension.
5. Counsel has advised, having been provided with all information requested by Us from You, that there is a strong probability that the appeal will be successful.

We will not indemnify You:

1. if You have committed any deliberate or intentional criminal act that gives rise to a charge of corporate manslaughter or corporate homicide.
2. for any fines or penalties of any kind.
3. where You can obtain indemnity for the costs of defending criminal proceedings in relation to corporate manslaughter or corporate homicide from any other source or insurance or where but for the existence of this extension the Insured would have obtained indemnity from any other source or insurance.
4. where Counsel has advised, having been provided with all information requested by Us from You, that there is a strong probability that the appeal will be unsuccessful.

### **Cross Liabilities**

If more than one Insured is stated in Your Schedule, We will treat each party as if a separate Policy had been issued to each, provided that the total amount of indemnity payable to all parties in respect of Compensation together with Costs and Expenses does not exceed the Limit of Indemnity of any section stated in Your Schedule.

### **Health and Safety at Work Costs**

We will indemnify You and at Your request any director, partner or Employee in respect of Legal Costs and Expenses with Our written consent and costs awarded against You or any director, partner or Employee arising in connection with any criminal proceedings (including an appeal against any conviction resulting from such proceedings) as a result of an offence committed or alleged to have been committed during the Period of Insurance and in the course of Your Business under the Health and Safety at Work Act 1974 or similar safety legislation of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man provided that the proceedings relate to the health safety or welfare of Employees.

We will not indemnify You for:

1. fines or penalties.
2. costs and expenses insured by any other policy.
3. proceedings consequent upon a deliberate management decision, act or omission of management.

The maximum amount We will pay for this extension shall not exceed £5,000 in any one Period of Insurance.

## Exceptions

The following exceptions apply to apply to the Employer's Liability, Public Liability and Products Liability sections only and should be read in conjunction with the General Exceptions in Your Policy.

### Asbestos

We will not provide indemnity in respect of:

1. exposure to;
2. inhalation of;
3. fears of the consequences of exposure to or inhalation of;
4. the costs incurred by anyone in repairing, removing, replacing, recalling, rectifying, reinstating or managing (including those of any persons under any statutory duty to manage) any property arising out of the presence of;

Asbestos, Asbestos Dust or Asbestos Containing Materials

except in respect of the Employers Liability section to the extent that it is necessary to comply with the minimum requirements of the law within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man relating to compulsory insurance of liability to Employees.

### Liability under Contract or Agreement

We shall not indemnify You against liability which is assumed by You by agreement unless such liability would have attached in the absence of such agreement.

### Pollution or Contamination (applicable to Public Liability and Products Liability and Ship Repairers Liability Sections)

We will not indemnify you in respect of Pollution or Contamination

- 1) occurring in the United States of America or Canada or dependency or trust territory
- 2) occurring elsewhere unless caused by a sudden, identifiable, unintentional and unexpected incident which takes place in its entirety at a specific moment in time and place during the Period of Insurance.

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

Our liability for all Compensation together with Costs and Expenses payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance will not exceed in the aggregate the Limit of Indemnity shown in Your Schedule in respect of any section of the Legal Liabilities section.

For the purposes of this exclusion and limitation "Pollution or Contamination" shall be deemed to mean:

- a) all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
- b) all loss of damage to Property or injury, directly or indirectly caused by such pollution or contamination.

# Employers Liability

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## Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation including Costs and Expenses in respect of Injury sustained by any Employee caused during the Period of Insurance within the Territorial Limits and arising out of employment by You in the course of Your Business.

### Limit of Our Liability

Our liability for Compensation and Costs and Expenses payable under this section in respect of any one claim or series of claims against You arising out of any one Event shall not exceed the Limit of Indemnity stated in Your Schedule.

### Right of Recovery

The indemnity provided under this section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in England, Wales, Scotland, Northern Ireland, the Channel Islands or the Isle of Man. You must repay to Us all sums paid by Us that We would not have been liable to pay but for the provisions of such law.

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## Extensions

The following extensions apply to this section.

### Injuries to Working Partners

In respect of Injury sustained by any working partner or proprietor, We will deem such person under this section to be an Employee provided that We will only be liable where:

1. the Injury is sustained whilst such working partner or proprietor is working in connection with Your Business.
2. the Injury is caused by the negligence of another working partner, proprietor or Employee whilst working in Your Business.
3. the injured working partner or proprietor has a valid right of action in negligence against the working partner, proprietor or Employee responsible for such Injury.

### Unsatisfied Court Judgments

In the event of Injury sustained by any Employee caused during the Period of Insurance, within the Territorial Limits and arising out of employment by You in the course of Your Business, which results in a judgment for Compensation being obtained by any Employee or the personal representatives of the Employee and which remains unsatisfied in whole or part six (6) months after the date of such judgment, We will at Your request pay to the Employee or the said personal representatives, the amount of any such Compensation and any costs awarded to the extent that they remain unsatisfied provided that:

1. the judgment for Compensation is obtained:
  - a) in a court of law within Great Britain, Northern Island, the Channel Islands or the Isle of Man.
  - b) against a company, partnership or individual other than You, conducting a business at or residing in premises within the territories described in (1a) above.
2. there is no appeal outstanding.
3. the judgement relates to Injury which would otherwise be within the terms of Your Policy.
4. if any payment is made under the terms of this extension, the Employee or the personal representatives of the Employee must assign the judgment to Us.
5. Our liability for damages, costs and expenses shall not exceed the Limit of Liability stated in Your Schedule.

## **Exceptions**

The following exceptions apply to this section and should be read in conjunction with the General Exceptions in Your Policy.

### **Vehicles**

We will not provide indemnity in respect of any legal liability for which compulsory motor insurance or security is required in accordance with any road traffic legislation.

### **Offshore**

We will not provide indemnity in respect of any legal liability caused by or arising from any Offshore activity.

# Public Liability

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## Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation and Costs and Expenses in respect of:

1. Injury to any person;
2. loss of or Damage to tangible property;
3. nuisance or trespass, obstruction, loss of amenities or interference with any right of way, light, air or water or other easement;

occurring during the Period of Insurance within the Territorial Limits in the course of Your Business.

## Costs and Expenses

Costs and Expenses payable under this section will be paid in addition to the Limit of Indemnity except that in respect of any claim brought in North America, the Limit of Indemnity shall be the maximum amount payable including Costs and Expenses.

## Limit of Our Liability

Our liability for Compensation payable under this section to any claimant or number of claimants as a result of any one occurrence or all occurrences of a series consequent upon or attributable to one Event or original cause shall not exceed the Limit of Indemnity stated in Your Schedule.

Costs and Expenses payable under this section will be paid in addition to the Limit of Indemnity except that in respect of any claim brought in North America, the Limit of Indemnity shall be the maximum amount payable including Costs and Expenses.

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## Extensions

The following extensions apply to this section only.

### Movement of Vessels

We will indemnify You for moving, demonstration, tuition or trial trips carried out, on Vessels in Your care, custody or control, provided the trip is within a radius of one hundred (100) miles from Your Premises or the place of launch or mooring location and:

1. for periods not exceeding four hours duration any one trip; and
2. on Vessels not exceeding the length stated in Your Schedule; or
3. on Vessels not being a prototype or original model, designed, built, constructed or assembled by You prior to sale, hand over or delivery of such Vessel; or
4. at a speed not exceeding forty five (45) knots.

### Consequences of Faulty Workmanship

Notwithstanding Exception 3 of this section, We will Indemnify You in respect of Your legal liability arising out of the consequences of Your faulty workmanship.

### Contingent Motor Liability

Notwithstanding Exception 19 of this section, We will indemnify You in respect of Your legal liability arising out of the use, in the course of Your Business, of any motor Vehicle not belonging to or provided by You anywhere in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man, provided that this indemnity shall not apply:

1. in respect of Damage to the Vehicle or to any property conveyed therein.
2. whilst the Vehicle is being driven by You or any person with Your general consent who to Your knowledge, or anyone on Your behalf, does not hold a licence to drive such Vehicle unless such person has held and is not disqualified from holding or obtaining such a licence.
3. in respect of which You are entitled to indemnity under any other insurance.
4. in respect of liability arising from circumstances in which it is compulsory for You to insure or provide security in respect of such Vehicles as a requirement of relevant road traffic legislation.

**Damage to Leased or Rented Premises**

Notwithstanding Exception 22 of this section, We will indemnify You in respect of Your legal liability for loss of or Damage to Premises (or fixtures or fittings thereof) hired or rented to You, provided that this extension shall not apply to liability in respect of:

1. legal liability arising under agreement unless legal liability would have attached to You in the absence of such agreement.
2. the first £500 in respect of any claim caused otherwise than by fire or explosion.

**Data Protection Act 1998**

We will indemnify You and at Your request any of Your directors or partners or Employees against all sums which You or any of Your directors or partners or Employees become(s) legally liable to pay as Compensation together with Costs and Expenses under section 13 of the Data Protection Act 1998 caused in connection with Your Business during the Period of Insurance provided that You are:

1. a registered user in accordance with the terms of the Act.
2. not in business as a computer bureau.

The total amount payable including all Costs and Expenses under this extension in the aggregate any one Period of Insurance is limited to £250,000.

The indemnity provided by this extension shall not apply to:

1. legal liability caused by any deliberate act or omission by You, the result of which could reasonably have been expected by You having regard to the nature and circumstances of such act or omission.
2. legal liability caused by any act of fraud or dishonesty.
3. the costs and expenses of rectifying, rewriting or erasing data.
4. legal liability arising from the recording, processing or provision of data for reward or to determine the financial status of any person.
5. the payment of fines or penalties.
6. claims which arise out of circumstances notified to previous insurers or known to You at inception of this Policy.
7. legal liability where indemnity can be provided by any other insurance.

**Defective Premises Act**

We will indemnify You in respect of Your legal liability arising out of Injury or loss of or Damage to Property incurred by virtue of Section 3 of the Defective Premises Act 1972 or of Section 5 of the Defective Premises (Northern Ireland) Order 1975 provided that such liability is not otherwise insured.

We will not be liable in respect of:

1. damage to that part of such Premises on which You or anyone on Your behalf has worked if such damage directly results from such work.
2. the cost of remedying any defect or alleged defect in the Premises disposed of by You.

**Employees and Visitors Personal Belongings**

Notwithstanding Exception 22 of this section, We will indemnify You in respect of Your legal liability for accidental damage to the vehicles and personal belongings of Your directors, partners, Employees and visitors which are in Your care, custody or control.

We will not provide indemnity where the vehicles and personal belongings are:

1. loaned, leased, hired or rented to You.
2. stored by You for a fee or other consideration.
3. in Your care, custody or control for the purposes of being worked upon.

**Foul Berthing**

1. We will indemnify You in respect of Damage to watercraft caused by defective or foul berths, wharfs, moorings, buoys, channels, harbours, quays, jetties or piers.
2. We will not be liable for:
  - a) the removal of obstructions or the cargo's of watercraft.
  - b) Pollution or Contamination other than of the cargo of any watercraft which suffers accidental Damage for which indemnity is provided by this extension.

The Limit of Indemnity during any one Period of Insurance under this extension for Compensation including all Legal Costs and Solicitors Fees will be £100,000 unless otherwise stated in Your Schedule.

### **Obstructing Vehicles**

Notwithstanding Exception 19 of this section, if a vehicle is causing an obstruction and interfering with the performance of Your Business, We will indemnify You in respect of Your legal liability for accidental Injury or accidental loss of or Damage to Property arising from the movement of such vehicle by You or any Employee with Your consent, provided that if such obstructing vehicle is being moved on a road within the meaning of the Road Traffic Acts, such use will be restricted solely to the minimum movement of the vehicle required to obtain access to or exit from Your Premises.

This Indemnity will not apply in respect of liability arising from circumstances in which it is compulsory for You to insure or provide security in respect of such vehicles as a requirement of relevant road traffic.

### **Overseas Personal Liability**

We will indemnify You, and at Your request, any of Your directors, partners or Employees or spouse or civil partner or child of the persons stated above who are accompanying such persons, against Your legal liability incurred in a personal capacity whilst temporarily outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man but excluding North America, in connection with Your Business.

The indemnity will not apply to legal liability:

1. arising out of the ownership or occupation of land or buildings.
2. in respect of which any person referred to above is entitled to indemnity under any other insurance.
3. arising out of contractual liability.
4. in respect of Bodily Injury to any person entitled to indemnity under this extension.
5. arising out of the carrying on of any business, profession, trade or employment.
6. arising out of the ownership, possession or use of animals other than horses or domestic cats or dogs.

## **Optional Extensions**

The following optional extensions to this section will apply if stated as operative in Your Schedule.

### **Contractors Plant Hire Extension (CPA)**

For Contractors Plant Association Conditions, Jersey Crane Hire Conditions, Guernsey Hire Conditions – Plant Hired In:

1. Subject to this Cover being stated as operative in Your Schedule, We will indemnify You against all sums which You are legally liable to pay under the Contractors Plant Association Model Conditions of Hire, Jersey Crane Hire Conditions or Guernsey Crane Hire Conditions (or equivalent):
  - a) for Damage to plant hired in by You; and
  - b) for continuing hire charges whilst plant is being repaired or replaced as a direct result of Damage.

The Limit of Our Liability under this extension for Compensation including all Legal Costs and Solicitors Fees will be a maximum of £250,000 during any one Period of Insurance unless otherwise stated in Your Schedule.

We will not be liable for:

1. the Excess.
2. Damage caused by:
  - a) the gradual wear away, erosion, corrosion, slowly developing deformation or distortion or other gradual deterioration.
  - b) the chipping of painted surfaces or scratching of any surface.
  - c) the use of crane(s) unless the lifting operation complies fully with the requirements of BS7121 or any other British or International standard which may replace it.
3. Damage to:
  - a) Bands, belts, trailing cables, flexible hoses or non-metallic linings of any Item of plant unless such Damage is attributable to other parts of the same Item of plant.
  - b) tyres by cuts, bursts, punctures or the application of brakes.
  - c) plant intended to be waterborne or airborne.

### **Libel and Slander**

Exclusion 17 of this section is hereby deleted and replaced by:

1. This section is extended to include Your liability arising from or caused by the publication or utterance, by You or on Your behalf, of a libel or slander, provided that a claim is first made against You during the Period of Insurance unless otherwise stated in Your Schedule.



2. This extension shall not apply in respect of:
  - a) claims which arise out of circumstances notified to previous Insurers or known to You at inception of this extension.
  - b) publications or utterances made at the discretion of any party entitled to Indemnity by this section with the knowledge of the libellous or slanderous effect thereof.
  - c) claims brought outside the Geographical Limits.
  - d) withdrawing, recalling or replacing any publication.
  - e) liability imposed on You solely by reason of the terms of any contract conditions or agreement.
  - f) actions brought in a court of law outside the Geographical Limits.
  - g) the first 10% of each and every claim.
3. All claims arising out of one cause whether or not all such claims are made against You in the same Period of Insurance will be treated as one claim.

The Limit Of Our Liability under this extension for Compensation including all Legal Costs and Solicitors Fees will be a maximum of £100,000 during any one Period of Insurance unless otherwise stated in Your Schedule.

### Tuition

1. We will indemnify You for Injury to any person or loss of or Damage to tangible property resulting from tuition, instruction or training provided by You, or on Your behalf, by a Royal Yachting Association approved and qualified instructor or other such experienced person operating under Royal Yachting Association current guidelines.
2. In respect of Exclusion 2 of this section, the words “instruction”, “certification” or “testing” are deleted.
3. We will not indemnify You in respect of any liability for Injury or Damage which is insured by any other marine policy or policies in force at the time of loss.

### Work on non-recreational craft

Exclusion 1(f) of this section is thereby deleted and restated as:

We will not be liable for work carried out by You or on Your behalf on or in connection with any Vessel over twenty four (24) metres in length used for non-recreational/commercial purposes unless otherwise stated in Your Schedule.

## Exceptions

The following exceptions apply to this section only and should be read in conjunction with the General Exceptions in Your Policy.

We will not indemnify You for:

1. **Vessels:**
  - a) **Ownership/Management** – liability arising out of Your ownership or the hiring in and/or the hiring out or management of any Vessel by You or on Your behalf in connection with Your Business.
  - b) **Brokerage agreement** - liability arising out of Damage to Vessels the subject of a brokerage agreement where liability attaches solely as a result of that agreement.
  - c) **Deliveries** - liability arising out of the delivery by You of a Vessel on the water under a pre-arranged contract for a separate and specified fee unless the delivery forms part of a sale or repair contract.
  - d) **In build** - liability arising out of Damage to Vessels under construction or in the course of assembly unless You are working under the auspices of a main contractor.
  - e) **Ministry of Defence** –liability arising out of any activity undertaken by You or on Your behalf on Vessels used for Ministry of Defence purposes, other than Tenders or Rigid Inflatable Boats.
  - f) **Non-recreational craft** – liability arising out of work carried out by You on any Vessel over twenty four (24) metres in length used for non-recreational/commercial purposes unless optional extension Work on Non Recreational Craft is stated in Your Schedule as operative.
  - g) **Towing** – liability arising out of You towing:
    - i) any Vessel outside a radius of one hundred (100) miles from Your Premises or the place of launch or mooring location. This limit does not apply to non-tidal inland waters and upstream of the Thames Flood Barrier.
    - ii) any person or any tangible property other than another Vessel or Marine Installation.

2. **Advice** - liability arising out of any surveys, condition reports, valuations, advice, instruction, consultancy, treatment, design, formula, specification, inspection, certification or testing, performed and/or provided by You or on Your behalf for a fee or in circumstances where a separate fee would normally be charged.
3. **Consequential Losses** – liability arising out of consequences other than Your faulty workmanship.
4. **Construction Work** - liability arising out of pile driving, quarrying, water diversion, the use of explosives, the construction of roads or the laying of underground services.
5. **Contracts** - liability arising out of the non-performance, non-completion or delay in completion of any contract or agreement.
6. **Contractual Liability** - liability arising out of Contractual Liabilities other than any liabilities attaching by means of the British Marine Federation current Terms of Business.
7. **Damages** - in respect of punitive, exemplary, aggravated, restitutionary or liquidated damages or any additional damages resulting from the multiplication of compensatory damages.
8. **Defective Premises** - in respect of the costs of remedying any defect or alleged defect in land or Premises sold or disposed of by You or for any reduction in value thereof.
9. **Diving** - liability arising out of any diving activities below a depth of three (3) metres.
10. **Drilling Platforms** - liability arising out of the ownership, possession, use or working on, by You or on Your behalf of any drilling platform, rig, or aerial device or hovercraft designed to travel through air or space.
11. **Employees** - liability arising out of Injury to any of Your Employees.
12. **Excess** - in respect of the Excess stated in Your Schedule.
13. **Fines/Penalties** - in respect of any fine or penalties.
14. **Goods in Transit** - liability arising out of Damage to Goods in Transit except in connection with the collection or delivery of any Vessel not owned by You, which You have sold or upon which You have undertaken or are undertaking work for a price.
15. **Heat Work Away from Your Premises** – liability arising out of the carrying out of Heat Work Away from Your Premises.
16. **Height work** - liability arising out of the carrying out of work more than twenty (20) metres above the deck of any Vessel or floor level in respect of Building maintenance work, unless We have specifically agreed in writing to a greater height.
17. **Libel or slander** - liability arising from or caused by the publication or utterance, by You or on Your behalf, of a libel or slander.
18. **Loss of use** - liability in respect of any loss of use, earnings, profit or revenue arising out of or in connection with any non-recreational/commercial Vessel.
19. **Mechanical plant** - liability arising out of the ownership, possession or use by You or on Your behalf, of any Vehicle, trailer or mobile plant which is licenced for road use for which compulsory motor insurance or security is required or which is more specifically insure other than:
  - a) mechanical plant working as a tool of trade on any site where You are working or at Your Premises.
  - b) liability arising during the act of loading or unloading any such motor Vehicle, trailer or mobile plant where indemnity is not granted by any other insurance.
  - c) where described above under the Motor Contingent Liability extension.
20. **Plans/Copyrights** - liability arising out of infringement of plans, copyright, patent, trade names, trademarks or registered design.
21. **Products Supplied** - liability arising out of Products Supplied after they have ceased to be in Your custody or control other than:
  - a) food or drink sold or supplied for consumption by Your directors, partners, Employees or visitors
  - b) the disposal of furniture and office equipment originally intended solely for use by You in connection with Your Business and which is no longer required for that purpose.
22. **Property** - liability arising out of the loss of or Damage to property belonging to You, held in trust by You or in Your care, custody or control or which is leased, let, rented, hired or lent to You. This exclusion shall not apply in respect of Vessels, trailers or property which are in Your custody or control and for which you are legally liable for.
23. **Salvage** - liability arising out of any salvage operation under a pre-arranged contract.
24. **Trespass/Nuisance** - liability arising out of Injury, Damage, trespass, nuisance or interference with any right of way, light, air or water or other easement, deliberately caused by You or on Your instructions whilst engaged in supervisory duties, unless caused by the deliberate and/or reckless conduct of an Employee with knowledge that Damage or financial loss would result.

# Products Liability

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## Definitions

The following definition applies to this section only and shall keep the same meaning wherever they appear in this section. They should also be read in conjunction with the General Definitions in Your Policy.

### Pollution

The actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of pollutants at any time to any cost expense claim or suit arising out of any request, demand or order as a result of actual, alleged or threatened discharge, seepage, migration, dispersal, release or escape of pollutants at any time that You or any other insured party test for, monitor, clean up, remove, contain, treat, detoxify or neutralise or in any way respond to or assess the effects of pollutants.

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## Cover

We will indemnify You against all sums that You become legally liable to pay as Compensation and Costs and Expenses in respect of:

1. Injury to any person;
  2. loss of or Damage to tangible property;
- and occurring during the Period of Insurance within the Territorial Limits caused by any Product Supplied.

### Costs and Expenses

Costs and Expenses payable under this section will be paid in addition to the Limit of Our Liability except that in respect of any claim brought or made in North America, the Limit of Our Liability shall be the maximum amount payable including Costs and Expenses.

### Limit of Our Liability

Our liability for Compensation payable in respect of any claim or series of claims against You as a result of or arising out of one Event and in the aggregate in any one Period of Insurance shall not exceed the Limit of Indemnity stated in Your Schedule.

Costs and Expenses payable under this section will be paid in addition to the Limit of Our Liability except that in respect of any claim brought in North America, the Limit of Our Liability shall be the maximum amount payable including Costs and Expenses.

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## Extensions

The following Extension shall apply to this section.

### Consumer Protection Act and Food Safety Act costs

We will indemnify You and at Your request any director, partner or Employee in respect of legal costs and expenses incurred with Our written consent in the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of Part II of The Consumer Protection Act 1987 or of Part II of the Food Safety Act 1990 or Part II of the Food Safety (Northern Ireland) Order 1991, provided that the proceedings relate to an offence alleged to have been committed in the course of Your Business and during the Period of Insurance.

We will not indemnify You in respect of:

1. fines or penalties.
  2. costs and expenses insured by any other policy.
  3. proceedings consequent upon any deliberate management decision, act or omission of management. The maximum amount We will pay shall not exceed the Limit of Our Liability.
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## Optional Extensions

The following Extension shall apply to this section if shown as operative in Your Schedule.

### Exports to North America

Exception 1(f) of this section is deleted and replaced by the following:

1. We will indemnify You against all sums that You become legally liable to pay as Compensation and Costs and Expenses in respect of Products Supplied to North America.
2. The maximum We will pay for Compensation, including Costs and Expenses is the Limit Of Our Liability stated in Your Schedule.
3. This extension shall not apply in respect of:
  - a) liability which attaches by way of any contract or agreement that would not have attached in the absence of such contract or agreement.
  - b) fines, penalties, punitive, aggravated or exemplary damages.
  - c) Injury to any person or loss or Damage to tangible property directly or indirectly caused by Pollution.

## Exceptions

The following exceptions apply to this section and should be read in conjunction with the General Exceptions in Your Policy.

We will not indemnify You against legal liability in respect of:

1. **Products Supplied:**
  - a) **aircraft** - any Product Supplied which to Your knowledge is for use in or on any aircraft, missile or for aviation or aerospace purposes.
  - b) **care, custody or control** - any Product Supplied which is in Your care, custody or control.
  - c) **Contractual Liability** - liability attached to You solely by virtue of the terms, implied or expressed, of any contract or agreement in connection with any Products Supplied.
  - d) **failure to perform** - the cost of or associated with the failure of any Product Supplied by You to perform in accordance with any recommendation or representation made.
  - e) **Jurisdiction** - liability arising out of or in connection with Products Supplied if an action for damages is brought against You in any court outside the Geographical Limits as stated in the General Definitions.
  - f) **exports to North America** - liability arising out of Products Supplied knowingly to or used in North America.
  - g) **Offshore** - Products Supplied to any offshore, accommodation, exploration, drilling or production rig or platform or support Vessel with the exception of wind farm support Vessels.
  - h) **refunds/recalls/rectification** - loss of or damage to any Product Supplied or for the costs incurred of making refunds, recalls, removal, repair, reapplying, rectifying, alteration, replacement or reinstatement of such Product Supplied or any part thereof.
2. **advice for a fee** - any advice, treatment, design, formula or specification provided by You or on Your behalf for a fee or in circumstance where a fee would normally be charged.
3. **Damages/Fines/Penalties** - any liquidated damages, fines or penalties or punitive, exemplary, aggravated or restitutionary damages or any additional damages resulting from the multiplication of compensatory damages.
4. **Employees** - Injury to any Employee.
5. **Financial Loss** - pure financial loss that is not consequent upon Injury to any person or loss of or Damage to tangible property.
6. **ownership** - the ownership, possession or use by You or on Your behalf of any craft designed to travel through air or space or hovercraft.
7. **Property** - loss of or Damage to tangible property belonging to You or held in trust by You or in Your care, custody or control or which is leased, let, rented, hired or lent to You.

# Ship Repairers Liability

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## Definitions

The following definitions apply to this section only and shall keep the same meaning wherever they appear in the section. They should also be read in conjunction with the General Definitions in Your Policy.

### Gross Charges

Total charges (collected or uncollected) made by You as ship repairers during the Period of Insurance and includes charges in respect of any subcontracted work.

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## Cover

We will indemnify You for all sums which You shall become liable to pay by reason of Your legal liability as ship repairers working on non-recreational/commercial vessels over twenty four (24) metres in length and the value stated in Your Schedule for:

1. loss of or Damage to any Vessel or craft which is in Your care, custody or control for the purpose of being worked upon including moving within the limits of the port at which the work is being carried out and including trial trips but not exceeding one hundred (100) miles from such port.
2. loss of or Damage to any other Vessel or craft upon which You are working except Vessels or craft at sea other than whilst on trial trips.
3. loss of or Damage to cargo or other things on or discharged from any of the Vessels or craft referred to in (1) or (2) above.
4. loss of or Damage to machinery or equipment of any Vessel or craft, whilst such machinery or equipment is removed from such Vessel or craft and is in Your care, custody or control for the purpose of being worked upon, including whilst in transit between such Vessel or craft and Your Premises or whilst in transit to or from specialist repairers' or manufacturers' premises.
5. removal of wreck.
6. loss of or Damage to third party property occurring in the course of or arising from Your ship repairing operations where such liability results from Your negligence, servants, agents or subcontractors occurring during the Period of Insurance.

### Limit of Our Liability

Our liability for Compensation payable under this section as a result of any one occurrence or all occurrences of a series consequent upon or attributable to one Event or original cause shall not exceed the Limit of Indemnity stated in Your Schedule, including liability for Costs and Expenses which are either incurred with Our written consent or awarded against You

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## Exceptions

The following exceptions apply to this section only and should be read in conjunction with the General Exceptions in Your Policy.

We shall not cover any liability:

1. in respect of property:
  - a) owned by, used by or leased to You.
  - b) in Your care, custody or control (other than property referred to in Cover (1), (3) or (4) above).
2. being collision liability, towers' liability or liability arising out of the navigation of any Vessel or craft owned or operated by You or any affiliated or subsidiary concern or party.
3. in respect of or arising in connection with any Vessel or craft accepted by You solely to be stored.

4. in respect of or arising in connection with an oil tank Vessel or craft, or any Vessel or craft previously engaged in carrying explosives or inflammable liquids or gases or arising in connection with work:
  - a) on or near any fuel tank or pipeline of an oil burning Vessel or craft.
  - b) on or near any bunker space of any coal burning Vessel or craft.unless, the rules, regulations and requirements of the port or governmental authorities at the place where the work is being carried out have been complied with. Should a gas free certificate not be required by the port or governmental authorities then such a certificate must be obtained from a chemist approved by Lloyd's Agent prior to the commencement of work;
5. in respect of or arising in connection with any new Vessel or craft being built by You.
6. for payments under penalty clauses, detention, demurrage, loss of time, loss of freight, loss of charter, loss of market or any other consequential loss whatsoever in respect of property referred to in 'Cover' above.
7. arising from the existence, maintenance, or use of:
  - a. any mechanically propelled Vehicle.
  - b. any unlicensed mechanically propelled Vehicle outside Your Premises or yard.
8. in respect of loss or damage specified in Cover above unless discovered and reported in writing to Us within six (6) months of the delivery to Owners or within 6 months after the work is completed by You, whichever may first occur.
9. in respect of or arising in connection with:
  - a) condemnation or rejection of any part by reason of faulty design.
  - b) any loss or expense arising from such condemnation or rejection.
  - c) the cost or expense of repairing, modifying or replacing any part (or for any loss or expense arising therefrom) by reason of faulty design.
10. arising from Riot, Civil Commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation
11. directly or indirectly occasioned by happening through or in consequence of:
  - a) war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom or any hostile act by or against a belligerent power.
  - b) capture, seizure, arrest, restraint, or detainment (barratry and piracy excepted) and the consequences thereof or any attempt thereat.
  - c) derelict mines, torpedoes, bombs or other derelict weapons of war.
  - d) destruction of or damage to property by or under the order of any government or public or local authority.
12. directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
13. assumed under contract or otherwise in extension of the liability imposed upon You by law in the absence of contract.
14. for punitive and exemplary damages however described.
15. Directly or indirectly caused by Asbestos.
16. for seepage, pollution or contamination unless caused by an event which is identified as occurring at an instantaneous moment in time during the period of Your Policy, is accidental and neither expected or intended by You, and became known to You within seventy two (72) hours after its commencing and is reported to Us within ninety (90) days thereafter. Nothing in this exclusion shall operate to provide coverage for:
  - a) fines, penalties, punitive damages, exemplary damage or any other damages resulting from the multiplication of compensatory damages.
  - b) any site or location used in whole or in part for the handling, processing, treatment, storage, disposal or dumping of any waste materials or substances.
  - c) the cost of evaluating and/or monitoring and/or controlling seepage and/or contaminating substances.
  - d) the cost of removing and/or nullifying and/or cleaning up seepage and/or polluting and/or contaminating substances on property at any time owned and/or leased and/or rented by You and/or under Your control.

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## Conditions

The following conditions apply to this section only and should be read in conjunction with the General Conditions in Your Policy.

**Assignment**

It is agreed that no assignment of or interest in this insurance or in any moneys which may be or may become payable hereunder is to be binding on or recognised by Us unless a dated notice of such assignment or interest signed by You, and by the assignor in the case of subsequent assignment, is endorsed on this insurance and the insurance with such endorsement is produced before payment of any claim or return of premium hereunder; but nothing in this condition is to have effect as an agreement by Us to a sale or transfer to a new management.

**Inspection of books**

You shall keep a complete and accurate record of all gross charges for operations covered hereunder and shall make these records available to Us upon Our request.

**Non-Contribution**

If at the time of loss of or Damage to goods for which You are legally responsible or at the time a claim for such property arises, You are or would but for the existence of this Policy be entitled to indemnity under any other insurance or other indemnity, We shall not be liable except in respect of any amount beyond which would have been payable under such other insurance guarantee or fund had this Policy not been in existence.

**Premium**

The minimum and deposit premium stated on Your Schedule shall be subject to adjustment at expiry of the period of insurance on Your gross charges, such adjustment to be paid to Us within 30 days.

**Reconstruction or conversion**

It is a condition of this insurance that before work commences involving the reconstruction or conversion of any Vessel or craft which entails a change in dimensions, tonnage or type, You must advise Us, and the coverage hereon in respect of such Vessel or craft shall depend on the payment by You of such additional premium as may be required by Us.

# Personal Accident

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## Definitions

The following definitions apply to this section only and shall keep the same meaning wherever they appear in this section. They should also be read in conjunction with the General Definitions in Your Policy.

### Benefit

Money We will pay to You as ascertained in accordance with Your Policy and as stated in Your Schedule.

### Bodily Injury

Death or physical disablement caused by an accident and including the direct result of abnormal Exposure to the elements, but not illness, disease or any naturally occurring condition or degenerative process.

### Excluded Period

That length of time stated in Your Schedule during which We will not pay Benefit.

### Exposure

The direct result of abnormal and unavoidable Exposure to the elements.

### Gross Earnings

The average amount of gross Money earned or paid to the Insured Person(s) over the last two (2) years immediately prior to the Insured Event, but does not include the value of any Benefit in respect of car, life insurance, health insurance, medical care insurance, pension contributions or other similar and like payments.

### Insured Event

The events stated in this section of the Your Policy.

### Insured Person

The individual(s) named in Your Schedule.

### Maximum Benefit Period

That period as stated in Your Schedule during which we will pay Benefit to You.

### Occupation

The business or profession of the Insured Person stated in Your Schedule.

### State Sickness Benefit

'The single persons' State Invalidity Entitlement' calculated proportionally in respect of the period of any disablement.

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## Cover

We will Cover the Insured Person(s) should they, during the Period of Insurance:

1. sustain Bodily Injury.
2. disappear in circumstances where accidental death may reasonably be presumed.
3. sustain Exposure.

## Limitations

This Section does not Cover the Insured Person for Bodily Injury unless:

1. it necessitates treatment by a registered medical practitioner except in the case of death; or
2. the Bodily Injury for which claim is made operates solely directly and independently of any other cause.
3. it completely and continuously prevents the Insured Person from engaging in his or her Occupation.
4. he or she is over sixteen (16) and under sixty five (65) years of age at the commencement of any Period Of Insurance.
5. he or she is engaged in the Occupation stated in Your Schedule.



## Exclusions

We do not Cover any claim as a result of the Insured Person:

1. participating in activities other than their usual Occupation in the course of Your Business as stated in Your Schedule
2. flying except as a fare-paying passenger in a fully licensed passenger aircraft.
3. gliding, hang gliding, parachuting or skydiving, parasailing or participating in similar aerial activities.
4. aqualung diving, scuba diving, white water canoeing, power boat racing.
5. participating in judo karate or other martial arts.
6. being or becoming insane.
7. being under the influence of alcohol or drugs.
8. committing or attempting to commit suicide or any act of intentional self Injury.
9. provoking assault except in an attempt to prevent a criminal act.
10. being or having been pregnant suffering a miscarriage or undergoing an abortion or childbirth.
11. suffering from any known pre-existing physical defect or infirmity.
12. any consequence whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other contributory cause or event:
  - a) Terrorism; or
  - b) any action taken in controlling, preventing, suppressing or in any way relating to (a) above

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## Conditions

These conditions should be read in conjunction with the General Conditions in Your Policy.

### Redundancy

You must tell Us immediately in writing if an Insured Person is made redundant.

### Change Of Occupation

You must tell Us immediately in writing if an Insured Person changes his or her Occupation.

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## Basis of Claims Settlement Condition

We will pay in respect of Bodily Injury to the Insured Person(s) the amount of Benefit stated in Your Schedule.

### Insured Event

1. **Death.**
2. **Loss of Limbs/Eyes/Hearing/Speech** - Total and permanent loss of sight in one eye or both eyes, hearing, speech, use of one or more limbs, hands or feet.
3. **Permanent Total Disablement** - Permanent total inability to attend to the Occupation.
4. **Temporary Total Disablement** - Temporary total inability to attend to the Occupation - per week and only payable for 104 weeks unless otherwise stated in Your Schedule.
5. **Temporary Partial Disablement** - Temporary partial inability to attend to the Occupation - per week and only payable for 104 weeks unless otherwise stated in Your Schedule.
6. **Loss of Index Finger/Thumb** - Loss by physical severance of two or more joints of a thumb or index finger - (each).
7. **Loss of any other Finger** - Loss by physical severance of two or more joints of any other finger - (each).
8. **Medical Costs** - The cost of medical, surgical, hospital or optical treatment or appliances given or prescribed by a qualified member of the medical profession and all nursing home and ambulance charges necessarily incurred as a direct result of an Insured Event in respect of which Benefit is paid under Insured Events 1-7 above is limited to £1,000.

Provided that:

1. Benefit will not be payable under either Insured Event 4 or 5 for the Excluded Period as stated in Your Schedule which will commence on the date of the Insured Event.
2. Other than under Insured Event 3 we will not pay Benefit unless death, loss or disablement occurs within twelve (12) months of the date of the Bodily Injury.

3. Benefit will only be payable under Insured Event 3 after payment under Insured Events 4 and/or 5 has continued for a total period of 104 weeks and/or when we are satisfied that permanent and total inability from engaging in or giving attention to the Occupation will continue for the remainder of the Insured Person's life. Once payment is made under Insured Event 3 no further payments will be made under Insured Events 4 or 5.
4. Benefit will not be payable under more than one of:
  - a) Insured Events 2; or
  - b) Insured Events 1 to 7 inclusive.in respect of the same Bodily Injury, except under Insured Event 3 and 4 or 4 and 5.
5. Insured Events 4 and 5 will not be payable concurrently nor for more than 104 weeks in total for any one Insured Event.  
Insured Events 4 and 5 will not be payable unless the Insured Person is in full time gainful employment at the time of the Insured Event, other than to the extent of reasonable out of pocket expenses necessarily incurred by the Insured Person during a period of temporary total disablement not exceeding £20 per week and £500 in all.
6. The total amount of Benefit payable under Insured Events 6 and 7 will not exceed the amount insured by Insured Event 2 in respect of any one Bodily Injury.
7. Where a claim is made for disappearance of the Insured Person, Benefit under Insured Event 1 will not be payable until at least one year from the date of disappearance. The Insured or his personal representatives will furnish such security as we may reasonably require guaranteeing the repayment to us of the amount of Benefit for Insured Event 1 should it subsequently transpire that accidental death did not occur.
8. We will stop paying Benefit for Insured Events 4 and 5 as soon as the Insured Person recommences the Occupation.

### **Periodical payments**

You may request Us to make payments periodically where disablement continues for more than one calendar month such payments to be made at intervals of not less than four (4) weeks.

### **Limit of Weekly Benefit**

We will not pay any amount exceeding 75% of Gross Earnings of the Insured Person at the time of the Insured Event and calculated proportionally in respect of the period of disablement where we pay any sum under Insured Event 4 or 5.

# Marine

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## Definitions

The following definitions apply to this section only and shall keep the same meaning wherever they appear in this section. They should also be read in conjunction with the General Definitions in Your Policy.

### Agreed Value

The Sum Insured shown in Your Schedule which represents the value of Your Craft as declared by You and agreed by both You and Us.

### Fault

A failure in or of the design or manufacture of Your Vessel, or in or of the design, manufacture or installation of a component part of Your Vessel.

### Laid Up

When Your Vessel is not fitted out, not ready for immediate use, not ready to be launched and not used as living accommodation.

### Machinery

Main or auxiliary engines, electrical and electronic equipment, cables and fittings, hydraulic equipment, piping and fittings, boilers, propellers and shafts, gearboxes, exhausts and starter motors.

### Vessel Contents

Diving equipment, fishing equipment, water skis and removable household goods not part of the Vessel's Machinery.

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## Cover

### Loss of or Damage

We will indemnify You in respect of loss of or Damage, malicious or negligent acts of third parties or Fault to Items stated in Your Schedule occurring within the Geographical Limits or Cruising Area.

### Transit

We will Indemnify You in respect of Loss of or Damage to Your Vessel(s) whilst in transit by land, sea or air within and/or between the Geographical Limits stated in Your Schedule.

### Liability to Third Parties

We will indemnify You in respect of legal liability arising out of Your interest in the property stated in Your Schedule.

### Limit of Our Liability

The maximum We will pay under this section will not exceed:

1. the Sum Insured on each item; or
  2. the total Sum Insured; or
- any other maximum amount payable or limit of liability stated in Your Schedule

## Extensions

The following extensions apply to this section only.

We will also pay the following:

1. Expense incurred for the purpose of averting or minimising loss of or Damage to the insured Property provided that in each case the expense:
  - a) is both reasonably incurred and reasonable in amount; and
  - b) results from an event (or the possibility of an event) for which there is or would be cover under Your Policy.
2. The costs of removal of any wreck of Your Vessel from any place owned, leased or occupied by You or where You are legally liable.
3. The reasonable cost of inspecting the bottom of the Vessel after grounding even if no Damage is found.

If Your Schedule states that Your Vessel is Laid Up afloat, You may use Your Vessel for demonstration or trial within a five (5) mile radius of Your home port or place of lay-up, providing that, whilst Your Vessel is under way, a competent person is on board at all times.

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## Exceptions to Loss of or Damage Cover

The following exceptions apply only to Loss of or Damage cover in this section of Your Policy and should be read in conjunction with the General Exceptions in Your Policy.

We do not cover Damage:

1. caused by:
  - a) theft
    - i) whilst Your Vessel is left unattended at any time on a trailer unless a Wheel Clamp protects the trailer or it is situated in a locked structure.
  - b) trick or deception practised against You.
  - c) theft of any part of Your Vessel or personal possessions unless at the time of the theft the part or personal possession is either:
    - i) securely fastened to Your Vessel and in the case of an outboard motor locked on by an Outboard Engine Lock in addition to its normal method of attachment; or
    - ii) stored inside a locked compartment on board Your Vessel or in a locked structure ashore and there is evidence of forcible and violent entry or exit to or from the compartment or structure.
  - d) wear, tear or depreciation.
  - e) Faults in work carried out by You.
  - f) insects, marine borers, barnacles, marine growth, rodents or moths.
  - g) corrosion, rust, mould, mildew dampness or weathering.
  - h) electrolysis, osmosis, electrolytic or galvanic action.
  - i) civil, criminal or administrative proceedings, action by customs officers, or executive actions of a Government or Government department unless arising out of an event which is covered by Your Policy.
  - j) detention of Your Vessel when being used in connection with Your Business.
2. to Your Vessel's canopies and protective covers caused by wind.
3. to Your Vessel's sails, masts, spars and rigging while the Vessel is racing, unless Racing Risks Endorsement is stated in Your Schedule as operative.
4. to Your Vessel's sails caused by splitting or being blown away whilst hoisted or unfurled in use unless caused by:
  - a) the stranding or sinking of Your Vessel or Your Vessel being on fire; or
  - b) impact between Your the Vessel and any external substance including ice (but not water); or
  - c) Damage to the spars to which the sails are attached.
5. to Your Vessel's Machinery, if it is over three (3) years of age or where Your Vessel has an actual or maximum designed speed under engine power in excess of seventeen (17) knots, unless caused by:
  - a) Your Vessel being immersed; or
  - b) fire, or the stranding or sinking of Your Vessel; or
  - c) impact between Your Vessel and any substance, including ice (but not water); or
  - d) freezing, provided that the Machinery has been maintained in accordance with the manufacturers' recommendations and has been protected by an appropriate anti-freeze mixture and inserted in accordance with the manufacturers' specification; or

- e) lightning; or
  - f) theft or acts of malicious persons; or
  - g) accidental incursion of water or flooding via the exhaust system.
6. to Your Vessel whilst in preparation for transit or whilst in transit of any length caused by scratching, bruising or denting.
7. to Your trailer tyres caused by the application of brakes or by punctures, cuts or bruises, wear and tear.
8. to:
- a) Money;
  - b) jewellery, furs, works of art, watches, precious metals, spectacles and contact lenses.
  - c) mobile phones, photographic equipment.
  - d) personal possessions, unless they are on board Your Vessel or being used in connection with the Vessel or in transit between Your Premises and Your Vessel.
  - e) articles of a brittle nature unless caused by:
    - i) the stranding or sinking of Your Vessel or Your Vessel being on fire; or
    - ii) impact between Your Vessel and any external substance, including ice (but not water); or
    - iii) heavy weather; or
    - iv) the action of thieves, robbers or burglars.
  - f) diving equipment, fishing equipment and water skis, unless caused by Your Vessel being on fire.
  - g) personal possessions, as a result of electronic, electrical or mechanical Breakdown or derangement.
9. or Your liability if at the time the loss or damage occurred, the Property stated in Your Schedule, or Your liability is or would, but for this insurance, be covered by any other insurance. If however the insured value of the property as covered by Your Policy or the Indemnity provided is greater than the insured value or Indemnity provided by such other insurance, We will, subject to the conditions and other terms of the Policy, pay the difference.
10. or liability or expense directly or indirectly caused by or contributed to, by or arising from seepage, pollution or contamination unless caused by an event, which is identified as occurring at an instantaneous moment in time during the period of this Policy, is accidental and not expected by You.
11. or liability or expense where any site or location is used in whole or in part for the handling, processing, treatment, storage, disposal or dumping of any waste materials or substances.
12. or liability or expense for the cost of evaluating and or monitoring and or controlling seepage and or contaminating substances.
13. or liability or expense for the cost of removing and or nullifying and or clearing up seepage and or polluting and or contaminating substances on property at any time owned and or leased and or rented by You and or under the control of You.
14. or liability or expense as a consequence resulting directly or indirectly from or in connection with war, invasion, act of foreign enemy hostilities, or a war like operation or operations (whether war be declared or not), civil war, rebellion, revolution, insurrection assuming the proportions of or amounting to an uprising, military or usurped power, civil disturbance, Terrorism, nationalisation, confiscation, requisition, seizure, damage or destruction by order of any Government or Public or Local Authority regardless of any other contributory cause or event.
15. a) to any item or part (including the whole or any part of the hull) which is Faulty; or  
b) caused by defective workmanship carried out, or materials provided, by an independent contractor employed to carry out maintenance, repairs or alterations to Your Vessel at any time.

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## Exceptions to Liability to Third Parties Cover

The following exceptions apply only to Liability to Third Parties cover of this section of Your Policy and should be read in conjunction with the General Exceptions in Your Policy.

1. We do not cover the liability to or of the following persons:
  - a) any person while engaged in any sport which involves being towed by Your Vessel unless stated in Your Schedule.
  - b) an Employee of or an operator of a marina, slipway, shipyard, yacht club, sales agency or similar organisation, or crane or travel hoist, unless they are Your Employee or unless You are the operator.
  - c) any person diving from Your Vessel from the time of leaving Your Vessel until safely back on board.
2. We will not cover liability caused or contributed to by Your wilful misconduct.

3. We will not cover liability to third parties:
    - a) caused or contributed to by Your trailer becoming unintentionally detached from the towing Vehicle.
    - b) as a result of an accident occurring on a highway or other public place whilst Your trailer is attached to the towing Vehicle.
  4. We will not pay for any costs of recalling goods manufactured by You.
  5. We do not cover Your liability arising out of Injury to any of Your Employees.
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## Conditions

The following conditions apply to this section only and should be read in conjunction with the General Conditions in Your Policy.

You must ensure that:

1. You will exercise reasonable care to make and keep Your Vessel in a Seaworthy condition and to keep Your Vessel in a safe place when not underway.
  2. an Engine Cut Off Device, if fitted, is to be worn at all times whilst Your Vessel is underway or whenever its engine is running.
  3. personal floatation devices are made available to all persons on board Your Vessel at all times.
  4. Your Vessel will remain within the Cruising Area stated in Your Schedule.
  5. the maximum number of passengers on any one Vessel at any one time is restricted to the number allowed under the operating licence issued by an accredited licensing authority or the safe load limit for the Vessel as specified by the manufacturers or twelve (12) passengers whichever is the lesser unless agreed otherwise by Us and stated in Your Schedule.
  6. if Your Vessel is eight (8) metres in length or over, that at all times when Your Vessel is underway, the minimum number of competent crew members on board will be two (2), unless stated in Your Schedule, when the number will be the amount shown.
  7. if gas is on board Your Vessel:
    - a) all gas appliances and tubing must comply to approved British Standards and Marine Recommendations; and
    - b) all gas containers must be secured against movement and all gas lockers must be properly vented to the exterior of Your Vessel.
  8. if You are asked by Us to provide a survey on Your Vessel You will do so in the format requested and by the date required and You will instruct a qualified marine surveyor with a Professional Indemnity insurance policy in force to carry out the survey.
  9. You must tell Us if the actual or maximum designed speed of any Vessel (and any Boat(s)) when under engine power exceeds seventeen (17) knots.
  10. no person under the age of fourteen (14) years of age is permitted on board Your Vessel unless accompanied by an adult.
  11. if Your Schedule states that Your Vessel is to be Laid Up for any period, Your Vessel will be safely Laid Up for the whole of that period.
  12. Your Vessel will not tow another vessel or be towed by another vessel except in an emergency or where stated in Your Schedule.
- 

## Basis of claims settlement condition – Loss of or Damage Cover

1. All claims will be settled on the basis stated in Your Schedule but not exceeding the Sum Insured or the any one item limit stated in Your Schedule whichever is the lesser, less the Excess.
2. We will be entitled to deduct:
  - a) up to one third (1/3) of the replacement cost of used sails, running rigging, protective covers, canopies, masts, spars and standing rigging, outboard motors and electronic equipment.
  - b) up to fifty per cent (50%) from the cost of repairs or replacement to take account of any betterment or increase in value to the Insured Property arising out of repairs or replacement.

**Agreed Value**

If Your Vessel is shown on Your Schedule as to be Insured on an Agreed Value and in a Total Loss We will pay:

1. the Sum Insured stated in Your Schedule or We will provide You with a replacement Vessel as similar in age, type and condition as possible to the item which is the subject of the claim providing:
  - a) You have provided Us with a written valuation from an independent qualified Marine Surveyor or qualified Yacht Broker, and which is less than three years old at the time of the claim and which specifically relates to Your Vessel and which confirms the Sum Insured stated in Your Schedule; or
  - b) You have provided Us with documentary evidence supporting the purchase price of Your Vessel if purchased no less than three years from Your Vessel being declared a Total Loss and that such evidence is consistent with the Sum Insured stated in Your Schedule.
2. the Sum Insured noted in Your Schedule, or the advertised price or agreed sale price, (whichever is the lower), if Your Vessel has been offered or advertised for sale, publically or privately, or has been or is subject to a purchase agreement within the twelve (12) months prior to Your Vessel being declared a Total Loss.
3. the Market Value of Your Craft (providing this does not exceed the Sum Insured noted in Your Schedule) if We are not in possession of a written valuation as detailed in 1(a) above or in possession of the documentation as detailed in 1(b) above.

**Average**

If at the time of Damage to the personal possessions the actual value is greater than the Sum Insured, Our liability will be limited to the proportion which the Sum Insured bears to the actual value.

**Currency Fluctuations**

In respect of Marine Stock where the item has been purchased in a currency other than GBP Sterling the event of Loss of or Damage, We will pay up to an additional fifteen per cent (15%) of the original cost price if the replacement cost has increase solely due to currency fluctuations, less in all cases the Excess.

**Remains/Salvage**

If We agree to pay the value of the Insured Property, We will be entitled to require You to sell the remains/salvage (if any) and account to Us for the proceeds of sale, or at Our absolute discretion to take over the remains/salvage.

**Your other Vessels**

Should Your Vessel come into collision with, or receive salvage services from, another Vessel belonging wholly or in part to You, You will have the same rights under this insurance as You would have had were the other Vessel entirely the property of some other person. In such cases the liability for the collision or the amount payable for salvage services will be referred to a sole arbitrator to be agreed between Us.

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**Basis of claims settlement condition - Liability to Third Parties Cover**

We will pay:

1. the amount which You are held liable to pay a third party up to the maximum amount stated in Your Schedule in respect of any one event; and
2. the costs incurred by You in defending any claim brought against them provided that such costs are incurred with Our prior written consent; and
3. the costs incurred by You attending any inquest inquiry or similar proceeding provided that such costs are incurred with Our prior written consent.

# Builders Risks

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## Definitions

The following definitions apply to this section only and shall keep the same meaning wherever they appear in this section. They should also be read in conjunction with the General Definitions in Your Policy.

### Vessel

The Vessel(s) in construction stated in Your Schedule including its trailer, sails, Machinery and equipment from time to time may form part of the Vessel.

Vessel does not include:

1. consumables such as food lubricants fuel and unapplied paint.
  2. the personal property of any person.
  3. diving, fishing or sporting equipment.
  4. moorings not carried on board.
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## Cover

### Loss of or Damage

We will indemnify You in respect of loss of or Damage, malicious or negligent acts of third parties or Fault to Items stated in Your Schedule occurring within the Geographical Limits or Cruising Area.

### Liability to Third Parties

We will indemnify You in respect of legal liability arising out of Your interest in the property stated in Your Schedule.

### Limit of Our Liability

The maximum We will pay under this section will not exceed:

1. the Sum Insured on each item; or
  2. the total Sum Insured; or
- any other maximum amount payable or limit of liability stated in Your Schedule
- 

## Extensions to Loss of or Damage Cover

The following extensions apply to the Loss of or Damage cover of this section only.

1. We allow You to proceed to and from the port or place of construction and at other locations stated in Your Schedule under the Vessel(s) own power, loaded or in ballast, as often as required for fitting out, docking, trials or delivery within a distance by water of two hundred and fifty (250) nautical miles and in the event that distance is exceeded, We will continue to insure You at a Premium to be arranged.
  2. We will continue to insure You in case of any deviation or change of voyage, provided that You give to Us immediate notice in writing on receipt by You of any advices, and any amended terms of cover and any additional Premium required by Us is agreed in writing by Us.
  3. We will also continue to insure the Vessel(s) if towed outside the port or place of construction at a Premium to be paid by You provided that We are given previous notice in writing.
  4. Any change of interest in the Vessel(s) will not affect the validity of this insurance. If We have stated in Your Schedule a proportion against a particular name or company, We will pay that proportion of the amount payable to that person or company.
  5. We will cover the Vessel(s) or any part (thereof) of the Vessel(s):
    - a) at the Vessel builder's Premises stated in Your schedule; and
    - b) elsewhere within the port or place of construction at which the Vessel builder's premises is situated; and
    - c) at sub-contractor's works and premises; and
    - d) within the port or place of construction where the sub-contractor's works are situated.
  6. We will cover the Vessel(s) while in transit between the Vessel builder's premises and sub-contractor's works and while in transit within the port or place of construction at which the Vessel builder's premises is situated.
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7. We will cover the Vessel(s) when completed, whilst in transit from the Vessel builder's premises to the port of trials, whilst undergoing trials from there, not exceeding a distance by water of two hundred and fifty (250) nautical miles and thereafter return to the Vessel builder's premises.
  8. We will insure the Vessel(s), from the commencement of the build project to its completion or sale or up to the renewal date stated in Your Schedule whichever is the later.
  9. Exhibition Cover - We will cover the Vessel(s) stated in Your Schedule whilst at exhibition premises or in direct inland transit to or from the exhibition(s) provided the Damage occurs within the Geographical Limits as stated in Your Schedule.
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## Extension to Loss of or Damage and Liabilities to Third Parties Covers

The following extensions apply to this section only.

We will also pay the following:

1. expense incurred for the purpose of averting or minimising loss of or Damage to the insured Property provided that in each case the expense:
    - a) is both reasonably incurred and reasonable in amount; and
    - b) results from an event (or the possibility of an event) for which there is or would be cover under Your Policy.
  2. The costs of removal of any wreck of Your Vessel from any place owned, leased or occupied by You or where You are legally liable.
  3. The reasonable cost of inspecting the bottom of the Vessel after grounding even if no Damage is found.
  4. The cost and expense arising out of a Failure to launch.
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## Exceptions to Loss of or Damage Cover

The following exceptions apply to the Loss of or Damage cover of this section only and should be read in conjunction with the General Exceptions in Your Policy.

We do not cover:

1. Damage to the Vessel(s) by:
  - a) theft:
    - i) while left unattended at any time on a trailer unless a Wheel Clamp protects the trailer or it is situated in a locked structure.
    - ii) by trick or deception practised against You.
  - b) wear, tear or depreciation.
  - c) insects, rodents, marine borers, barnacles, marine growth.
  - d) corrosion, rust, mildew, dampness or weathering.
  - e) electrolysis or osmosis.
  - f) civil, criminal or administrative proceedings, action by Customs Officers or executive actions of a Government or Government department unless arising out of an event which is covered by Your Policy.
2. theft of the Vessel(s) or part thereof which is to form the Vessel(s), provided that at the time of the theft the part is either:
  - a) securely fastened to the Vessel(s) and their Trailer(s) and, in the case of an outboard motor, locked on by an Outboard Engine Lock in addition to its normal method of attachment; or
  - b) outside Business Hours inside a locked compartment on board the Vessel or in a locked Building ashore and there is evidence of forcible and violent entry or exit.
3. Damage to the Vessel's canopies and protective covers caused by wind.
4. Damage to Your Vessel's sails caused by splitting or being blown away whilst hoisted or unfurled in use unless caused by:
  - a) the stranding or sinking of Your Vessel or Your Vessel being on fire; or
  - b) impact between Your Vessel and any external substance including ice (but not water); or
  - c) Damage to the spars to which the sails are attached.
5. Damage to the Vessel's Machinery caused by freezing unless the Machinery has been protected by an appropriate antifreeze mixture which has been inserted in accordance with the manufacturer's specification.

6. We will not pay the cost and expense of rectifying, repairing or replacing:
    - a) faulty welds.
    - b) a fault in design or construction.
    - c) any part (including the whole or any part of the hull) which is subject to a fault in design or construction or to a Latent Defect unless discovered during the Period of Insurance.
    - d) defective workmanship carried out, or materials provided, by You.
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## Exceptions to Liability to Third Parties Cover

The following exceptions apply to the Liability to Third Parties cover of this section only and should be read in conjunction with the General Exceptions in Your Policy.

We will not indemnify the following:

1. any person while engaged in any sport which involves being towed by the Vessel.
2. any person diving from the Vessel from the time of leaving the Vessel until safely back on board.

We will not cover liability:

1. caused or contributed to by Your recklessness or Wilful Misconduct.
2. to third parties as a result of an accident occurring on a highway or other public place while the trailer on which the Vessel is travelling is attached to the towing Vehicle.
3. arising out of contract.
4. for bodily injury sustained by Your Employee and arising out of or in the course of his or her employment which would be covered by an employer's liability policy.

We will not cover:

1. any claim in respect of cargo or other property on board the Vessel.
  2. loss of or damage to property owned by Vessel builders or repairers for which they are responsible.
  3. Money, precious metals or stones, valuables or objects of rare or precious nature or non-essential personal effects belonging to persons on board the Vessel(s).
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## Exceptions applying to Loss of or Damage Cover and Liability to Third Parties Cover

Damage, liability or expense directly or indirectly caused by or contributed to by or arising from seepage, pollution or contamination unless caused by an event which is identified as occurring at an, instantaneous moment in time during the period of Your Policy is accidental and neither expected or intended, by You and became known to You within seventy-two (72) hours after its commencement and is reported to Us within ninety (90) days thereafter.

Nothing in this exception shall operate to provide coverage for:

1. any site or location used in whole or in part for the handling processing treatment storage disposal or dumping of any waste materials or substances.
2. the cost of evaluating and/or monitoring and/or controlling seepage and/or contaminating substances.
3. the cost of removing and/or nullifying and/or clearing up seepage and/or polluting and/or contaminating substances on any time owned and/or leased and/or rented by You and/or under the control of You.

## Conditions

The following conditions apply to this section only and should be read in conjunction with the General Conditions in Your Policy.

You must ensure that:

1. You will exercise reasonable care to make and keep the Vessel in a seaworthy condition and to keep the Vessel in a safe place when not underway.
2. Engine Cut Out Devices, if fitted, will be worn at all times whilst the Vessel is underway or whenever its engine is running.
3. the Vessel will remain within the Cruising Area stated in Your Schedule.
4. if Your Vessel is eight (8) metres in length or over, that at all times when Your Vessel is underway, the minimum number of competent crew members on board will be two (2) unless stated in Your Schedule when the number will be the amount shown.

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## Basis of Claims Settlement Condition - Loss of or Damage Cover

If you suffer loss or Damage which is covered by this section of Your Policy the amount we will pay will be calculated as follows.

We will pay the lesser of the total building cost or the cost of an Item plus 15%, or the cost of repairs or the final contract price, but not exceeding the Sum Insured or the Any One item limit stated in Your schedule whichever is the lesser, less in all cases the Excess.

We will be entitled to deduct at our sole discretion a reasonable amount from the cost of repairs or replacement to take account of any betterment or increase in value to the Vessel arising out of repairs or replacement.

### Remains/Salvage

If We agree to pay the value of the Insured Property, We will be entitled to require You to sell the remains/salvage (if any) and account to Us for the proceeds of sale, or at Our absolute discretion to take over the remains/salvage.

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## Basis of Claims Settlement Condition - Liabilities to Third Parties Cover

1. We will pay:
  - a) the amount which You are held liable to pay a third party up to the maximum amount stated in Your Schedule in respect of any one event; and
  - b) Your costs in defending any claim brought against You provided such costs are incurred with Our written consent; and
  - c) Your costs at any inquest, inquiry or similar proceeding provided that the costs are incurred with Our prior written consent.

# Terrorism

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## Definitions

The following definitions apply to this section only and shall keep the same meaning wherever they appear in this section. They should also be read in conjunction with the General Definitions in Your Policy.

### Act of Terrorism

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

### Denial of Service Attack

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

This includes but is not limited to the generation of excess traffic into the network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between or amongst networks.

### Excess

The amount or amounts stated in Your Schedule which We shall deduct from each and every claim to each separate location.

### Hacking

Unauthorised access to any computer or other equipment, component, system or item which processes, stores or retrieves data whether the property of You or not.

### Head/Heads of Cover

Any of the following types of direct insurance cover:

1. Buildings and completed structures.
2. Any other Property Insured hereunder as stated in Your Schedule.
3. Business Interruption.
4. Outstanding Debit Balances.

### Private Individual

Any person other than:

1. a company, association or partnership.
2. a trustee or body of trustees where insurance is arranged under the terms of a trust.
3. a person who owns Residential Property for the purpose of their Business as a sole trader.
4. a person who owns Residential Property of which in excess of more than twenty (20) percent of the property is commercially occupied.

Note:

- a) where the Residential Property is occupied by a trustee or a sole trader as a private residence and where the property is not a block of flats, each will be deemed to be a Private Individual in respect of that same property and
- b) where two or more persons have arranged insurance on Residential Property in their several names and/or the name of the Insured includes the name of a bank or a building society or other financial institution, for the purpose of noting their interest in the property insured they will be deemed to be a Private Individual in respect of that property.

### Residential Property

1. Private dwelling houses and flats and other dwellings.
2. Household goods and personal effects.

### Treasury

The Lords Commissioners of Her Majesty's Treasury from time to time or any successor relevant authority.

## **Virus or Similar Mechanism**

Program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations whether involving self-replication or not.

This includes but is not limited to Trojan horses, worms and logic bombs.

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## **Cover**

We will indemnify You in respect of all losses arising under any Head of Cover resulting from loss or destruction of or damage to Property Insured by Your Policy, caused by an Act of Terrorism occurring during the Period of Insurance at Your Premises but only in England, Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987, nor the Channel Islands or the Isle of Man.

## **Limit of Our Liability**

The maximum We will pay under this section in any one Period of Insurance will not exceed the Limit of Our Liability or Sum Insured for each of the Heads of Cover stated in the relevant section of Your Schedule where the Head of Cover is otherwise insured.

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## **Exceptions**

The following exceptions apply to this section only and should be read in conjunction with the General Exceptions in Your Policy.

We will not indemnify You in respect of:

1. any losses arising under any Head of Cover directly or indirectly caused by or contributed to, by or arising from or occasioned by or resulting from:
    - a) damage to any computer or other equipment, component system or item which processes, stores, transmits; or
    - b) receives data or any part thereof whether tangible or intangible (including but without limitation any information programs or software) and whether Your property or not where such Damage is caused by Virus or Similar Mechanism, Hacking or Denial of Service Attack.
    - c) riot, civil commotion, war, invasion, act of foreign enemy hostilities, (whether war be declared or not) civil war, rebellion.
    - d) revolution, insurrection or military or usurped power.
  2. losses arising under any Head of Cover as a result of loss or destruction of or damage to Residential Property insured in the name of a Private Individual.
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## **Conditions**

The following conditions apply to this section only and should be read in conjunction with the General Conditions in Your Policy.

1. The insurance provided by this section is subject to all the definitions, exceptions, conditions, clauses, endorsements and conditions precedent of the sections of Your Policy where the Head of Cover is otherwise insured together with the Policy General Definitions, General Exceptions and General Conditions except:
  - a) any which provide for adjustments of premium.
  - b) any aggregate limit on the amount borne by You as a result of the operation of an Excess.
  - c) any provision for the automatic reinstatement of Sums Insured.
  - d) any long term undertaking.and providing that if there is conflict between this section and the rest of Your Policy, this section shall prevail.

2. We will not indemnify You under this section unless and until:
    - a) the Treasury issues a certificate certifying that any loss was caused by an Act of Terrorism as defined in this section; or
    - in the event of the Treasury refusing to issue such a certificate
    - b) a tribunal formed by agreement between Us and Pool Reinsurance Company Limited decides that the cause of such loss was an Act of Terrorism as defined by this section.
  3. We may cancel the cover provided by this section:
    - a) by sending You fourteen (14) days written notice to Your last known address. We will refund a proportionate part of any premium paid for the unexpired period; or
    - b) immediately if the premium has not been paid or if there has been a default under an instalment or linked credit agreement We will not refund any installment paid.
  4. In any action or suit or proceedings where We allege that any loss is not covered by this section, the burden of proving that such loss is covered shall be upon You.
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## Conditions Precedent

It is a Condition Precedent to Our liability under this section that:

1. You must declare to Us all Property and/or Premises owned by You or for which You are responsible including all such Property and/or Premises of subsidiary companies unless it is the practice of any subsidiary company to effect its own insurance.
2. You must purchase Terrorism insurance from a Pool Reinsurance Company Limited member company in respect of all such Property and/or Premises.



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