



leisurecombined
policy wording

Our Head Office and registered address is:

Leisureinsure LLP

Witney Office Village, Network Point, Range Road, Witney, Oxfordshire OX29 0YN

Company Number OC311741

Authorised and regulated by the Financial Services Authority

Registration Number 430849

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A. ABOUT LEISUREINSURE

Leisureinsure LLP ("Leisureinsure") is a leading specialist in the Leisure Market and has been operating in the field since 1996. Paul Hudson (the Chairman / founder) has over 40 years experience in insurance and is well known throughout the industry. In addition, we have a team of highly experienced & knowledgeable underwriters with combined experience of over 40 years.

Leisureinsure prides itself on its knowledge in its chosen fields, and sincerely believes that we can offer an unparalleled level of service.

B. ABOUT THIS INSURANCE

This Insurance has been underwritten and issued by Leisureinsure LLP, Witney Office Village, Network Point, Range Road, Witney, Oxfordshire OX29 0YN, who are authorised and regulated by the Financial Services Authority, as agents under contract for the Underwriters:

This is to Certify that in accordance with the limited authorisation granted under the Contracts (the numbers of which are B0573K006022011 & B0573K006012011 to the undersigned by Certain Underwriters at Lloyd's details of which will be supplied on application, which bears the Seal of Lloyd's Policy Signing Office and in consideration of the payment of the premium specified herein, the said Underwriters are hereby bound, severally and not jointly, their Executors and Administrators, to insure in accordance with the terms and conditions contained herein or endorsed hereon

If the Assured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Certificate shall become void and all claim hereunder shall be forfeited.

We will provide this Insurance in accordance with *Our* contract with the Underwriters in return for the premium *You* have paid.

This Insurance has been signed at the place stated and on the date specified in the Schedule on behalf of Leisureinsure LLP.



Authorised Signatory
Leisureinsure LLLP

C. DEFINITIONS

General Definitions

Throughout the Policy there are words that have special meanings. These words are identified throughout the Policy in italics. The words are:

Additional Expenditure means the additional costs, expenses and outlays to the *Business* including but not limited to the cost of removing the *Property Insured* to and from temporary premises occupied by *You*, increase in rent, rates, taxes, salaries of additional staff and overtime payments.

Aircraft means any vessel, craft, vehicle, kite, hang glider, balloon or other appliance whether heavier or lighter than air used for recreational flying, aerial sports or to transport persons or property. The term includes any related appurtenances or equipment such as parachutes.

Bodily Injury (Property & Liability Insurance covers except Money) means *identifiable physical injury, death, illness and disease, including mental anguish or nervous shock*

Bodily Injury (Money cover only) means *Bodily Injury* including death, disease illness, mental injury mental anguish or nervous shock which;

- (I) is sustained by an *Insured Person* during the *Period of insurance* as a result of any theft or any attempt thereof of the *Money* insured by Cover 5. *Money*, at the *Premises* or during the course of *Transits*; and
- (II) solely and independently of any other cause, except illness directly resulting from, or medical or surgical treatment rendered necessary by, such injury, occasions the death or disablement of such *Insured Person* within twelve calendar months from the date of the *Occurrence*.

Buildings means:

- (I) the permanently fixed structure (being built mainly of brick stone concrete or other non combustible materials unless otherwise advised to *Us*) that consists of a roof and external walls that completely enclose an area beneath the roof when doors and windows that form part of the structure are closed including,
 - a. landlord's fixtures and fittings in and on the structure;
 - b. foundations,
 - c. extensions annexes and gangways walls gates and fences,
 - d. yards car-parks roads and pavements which wholly or partly serve the *Premises*;
 - e. telephone gas water and electric installations piping ducting cables wires and associated control gear and accessories on the *Premises* and extending to the public mains but only to the extent of *Your* responsibility,
 - f. drains and sewers within the perimeter of the *Premises* and extending to the public mains but only to the extent of *Your* responsibility,
 - g. all fixed glass and sanitary fittings contained within the structure including framework alarm strips or fittings and lettering fixed within the Buildings;
- (II) Outbuildings (being built mainly of brick stone concrete or other non combustible materials unless otherwise advised to *Us*) that consists of a roof and external walls that completely enclose an area beneath the roof when doors and windows that form part of the structure are closed; used by *You* for the purpose of the *Business* at the *Premises* stated in the Schedule.

Business means *Your* occupation as stated in the Schedule including:

- (I) the ownership or occupation of *Premises* by *You* including incidental repair and maintenance,
- (II) the provision of canteen social sports and welfare organisations for the benefit of *Your Employees*,
- (III) fire, first aid and ambulance services.

Computer Virus means a set of corrupting, harmful or otherwise unauthorised instructions or codes (including but not limited to 'Trojan Horses', 'worms' and 'time and logic bombs') designed to maliciously effect, destroy, alter, contaminate, or degrade the integrity, quality or performance of the data, media, software or *Information technology*

Customers' Accounts means the accounts of all *Your* customers and/or agents who purchase goods from, or to whom services are rendered by *You*.

Damage (Property Insurance covers) means physical loss of or *Damage* to *Property Insured* including attendant loss of use for such *Property*.

Damage (Liability Insurance covers) means physical loss of or *Damage* to *Property* including attendant loss of use for such *Property*

Declared value means *Your* assessment of the cost of reinstatement of the *Property Insured* in any manner that is suitable to *Your* requirements or upon another site at the level of costs applying at the inception of the *Period of insurance* (excluding any subsequent inflationary factors) combined with:

- (I) debris removal costs;
- (II) professional fees;
- (III) the additional costs of complying with public authority requirements.

Electronic Data means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, Proprietary Software Programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Employee(s) means:

- (I) any person who has entered into or works under a contract of service or apprenticeship with *You*;
- (II) any labour-master and/or person supplied by a labour master;
- (III) any person employed by a labour-only subcontractor;
- (IV) any self-employed person working for or under *Your* control;
- (V) any person who is hired to or borrowed by *You*;
- (VI) any driver or operator of plant hired by *You*;
- (VII) any person who is engaged under a work experience or youth training scheme;
- (VIII) any voluntary helper whilst working under *Your* direct control and supervision;

while working for *You* in connection with the *Business*.

Employee Theft means any act of fraud or dishonesty by an *Employee* committed with the intent of obtaining an improper or illegal financial gain for themselves or any other person or organisation outside the normal terms of their employment.

Estimated Gross Profit means the amount *You* have declared to *Us* as representing not less than the *Gross Profit* 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 *Indemnity Period*, as stated in the Schedule, exceeds twelve months).

Estimated Gross Rent Receivable means the amount *You* have declared to *Us* as representing not less than the *Gross Rent Receivable* which it is anticipated will be earned by the *Your Business* during the financial year most nearly concurrent with the *Period of insurance* (or a proportionately increased multiple thereof where the *Indemnity Period*, as stated in the Schedule, exceeds twelve months)

Estimated Gross Revenue means the amount *You* have declared to *Us* as representing not less than the Revenue 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 *Indemnity Period*, as stated in the Schedule, exceeds twelve months)

Excess means the sum *You* must pay towards the cost of each and every claim.

Extra Expense means the *Excess* (if any) of the total cost during the period of restoration of the operation of the *Business* following *Damage* to the *Information technology* over and above the total cost of such operation that would normally have been incurred during the same period had no such *Damage* occurred; the cost in each case to include expense of using other *Information technology*, *Property* or facilities of other concerns or other necessary emergency expenses.

Frozen Food Stock means any perishable food for human consumption which it is normal practice to place into deep freeze for purposes of preservation.

Gross Profit means the amount by which the sum of the *Turnover* and the amounts of the closing *Stock* and closing work in progress shall exceed the sum of the amounts of the opening *Stock* and opening work in progress and the amount of any *Uninsured Working Expenses*.

Note: For the purpose of this definition the amounts of the opening and closing stocks (including work in progress) shall be arrived at in accordance with *Your* usual accounting methods with due provision being made for depreciation.

Gross Rent Receivable means the amount of *Money* paid or payable to *You* by tenants in respect of accommodation and services provided at the *Premises*.

Gross Revenue means the amount of *Money* paid or payable to *You* for work done and services rendered in the course of the *Business*.

Indemnity Period means the period beginning with the date of the *Occurrence* of the *Damage* and ending not later than the last day of the period specified in the Schedule during which the results of the *Business* are affected as a consequence of the *Damage*.

Information technology means:

- (I) all computer equipment used for the storage and communication of electronically processed data, including interconnecting wiring, fixed disks and telecommunications equipment;
- (II) *Proprietary Software Programs* and other information stored upon fixed disks;
- (III) all current and back up computer records including stored programs and information contained thereon,

owned by *You* or hired, leased or rented by *You* or whilst on trial by *You* prior to purchase.

Insured Person means *You* or any director, partner or *Employee* aged not less than 16 years and not more than 65 years whilst undertaking duties in connection with the *Business*.

Jurisdiction means the law of any country specified in the Schedule but not in respect of any judgement award or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the *Jurisdiction* to enforce such judgement award or settlement either in whole or in part).

Loss of Limb means loss by physical separation of a hand at or above the wrist or of a foot at or above the ankle and includes total and irrecoverable loss of use of hand, arm, foot or leg.

Machinery and plant means:

- (I) fixtures and fittings, fixed *Machinery and plant* either *Your* own or for which *You* may be responsible for the purposes of the *Business* at the *Premises*,
- (II) contents in outbuildings extensions annexes and gangways,
- (III) documents manuscripts and *Business* books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up (excluding any expense in connection with the production of information to be recorded in them) and not for the value to *You* of the information contained in them,
- (IV) *Employees' Directors' Officials'* personal effects of any description (other than motor vehicles) but only so far as they are not otherwise insured up to a limit of £ 500 per person.

Member(s) or Participant(s) means any *Member*, temporary player or other person actively engaged in and appropriately registered for the purpose of the activities named in the Schedule.

Money means:

- (I) cash including bank notes, coins, treasury notes, cheques and girocheques (excluding blank or incomplete cheques and girocheques), uncrossed postal orders, uncrossed *Money* orders, bankers drafts, current postage and revenue stamps stamps, trading stamps, national savings stamps, holiday with pay stamps, luncheon vouchers, travellers cheques, entrance tickets, gift vouchers, phone cards, discount coupons and consumer redemption vouchers and travel tickets all belonging to *You* or for which *You* are responsible;
- (II) non-negotiable currency, which shall mean crossed cheques, crossed giro cheques, crossed postal orders, crossed *Money* orders, crossed bankers' drafts, national savings certificates, premium bonds, securities for *Money*, unexpired units in franking machines, debit/credit card invoices, value added tax purchase invoices; all belonging to *You* or for which *You* are responsible.

Notifiable Disease means illness sustained by any person resulting from:

- (I) food or drink poisoning, or
- (II) Legionnaires Disease and Legionella Virus or
- (III) any human infectious or human contagious disease, (excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition), an outbreak of which the competent local authority has stipulated shall be notified to them, comprising:

Acute encephalitis;	Plague;
Acute poliomyelitis;	Rabies;
Anthrax;	Relapsing Fever;
Cholera;	Rubella;
Diphtheria;	Scarlet Fever;
Dysentery (amoebic or bacillary);	Smallpox;
Leprosy;	Tetanus;
Leptospirosis;	Tuberculosis;
Malaria;	Typhoid Fever;
Measles;	Typhus;
Meningitis;	Viral Hemorrhagic Fever;
Meningococcal Septicaemia;	Viral Hepatitis;
Mumps;	Whooping Cough;
Ophthalmia neonatorum;	Yellow Fever
Paratyphoid Fever;	

Occurrence means a single cause or event that gives rise to a claim or series of claims under this Insurance.

Offshore means from the time of embarkation by an *Employee* onto the conveyance whether airborne or waterborne for transport to an *Offshore* Installation or Associated Structure including any support or accommodation vessel until such time as the *Employee* disembarks from the conveyance onto land upon returning from an *Offshore* Installation or Associated Structure. The words "*Offshore* Installation" and "Associated Structure" shall have the same meanings as are interpreted in the Mineral Workings (*Offshore* Installations) Act 1971 and the *Offshore* Installations (Application to the Employers' Liability (Compulsory Insurance) Act 1969 Regulations 1975

Period of insurance means the period stated in the Schedule of this Insurance.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Premises means the Buildings referred to in the Schedule and occupied by *You* for the purposes of the *Business*.

Property (Liability Insurance covers) means real and tangible material *Property*.

Property Insured (Property Insurance covers) means real and tangible material *Property* detailed in the Schedule.

Proprietary Software Programs means the package of software programs *You* purchased at the same time as the *Information technology* plus any subsequent upgrades excluding any bespoke computer software that *You* purchased in connection with the *Business* unless advised to *Us* and agreed by *Us* in writing.

Outstanding Debit Balances means the total declared in the statement last given under the provision of the Monthly Records condition and adjusted for:

- (I) bad debts;
- (II) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of *Damage*) to *Customers' Accounts* in the period between the date to which said last statement relates and the date of the *Damage*; and
- (III) any abnormal condition of trade which had or could have had a material effect on the *Business*;

so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the *Damage* had the *Damage* not occurred.

Permanent Total Disablement means disablement which entirely prevents the *Insured Person* from attending to any *Business* or occupation for which they are reasonably suited by training, education or experience and which lasts twelve months and at the end of that period is beyond hope of improvement.

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

Rent Payable means the *Money* paid or payable by *You* in respect of accommodation and services provided at the *Premises*.

Safe means a fixed theft resistant container that has been specifically designed for the storage of *Money* and valuables which is capable of resisting fire and attack by hand-held or power-operated tools.

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

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

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

Stock means *Stock* and materials in trade, stationery, food stocks and the like, memorabilia and souvenirs, wine, beer and spirits, *Your Property* or for which *You* are responsible.

Strongroom means a theft resistant structure constructed of masonry and steel that has been specifically designed for the storage of *Money* and valuables which is capable of resisting fire and attack by hand-held or power-operated tools.

Temporary Total Disablement means disablement which entirely prevents the *Insured Person* from performing each and every duty of their occupation.

Tenants Improvements means structural fixtures and fittings which are *Your Property* as occupiers of the *Property*.

Territorial Limits means

- (I) the territories stated in the Schedule as the *Territorial Limits*,

And in respect of Liability covers only

- (II) elsewhere in the world where *Your* directors, partners or *Employees* who are normally resident in (I) above are on a temporary non manual visit on *Your Business*.

Terrorism means any act or acts of force and/or violence:

- (I) for political, religious, ideological or other ends; and/or
- (II) directed towards the over-throwing or influencing of any government de jure or de facto; and/or
- (III) for the purpose of putting the public or any part of the public in fear.

Tools and other portable items means *Tools and other portable items* *Your* own or for which *You* may be responsible for the purposes of the *Business* at the *Premises*.

Transit means whilst the *Property Insured* is being loaded upon, carried by or temporarily stored within or unloaded from any vehicle(s) owned, borrowed or hired by *You* to transport the *Property Insured* to and from the *Premises* to any location within the *Territorial Limits* in the course of *Your Business*; including temporary garaging, up to a maximum period of 5 consecutive days during the course of the *Transit*.

Turnover means the *Money* paid or payable to *You* for goods sold and delivered and for the services rendered in the course of the *Business*.

Uninsured Working Expenses means:

- (I) purchases (net of discounts received),
- (II) packing, carriage and freight,
- (III) bad debts.

United Kingdom means Great Britain, Northern Ireland, the Isle of Man, or the Channel Islands.

Visitors' Effects means Visitors' and guests' personal effects of any description (other than motor vehicles) limited to £ 500 per person unless otherwise stated in the Schedule.

Watercraft means any vessel, craft, vehicle or appliance made or intended to float on or in or travel on or through or under water.

We, Us or Our means Leisureinsure LLP authorised under contract as agents for the Underwriters, Certain Underwriters at Lloyd's

You, Your, Yours means the company, person or persons named as the Assured shown in the Schedule including any directors and partners.

D. PROPERTY INSURANCE COVERS

1. Material Damage

In the event of *Damage* to any of the *Property Insured* occurring during the Period of Insurance at the *Premises* as stated in the Schedule directly caused by the Insured Perils specified below, We will pay to *You* the value of the *Property Insured* at the time of its *Damage* in accordance with the Basis of Settlement or at *Our* option reinstate or replace or repair such *Property Insured* or any part of it.

Provided that *Our* liability under this Insurance, during any one *Period of insurance* shall not exceed the Sum(s) Insured stated in the Schedule (or such other Sum(s) Insured as may subsequently be agreed to in writing by *Us*) at the time of the *Damage*.

Insured Perils

This Insurance provides cover for *Damage* caused by the applicable Insured Peril as stated in the Schedule, which shall be defined as follows:

- (I) FIRE and LIGHTNING
 - a. FIRE excluding *Damage* caused by its own spontaneous combustion, fermentation heating or its undergoing any heating process or any process involving the direct application of heat,
 - b. LIGHTNING or THUNDERBOLT.
- (II) EXPLOSION excluding *Damage* by explosion (other than *Damage* by fire resulting from explosion) caused by the bursting of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under *Your* control.
- (III) *AIRCRAFT* and other aerial devices or articles dropped there from.
- (IV) EARTHQUAKE excluding *Damage* caused by Fire, Subterranean Fire, Volcanic Eruption.
- (V) STORM, TEMPEST and FLOOD
 - a. STORM or TEMPEST, excluding loss or *Damage* directly or indirectly caused by flood or frost,
 - b. FLOOD,
 - c. BURSTING or OVERFLOWING or LEAKAGE of water pipes, water mains, water tanks or water apparatus domestic boilers or oil fired heating installations, Excluding *Damage*,
 - i. as a result of repairs to or removal or extension of water pipes, mains, tanks or apparatus,
 - ii. by bursting or overflowing or leakage occurring whilst the *Premises* are vacant or unoccupied but this Exclusion shall not apply whilst the *Premises* are closed for holidays or weekends,
 - iii. as a result of water discharged or leaking from any automatic sprinkler installation,
 - iv. to gates, boundary fences or walls, glass, drains, sewers or water courses unless damaged by the fall of brickwork or masonry caused by an Insured Peril,
 - v. to *Stock* not stored at least 15 centimetres above the floor,
 - vi. as a result of the backing up of sewers and drains,
 - vii. to *Property Insured* in the open unless specifically agreed by *Us* in writing,
 - viii. loss or *Damage* whether caused directly or indirectly by;
 - subsidence, ground heave or landslip,
 - fire, lightning or explosion.
- (VI) RIOT, CIVIL COMMOTION STRIKERS LOCKED-OUT WORKERS OR PERSONS TAKING PART IN LABOUR DISTURBANCES OR MALICIOUS PERSONS, Excluding *Damage* whether caused directly or indirectly by:
 - a. fire,
 - b. theft or attempted theft,
 - c. total or partial cessation or interruption or retarding of work or of any commercial or industrial process or operation,
 - d. arising from the confiscation requisition or destruction by order of the government or any public authority,
 - e. in respect of Buildings which are empty or not in use, directly caused by malicious persons, not acting on behalf of in connection with any political organisation.
- (VII) IMPACT caused by:
 - a. any vehicle, horse or cattle not belonging to or under *Your* or *Your Employees* control,
 - b. falling trees or tree branches excluding *Damage* caused by lopping pruning or felling,
 - c. collapse or breakage of television or radio receiving aerials or satellite dishes,
- (VIII) THEFT or ATTEMPTED THEFT involving
 - a. entry to or exit from the *Premises* by forcible and violent means,
 - b. violence or threat of violence to *You* or any director partner or *Employee*, Excluding *Damage*,
 - i. to the *Property Insured* by *You* or in collusion with any of the *Your Employees* or tenants or concessionaires or subcontractors at *Your Premises*,
 - ii. to the *Property Insured* in any yard or open space, unless agreed by *Us* in writing,

- iii. to *Money*, negotiable instruments and securities of any description,
- iv. resulting in fire or explosion,
- v. involving the dishonest manipulation of any database or computer system,
- vi. not reported to the Police within 24 hours of the discovery of the incident and a crime report number obtained,
- vii. arising from the withdrawal of the Police response to the alarm activation signals from the Intruder Alarm System installed on *Your Premises* unless notified to *Us* and agreed by *Us* in writing.

(IX) SPRINKLER LEAKAGE caused by accidental water discharge or leakage from the Automatic Sprinkler Installation at the *Premises*,
Excluding *Damage*:

- a. caused by the discharge or leakage of water occasioned by or happening through:
 - i. repairs or alterations or extensions to the *Premises* and/or sprinkler installations,
 - ii. freezing whilst the *Premises* are vacant or unoccupied or freezing due to *Your* neglect,
 - iii. fire, lightning or explosion,
 - iv. defects in construction or condition of the Automatic Sprinkler Installation of which *You* are aware,
 - v. loss or *Damage* whether caused directly or indirectly by;
- b. to the Automatic Sprinkler Installation, consequential loss of any kind or description.

(X) SUBSIDENCE, GROUND HEAVE or LANDSLIP of any part of the site on which the Buildings stands
Excluding *Damage*:

- a. occurring to yards, car-parks, roads, pavements, walls, gates and fences unless also affecting the Buildings,
- b. occurring as a result of the construction demolition structural alteration or structural repair of any Buildings at the *Premises*,
- c. commencing prior to the granting of cover under this Insurance,
- d. arising from the normal settlement or bedding down of new structures,
- e. arising from settlement or movement of made up ground or by coastal or river erosion,
- f. arising from defective design or workmanship or the use of defective material,
- g. arising from fire, subterranean fire, explosion, earthquake or the escape of water from any tank apparatus or pipe,
- h. arising from any groundworks or evacuation at the *Premises*.

Subsidence Ground Heave and Landslip Condition

You must notify *Us* immediately when *You* are aware of any demolition or groundworks being planned or undertaken at *Your Premises* or at any adjoining or adjacent *Premises*. *We* shall then have the right to vary the terms or cancel this cover.

(XI) ACCIDENTAL *DAMAGE* arising from any other sudden and unforeseen *Occurrence*,
excluding;

- a. *Damage* caused by an event defined under Insured Perils (I) to (X) inclusive whether covered by this Insurance or not,
- b. *Damage* to the *Property Insured* caused by;
 - i. backing up of drains and/or sewers, change in water table level, frost, gradual deterioration, inherent vice, its own faulty or defective design or materials, latent defect, seepage below ground level, wear and tear,
 - ii. defective or faulty workmanship, *Your* or *Your Employees'* omission or operational error,
BUT this shall not exclude subsequent *Damage* which results from a cause not otherwise excluded.
- c. *Damage* caused by or consisting of;
 - i. contamination, corrosion, dampness, dryness, evaporation, fermentation, insects, leakage, loss of weight, marring, rust, scratching, vermin,
 - ii. normal settling, shrinking or expansion in Buildings, structures or foundations,
 - iii. the collapse or cracking of Buildings,
 - iv. the action of light, change in temperature colour flavour texture or finish, condensation, fog, humidity; smog, or any other gradually occurring loss which commenced prior to the *Period of insurance*.
- d. *Damage* consisting of;
 - i. cracking, failure of welds, fracturing, joint leakage, collapse or overheating of overheating of boilers economisers super-heaters pressure vessels or any range of steam and feed piping in connection therewith,
 - ii. breakdown or derangement in respect of the particular apparatus, equipment or machine in which such breakdown or derangement originates,

The provisions of Exclusions c. and d. above shall not exclude:

 - iii. such *Damage* not otherwise excluded which itself results from a Insured Peril or from any other *Damage*,
 - iv. subsequent *Damage* which itself results from a cause not otherwise excluded.
- e. loss of use, delay or loss of markets; however caused or arising, and despite any preceding loss insured hereunder.
- f. mysterious disappearance or inventory shortage, or misfiling or misplacing of information.
- g. theft, fraud, or any kind of wrongful conversion or abstraction, whether committed alone or in collusion with others by *You* or any directors, *Employees*, officials or partners.
- h. *Damage* caused by the insolvency or any financial impairment of any person or organisation to whom *Your Property Insured* may be entrusted.
- i. *Damage* to that part of the *Property Insured*.

- i. caused by fire resulting from its undergoing any heating process or any process involving the application of heat,
 - ii. resulting from its undergoing any process of production, packaging treatment commissioning service or repair.
- j. *Damage* occasioned by confiscation, delay, destruction, embargo, requisition or seizure by the government or any public authority.
- k. *Damage* caused by error in computer or machinery programming or from data processing media failure or breakdown.
- l. electrical or magnetic injury to, or disturbance or erasure of, electronic records, except by lightning.
- m. *Damage* caused by cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies.
- n. *Damage* in respect of moveable *Property Insured* in the open or in any open-sided buildings or structures, fences and gates caused by wind rain hail sleet and snow flood or dust.

Exclusions

We shall not be liable for:-

- (I) *Damage* to:
 - a. jewellery, precious stones, furs, bullion, works of art or rare books, trophies and memorabilia,
 - b. *Property Insured* in *Transit*,
 - c. *Money*, cheques, stamps bonds, credit cards, securities, deeds, evidence of debt and valuable papers,
 - d. *Business* interruption or consequential loss of any kind.
- (II) *Damage* to:
 - a. land, piers, jetties, bridges, culverts or excavations,
 - b. Buildings or structures in the process of construction or erection and materials and supplies on the *Premises* in connection therewith,
 - c. vehicles licensed for road use, caravans, trailers, *Watercraft* and *Aircraft*, railway locomotives and rolling *Stock*,
 - d. livestock growing crops or trees,
 - e. *Information technology*, including equipment and component parts thereof owned, leased, rented or under *Your* control,
 unless specifically mentioned as covered by this Insurance on *Your* Policy Schedule
- (III) the *Excess*, the amount as stated in the Schedule for each Insured Peril which will be deducted from the agreed settlement in respect of each and every claim.

Basis of Settlement

The amount payable for each item, will be in accordance with the one of the following Basis of Settlement marked in the Schedule against the appropriate item (and defined below) or at *Our* option We may choose to reinstate or replace the *Property Insured* or any part of it which is lost destroyed or damaged:-

(I) Agreed Value Basis

Applicable only to those Items in the Schedule where "Agreed Value" has been shown.

- a. Where an Item insured is shown to have been accepted on an Agreed Value basis and noted as such in the Schedule, *Our* liability will not exceed the Sum Insured stated in the Schedule in all during the *Period of insurance*.
- b. In the event of partial loss of or *Damage* to any Item insured the amount payable will be the cost and expense of restoration plus any resulting depreciation but not exceeding the value of that item as shown in the Schedule.

For the purpose of this clause, the condition of Average (Underinsurance) set out in H. General Conditions of this Insurance shall not apply.

(II) 25% Day One Reinstatement Basis

Applicable only to those Items in the Schedule where "Day One 25%" has been shown, the *Declared value* is the figure shown in brackets by the Sum Insured.

The Basis on which the amount payable for the *Damage* to the *Property Insured* is to be calculated shall be the reinstatement of the *Property Insured*, subject to the 25% Day One Reinstatement Basis Special Conditions shown below.

For this purpose Reinstatement shall mean:

- a. the rebuilding or replacement of the *Property Insured* sustaining *Damage* which provided *Our* liability is not increased may be carried out as follows:
 - i. in any manner that is suitable to *Your* requirements
 - ii. upon another site
- b. the repair or restoration of the *Damage* to the *Property Insured*

Provided that in either (i) or (ii) above the condition is equivalent to or substantially the same but not better or more extensive than the *Property Insured* when new.

25% Day One Reinstatement Basis Special Conditions:

- a. The Premium has been calculated on the basis of the *Declared value* provided by *You* in writing to *Us*.
- b. *You* will notify *Us* of the *Declared value* for each applicable Item at the inception of each *Period of insurance*. If no declaration is received from *You* then the last amount declared to *Us* shall be taken as the *Declared value* for the following *Period of insurance*.
- c. If at the time of the *Damage* the *Declared value* of each applicable item is less than the cost of Reinstatement (as defined above) at the inception of the *Period of insurance* then *Our* liability for *Damage* shall not exceed the proportion that the *Declared value* bears to such cost of Reinstatement.
- d. *Our* liability for the repair or restoration of the *Property Insured* in part only shall not exceed the amount which would have been payable had such *Property Insured* been wholly destroyed.
- e. In the absence of this Basis of Settlement, no payment beyond the amount which would have been payable by *Us* will be made:-
 - i. unless the Reinstatement commences and proceeds without unreasonable delay,
 - ii. until the cost of Reinstatement shall have been actually incurred,
 - iii. if the *Property Insured* shall at the time of the *Damage* be insured by any other insurance effected by *You* or on *Your* behalf which is not on the same basis of reinstatement.
- f. The Sum Insured is limited to 125% of the *Declared value* stated in the Schedule.

(III) Reinstatement Basis

Applicable only to those Items in the Schedule where "Reinstatement" has been shown.
The Basis on which the amount payable for the *Damage* to the *Property Insured* is to be calculated shall be the Reinstatement of the *Property Insured*, subject to the Reinstatement Basis Special Conditions shown below.

For this purpose Reinstatement shall mean:

- a. the rebuilding or replacement of the *Property Insured* sustaining *Damage* which provided *Our* liability is not increased may be carried out as follows:
 - i. in any manner that is suitable to *Your* requirements,
 - ii. upon another site.
- b. the repair or restoration of the *Damage* to the *Property Insured*.
Provided that in either (i) or (ii) above the condition is equivalent to or substantially the same but not better or more extensive than the *Property Insured* when new.

Reinstatement Basis Special Conditions

- a. If at the time of the Reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the *Property Insured* covered by each Item exceeds its Sum Insured, as stated in the Schedule, at the commencement of any *Damage*, *Our* liability will not exceed that proportion of the amount of such *Damage* which the said Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such *Property Insured* at that time;
- b. *Our* liability for the repair or restoration of the *Damage* to the *Property Insured* in part only shall not exceed the amount which would have been payable had such *Property Insured* been wholly destroyed;
- c. In the absence of this Basis of Settlement, no payment beyond the amount which would have been payable by *Us* will be made:-
 - i. unless the Reinstatement commences and proceeds without unreasonable delay,
 - ii. until the cost of Reinstatement shall have been actually incurred,
 - iii. if the *Property Insured* shall at the time of the *Damage* be insured by any other insurance effected by *You* or on *Your* behalf which is not on the same basis of reinstatement.

(IV) Indemnity Basis

Applicable only to those Items in the Schedule where "Indemnity" has been shown.

The Basis on which the amount payable for the *Damage* to the *Property Insured* is to be calculated shall be the value of the *Property Insured* at the time of the *Damage* or the amount of the *Damage* whichever is the less, subject to the Indemnity Basis Special Condition shown below.

Indemnity Basis Special Condition

If at the time of the *Damage* the Sum Insured of each applicable item is less than the total value of the *Property Insured* at the inception of the *Period of insurance*, then *Our* liability for the *Damage* will be proportionately reduced and *You* will be considered to be *Your* own insurer for the difference.

(V) Obsolete Buildings

Applicable only to those Items in the Schedule where "Obsolete Buildings" has been shown.

The Basis on which the amount payable for the *Damage* to the Buildings deemed obsolete shall be:

- a. the Buildings are partially damaged, the cost of repair, or
- b. if the Buildings are extensively damaged, the cost of either:
 - i. the demolition of the existing structure and the replacement with a *Building* suitable for *Your* needs, constructed with modern materials and techniques, or

ii. the purchase of a similar *Building* on another site
The replacement or repair of the Buildings so damaged shall be at *Our* option.

Conditions

Your compliance and continued observance of the under-noted are conditions precedent to *Our* Liability to make any payment under this Insurance.

(I) Automatic Fire Alarm Installations

If the *Premises* have automatic fire alarm installation(s) *You* shall undertake to:

- a. carry out weekly tests of the installation and other testing and checking requirements referred to on the completion certificate and remedy within 14 days any defect disclosed,
- b. carry out the maintenance procedures specified by the manufacturers of the equipment,
- c. notify *Us* immediately of any disconnection or failure of the automatic fire alarm installation likely to leave the *Premises* unprotected for 12 hours or more,
- d. record details of all events such as alarms faults tests maintenance and disconnections and keep such details available for examination by *Our* representatives.

(II) Electrical Circuits

You shall undertake to have all electrical circuits tested at least once every three years by qualified electrical engineers and that any defects found be remedied immediately in accordance with the Regulations of the Institute of Electrical Engineers, their certificate confirming the same to be issued and a copy submitted to *Us* for *Our* records.

(III) Fire Break Doors and Shutters

You shall undertake to keep closed all fire break doors and shutters installed at the *Premises* except during working hours and maintain them in efficient working order.

(IV) Fire Extinguishing Appliances

You shall undertake to keep on the *Premises* fire extinguishing appliances of suitable types and numbers for *Your* *Business* and maintain them in efficient working order by means of an annual maintenance contract.

(V) Flat Roof Maintenance

If the *Premises* has any flat roof areas *You* shall undertake to:

- a. replace them to an approved standard within ten years of original installation,
- b. clear and sweep all leaves and debris from the drains and gutters at 6 monthly intervals throughout the *Period of insurance*,
- c. have an annual inspection undertaken by a qualified *Building* contractor with all repairs and maintenance work carried out as necessary.

(VI) Intruder Alarm

If the *Premises* has an Intruder Alarm already installed or where *We* have required *You* to have an Intruder Alarm installed *You* shall undertake to:

- a. put the Intruder Alarm into full and effective operation at all times when *Your* *Premises* are closed for *Business*, and at all other appropriate times,
- b. maintain the Intruder Alarm in good working order throughout the *Period of insurance* by means of a maintenance contract with the installing company or with a *Member* company of the National Approval Council Of Security Systems (NACOSS),
- c. notify *Us* immediately in writing of any withdrawal of the Police or security company's response, or any alteration, apparent defect or variation of the Intruder Alarm system, or any structural alteration which might affect its operation.

(VII) Kitchen Duct Maintenance

You shall undertake to:

- a. securely fix all frying and cooking equipment including flues and exhaust ducting and ensure that they are free from contact with combustible materials,
- b. clean all flues, exhaust ducting, grease traps and filters at least once a month and have in force an annual maintenance contract to clean all equipment.

(VIII) Portable Space Heater Precautions

If the *Premises* are heated by portable space heaters (provided that *You* have notified *Us* and *We* have agreed to this in writing) *You* shall undertake to:

- a. not site them in passageways and other places they are likely to be overturned or subject to mechanical *Damage*,
- b. not site them in areas where flammable atmospheres are habitually or intermittently present,
- c. not site them on combustible floors or surfaces,

- d. keep them clear of combustible materials and fit them with a guard to maintain a clear space of at least one metre around it.

(IX) *Premises Inspection*

You shall undertake:

- a. a thorough examination of the *Premises* for smouldering matches, tobacco or other material at the close of *Business* each day and that signed reports are made daily and such reports to be checked at least once a week by *You*,
- b. to empty all ashtrays and the like into a lidded metal bin and remove the bin from the *Premises* at the close of *Business* each day and at all other appropriate times.

(X) *Stillage Precautions*

You shall undertake to keep all Stock at least 15 centimetres off the ground within the Premises.

(XI) *Unoccupancy Precautions*

If the *Premises* become unoccupied for more than 30 consecutive days and *You* have notified *Us* and *We* have agreed to this in writing, *You shall undertake to:-*

- a. clear and sweep the *Premises* of all loose combustible material,
- b. disconnect the electricity, gas, and water supplies at the mains and drain tanks and pipes to the fullest extent possible,
- c. seal all letterboxes to prevent insertion of material,
- d. physically inspect the *Premises* at least once per week and carry out any work necessary to maintain security.

(XII) *Waste Precautions*

You shall undertake to clear and sweep up all refuse and waste and remove it from the Buildings daily and from the Premises at least once a week.

Extensions

(I) *Architects', Surveyors' and Consulting Engineers' Legal Fees*

Included within the Sum(s) Insured on Buildings, *Machinery and plant* are architects', surveyors', consulting engineers', legal and other fees necessarily incurred by *You* in the reinstatement of the *Property Insured* following its *Damage* by any Insured Peril (but not any fees for the preparation of the claim or estimate of loss) not exceeding the amounts authorised under the scales of the various Institutions regulating such charges prevailing at the time of the *Damage*.

(II) *Automatic Reinstatement of the Sum Insured following Damage*

In the event of *Damage* to the *Property Insured* the Sum Insured will be automatically reinstated from the date of the *Damage* unless *You* have written to *Us* or *We* have written to *You*, to the contrary. In accordance with the automatic reinstatement of the Sum Insured *You* will undertake to pay the necessary premium as *We* may require for such reinstatement from that date.

(III) *Capital Additions*

This Insurance extends to cover the following *Property* situated anywhere within the *Territorial Limits* as stated in the Schedule:

- a. any newly erected and/or newly acquired Buildings and/or *Machinery and plant*, provided that they are not otherwise insured, and
 - b. alterations, additions and improvements to Buildings and/or *Machinery and plant* but not in respect of any appreciation in value;
- provided that *Our* maximum liability at any one situation under this Extension shall not exceed 10% of the total Buildings and *Machinery and plant* Sum Insured or £ 250,000 whichever is the lesser.

You shall advise Us of such capital additions within 60 days of acquisition and agree to pay any additional premium that may be required.

(IV) *Changing Locks*

This Insurance extends to cover costs incurred as a result of the necessary replacement of locks following the loss of keys by theft from the *Premises* or from the homes of principals directors or authorised *Employees* or by unauthorised duplication of keys provided that if such keys relate to a *Safe* or *Strongroom* they shall not be left on the *Premises* overnight. *Our* liability under this Extension is limited to £ 1,500 any one claim or claims arising from any one *Occurrence*

(V) *Demolition and Clearance Costs*

This Insurance extends to cover costs and expenses necessarily incurred by *You* with *Our* consent for:

- a. removing the debris of,
- b. dismantling or demolishing,
- c. shoring up or propping,

the portion or portions of the *Property Insured* following *Damage* caused by any Insured Peril against and to which such Sum(s) Insured apply.

This Insurance further extends to include the costs and expenses necessarily incurred for the clearance of drains, gutters and sewers at *Your Premises* or for which *You* are responsible, provided that such clearance is necessitated by the *Damage* caused by an Insured Peril covered by this Insurance. *We* will not pay for any cost or expenses:

- a. incurred in removing debris except from the site where the *Damage* occurred and the area immediately adjacent to such site;
- b. arising from Pollution or contamination of *Property* not insured by this Insurance.

(VI) European Community and Public Authorities Costs

The Insurance by each item of the *Buildings, Tenants' Improvements* and *Machinery and plant* extends to cover the additional cost of reinstatement of any *Damage* to the *Property Insured* and undamaged portions thereof incurred solely by reason of the necessity to comply with European Community Legislation and/or *Building* or other Regulations or any Act of Parliament or Bye-Laws of any Public Authority provided that;

- a. *You* receive a notice to comply after the *Damage* occurs,
- b. the work of reinstatement must be commenced and carried out without unreasonable delay and must be completed within 12 months after the *Damage* or within a time period that *We* may allow in writing,
- c. the total amount recoverable under any item in respect of this Extension shall not exceed;
 - i. in respect of *Damage* to the *Property Insured* 10% of its Sum Insured,
 - ii. in respect of the undamaged portions of the *Property Insured* (excluding any foundations) 10% of the total amount for which *We* would have been liable had the *Property Insured* been wholly destroyed,
- d. the total amount recoverable under any item of the *Buildings, Tenants' Improvements* and *Machinery and plant* shall not exceed its Sum Insured.

(VII) Non Invalidation

This Insurance shall not be invalidated by any act or omission or by any alteration whereby the risk of *Damage* is increased unknown to *You* or beyond *Your* control; provided that immediately *You* become aware of any such act omission or alteration *You* shall inform *Us* and pay such additional premium as *We* may reasonably require.

(VIII) Temporary Removal of Deeds and Documents

The Insurance by the *Machinery and plant* item extends to cover deeds and documents (including stamps thereon) manuscripts, plans and writings of every description and books (written and printed) but excluding computer systems' records whilst temporarily removed to any *Premises* not in *Your* occupation and/or whilst in *Transit* by road, rail or inland waterways, in the *United Kingdom*.

Our limit of liability for this Extension shall not exceed 5% of the Sum Insured of the *Machinery and plant* item.

(IX) Temporary Removal of *Machinery and plant*

The Insurance by the *Machinery and plant* item is extended to include cover whilst temporarily removed for cleaning, renovation, repair or other similar purposes elsewhere on the same *Premises* or to any other *Premises* in the *United Kingdom* and in *Transit* thereto and therefrom by road, rail or inland waterway.

Our limit of liability for this Extension shall not exceed 10% of the Sum Insured of the *Machinery and plant* item.

(X) Workmen

Workmen and/or tradesmen are allowed in or about the *Premises* for maintenance purposes and/or effecting repairs, minor alterations, and decorations without prejudice to this Insurance.

2. **Portable Equipment**

In the event of *Damage* to any of the *Property Insured* at the *Premises* or within the Territorial Limits stated in the Schedule, including whilst in *Transit*, directly caused by accidental *Damage* from any cause (including those as defined by Perils (I) to (X) inclusive under Cover 1. Material *Damage*), subject to the exclusions detailed below, *We* will pay to *You* the value of the *Property Insured* at the time of its loss or destruction or the amount of the *Damage* or at *Our* option reinstate or replace or repair such *Property Insured* or any part of it.

Provided that *Our* liability under this Insurance, during any one *Period of insurance* shall not exceed the Sum(s) Insured stated in the Schedule (or such other Sum(s) Insured as may subsequently be agreed to in writing by *Us*) at the time of the *Damage*.

Exclusions

We shall not be liable for:

- (I) *Damage* to the *Property Insured* caused by:
 - a. backing up of drains and/or sewers, change in water table level, frost, gradual deterioration, inherent vice, its own faulty or defective design or materials, latent defect, seepage below ground level, wear and tear,
 - b. defective or faulty workmanship, *Your* or *Your Employees'* omission or operational error,However this shall not exclude subsequent *Damage* which results from a cause not otherwise excluded.
- (II) *Damage* caused by or consisting of:
 - a. contamination, corrosion, dampness, dryness, evaporation, fermentation, insects, leakage, loss of weight, marring, rust, scratching, vermin,
 - b. normal settling, shrinking or expansion of Buildings, structures or foundations,
 - c. the collapse or cracking of Buildings
 - d. action of light, change in temperature colour flavour texture or finish, condensation, fog, humidity, smog,
 - e. any other gradually occurring loss which commenced prior to the *Period of insurance*.
- (III) *Damage* consisting of:
 - a. cracking, failure of welds, fracturing, joint leakage, collapse or overheating of overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith,
 - b. breakdown or derangement in respect of the particular apparatus, equipment or machine in which such breakdown or derangement originates,
- (IV) The provisions of Exclusions (B) and (C) shall not exclude:
 - a. such *Damage* not otherwise excluded which itself results from a Insured Peril or
 - b. from any other *Damage*,
 - c. subsequent *Damage* which itself results from a cause not otherwise excluded.
- (V) loss of use, delay or loss of markets; however caused or arising, and despite any preceding loss insured hereunder.
- (VI) mysterious disappearance or inventory shortage, or misfiling or misplacing of information.
- (VII) Theft, fraud, or any kind of wrongful conversion or abstraction, whether committed alone or in collusion with others by *You* or any directors, *Employees*, officials or partners.
- (VIII) Theft or attempted theft from:
 - a. any unattended vehicle unless:
 - i. all doors and windows are closed and securely locked and the vehicle manufacturer's security systems are in operation,
 - ii. entry to the vehicle has been effected by forcible and violent means.
 - b. any *Building* not owned by *You* unless;
 - i. the *Property Insured* is the personal custody of *You* and any *Employee*, or
 - ii. the *Property Insured* is locked within the aforesaid *Building* and entry has been effected by forcible and violent means.
 - c. *Your Premises* when closed for *Business* and at all other appropriate times when left unattended, unless the intruder alarm and security precautions are in operation and entry has been effected by forcible and violent means.General Conditions (VII) and (VIII) of this insurance must be adhered to in respect of b. and c. above whether portable equipment is contained within *Your Premises* or any *Building* not owned by *You*.
- (IX) *Damage* caused by the insolvency or any financial impairment of any person or organisation to whom the *Property Insured* may be entrusted.
- (X) *Damage* to that part of the *Property Insured*:
 - a. caused by fire resulting from its undergoing any heating process or any process involving the application of heat,
 - b. resulting from its undergoing any process of production, packaging treatment commissioning service or repair.
- (XI) *Damage* occasioned by confiscation, delay, destruction, embargo, requisition or seizure by the government or any public authority.
- (XII) *Damage* caused by error in computer or machinery programming or from data processing media failure or breakdown.
- (XIII) electrical or magnetic injury to, or disturbance or erasure of, electronic records, except by lightning.
- (XIV) *Damage* caused by cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies.
- (XV) *Damage* in respect of moveable *Property* in the open or in any open-sided buildings or structures, fences and gates caused by wind rain hail sleet and snow flood or dust.
- (XVI) the *Excess*, the amount as stated in the Schedule for each Insured Peril which will be deducted from the agreed settlement in respect of each and every claim.

Basis of Settlement

The amount payable for each item, will be in accordance with one of the following Basis of Settlement marked in the Schedule against the appropriate item (and defined below) or at *Our* option *We* may choose to reinstate or replace the *Property Insured* or any part of it which is lost destroyed or damaged:

(I) Reinstatement Basis

Applicable only to those Items in the Schedule where "Reinstatement" has been shown.

The Basis on which the amount payable for the *Damage* to the *Property Insured* is to be calculated shall be the Reinstatement of the *Property Insured*, subject to the Reinstatement Basis Special Conditions shown below.

For this purpose Reinstatement shall mean:

- a. the rebuilding or replacement of the *Property Insured* sustaining *Damage* which provided *Our* liability is not increased may be carried out as follows:-
 - i. in any manner that is suitable to *Your* requirements,
 - ii. upon another site.
 - b. the repair or restoration of the *Damage* to the *Property Insured*.
- Provided that in either (1) or (2) above the condition is equivalent to or substantially the same but not better or more extensive than the *Property Insured* when new.

Reinstatement Basis Special Conditions

- a. If at the time of the Reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the *Property Insured* covered by each Item exceeds its Sum Insured, as stated in the Schedule, at the commencement of any *Damage*, *Our* liability will not exceed that proportion of the amount of such *Damage* which the said Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such *Property Insured* at that time;
- b. *Our* liability for the repair or restoration of the *Damage* to the *Property Insured* in part only shall not exceed the amount which would have been payable had such *Property Insured* been wholly destroyed;
- c. In the absence of this Basis of Settlement, no payment beyond the amount which would have been payable by *Us* will be made:-
 - i. unless the Reinstatement commences and proceeds without unreasonable delay,
 - ii. until the cost of Reinstatement shall have been actually incurred,
 - iii. if the *Property Insured* shall at the time of the *Damage* be insured by any other insurance effected by *You* or on *Your* behalf which is not on the same basis of reinstatement.

(II) Indemnity Basis

Applicable only to those Items in the Schedule where "Indemnity" has been shown.

The Basis on which the amount payable for the *Damage* to the *Property Insured* is to be calculated shall be the value of the *Property Insured* at the time of the *Damage* or the amount of the *Damage* whichever is the less, subject to the Indemnity Basis Special Condition shown below.

Indemnity Basis Special Condition

If at the time of the *Damage* the Sum Insured of each applicable item is less than the total value of the *Property Insured* at the inception of the *Period of insurance*, then *Our* liability for the *Damage* will be proportionately reduced and *You* will be considered to be *Your* own insurer for the difference.

Extension

Automatic Reinstatement of the Sum Insured following Damage

In the event of *Damage* to the *Property Insured* under this Cover the Sum Insured will be automatically reinstated from the date of the *Damage* unless *You* have written to *Us* or *We* have written to *You*, to the contrary. In accordance with the automatic reinstatement of the Sum Insured *You* will undertake to pay the necessary premium as *We* may require for such reinstatement from that date.

3. **Information Technology**

In the event of *Damage* to any *Information technology* at the *Premises* stated in the Schedule caused by *Accidental Damage* from any cause (including those as defined by Perils (I) to (X) inclusive under Cover 1. Material *Damage*, subject to the exclusions detailed below, *We* will pay to *You* the value of the *Property Insured* at the time of its *Damage* in accordance with the Basis of Settlement or *Our* option reinstate or replace or repair such *Property Insured* or any part of it;

In addition, where shown in the Schedule, *We* will also cover *You* for:

- (I) the cost of restoring the *Electronic Data*,
- (II) the necessary *Extra Expense*, incurred by *You* in order to continue as nearly as practicable the normal operation of *Your Business*, immediately following *Damage* to the *Information technology* by a peril not excluded by this Cover,

Provided that *Our* liability under this Cover, during any one *Period of insurance* shall not exceed the Sum(s) Insured stated in the Schedule (or such other Sum(s) Insured as may subsequently be agreed to in writing by *Us*) at the time of the *Damage*.

Exclusions

We shall not be liable for:

- (I) *Damage* due to mechanical failure, faulty construction, error in design unless fire or explosion ensues, and then only for loss, *Damage*, or expense caused by such ensuing fire or explosion.
- (II) inherent vice, wear, tear, gradual deterioration or depreciation.
- (III) any dishonest, fraudulent or criminal act by *You* or a director, an *Employee*, official or partner or whether acting alone or in collusion with others.
- (IV) dryness or dampness of atmosphere, extremes of temperature, corrosion, or rust unless directly resulting from physical *Damage* to the data processing systems air conditioning facilities caused by a peril not excluded by the provisions of this Cover.
- (V) short circuit, blow-out, or other electrical disturbance, other than lightning, within electrical apparatus, unless fire or explosion ensues and then only for loss, *Damage* or expense caused by such ensuing fire or explosion.
- (VI) actual work upon the *Information technology*, unless fire or explosion ensues, and then only for loss, *Damage* or expense caused by such ensuing fire or explosion.
- (VII) delay or loss of market.
- (VIII) data processing media failure or breakdown or malfunction of the data processing system including equipment and component parts while said media is being run through the system, unless fire or explosion ensues and then only for the loss, *Damage* or expense caused by such ensuing fire or explosion.
- (IX) electrical or magnetic injury, disturbance or erasure of electronic recordings, except by lightning.
- (X) *Computer Virus* and hacking.
- (XI) any cause that would normally be covered by a maintenance agreement irrespective of whether *You* has such an agreement in force at the time of loss.
- (XII) in respect of the *Extra Expense*:
 - a. loss of profits or earnings resulting from diminution of the *Business*,
 - b. any direct or indirect *Damage* to the *Information technology*,
 - c. any expenditure incurred in the purchase, construction, repair or replacement of any *Information technology* unless incurred for the purpose of reducing any loss under this Cover not exceeding, however, the amount by which the loss is so reduced.
- (XIII) the *Excess*, the amount as stated in the Schedule which will be deducted from the agreed settlement in respect of each and every claim.

Basis of Settlement

In respect of the *Information technology*, the Basis of Settlement shall be the actual repair or replacement cost, including the reasonable cost of temporary repair and of expediting the repair or replacement or if the *Information technology* is obsolete at the time of loss the replacement of the *Property Insured* with an item that has the same cost as that lost or damaged when new.

In respect of the cost of restoring the *Electronic Data*, the Basis of Settlement shall be the cost of the blank media plus the cost of copying the *Electronic Data* from back-up or from originals of a previous generation excluding:

- (I) any research and engineering and any costs of recreating, gathering and assembling such *Electronic Data*,
- (II) any amount pertaining to the value of such *Electronic Data* to *You* or any other party, even if such *Electronic Data* cannot be recreated, gathered or assembled.

If the *Electronic Data* is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media.

In respect of *Extra Expense*, the Basis of Settlement shall be the additional costs incurred, not exceeding the actual loss sustained, not exceeding such length of time commencing with the date of the loss and not limited by the date of expiration of this Cover as shall be required with the exercise of due diligence and dispatch to repair, rebuild, or replace such part of said *Property* as may be destroyed or damaged.

Provided always that *Our* maximum liability under any Basis of Settlement shall not exceed the Sum(s) Insured stated in the Schedule.

Conditions

Your compliance and continued observance of the under-noted are conditions precedent to *Our* liability to make any payment under this Insurance:

- (I) Data Storage Precautions
You shall undertake to back up *Your* computer systems daily and that such back ups are either stored at another location or contained in a locked fire proof *Safe* within the *Premises*.
- (II) Salvage
Any salvage value of the *Information technology* so acquired which may be sold or utilised by *You* on resumption of *Your* normal *Business* operations shall be taken into consideration in the adjustment of loss hereunder.

4. **Business Interruption**

In the event of *Damage* to any of Buildings or to any other *Property Insured* occurring at the *Premises* occupied by *You*, directly caused by the Insured Perils covered under Cover 1. Material *Damage*, interrupting or interfering with the *Business*, *We* will pay to *You* the amount of the loss resulting from such interruption or interference in accordance with each item stated in the Schedule.

Provided that:

- (I) at the time of the happening of the *Damage* there is in force an insurance covering *Your* interest in the Buildings or to any other *Property Insured* at the *Premises* against such *Damage* and that;
 - a. payment shall have been made or liability admitted therefore under such insurance; or
 - b. payment would have been made or liability admitted therefore but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.
- (II) *Our* liability under this Cover (including any applicable Supplementary Clauses) during any one *Period of insurance* shall not exceed:
 - a. 133.33% of the total Sum Insured in respect of the *Estimated Gross Profit* or the *Estimated Gross Revenue* or the *Estimated Gross Rent Receivable* whichever is covered and as stated in the Schedule,
 - b. 100.00% of the total Sum Insured in respect of the Increase Cost of Working, *Rent Payable* or Book Debts whichever is covered and as stated in the Schedule.

NOTES

- (I) The words and expressions to which specific meanings have been attached in any part of this Cover shall bear such specific meanings wherever they may appear.
- (II) To the extent that *You* are accountable to the tax authorities for Value Added Tax, all terms in this Cover shall be exclusive of such tax.
- (III) For the purpose of this Cover any adjustment implemented in current cost accounting shall be disregarded.
- (IV) Adjustments shall be made to *Rate of Gross Profit*, *Standard Turnover* and *Standard Gross Revenue* as may be necessary to provide for the trend of the *Business* and for variations in or special circumstances affecting the *Business* either before or after the *Damage* which would have affected the *Business* had the *Damage* not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the *Damage* would have been obtained during the relative period after the *Damage*.

Estimated Gross Profit (Annual Declaration Basis)

The Insurance in respect of *Estimated Gross Profit* is limited to loss of *Gross Profit* due to (1) Reduction in *Turnover* and (2) Increase in Cost of Working and the amount payable as indemnity hereunder shall be:

- (I) in respect of Reduction in *Turnover*: the sum produced by applying the Rate of *Gross Profit* to the amount by which the *Turnover* during the *Indemnity Period* shall, in consequence of the *Damage*, fall short of the *Standard Turnover*;
- (II) 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 *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 the *Business* payable out of *Gross Profit* as may cease or be reduced in consequence of the *Damage*.

Estimated Gross Revenue (Annual Declaration Basis)

The Insurance in respect of *Estimated Gross Revenue* is limited to loss of *Gross Revenue* due to (1) Reduction in *Gross Revenue* and (2) Increase in Cost of Working and the amount payable as indemnity hereunder shall be:

- (I) in respect of Reduction in *Gross Revenue*: the amount by which the *Gross Revenue* during the *Indemnity Period* shall, in consequence of the *Damage*, fall short of the *Standard Gross Revenue*;
- (II) 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 thereby avoided;

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

Estimated Gross Rent Receivable (Annual Declaration Basis)

The Insurance in respect of *Estimated Gross Rent Receivable* is limited to loss of *Gross Rent Receivable* due to (1) Loss of *Gross Rent Receivable* and (2) Increase in Cost of Working and the amount payable as indemnity hereunder shall be:

- (I) in respect of Loss of *Gross Rent Receivable*: the amount by which the *Gross Rent Receivable* during the *Indemnity Period* shall, in consequence of the *Damage*, fall short of the *Standard Gross Rent Receivable*;
- (II) 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 Rent Receivable* 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 thereby avoided;

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

Increase in Cost of Working

The Insurance in respect of Increase in Cost of Working is limited to the *Additional Expenditure* necessarily and reasonably incurred by *You* for the sole purpose of avoiding or diminishing the interruption of or interference with the *Business* which but for that expenditure would have taken place during the *Indemnity Period* in consequence of the *Damage*.

Provided that *We* shall not be liable for more than 50% of the Sum Insured during the first three months of the *Indemnity Period* following the *Damage* with the balance payable in equal proportions on a monthly basis thereafter.

Conditions

Your compliance and continued observance of the under-noted is a condition precedent to *Our* liability to make any payment under this Insurance:

Premium Adjustment (applicable to the *Estimated Gross Profit*, *Estimated Gross Revenue* and *Estimated Gross Rent Receivable*)

The first and annual premiums of the applicable cover are provisional and are based on the Estimated Sums Insured provided by *You*, on the *Period of insurance* *You* shall undertake to provide *Us*, within the next 2 months, a declaration confirmed by *Your* auditors of either the *Gross Profit*, or *Gross Revenue* or *Gross Rent Receivable* earned during *Your* financial year most nearly concurrent with the *Period of insurance*.

Once received by *Us*, if the declaration (adjusted as detailed above and proportionately increased where the *Indemnity Period* as stated in the Schedule is greater than 12 months) is:

- (I) less than the Estimated Sum Insured provided by *You*, for the applicable cover, for the relative *Period of insurance*, *We* will allow a pro rata return of the premium paid but not exceeding one half of the applicable premium,
- (II) greater than the Estimated Sum Insured provided by *You*, for the applicable Cover, for the relative *Period of insurance*, *You* shall pay a pro rata addition to the premium paid.

Provided that if any *Damage* shall have occurred giving rise to claim under the applicable Cover, the above stated declaration shall be increased by *Us* for the purpose of premium adjustment by the amount by which the *Gross Profit*, or *Gross Revenue* or *Gross Rent Receivable* was reduced during the financial year solely in consequence of the *Damage*.

Exclusions

We shall not be liable for the *Excess*, the amount as stated in the Schedule which will be deducted from the agreed settlement in respect of each and every claim

Extensions

- (I) Automatic Reinstatement of the Sum Insured following *Damage*
In the event of a loss under this Cover the Sum Insured will be automatically reinstated from the date of the loss unless *You* have written to *Us* or *We* have written to *You*, to the contrary. In accordance with the automatic reinstatement of the Sum Insured *You* will undertake to pay the necessary premium as *We* may require for such reinstatement from that date.
- (II) Professional Accountants Charges
Where the Insurance is arranged on *Estimated Gross Profit* or *Estimated Gross Revenue* or *Estimated Gross Rent Receivable*, *We* will pay to *You* the reasonable charges payable by *You* to *Your* professional accountants and/or auditors for producing any particulars or details or any other proofs information or evidence as may be required by *Us* in connection with a claim under these Covers, and reporting that such particulars or details are in accordance with *Your* books of account or other *Business* books or documents.
Provided that *Our* liability under this Extension shall not exceed in total the Sum Insured under the applicable Cover.

Loss Of Rent Payable

In the event of *Damage* to any Buildings, which are leased by or rented to *You* at the *Premises*, as stated in the Schedule, directly caused by the Insured Perils covered under Cover 1. Material *Damage*, interrupting or interfering with the *Business*, *We* will indemnify *You* for the amount of *Rent Payable* to the lessor, up to the Sum Insured as stated in the Schedule, as follows:

- (I) if as a result of *Damage*, the Buildings becomes wholly untenable or unusable and the lease or rental agreement requires continuation of the Rent, *We* shall indemnify *You* for the actual *Rent Payable* for the unexpired term of the lease or until such time that the Buildings are repaired to a condition that they are fit for habitation; or
- (II) if as a result of *Damage*, the Buildings becomes partially untenable or unusable and the lease or rental agreement requires continuation of the Rent, *We* shall indemnify *You* for the proportion of the rent applicable thereto, or
- (III) if as a result of *Damage*, the lease is cancelled by the lessor pursuant to the lease agreement or by operation of law, *We* shall indemnify *You* for the *Excess* rent paid for the same or similar replacement *Property* over actual *Rent Payable* plus cash bonuses or advance rent paid (including any maintenance or operating charges) for each month during the unexpired term of the *Your* lease for the first three months following the *Damage*.

Exclusions to this Clause

We shall not be liable:

- (I) for *You* exercising an option to cancel the lease;
- (II) any act or omission of *Yours* which constitutes a default under the lease.

Book Debts

In the event of *Damage* to *Your* books of accounts, *Business* books or records, directly caused by the Insured Perils covered under Cover 1. Material *Damage*, interrupting or interfering with the *Business*, *We* will pay to *You* the amount of the loss in respect of the untraceable or un-establishable *Outstanding Debit Balances* being the:

- (I) the difference between the *Outstanding Debit Balances* and the total of the amounts received or traced in respect thereof,
- (II) the additional outlay incurred with *Our* written consent in tracing and establishing customers debit balances after the *Damage*,

Provided that:

- (I) *Our* liability shall in no case exceed the total Sum Insured, stated in the Schedule;
- (II) if the Sum Insured by this Item be less than the *Outstanding Debit Balances*, the amount payable shall be proportionately reduced;
- (III) the burden of proving that any *Outstanding Debit Balances* are untraceable or un-establishable in the event of *Damage* shall be upon *You*.

Conditions

Your compliance and continued observance of the under-noted are conditions precedent to *Our* liability to make any payment under this Insurance:

- (I) **Monthly Records**
You shall undertake at the end of each month to record the total amount of debit balances outstanding under *Your Customers' Accounts* at that date and these records must be kept safely in a fire-resisting *Safe(s)* or cabinet(s) when not in use.
- (II) **Premium Adjustment**
The first and annual premiums of the applicable cover are provisional and are based on the Sum Insured provided by *You*, on the expiry of each *Period of insurance* *You* shall undertake to provide *Us*, within the next 2 months, the set of 12 monthly accounts detailing the *Outstanding Debit Balances* recorded during *Your* financial year most nearly concurrent with the *Period of insurance*.
Once received by *Us*, the actual premium shall be calculated at the rate per cent per annum on the average amount insured (the result of the total of the sums declared divided by the number of declarations received).
If the amount of a declaration exceeds the Sum Insured applicable at the date of such declaration, then for the purposes of this Condition only *You* shall be deemed to have declared such Sum Insured.
If the declaration (adjusted as detailed above and proportionately increased where the *Indemnity Period* as stated in the Schedule is greater than 12 months) is:
 - a. less than the estimated Sum Insured provided by *You*, for the relative *Period of insurance*, *We* will allow a pro rata return of the premium paid but not exceeding one half of the applicable premium;
 - b. greater than the estimated Sum Insured provided by *You*, for the relative *Period of insurance*, *You* shall pay a pro rata addition to the premium paid.

Extension

Automatic Reinstatement of the Sum Insured following *Damage*

In the event of a loss under this Cover the Sum Insured will be automatically reinstated from the date of the loss unless *You* have written to *Us* or *We* have written to *You*, to the contrary. In accordance with the automatic reinstatement of the Sum Insured *You* will undertake to pay the necessary premium as *We* may require for such reinstatement from that date.

5. **Money**

In the event of *Damage* to *Money* at the *Premises* or within the *Territorial Limits*, stated in the Schedule, directly caused by accidental *Damage* from any cause, other than those as defined in the Exclusions as stated below, *We* will indemnify *You* for such *Damage* provided that *Our* liability under this Insurance, shall not exceed the Sum(s) Insured stated in the Schedule.

Exclusions

We shall not be liable for;

- (I) *Damage* arising from;
 - a. fraud or dishonesty of any of *Your* director, *Employee*, official or partner unless discovered within seven working days of the *Occurrence*,
 - b. theft or any attempt thereat from any without forcible and violent means other than a. above
 - c. theft or any attempt thereat from any unattended vehicle,
 - d. theft or any attempt thereat from any unlocked *Safe* or *Strongroom* whilst the *Premises* are unattended,
 - e. the use of any form of payment which proves to be counterfeit, false, fraudulent, invalid, uncollectible or irrecoverable for any reason,
 - f. the dishonest manipulation of any database,
 - g. errors, omissions, depreciation, loss of market or consequential loss of any kind.
- (II) the *Excess*, the amount as stated in the Schedule which will be deducted from the agreed settlement in respect of each and every claim

Conditions

Your compliance and continued observance of the under-noted are conditions precedent to *Our* liability to make any payment under this Insurance.

- (I) Keys and Codes Precautions
You shall undertake to remove all keys and duplicate keys and combination codes of any *Safe* and *Strongroom* from the *Premises* whenever the *Premises* are closed or left unattended.
- (II) *Money* in *Transit* Precautions
If *You* or any of *Your Employees* carry *Money*, and the cover is granted under this Insurance, *You* shall undertake to:
 - a. use able bodied adults between the ages of 18 and 65, whom *You* have carefully selected and authorised to carry the *Money*,
 - b. limit the amount of *Money* (other than non negotiable currency) that each able bodied adult shall carry in accordance with the under-noted:
 - i. Up to £3,500 able bodied adult
 - ii. between £3,501 to £7,000 able bodied adults
 - iii. between £7,001 to £10,000 able bodied adults
 - iv. over £10,001 by a specialist Security Carrier as agreed by *Us*,
 - c. vary the times of the *Transits*, the routes and conveyances as much as possible.
- (III) Protections Precautions
You shall undertake to maintain all protections provided for the security of the *Money* in good order throughout the *Period of insurance* and that they are in full effective operation at all appropriate times.
- (IV) *Money* Record Precautions
You shall undertake to maintain a complete record of all *Money* and other non-negotiable currency whilst in *Transit* and whilst on the *Premises* and this record shall be kept in a secure place other than in any *Safe* or *Strongroom* where the *Money* is kept.

Extensions

- (I) Automatic Reinstatement of the Sum Insured following *Damage*
In the event of *Damage* to *Money* under this Cover the Sum Insured will be automatically reinstated from the date of the *Damage* unless *You* have written to *Us* or *We* have written to *You*, to the contrary. In accordance with the automatic reinstatement of the Sum Insured *You* will undertake to pay the necessary premium as *We* may require for such reinstatement from that date.
- (II) Additional *Damage* Cover
We will also cover *You* against:
 - a. *Damage* to any *Safe* or *Strongroom* or franking machines on the *Premises* containing insured *Money* resulting from theft or any attempt thereat but not exceeding the cost of repair or replacement,
 - b. *Damage* to *Your* clothing or personal effects or of any director, principal or *Employee* resulting from theft or any attempt thereat of the insured *Money*, up to £ 500 any one person,
 - c. *Damage* to any case bag or waistcoat used for the carrying of the insured *Money* resulting from theft or any attempt thereat of the insured *Money*, up to £ 500 any one *Occurrence*.

6. **Fidelity**

In the event of *Damage* to *Money* or goods belonging to *You* or for which *You* are responsible at the *Premises* or within the *Territorial Limits* stated in the Schedule during the *Period of insurance*, directly caused by any act of *Employee Theft*, subject to the exclusions as stated below, *We* will indemnify *You* for such *Damage* provided that *Our* liability under this Insurance, shall not exceed the Sum(s) Insured stated in the Schedule.

Exclusions

We shall not be liable for:

- (I) any acts committed prior to the inception date of first *Period of insurance* with *Us*,
- (II) losses not discovered and reported to *Us* within twenty four months of
- (III) the death, retirement, resignation or dismissal of an offending *Employee*,
- (IV) the date of termination or expiration of this Insurance,
- (V) loss of interest or consequential loss of any kind,
- (VI) any subsequent acts of *Employee Theft* by the *Employee* who has committed the original act of *Employee Theft* immediately following *Your* discovery of the act,
- (VII) the *Excess*, the amount as stated in the Schedule which will be deducted from the agreed settlement in respect of each and every claim.

Conditions

Your compliance and continued observance of the under-noted are conditions precedent to *Our* liability to make any payment under this Insurance:

- (I) *Business* Mergers and Consolidations
If *Your Business* is merged or amalgamated with some other concern, or if the *Business* of some other concern shall be consolidated with *Your Business*, *You* shall undertake to give written notice to *Us* and pay the necessary premium as *We* may require for such merger or consolidation.
- (II) Discovery and Claims Procedures
You shall undertake to:
 - a. give written notice to *Us* immediately upon the discovery of any act or acts of *Employee Theft* or of reasonable cause for suspicion of such act or of any want of integrity on the part of any *Employee*, whether giving rise to a claim under this Insurance or not.
 - b. give all necessary information and assistance in the event of any act or acts of *Employee Theft* giving rise to a claim under this Insurance, enabling *Us* to sue for and obtain reimbursement by the defaulting *Employee* or their Estate of any Moneys paid or payable by *Us*.

Extensions

- (I) Auditors Fees
This Insurance extends to cover auditors fees incurred with *Our* written consent in substantiating the amount of the claim under this cover.
- (II) Reasonable cost for rewriting software programmes
This Insurance extends to cover the reasonable costs of re-writing or amending the software programmes or security code systems following the fraudulent use of the computer hardware or software programmes or computer systems the subject of a Fidelity claim which liability has been admitted by *Us*.

7. Deterioration of Frozen Food Stock

In the event of *Damage* to any *Frozen Food Stock* whilst contained in refrigerating unit(s) at the *Premises*, directly caused by deterioration or putrefaction arising from:

- (I) the rise or fall in temperatures as a result of;
 - a. the breakdown or failure of the refrigerating unit(s) by its own inherent fault or accidental means causing the sudden stoppage of the refrigeration process,
 - b. the non-operation of the thermostatic or automatic controlling devices forming part of the refrigerating unit(s),
 - c. the accidental failure of the public supply of electricity not occasioned by the deliberate act of any supply authority.
- (II) accidental leakage of refrigerant or refrigerant fumes from the refrigerating unit(s).

We will pay to *You* the value of the *Frozen Food Stock* at the time of its *Damage*, subject to the exclusions detailed below, provided that *Our* liability under this Insurance, during any one *Period of insurance* shall not exceed the Sum(s) Insured stated in the Schedule.

Exclusions

We shall not be liable for:

- (I) any failure of the public supply services which does not exceed thirty consecutive minutes,
- (II) failure of the public supply services due to any deliberate act of a public electricity supply authority, or the restriction in supply caused by strikes or industrial disputes, or the electricity supplier exercising its authority to withhold or ration the supply,
- (III) wear and tear, deterioration or gradually developing flaws or defects in the refrigerating unit(s) or incorrect setting of thermostats and automatic controls,
- (IV) *Damage* arising from the use of a refrigerating unit(s) over 5 years old at the inception of this Insurance unless *You* have entered into a maintenance agreement with manufacturer, supplier or an authorised firm of refrigeration engineers,
- (V) any consequential loss,
- (VI) the *Excess*, the amount as stated in the Schedule which will be deducted from the agreed settlement in respect of each and every claim.

Conditions

Your compliance and continued observance of the under-noted is a condition precedent to *Our* liability to make any payment under this Insurance:

- (I) Maintenance
 - You* shall undertake to:
 - a. have in force a planned maintenance programme for the servicing of the refrigerating unit(s) at regular intervals by the manufacturer or a competent refrigeration engineer and a proper record of the programme is kept, and
 - b. notify *Us* of any defect and take action to remedy such defect.

8. Loss of Licence

In the event of the licence for the retail sale of excisable liquors and/or the provision of entertainment at the *Premises* being either forfeited or suspended under the provision of the legislation governing such licences or refused renewal by the appropriate licensing authority at the time of its renewal due to causes beyond *Your* control, *We* will indemnify *You* for:

- (I) depreciation in value of *Your* interest in the *Premises*,
- (II) the reduction in value of the *Premises* if *You* are unable to obtain a licence for a period of 12 months from the date of the forfeiture of, or suspension of, or refusal to renew, the license(s) and *You* sell the *Premises*,
- (III) legal costs and expenses incurred by *You* with *Our* written consent in connection with any appeal against the forfeiture of, or suspension of, or refusal to renew, the license(s),
- (IV) auditors' or accountants' fees and charges reasonably incurred for producing and certifying details of a claim under this Cover,

Provided that *Our* liability under this Insurance, shall not exceed the Sum(s) Insured stated in the Schedule.

Exclusions

We shall not be liable for:

- (I) the forfeiture of, or suspension of, or refusal to renew the license(s) directly or indirectly caused by:
 - a. any town or country planning improvements or redevelopment, compulsory purchase of the *Premises*,
 - b. any alteration in the licensing laws,
 - c. *Your* misconduct or procurement or connivance or neglect or omission to take any step necessary for keeping the license(s) in force unless *You* can prove to *Our* reasonable satisfaction that such matter was beyond *Your* power or control,
 - d. seepage and/or pollution and/or contamination unless it is discovered during the Period of Insurance and is the direct cause of a loss hereunder,
 - e. the *Premises* not being maintained in a good state of sanitary condition or repair,
 - f. the *Premises* being closed for any period not required by the law unless *You* can prove to *Our* reasonable satisfaction that such matter was beyond *Your* power or control,
 - g. any alterations *You* have made to the *Premises* which required the consent of the licensing or local authority and which have been undertaken without their appropriate consent,
 - h. *Your* financial failure, default, insolvency, liquidation,
 - i. the possession, use, supply or sale of illicit drugs by any persons on the *Premises* or in its environs,
 - j. any legislation or Byelaw where *You* are entitled to obtain compensation.
- (II) undeclared costs and expenses which have not been declared to and agreed by *Us*,
- (III) the *Excess*, the amount as stated in the Schedule which will be deducted from the agreed settlement in respect of each and every claim.

Conditions

Your compliance and continued observance of the under-noted are conditions precedent to *Our* liability to make any payment under this Insurance;

You shall undertake to:

- (I) make all necessary arrangements for the successful fulfilment of the *Business* in a prudent and timely manner and do all things necessary to avoid or diminish a loss under this Cover,
- (II) ensure all necessary documents including licences, visas and permits are obtained and are current for the *Period of insurance* and that all contractual arrangements have been confirmed in writing by *You*,
- (III) in the event of the death of *Your* directors or partners, *Your* bankruptcy or *Your* incapacity or *Your* desertion of the *Premises* or conviction for any offence (where such convictions affects the character or reputation of the convicted person) of the tenant manager occupier or licence holder, *You* shall where practicable and at *Our* request procure a suitable person as a replacement and to whom the Justices will transfer the Licence(s) or grant the Licence(s) by way of renewal,
- (IV) give *Us* notice in writing immediately on becoming aware of any:
 - a. complaint against the *Premises* or the control thereof,
 - b. proceedings against or conviction of the licence holder manager or occupier of the *Premises* for any breach of licensing law or any matters whereby the character or reputation of the person concerned is affected or called into question,
 - c. transfer or proposed transfer of the Licence(s),
 - d. alteration in the purpose for which the *Premises* are used,
 - e. objection to renewal or other circumstances which may endanger the Licence(s) or renewal thereof,
 - f. application for revocation of the Licence(s),and supply such additional information and give such assistance as *We* may reasonably require.

E. LIABILITY INSURANCE COVERS

Insuring Clause

The indemnity applies only to such liability for *Bodily Injury* and *Property Damage* occurring during the *Period of insurance* arising out of *Your Business* within the *Territorial Limits* in accordance with the terms and conditions of each Insured Cover of this Insurance and of the Insurance as a whole.

Indemnity to Other Persons

We will also indemnify in the terms of this Insurance, if so requested by *You* in writing and agreed by *Us* in writing:

- (I) any director, partner or *Employee* of *Yours* in respect of liability for which *You* would have been entitled to indemnity under this Insurance if the claim had been made against *You*;
- (II) the officers committees and *members* of *Your* canteen social sports medical fire fighting and welfare organisations in their respective capacity as such;
- (III) the legal representatives of any person entitled to indemnity under this Insurance in the event of his/her death and only in respect of liability incurred by such person;
- (IV) where any contract or agreement entered into by *You* for the performance of work so requires *We* will indemnify the principal in like manner to *You* in respect of the principal's liability arising from the performance of the work by *You* provided that the grant of such indemnity has been agreed by *Us* in writing at the commencement of this Insurance, or by subsequent endorsement to this Insurance;

Provided always that all such persons or parties shall as though they were *You* observe fulfil and be subject to the terms conditions and exclusions of this Insurance.

Cross Liabilities

Each person or party compromising *You* shall be separately indemnified in respect of claims made against any of them by any other subject to *Our* total liability not exceeding the stated Limits of Indemnity and subject to the terms and conditions of this Insurance.

Limit of Indemnity

Our total liability to pay compensation shall not exceed the sum stated in the Schedule against each cover (where shown as covered) in respect of any one *Occurrence* or series of *Occurrences* arising from one source or originating cause but under Cover 10(viii) (Products Liability) the limit applies to the total amount payable in respect of all claims during the *Period of insurance*.

Costs and Expenses

We will pay Defence Costs and Court Attendance Costs as defined below incurred with *Our* consent by *You* in the defence or settlement of any claim under this Insurance:

Defence Costs

Which shall include legal costs and expenses:

- (I) incurred by or awarded against *You* arising out of any prosecution brought against *You* in the *United Kingdom* for breach or alleged breach of Part 1 of the *United Kingdom* Health & Safety at Work etc. Act 1974 and Safety at Work (Northern Ireland) Order 1978, the Corporate Manslaughter and Corporate Homicide Act 2007, or any similar *United Kingdom* health and safety legislation and regulations occurring during the *Period of insurance* provided that;

We shall not be liable for;

- (I) the payment of fines or penalties imposed as a consequence of such prosecution
- (II) legal costs and expenses in connection with any breach of duty arising from a deliberate or premeditated act, event or omission which any person entitled to be indemnified knows or should have known would be likely to constitute an offence under the above Act or Order;
- (III) any prosecution in respect of an offence which did not increase the risk of *Bodily Injury* being sustained.

Our liability by virtue of this extension shall not exceed;

- (I) £ 50,000 any one person;
- (II) £ 200,000 in any one *Period of insurance*
 - a. arising out of representation at any Coroner's Inquest or Fatal Accident inquiry;
 - b. arising out of the defence of any proceedings in a Court of Summary *Jurisdiction* in respect of matters which may form the subject of indemnity by this Insurance;

Defence Costs will be payable within the Limit of Indemnity in respect of Cover 9. Employers Liability and Cover 10. Public Liability;

Court Attendance Costs

In the event of the undermentioned persons attending Court as a witness at *Our* request in connection with a claim in respect of which *You* are entitled to indemnity under this Insurance *We* will provide compensation to *You* at the following rates per day for each day on which attendance is required:

- (I) any of *Your* principals, partners or directors £ 200
- (II) any Employee £ 100

9. **Employers Liability**

We will indemnify *You* in accordance with the Insuring Clause and the terms of this Insurance against *Your* liability at law for damages and claimant's costs and expenses in respect of *Bodily Injury* to any *Employee*, where such *Bodily Injury* arises whilst such *Employee* is engaged on *Your Business* during the *Period of insurance* within the *Territorial Limits*, up to the Limit of Indemnity stated in the Schedule.

Compulsory Insurance

The cover granted by this Insurance is deemed to be in accordance with the provisions of any law enacted in the *United Kingdom* relating to compulsory insurance of liability to *Employees*. If, however, there shall have been non-observance of any terms or conditions of this Insurance by *You* and *We* shall have paid any sum which *We* would not have paid but for the provisions of such law then *You* shall forthwith repay such sum to *Us*.

Exclusions to Cover 9

We shall not be liable to indemnify *You* in respect of:

- (I) any liability for *Bodily Injury* to any *Employee* for which *You* are required to arrange compulsory motor insurance or security in accordance any road traffic legislation governing the use of any mechanically propelled plant or vehicle (or trailer attached thereto) within the *Territorial Limits* or elsewhere in the world;
- (II) any amount payable under workmen's compensation social security or health insurance legislation apart from any compensation recovery unit payments that may be required by the Social Security Acts 1989 and 1990;
- (III) any liability arising directly or indirectly or as a result of or in connection with *Terrorism* or the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos, except to the extent stated in the *United Kingdom Terrorism* Provision and Asbestos Limitation stated below;

United Kingdom Terrorism Provision

Subject otherwise to the terms conditions and exclusions of this Insurance Exclusion (III) stated above shall not apply in respect of the provision of compulsory insurance of liability to any *Employee* domiciled in the *United Kingdom* by the Employers' Liability (Compulsory Insurance) Act 1969 or any amending primary legislation.

Provided that the Limit of Indemnity as stated in the Schedule against Cover 9. Employers Liability will be reduced to £ 5,000,000 any one *Occurrence* or all *Occurrences* of a series consequent on or attributable to one cause or event inclusive of all claimants' and defence costs and expenses arising as a result of or in connection with *Terrorism*

In any claim and in any action, suit or other proceedings to enforce a claim under this Insurance the burden of proving that such claims does not fall within this Special Provision shall be upon *You*.

Asbestos Limitation

Subject otherwise to the terms conditions and exclusions of this Insurance Exclusion (c) stated above shall not apply in respect of the provision of compulsory insurance of liability to any *Employee* domiciled in the *United Kingdom* by the Employers' Liability (Compulsory Insurance) Act 1969 or any amending primary legislation.

Provided that the Limit of Indemnity as stated in the Schedule against Cover 9 (Employers Liability) will be reduced to £ 5,000,000 any one *Occurrence* or all *Occurrences* of a series consequent on or attributable to one cause or event inclusive of all claimants' and defence costs and expenses arising as a result of or in connection with the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use or exposure to asbestos or materials or products containing asbestos.

In any claim and in any action, suit or other proceedings to enforce a claim under this Insurance the burden of proving that such claims does not fall within this Asbestos Limitation shall be upon *You*.

10. **Public Liability**

We will indemnify *You* in accordance with the Insuring Clause and the terms of this Insurance against *Your* liability at law for damages and claimant's costs and expenses in respect of:

- (I) *Bodily Injury* to any person;
- (II) *Damage to Property*;
- (III) Obstruction trespass nuisance loss of amenities or interference with any right of way light air or water;
- (IV) Wrongful arrest detention imprisonment or eviction of any person or invasion of the right of privacy;

occurring during the *Period of insurance* and caused in connection with the Business within the *Territorial Limits*.

Extensions to Cover 10

This cover extends to include liability:

- (I) of *Your* directors and/or officials in their private capacity arising from work undertaken for them by *Your* Employees;
- (II) caused by *Your* use, or use on *Your* behalf, of any mechanically propelled plant or vehicle (or trailer attached thereto) as a tool of trade (except while subject to the provisions of the Road Traffic Act), including the loading or unloading thereof at any of *Your Premises* or on any site where *You* are working under contract in connection with the Business;
- (III) caused by or arising from any tuition instruction, safety briefing or advice given, provided that such tuition instruction, safety briefing or advice is given by a fully qualified Employee or if not fully qualified the Employee is under the direct supervision of a fully qualified Employee;
- (IV) caused by or arising from goods designed, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by or through *You* including:
 - a. goods in *Your* or *Your Employees* possession or those hired out by *You*;
 - b. food or drink sold or supplied for consumption by any of *Your* visitors directors partners or Employees;

provided always that these extensions shall not apply to the extent that liability is covered under any other existing insurance.

Exclusions to Cover 10

This cover shall not provide indemnity for claims arising out of:

- (I) liability for which compulsory insurance is required by legislation governing the use of any mechanically propelled plant or vehicle (or trailer attached thereto);
- (II) *Your* ownership or possession or use on *Your* behalf of any *Aircraft*, *Watercraft* or hovercraft (other than *Watercraft* which is hand or wind propelled not exceeding thirty feet in length and then only whilst on inland or coastal waters);
- (III) *Damage to Property* owned by *You* or in *Your* care, custody or control, other than:
 - a. the personal effects of any of *Your* visitors directors partners or *Employees*;
 - b. *Premises* (including their fixtures fittings and contents) not owned or rented by *You* but temporarily occupied by *You* for the purposes of carrying out the Business therein or thereon;
- (IV) *Bodily Injury* caused to any *Employee* arising out of and in the course of his/her employment with *You* or to any person arising out of and in the course of his/her employment or participation in the performance of a contract with *You*;
- (V) Liability caused by or arising from:
 - a. advice, design or specification given by *You* or on *Your* behalf for a fee or which would normally incur a fee;
 - b. professional services rendered by *You* or on *Your* behalf irrespective of whether or not a fee is charged for such professional services;
 - c. the cost of making good repairing or replacing any goods or parts thereof;
 - d. *Damage* to any goods or parts thereof caused by any defect therein or the unsuitability thereof to fulfil its intended purpose;
 - e. the costs of recall or removal of any goods or parts thereof necessitated by any defect therein or the unsuitability thereof to fulfil its intended purposes;
 - f. liability assumed or retained by *You* by a contract or agreement unless such liability attached solely by virtue of a condition or warranty of goods implied by law or would have attached in the absence of the contract or agreement;
- (VI) any *Bodily Injury* or *Damage* caused by or arising from:
 - a. the design formula or specification of any goods or parts thereof or in the advice or information provided by *You* or on *Your* behalf on the nature or use of such goods or parts thereof;
 - b. any goods known by *You* to be for use in or on *Aircraft* hovercraft mechanically propelled vehicle or waterborne craft or for aviation purposes;
- (VII) any deliberate, conscious or intentional act or omission by *You* or on *Your* behalf and which could reasonably have been expected by *You* having regard to the nature and circumstances of such act or omission;
- (VIII) a. any *Bodily Injury* or *Damage to Property* directly or indirectly arising out of the discharge dispersal release or escape of *Pollutants* into buildings or other structures or water or land or the atmosphere including:

- or the
- b. the cost of removing nullifying or cleaning up *Pollutants* into buildings or other structures or water or land atmosphere;
 - c. fines penalties or exemplary damages arising directly or indirectly out of the discharge dispersal release or escape of *Pollutants*;

Notwithstanding the foregoing this Insurance shall cover liability otherwise excluded under paragraphs (VIII) (a) and (b) above which arises from a sudden identifiable unintended and unexpected happening which takes place in its entirety at a specific time and place during the *Period of insurance* provided that all discharge dispersal release or escape of *Pollutants* arising from one incident shall be deemed for the purposes of this Insurance to have occurred at the time such incident takes place;

Our liability for all damages payable in respect of all discharge dispersal release or escape of *Pollutants* which is deemed to have occurred during the *Period of insurance* shall not exceed the Limit of Indemnity stated in the Schedule in the aggregate.

This Clause shall not extend this Insurance to cover any liability which would not have been covered under this Insurance had this Clause not been included.

Nothing contained in the foregoing shall be deemed to increase the Limit of Indemnity beyond the amount stated in the Policy Schedule.

- (IX) any award of punitive or exemplary damages whether as fines, penalties, multiplication of compensatory awards of damages or in any other form whatsoever;
- (X) liquidated damages clauses penalty clauses or performance warranties unless proven that liability would have attached in the absence of such clauses or warranties;
- (XI) any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity;
- (XII) financial loss unaccompanied by either Bodily Injury or Damage to *Property*;
- (XIII) directly or indirectly as a result of or in connection with *Terrorism* (including, without limitation, contemporaneous or ensuing Damage or legal liability caused by fire and/or looting and/or theft) by any person or persons acting alone or on behalf of or in connection with any organisation;

IN ANY CLAIM and in any action, suit or other proceedings to enforce a claim under this Insurance the burden of proving that such claims does not fall within this exclusion shall be upon *You*.

- (XIV) *Damage* or cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to;
 - a. the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000 or any date change, including leap year calculations, by any *Information Technology*, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether *Your Property* or not; or
 - b. any change, alteration, or modification involving any date change, including leap year calculations, to any such computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether *Your Property* or not;

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, Damage, cost, claim or expense.

- (XV) the *Excess* stated in the Policy Schedule in respect of the first amount of each claim (or series of claims arising out of one *Occurrence*) arising out of Bodily Injury or Damage. If any Product from one prepared or acquired batch causes Damage to the *Property* of more than one person the Damage to *Property* of all persons resulting from that common cause shall be considered as arising out of one originating cause;
- (XVI) a. directly or indirectly occasioned by, happening through, arising out of, resulting from or in connection with any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens; or
 - b. any costs or expenses associated, in any way, with the abatement, mitigation, remediation, containment, detoxification, neutralization, monitoring, removal, disposal, or any obligation to investigate or assess the presence or effects of any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens; or
 - c. any obligation or duty to defend any actions directly or indirectly occasioned by, happening through, arising out of, resulting from or in connection with any fungus of any kind whatsoever, including but not limited to mildew, mould, spore(s) or allergens,

Irrespective of the cause of such fungus, mildew, mould, spore(s) or allergens, and whenever or wherever occurring.

- (XVII) assault, battery or any intentional or deliberate violence committed or alleged to have been committed by *You* or *Your Employee*,

(XVIII) sexual assault, sexual harassment or rape.

(XIX) the use or intended use of any apparatus which can be used for the purpose of artificial sun tanning.

General Exclusions to Covers 9 and 10

This Insurance shall not provide indemnity for claims arising out of:

- (I) liability whilst *Offshore*;
- (II) any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from;
 - a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - b. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - c. war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power, confiscation, nationalisation or requisition;
 - d. the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials;
- (III) any liability which forms the subject of insurance by any other policy and this Insurance shall not be drawn into contribution with such other insurance.
- (IV)
 - a. any company or other legal entity acquired during the *Period of insurance*, or
 - b. any *Property* or liability associated with such company or any other legal entity or business undertaking or operation;

unless advised to and agreed by *Us* in writing with any additional premium that *We* may require being paid by *You*.

General Conditions to covers 9 and 10

- (I) Observance of Terms

Our liability will be conditional upon any person claiming indemnity under this Insurance complying with its terms. The truth of the statements and answers in the proposal and all information given to *Us* in relation to this Insurance shall be a condition precedent to *Our* liability to make any payment hereunder.

You shall give notice as soon as reasonably practicable of any fact or event which materially affects the risks insured and agree to pay any additional premium that *We* may require.

- (II) Claims

In the event of a claim or possible claim under this Insurance *You* must:-

- a. notify *Us* or any agent acting on *Your* behalf as soon as reasonably possible but in no event later than 14 days after becoming aware of any circumstance which may give rise to a claim under this Insurance;
- b. notify *Us* or any agent acting on *Your* behalf immediately *You* have knowledge of any impending prosecution inquest or fatal accident inquiry in connection with any *Occurrence* for which there may be liability under this Insurance;
- c. forward to *Us* or any agent acting on *Your* behalf immediately on receipt every letter, claim form, writ, summons or process;
- d. not admit liability, make an offer, compromise nor promise payment nor agree to settle any claim without *Our* written consent;
- e. provide all information, documented records and assistance as *We* may require, to comply with litigation procedures and disclosure of documents

This condition shall apply notwithstanding any sum born by *You* as an *Excess*.

- (III) Conduct of Claims

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 for *Your* own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and *You* shall give all such information and assistance as *We* may reasonably require.

- (IV) Discharge of Liability

We may at any time pay to *You* the amount of the Limit of Indemnity (after deduction of any sum or sums already paid as damages) or any lesser amount for which any claim or claims may then be settled and upon such payment *We* shall relinquish conduct and control of such claim or claims except for expenses of litigation recoverable and shall be under no further liability in connection with such claim or claims except for other costs and expenses incurred with *Our* written consent in respect of matters prior to the date of such payment.

(V) Non-Contribution

If at the time any claim arises under this Insurance there is or but for the existence of this Insurance there would be any other insurance covering the same liability *We* shall not be liable under this Insurance except in respect of any *Excess* beyond the maximum amount which would be payable under such other insurance had this Insurance not been effected.

(VI) Subrogation

We shall be subrogated to all of *Your* rights of recovery against any such person or organisation before or after any claims payment under this Insurance and *You* shall provide all relevant information and assistance in this regard. Any recovery made shall be applied first to *Our* outlay and then to *Your Excess* in priority to any outstanding uninsured loss of *Yours* in the absence of agreement to the contrary.

We shall not exercise said rights against any of *Your* Employees unless the claim in question has been brought about or contributed to by the dishonest fraudulent criminal or malicious act error or omission of the Employee.

(VII) Reasonable Precautions and Risk Improvements

- a. *You* shall ensure that all Employees are suitably trained and/or qualified to perform their occupation and/or any other tasks that *You* expect them to carry out.
- b. *You* shall take all reasonable steps to prevent any *Occurrence* which may give rise to a claim under this Insurance and to comply with all statutory and other obligations and regulations imposed by any authority.
- c. *You* shall ensure that any risk improvements deemed as requirements by *Us* following a survey or surveys of the risk shall be complied with and implemented within the time specified by *Us*. *We* reserve the right to review all the terms and conditions of the Insurance following the survey or surveys

(VIII) Premium Adjustment

Where the premium is provisionally based on *Your* estimates, *You* shall keep accurate records and after the expiry of the *Period of insurance* declare as soon as possible such details as *We* require. The premium shall then be adjusted and any difference paid or allowed to *You* as the case may be subject to any minimum premium that may apply.

(IX) Interpretation and Jurisdiction

Any phrase or word in this document will be interpreted in accordance with the Law of England and Wales. This Insurance, the Schedule and any endorsements attached hereto shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part shall bear such specific meaning wherever it may appear.

Any dispute concerning the interpretation of the terms conditions limitations or exclusions contained herein is understood and agreed by both *You* and *Us* to be subject to the Law of England and Wales. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England and Wales and to comply with all requirements necessary to give such Court jurisdiction.

All matters arising hereunder shall be determined in accordance with the law and practice of such Court.

F. SUPPLEMENTARY CLAUSES

The following supplementary clauses are only applicable to this Insurance if the Clause number has been entered in the Schedule

Clauses applicable to Cover 1 – Material Damage

(A1) Incidental Course of Construction

This Insurance will provide automatic coverage for Buildings in course of construction, installation, repair, renovation, and the like at *Your Premises* where such work is of an incidental nature. *We* consider incidental to mean works where the total full contract value does not exceed 10% of the Sum(s) Insured on Buildings and/or *Tenants Improvements* as declared to *Us*. In the event of *You* requiring coverage for works in *Excess* of 10% of the appropriate Sum(s) Insured, then *You* must provide *Us* with all the relevant information prior to commencement of contract, for *Our* consideration.

(A2) Metered Water Costs

This Insurance will provide cover for the loss of metered water from irrigation equipment, sprinkler systems, water tanks, apparatus and pipes for which *You* are responsible following *Damage* at *Your Premises* and not otherwise excluded.

Provided that:

- a. *You* shall maintain a record of readings from the Water Authority meter at *Your Premises* at intervals of not more than seven (7) days,
- b. the amount payable in respect of any one *Premises* is limited to such *Excess* water charges demanded by the Water Authority,
- c. *We* will not be liable for loss of metered water due to leaking from or bursting of an underground pipe,
- d. the amount payable by *Us* in respect of such *Excess* water charges required by the Water Authority shall not exceed £ 2,000 any one claim and £ 10,000 in all during any one *Period of insurance*.

(A3) Trace and Access

In the event of *Damage* resulting from Insured Peril (V) (c) Bursting or Overflowing or Leakage, this Insurance will provide cover for the costs necessarily and reasonably incurred by *You*, with *Our* written consent, for tracing the source of any leakage and subsequently making good any *Damage* that was necessarily caused in locating and remedying the leakage, subject to a limit of £ 2,000 any one claim and £ 10,000 in all during any one *Period of insurance*.

(A4) Theft Damage to Buildings

Where the Buildings, are not shown as Insured in the Schedule, *We* will extend the cover to include the cost of repairing *Damage* to Buildings caused by Theft or attempted Theft subject to a limit of £ 10,000 or 10% of the *Machinery and plant* Sum Insured whichever is the lower, provided that *You* are legally liable for such cost and the aforesaid *Damage* is not otherwise insured.

Clauses applicable to Cover 4 – Business Interruption

(B1) Unspecified Suppliers' and/or customers' premises

The Insurance of *Estimated Gross Profit* or *Estimated Gross Revenue* (whichever is applicable) is extended to include any loss caused by an Insured Peril under Cover 1. Material Damage resulting in interruption to, or interference with *Your Business* as a consequence of *Damage to Property*:

- a. at *Your* suppliers' and/or customers' business premises anywhere in the *United Kingdom*; or
- b. which prevents the movement of goods, to or from *Your* suppliers' or customers' premises, anywhere in the *United Kingdom*,

shall be deemed to be loss resulting from *Damage* to the *Property Insured* used by *You* at the *Premises*; provided that *We* shall not be liable for more than 20% of the Sum Insured of the applicable cover, as stated in the Schedule, for any one claim.

The term supplier as used in this clause shall exclude any entity that provides *You* with electricity, steam, telecommunications and internet, water and/or sewerage treatment, gas or refrigeration.

(B2) Public Utilities

The Insurance of *Estimated Gross Profit* or *Estimated Gross Revenue* (whichever is applicable) is extended to include any loss caused by an Insured Peril under Cover 1. Material Damage resulting in interruption to, or interference with *Your Business* at the *Premises*, as a consequence of *Damage to Property* of land based off-*Premises* utilities including sewer treatment facilities and power stations, substations, transformer or switching or pumping stations, off-*Premises* poles, towers, sewer lines and transmission or distribution lines, providing *Your Business* with electricity, steam, water, gas, refrigeration, telecommunications and internet or any other service.

We shall not be liable for:

- a. any cessation of supply due to the deliberate act of the service provider or their *Employees*;

- b. any loss arising in the first 24 hours of any such interruption or interference provided that any intermittent interruption over a single 24 hour period shall be considered to be a single loss event,
- c. any loss greater than 10% of the of the Sum Insured or £ 25,000 whichever is the lesser amount of the applicable cover, as stated in the Schedule.

(B3) Prevention of Access (including actions of Security Forces)

The Insurance of *Estimated Gross Profit* or *Estimated Gross Revenue* (whichever is applicable) is extended to include any loss caused by an Insured Peril under Cover 1. Material Damage resulting in interruption to, or interference with *Your Business* at the *Premises*, as a consequence of *Damage* to surrounding areas and/or to *Property* in the vicinity, within a 5 mile radius of *Your Premises*, which shall prevent or hinder *Your* use thereof or access thereto whether *Your Premises* or *Property Insured* is damaged or not. This Clause shall include any loss resulting from any action taken by the military, police or other similar security authorities preventing or hindering the use of or access to *Your Premises* for reasons of security, whether hoax or not.

We shall not be liable for:

- a. any loss in respect of the first 4 hours of any such interruption or interference, increasing to the first 24 hours in respect of action taken by military, police or other similar security forces,
- b. any loss arising from *Damage* to the *Property* of any supply undertaking providing *Your Business* with electricity, steam, water, gas, refrigeration, telecommunications and internet or any other service,
 - i. any loss greater than 10% of the of the Sum Insured or £ 25,000 whichever is the lesser amount of the applicable cover, as stated in the Schedule.

(B4) Notifiable Diseases, Food and Drink Poisoning, Murder and Suicide and the like

The Insurance of *Estimated Gross Profit* or *Estimated Gross Revenue* (whichever is applicable) is extended to include any loss directly resulting from interruption or interference with *Your Business* at the *Premises* caused by:

- a. any *Occurrence* of a *Notifiable Disease* at the *Premises* or attributable to food or drink supplied from the *Premises*,
 - i. any discovery of an organism at the *Premises* likely to result in the *Occurrence* of a *Notifiable Disease*,
 - ii. any *Occurrence* of a *Notifiable Disease* within a radius of 5 miles of the *Premises* that has an effect on *Your Business* that can be measured in fiscal terms,
- b. any *Occurrence* of murder or suicide at the *Premises*,
- c. the discovery of vermin or pests at the *Premises* which causes restrictions on the use of the *Premises* on the order or advice of the competent local authority,
- d. any accident causing defects in the drains or other sanitary arrangements at the *Premises* which causes restrictions on the use of the *Premises* on the order or advice of the competent local authority,

Provided that *Our* liability under this Clause shall not exceed in total the Sum Insured under the applicable Cover and the *Indemnity Period* as stated below.

Indemnity Period:

For the purpose of this Clause, the *Indemnity Period* shall mean the period during which the results of the *Business* shall be affected in consequence of the incident beginning:

in the case of (a) and (b) above, with the *Occurrence* or discovery of the incident,
 in the case of (c) and (d) above, with the date from which the restrictions on the *Premises* are applied,
 and ending not later than 3 months thereafter.

Exclusions to this Clause:

We shall not be liable:

for any costs incurred in the cleaning, repair, replacement, recall or checking of *Property* except as agreed by *Us* in writing,
 for loss arising at those *Premises* which are not directly affected by the incident.

Enhancement to this Clause:

Cleaning and Repair Costs and Expenses

The cover under this Clause extends to include the costs and expenses necessarily incurred with *Our* consent in;

- a. cleaning and decontamination of the *Property Insured* used by *You* for the purpose of the *Business* except for *Stock*,
- b. removal and disposal of contaminated *Stock* on or from the *Premises*, use of which has been restricted on the order or advice of the competent local authority solely in consequence of the incident as defined above, provided that *Our* liability shall not exceed £ 5,000 in any one *Period of insurance* after the application of all the other terms and conditions of this Clause.

Clauses applicable to Cover 5 – Money

(C1) Personal Accident following Assault

In the event of *Bodily Injury* to any *Insured Person* directly caused by violence occurring during theft of attempted theft of *Money*, *We* will pay to *You* Benefits as stated in the Schedule of Benefits below:

- a. Provided always that in respect of any one *Insured Person*:

- b. compensation shall not be payable under more than one of the Items of the Schedule of Benefits in respect of the consequences of one event, and
- c. no weekly compensation shall become payable until the total amount thereof has been ascertained and agreed. If, nevertheless, payment be made for weekly compensation, the amounts so paid shall be deducted from any lump sum becoming claimable in respect of the same event,
- d. the total sum payable under this Clause in respect of any one or more events to an *Insured Person* shall not exceed the largest Sum Insured under any one of the items contained in the Schedule of Benefits.

Schedule of Benefits

Item	Capital Sum Insured per <i>Insured Person</i>
(I) Death, or Permanent total loss of sight of one or both eyes, or loss of one or more limbs, or other <i>Permanent Total Disablement</i>	£ 10,000
(II) <i>Temporary Total Disablement</i> (but not exceeding the weekly wage) so long as such disablement continues, but not exceeding altogether 104 consecutive weeks for any single disablement	£ 100 per week

Exclusion:

We shall not be liable in respect of any death or disablement attributable to or accelerated by any pre-existing physical or mental condition or pregnancy.

Condition:

Your compliance and continued observance of the under-noted are conditions precedent to *Our* liability to make any payment under this Insurance.

Claims Procedure:

You must notify *Us* immediately:

- a. of any event which causes or may cause *Bodily Injury* within the meaning of this Supplementary Clause,
- b. in the event of the death of the *Insured Person*.

Medical Examination Procedure:

In the event of a claim arising from the cover under this Supplementary Clause the following will apply:

- a. the *Insured Person* must:
 - i. as early as possible place themselves under the care of a duly qualified medical practitioner,
 - ii. at their own expense provide all certificates information and evidence required by *Us* and submit themselves to medical examinations at their own expense as often as *We* deem necessary in respect of any alleged *Bodily Injury*.
- b. *We* shall at *Our* expense be entitled to have a post mortem examination carried out in the event of the death of an *Insured Person*.

Clauses applicable to Cover 2 Portable Equipment &/or Cover 10 – Public & Products Liability

D1. BOATING LAKE CLAUSE

Warranties

It is a condition precedent to liability that:

- i. the insured must display a disclaimer, by means of, but not restricted to, signage/boarding/similar, preferably before, but definitely at the point of sale which must clearly include the statement: by paying their fee, participants accept the disclaimer, agree that they have attended a safety briefing & fully understand the risks involved.
- ii. anyone who has consumed any alcohol &/or taken any illegal/non prescribed drugs shall not be permitted to participate
- iii. all participants wear buoyancy aids
- iv. children under 10yrs of age are accompanied by an adult
- v. the lake is supervised by the insured, or an experienced employee of the insured, at all times.
- vi. all equipment must be operated in accordance with manufacturers' recommendations

Excess(s) Applicable To Boating Lakes / Similar

Cover 2 “Portable Equipment (All Risks)”

The first £250 of each & every loss.

Cover 10 “Public Liability”

The first £500 of each and every loss including those in respect of bodily injury

D2. CATERING TRAILER CLAUSE

Warranties

It is a condition precedent to liability that:

- i. the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an “Indemnity to Principal” extension, with a limit of indemnity of no less than the insured’s, & the insured shall obtain written proof of such
- ii. the trailer be maintained in accordance with all local authority, health & safety and hygiene regulations
- iii. the insured has a current, valid Certificate of Basic Food Hygiene
- iv. all equipment must be operated in accordance with manufacturers’ recommendations
- v. when not in use &/or unattended the trailer: is stored either a) in accordance with the “Security Precautions” in the policy wording or b) as follows;
 - A. on the insured’s private driveway at his / her private dwelling house
 - B. the trailer is wheel clamped and hitch locked
 - C. all locks are fully secured and keys removed
 - D. windows are fixed shut with key operated locks

Exclusions

All cover excludes any liability/indemnity in respect of:

- i. damage whilst in transit

Excess(s) Applicable To Catering Trailer Operators:

Cover 2 “Portable Equipment (All Risks)”

The first £250 of each & every loss.

Cover 10 “Public Liability”

The first £250 of each and every loss including those in respect of bodily injury

D3. DEEP FAT FRYER CLAUSE

Warranties:

It is a condition precedent to liability that:

- i. frying and cooking equipment and the ducted extraction system be at least 150mm clear of combustible materials
- ii. frying equipment be fitted with a thermostat designed to prevent the temperature of the fat exceeding 205c
- iii. frying range be equipped with tight fitting lids or pull down covers;
- iv. sump boxes and drip trays be emptied at least once every 7 days

D4. Day Cover For Inflatables/Leisure Play:

Warranties:

It is a condition precedent to liability hereunder that:

- a.
 - i. any inflatable device is fully secured to the ground during use
 - ii. any equipment device is fully supervised by an adult all times whilst it is inflated &/or set up for use
 - iii. all equipment is in good condition and is maintained and used in accordance with Manufacturers' recommendations
 - iv. all persons shall remove their footwear prior to use
 - v. no food or drink shall be allowed on the equipment
 - vi. the equipment will at all times be maintained and operated in accordance with the "Safe Operation" section of the Health & Safety Executive's recommended Public Best Practice document defining the "Safe Operation of Inflatables, Including Bouncing Devices" – please see attached document.
 - vii. the equipment is set up by the owner and is not moved / re-sited
 - viii. safety mats are placed at the entrance to the amusement &/or equipment
 - ix. all Local Authority Requirements are met
 - x. a signed copy of the Hire Agreement with the owner of equipment can be produced to Leisureinsure upon request
 - xi. no persons who are visibly intoxicated may be permitted on the equipment
 - xii. any inflatable device is deflated when not in use/ unsupervised and adequate action taken to prevent other persons inflating the equipment – e.g. remove the power source

Endorsements:

- i. The all claims *Excess(s)* applicable to Cover 10 - Public and Products Liability is the first £500 of each and every claim, including those in respect of Personal Injury / Death

D5. Event Clause

Warranties (applicable to the whole contract):

It is a condition precedent to liability that:

Any independent stallholder, exhibitor, contractor or supplier whom you engage at or for the event, or otherwise permit or allow to stand exhibit or supply services to the event, must be required to hold third party liability insurance in their own right for the duration of the event, and evidence of the relevant policy, including the name of the Insurer, the policy number and Limit of Indemnity must be recorded by you prior to their participation at the event.

In any contract or agreement into which you enter with any party, in connection with the event, you maintain your right to recover from that party any costs incurred by you, should that party be legally liable for any claim or part of a claim in connection with the event and a copy of the agreement must be made available to us if required.

Cover 10: Public Liability Exclusions:

This Section does not cover legal liability arising from the following:

- i. £250 excess.
- ii. Loss of or damage to property belonging to or held in trust by or in the custody or control of the Insured (but this exclusion shall not apply to employees' effects)
- iii. You owning or using any road or rail vehicle, machine or plant which is capable of self-propulsion or any trailer or carriage attached to such a self-propelled vehicle, machine or plant.
- iv. Any vehicle or machine or plant which is insured for your benefit under a policy of motor insurance.
- v. Any aircraft or other aerial device, watercraft or hovercraft.
- vi. Professional or other advice, design, specification or treatment or the failure to provide such advice, design, specification or treatment or professional negligence or malpractice of any kind.
- vii. Third party property damage and/or bodily injury to or death, illness or disease of any person caused by or arising from a Dangerous Activity*, as defined below.
- viii. Bodily injury to or death, illness or disease of any participant caused by or arising from actual or attempted physical contact or challenge, intended or unintended, in the course of any sports or competitive activity organised by you or on your behalf or for which you are responsible.
- ix. Any agreement you have made unless you would have been liable without the agreement.
- x. Any occurrence on an offshore platform, rig, service or accommodation vessel or installation or whilst in the course of a journey directly to or from such location.
- xi. Injury to or death, disease or illness of any animals or caused by any animals
- xii. Any wilful or malicious act or any act of vandalism resulting in damage at or to the venue.
- xiii. Any liability arising from the affects of any alcoholic or illegal substance including prescribed drugs.
- xiv. Damage to underground services.
- xv. Damage to floors or the ground at the venue.
- xvi. The defective erection, use or dismantlement by you or on your behalf of any staging, marquees or temporary structures.
- xvii. The public handling of animals.
- xviii. Any sums you are legally liable to pay which are expressed to be punitive, exemplary or aggravated damages by a Court of law.
- xix. Liability in respect of pollution or contamination other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the period of insurance. All pollution or contamination, which arises out of one incident, shall be deemed to have occurred at the time such incident takes place.
- xx. Notwithstanding anything contained herein to the contrary our liability for all damages or compensation payable in respect of all pollution or contamination which is deemed to have occurred during the Period of Insurance shall not exceed in the aggregate the Limit of Indemnity shown in the Schedule for this Section. For the purpose of this exclusion "pollution or contamination" means all pollution or contamination of buildings or other structures or of water or land or the atmosphere and all loss or damage or injury directly or indirectly caused by such pollution or contamination.
- xxi. This Section does not cover the first amount of each and every claim, stated in the Schedule as the Excess.

*Definition of Dangerous Activity which are entirely Excluded:

All cover specifically excludes any liability in respect of:

- i. fireworks or Bonfires
- ii. inflatable play equipment
- iii. fairground rides or mechanical or electrical rides of any kind
- iv. ballooning or flying or any aerial activity of any description
- v. quad bikes, go-karts or motor sports of any kind
- vi. trampolines gymnastic apparatus or any apparatus requiring the use of safety harness or ropes to prevent or arrest falls from height
- vii. circus acts or stunt acts
- viii. It's a knockout competition
- ix. persons riding on animals
- x. canoeing sailing or the use of water rafts
- xi. shooting ranges for guns or archery
- xii. trips to theme parks or any beach
- xiii. pyrotechnical devices
- xiv. tug of war

Cover 10: EXTENSIONS

The Public Liability Cover shall automatically include the under noted Extensions in so far as they may apply to you, but this will not increase the amount we will pay in respect of damages beyond the Limit of Indemnity stated in the Schedule irrespective of whether any

claim is made against you and/or other parties.

- i. we will provide insurance in respect of your legal liability for loss of or damage to the buildings or contents at the venue hired for the purpose of conducting the event, but not if the terms of any hire agreement make you responsible for or require you to insure against such loss or damage at the venue, unless you would have been liable without such agreement.
- ii. If you enter into any contract or agreement with a Principal responsible for the venue or the organisation of the event, we will, if the contract or agreement so requires, and at your request, provide insurance in the terms of this Policy in respect of claims brought against such Principal, caused by your negligence and arising in connection with the event, provided that the Principal shall observe, fulfil and be subject to the terms provisions and conditions of the section insofar as they apply.
- iii. If you are a members club then in the event of one of your members making a claim against another member of your club (both members having paid the requisite fee and holding a valid membership card issued by you) the cover under this Section will apply as if a separate policy had been issued to each member.

Cover 9: Employers' Liability

This policy specifically excludes any liability;

- i. arising on any offshore platform rig, service or accommodation vessel or installation or whilst in the course of a journey directly to or from such location.
- ii. required to be insured under the Compulsory Motor Insurance provisions of the Road Traffic Acts.
- iii. arising from any security work.
- iv. arising from height work in excess of 2.5 metres.
- v. arising from water based activities.

Cover 2: Portable Equipment:

This policy specifically excludes any liability;

- i. Theft or attempted theft unless involving forcible or violent entry to or exit from a building.
- ii. Loss or theft from unattended vehicles.
- iii. Theft of property in transit contained in vehicles used by or on behalf of the Insured when left unattended at night between sunset and sunrise unless such vehicle is contained in a locked garage or compound and during the day unless all doors and openings are securely closed and locked and any alarm or security devices are activated.
- iv. Damage, loss or theft from unattended venues.
- v. Smoke damage caused by smog, agricultural or industrial work.
- vi. Damage caused by wear and tear, atmospheric or climatic conditions, rot, fungus, insects, vermin or any gradual cause.
- vii. Damage caused by electrical or mechanical breakdown.
- viii. Damage caused by cleaning, dyeing, repair or restoration.
- ix. Property being confiscated or detained by any government, public or police authority.
- x. Damage caused by the deliberate act of any electricity or gas supply authority in withholding or restricting supply.
- xi. Damage caused by strikers, locked out workers or persons
- xii. taking part in labour disturbances,
- xiii. Accidental damage to china, glass and other brittle items.
- xiv. Damage caused by pollution or contamination but this shall not exclude damage to the event property insured caused by pollution or contamination which itself results from any insured cause, any insured cause which itself results from pollution or contamination.
- xv. Mobile telephones, jewellery, pagers, items of clothing, whether owned, borrowed or hired.
- xvi. Any wilful or malicious act, or any act of vandalism.
- xvii. Bouncy castles and other inflatable play equipment.
- xviii. Inventory or stocktaking shortages or unexplained disappearance or discrepancy.
- xix. Damage to flooring.
- xx. Loss or damage by pressure waves caused by aircraft or other flying devices travelling at sonic or supersonic speeds.
- xxi. Cash or money instruments of any description whether negotiable or non-negotiable.
- xxii. Loss or damage caused by the defective erection, use or dismantlement by you or on your behalf of any staging, marquees or temporary structures.
- xxiii. The first amount of each and every claim, stated in the Schedule as the Excess.

D6. GENERAL CLAUSE:

Warranties:

It is a condition precedent to liability hereunder that:

1. the equipment will at all times be maintained and operated in accordance with manufacturers recommendations
2. the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an "Indemnity to Principal" extension, with a limit of indemnity of no less than the insured's, & the insured shall obtain written proof of such

Exclusions:

Any liability arising out of &/or caused by:

- i. any loss caused by one participant to another participant in respect of any contact sport or contact activity

Excess(s) Applicable:

- a. Cover 2 – Portable Equipment
 - i. The first £250 of each & every loss
- b. Cover 10 – Public and Products Liability
 - i. The first £500 of each & every loss

D7. ICE SKATING CLAUSE

Warranties:

It is a condition precedent to liability hereunder that:

- i. participants are supervised at all times by at least one experienced employee of the insured.
- ii. satisfactory safety equipment is to recommended be worn by all participants including helmets, wrist guards & knee pads
- iii. at least one person qualified in first aid must be on site at all times when open for business
- iv. any spectators are to be separated from the immediate vicinity of the rink
- v. all equipment must be operated in accordance with manufacturers' recommendations

Excess(s) Applicable To:

Cover 2 "Portable Equipment (All Risks)"

The first £250 of each & every loss increasing to £2500 in respect of subsidence

Cover 10 "Public Liability"

The first £500 of each and every loss including those in respect of bodily injury

D8. INFLATABLE AND LEISURE PLAY CLAUSE

Warranties:

It is a condition precedent to liability hereunder that:

- i. All equipment is in good condition and is maintained and operated in accordance with a) Manufacturers' recommendations and B) The Health & Safety Executive's recommended Public Best Practice document defining the "Safe Operation of Inflatables, Including Bouncing Devices"
- ii. All equipment is erected by you or your employees
- iii. No person(s) who are visibly intoxicated through alcohol, drugs or any other intoxicating substance shall be permitted to use any equipment
- iv. When the Bouncy Castle or other Inflatable Device is operated by or on behalf of the Insured it shall be supervised in accordance with the manufacturers' recommendations by a responsible adult (minimum age of 18 years) at all times

Endorsements:

A. Definition of Adults & Kids

For the purposes of this insurance "adults" shall be defined as persons who have attained or are over the age of 17 years and "kids" are defined as persons of 16 years of age and under.

B. Cover 10 – Aggregate Limit of Indemnity clause applicable:

The Public Liability Limit of Indemnity is in the aggregate for all claims. i.e. This is the maximum amount that the insurer will pay in respect of all insured losses occurring during the policy term. This replaces anything to the contrary in the policy wording.

Excess(s) Applicable to Inflatables & Leisure Play Clause:

Cover 2 "Portable Equipment" – The first £250 of each & every loss

Cover 10 "Public Liability" – As stated on the Quotation or your Schedule of Insurance

D9. KARTING CENTRE CLAUSE

Warranties

It is a condition precedent to liability hereunder that:

1. In respect of karting:
 - i. no more than one person is allowed in any one kart at any one time
 - ii. no alcohol is sold or supplied during any event
 - iii. anyone who has consumed any alcohol &/or taken any drugs shall not be permitted to participate
 - iv. spectators shall be kept behind an adequate barrier, separated from the track side & shall not be permitted to enter the circuit whilst activities are in operation
 - v. the track is adequately marshalled by the insured &/or experienced employees of the insured, at all times during all events
 - vi. full face helmets (BSI 6658-1985 or the newer UN ECE 22.05), gloves & suitably sized overalls are worn by all participants
 - vii. if participants do not wish to wear overalls, they must sign a disclaimer to this effect and the insured &/or experienced employees must ensure that each participant does not have any loose clothing which may cause injury
 - viii. fire extinguishers are kept available for use
 - ix. first aid/medical facilities are kept available for use
 - ii. fuel is kept in a safe environment and any refuelling takes place in a safe environment away from participants and spectators
 - iii. the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an "Indemnity to Principal" extension, with a limit of indemnity of no less than the insured's, & the insured shall obtain written proof of such
 - x. activities shall be provided within a designated area only
 - xi. the insured shall apply barrier/protection methods at strategic areas where deemed necessary & apply a run-off. Provided that such protections & run off area do not contravene health & safety requirements
 - xii. the insured shall obtain a signed 'suitability to participate' forms from all participants declaring their fitness, existing injuries &/or any medical conditions. A copy of said declaration must be retained by the insured and made available for insurers upon request. In respect of persons under 16 years, a counter signature by the parent or guardian is mandatory. A copy of said declaration must be retained by the insured and made available for insurers upon request.
 - xiii. all participants must complete and sign a declaration to confirm that: a) they have been given a safety briefing / briefed on the risks involved; b) that they accept that these activities are dangerous and can result in death &/or injury; and c) that they accept the risks involved and are responsible for their own actions &/or involvement. In respect of persons under 16 years, a counter signature by the parent or guardian is mandatory. A copy of said declaration must be retained by the insured and made available for insurers upon request.
 - xiv. all equipment must be operated in accordance with manufacturers' recommendations

Exclusions

All cover excludes any liability/indemnity in respect of:

- iv. the carriage of passengers
- v. any use where insurance is required by virtue of the Road Traffic Act
- vi. damage to any vehicle whilst being used / under power

Excess(s) Applicable

Cover 2 "Portable Equipment (All Risks)"

The first £500 of each & every loss

Cover 10 "Public Liability"

The first £500 of each and every loss including those in respect of bodily injury

D10. LEISURE PURSUITS CLAUSE

Warranties

It is a condition precedent to liability that;

- i. anyone who is visibly intoxicated is not be permitted to participate
- ii. all instructors and leaders hold the correct National Governing Bodies (NGB) qualification or have had an appropriately NGB-qualified technical advisor assess them. Where there is no relevant NGB qualification, all instructors and leaders have received appropriate training and assessment for, or are appropriately experienced to undertake instruction in the activities concerned
- iii. all activities are supervised by trained & experienced instructors
- iv. all participants of any water activity wears buoyancy aids
- v. canoeing / kayaking activities do not exceed BCU grade 2
- vi. all participants using the bicycles wear helmets
- vii. all participants of abseiling/climbing wear protective head gear & utilise safety ropes in all circumstances (not applicable to rock rotating climbing units)
- viii. in respect of persons under the age of 16 years, the insured obtains a signed indemnity form by a parent or guardian of the minor
- ix. the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an "Indemnity to Principal" extension, with a limit of indemnity of no less than the insured's, & the insured shall obtain written proof of such
- x. the insured shall obtain a signed 'suitability to participate' form from all participants declaring their fitness, existing injuries &/or any medical conditions. A copy of said declaration must be retained by the insured and made available for insurers upon request. In respect of persons under 16 years, a counter signature by the parent or guardian is mandatory. A copy of said declaration must be retained by the insured and made available for insurers upon request.
- xi. all participants must complete and sign a declaration to confirm that: a) they have been given a safety briefing / briefed on the risks involved; b) that they accept that these activities are dangerous and can result in death &/or injury; and c) that they accept the risks involved and are responsible for their own actions &/or involvement. In respect of persons under 16 years, a counter signature by the parent or guardian is mandatory. A copy of said declaration must be retained by the insured and made available for insurers upon request.
- xii. all equipment must be operated in accordance with manufacturers' recommendations

Exclusions;

All cover excludes any liability/indemnity in respect of:

- vii. any liability in respect of pyrotechnics, explosives, fireworks &/or similar
- viii. any losses resultant from the pursuit(s) of climbing &/or abseiling without the use of safety ropes (not applicable to rock rotating climbing units)
- ix. any loss caused by one participant to another participant in respect of any contact sport or contact activity

Excess(s) Applicable To Leisure Pursuits Operators:

Cover 2 "Portable Equipment (All Risks)"

The first £250 of each & every loss.

Cover 10 "Public Liability"

The first £500 of each and every loss including those in respect of bodily injury

D11. MARQUEE CLAUSE

Warranties

It is a condition precedent to liability that;

- i. the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an "Indemnity to Principal" extension, with a limit of indemnity of no less than the insured's, & the insured shall obtain written proof of such
- ii. associated equipment is only hired out with the marquees
- iii. marquees are only erected and dismantled by the insured &/or suitably experienced employees of the insured
- iv. the insured complies with the MUTA Codes of Practice
- v. a MUTA Site Safety Checklist is completed by an experienced individual for each and every hire
- vi. a signed contract or Terms and Conditions is obtained from each client, which includes that the client must inform our insured of the location of any underground services

Exclusions

All cover excludes any liability/indemnity in respect of:

- i. abuse, whether sexual or mental, or allegations there of
- ii. damage to the ground, erection site or surface
- iii. damage to the marquees whilst being erected / dismantled
- iv. any liability in respect of pyrotechnics, explosives, fireworks &/or similar

Excess(s) Applicable To Marquee Operators/Hirers:

Cover 2 "Portable Equipment (All Risks)"

The first £250 of each & every loss, increasing to £1,000 in respect of Storm & Wet Perils

Cover 10 "Public Liability"

The first £250 of each and every loss including those in respect of bodily injury

D12. MOBILE DISC JOCKEY CLAUSE

Warranties

It is condition precedent to liability hereunder that:

- i. the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an "Indemnity to Principal" extension, with a limit of indemnity of no less than the insured's. The insured shall retain documentary evidence of such insurance.
- ii. all equipment must be maintained and operated in accordance with manufacturers' recommendations

Exclusions

All cover excludes any liability/indemnity in respect of:

- i. the operation of foam cannons, bubble machines &/or similar
- ii. any liability in respect of pyrotechnics, explosives, fireworks &/or similar

Excess(s) applicable To Mobile DJ Operators:

Cover 2 "Portable Equipment (All Risks)"

The first £250 of each & every loss.

Cover 10 "Public Liability"

The first £250 of each and every loss including those in respect of bodily injury

D13. MOTORSPORTS CLAUSE

Warranties

It is a condition precedent to liability hereunder that:

- 1. In respect of Quad Bikes & Off Road Karts / Vehicles:

- i. no more than one person is allowed on any vehicle at any one time
- ii. no alcohol is sold or supplied during any event
- iii. anyone who has consumed any alcohol &/or taken any drugs shall not be permitted to participate
- iv. spectators shall be kept behind a barrier, separated from the track side & shall not be permitted to enter the circuit whilst activities are in operation
- v. the track is marshalled by the insured &/or experienced employees of the insured, at all times during all events
- vi. full face helmets (BSI 6658-1985 or the newer UN ECE 22.05), gloves & suitably sized overalls are worn by all participants
- vii. if participants do not wish to wear overalls, they must sign a disclaimer to this effect and the insured or experienced employees the insured must ensure that each participant does not have any loose clothing which may cause injury
- viii. fire extinguishers are kept available for use
- ix. first aid/medical facilities are kept available for use
- x. fuel is kept in a safe environment and any refuelling takes place in a safe environment away from participants and spectators
- xi. the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an "Indemnity to Principal" extension, with a limit of indemnity of no less than the insured's, & the insured shall obtain written proof of such
- xii. activities shall be provided within a designated area only
- xiii. all karts be fitted with full roll cages, side netting & four point harnesses.
- xiv. the insured shall comply with the All-Terrain Motor Vehicles (Safety) Regulations 1989
- xv. quad bike treks shall be accompanied front & rear by the insured &/or suitably experienced employees of, all of which must be at least 18 years of age
- xvi. where quad treks consist of three bikes or less only one instructor/suitable employee need accompany them
- xvii. quad treks shall take place on private land only
- xviii. the insured shall apply barrier/protection methods at strategic areas where deemed necessary & apply an adequate run-off.
- xix. where quads or karts are operated on a mobile basis, circuits shall be entirely protected by an inflatable barrier, hay bales or tyres walls. Tyres must be tethered together & stacked at least three high.
- xx. all equipment must be operated in accordance with manufacturers' recommendations
- xxi. the insured shall obtain a signed 'suitability to participate' forms from all participants declaring their fitness, existing injuries &/or any medical conditions. A copy of said declaration must be retained by the insured and made available for insurers upon request. In respect of persons under 16 years, a counter signature by the parent or guardian is mandatory. A copy of said declaration must be retained by the insured and made available for insurers upon request.
- xxii. all participants must complete and sign a declaration to confirm that: a) they have been given a safety briefing / briefed on the risks involved; b) that they accept that these activities are dangerous and can result in death &/or injury; and c) that they accept the risks involved and are responsible for their own actions &/or involvement. In respect of persons under 16 years, a counter signature by the parent or guardian is mandatory. A copy of said declaration must be retained by the insured and made available for insurers upon request

Exclusions

All cover excludes any liability/indemnity in respect of:

- i. the carriage of passengers
- ii. any use where insurance is required by virtue of the Road Traffic Act
- iii. damage to any vehicle whilst being used / under power
- iv. liability arising out of &/or caused by one participant to another participant &/or one member to another member
- v. the operation of any vehicle over/on any kind of man-made obstacle/apparatus
- vi. any activities not specified herein
- vii. any liability in respect of any vehicle not listed/specified herein

Excess(s) Applicable To Motorsports Operators:

Cover 2 "Portable Equipment (All Risks)"

The first £500 of each & every loss.

Cover 10 "Public Liability"

- a. The all claims *Excess* applicable to Cover 10 - Public and Products Liability – in respect of every claim, including those in respect of Personal Injury / Death is £3000 for all vehicles, activities or equipment; other than vehicles, activities or equipment specified below:
- b.
 - ii. £250 in respect of Go Kart Party Karts, Pacer Cub Karts, Battery Powered Karts
 - iii. £350 in respect of all other Off Road Karts
 - iv. £500 in respect of 50cc Quad Bikes used within; an Inflatable Barrier, Hay Bales or Tyre Walls

D14. PACER KARTS CLAUSE

Warranties

It is a condition precedent to liability hereunder that:

- i. the Insured supervises the Karts at all times whilst they are being operated
- ii. spectators are separated from the track side
- iii. the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an "Indemnity to Principal" extension, with a limit of indemnity of no less than the insured's, & the insured shall obtain written proof of such
- iv. the karts are only operated within an inflatable barrier
- v. all equipment must be operated in accordance with manufacturers' recommendations

Exclusions

All cover excludes any liability/indemnity in respect of:

- i. damage whilst under power – applicable to Cover 2 "Portable Machinery (All Risks)"

Excess(s) Applicable To Pacer Kart Operators:

Cover 2 "Portable Equipment (All Risks)"

The first £250 of each & every loss

Cover 10 "Public Liability"

The first £250 of each and every loss including those in respect of bodily injury

D15. PAINTBALL / AIRSOFT / LASERTAG CLAUSE:

Warranties

It is a condition precedent to liability that;

- i. You only provide paintball, airsoft or lasertag activities.
- ii. You do not allow persons to use their own paint markers unless they are inspected and chronographed by the proposer prior to their use.
- iii. In accordance with UKPSF & UKARA guidelines, you ensure pre-game safety briefings are given at all times, to include safety procedures provided to participants before games.
- iv. You ensure all participants complete a pre-game disclaimer.
- v. You ensure that all participants participating in paintball and airsoft activities wear protective clothing (a minimum of goggles, facemask and overalls which fully cover all limbs
- vi. You have first aid facilities on site.
- vii. You have a minimum age limit of 11+ years applicable, for people to participate in paintball and airsoft activities.
- viii. You do not use deep fat frying equipment with a capacity in excess of 10 litres.

Excess(s) Applicable To Paintball &/or Airsoft Operators:

Cover 2 "Portable Equipment (All Risks)"

The first £250 of each & every loss.

Cover 10 "Public Liability"

The first £500 of each and every loss including those in respect of bodily injury

D16. PAINTBALL/AIRSOFT TARGET SHOOT CLAUSE

Warranties

It is a condition precedent to liability that;

- i. all participants wear full face masks or goggles at all times,
- ii. all activities are marshalled by trained &/or experienced employees
- iii. first aid facilities are available at all times & are only administered by a suitably qualified employee
- iv. anyone who is visibly intoxicated shall not be permitted to participate
- v. the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an "Indemnity to Principal" extension, with a limit of indemnity of no less than the insured's, & the insured shall obtain written proof of such
- vi. all participants shall be fully briefed on the use of all equipment they are intending to use & about the risks involved in Airsoft/Paintball Shooting
- vii. all equipment shall meet British Safety Standards (BSI) &/or European Directive Standards (CE) & all masks, markers, bottles, regulators & any other equipment shall be appropriately stamped.
- viii. all equipment must be operated in accordance with manufacturers' recommendations
- ix. the ratio of supervisors / instructors to participants is 1:1

Excess(s) Applicable To Paintball &/or Airsoft Range Operators:

Cover 2 "Portable Equipment (All Risks)"

The first £250 of each & every loss.

Cover 10 "Public Liability"

The first £500 of each and every loss including those in respect of bodily injury

D17. PLAY AREA CLAUSE

WARRANTIES:

It is a condition precedent to liability hereunder that:

- i. any inflatable equipment will at all times be maintained and operated in accordance with the Health & Safety Executive's recommended Public Best Practice document defining the "Safe Operation of Inflatables, Including Bouncing Devices"
- ii. anyone who is visibly intoxicated shall not be permitted to participate
- iii. the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an "Indemnity to Principal" extension, with a limit of indemnity of no less than the insured's, & the insured shall obtain written proof of such
- iv. children under 3 years of age are sufficiently segregated from older children and not allowed to use equipment designed for persons over 3 years of age
- v. all employees are vetted by the Police &/or Local Authority &/or the Criminal Records Bureau
- vi. all equipment must be operated in accordance with manufacturers' recommendations

EXCLUSIONS:

All cover excludes any liability for damage or bodily injury directly or indirectly caused by:

- i. use & or riding of equipment by persons aged 15 or over, unless use of or riding on such equipment is for the sole purpose of accompanying person(s) aged 14 years or under

Excess(s) Applicable To Play Area Situations:

Cover 2 "Portable Equipment (All Risks)"

The first £250 of each & every loss.

Cover 10 “Public Liability”

The first £1000 of each and every loss including those in respect of bodily injury

D18. POLE DANCE CLAUSE

Warranties:

It is a condition precedent to liability that;

- vii. all activities are supervised by trained & experienced instructors
- viii. activities shall be provided for fitness purposes only
- ix. all equipment is installed/erected by experienced personnel, in accordance with manufacturers instructions & recommendations, without modification only.
- x. in respect of persons under the age of 16 years, the insured obtains a signed indemnity form by a parent or guardian of the minor
- xi. the insured shall only use bona fide subcontractors who have public liability insurance with a limit of indemnity of no less than the insured's, & the insured shall obtain written proof of such
- xii. anyone who is visibly intoxicated shall not be permitted to participate
- xiii. all equipment must be operated in accordance with manufacturers' recommendations
- xiv. poles shall be limited to PDC recognised safe poles
- xv. classes do not to take place in a private residence of the insured, their employee &/or client
- xvi. the insured, their employees are part of the IPDFA, PDC.
- xvii. the insured shall obtain a signed 'suitability to participate' form from all participants declaring their fitness, existing injuries &/or any medical conditions. A copy of said declaration must be retained by the insured and made available for insurers upon request. In respect of persons under 16 years, a counter signature by the parent or guardian is mandatory. A copy of said declaration must be retained by the insured and made available for insurers upon request.
- xviii. all participants must complete and sign a declaration to confirm that: a) they have been given a safety briefing / briefed on the risks involved; b) that they accept that these activities are dangerous and can result in death &/or injury; and c) that they accept the risks involved and are responsible for their own actions &/or involvement. In respect of persons under 16 years, a counter signature by the parent or guardian is mandatory. A copy of said declaration must be retained by the insured and made available for insurers upon request.

Exclusions

All cover excludes any liability/indemnity in respect of:

- i. the sale of any goods/products designed, specified, formulated, manufactured, constructed, installed, treated, serviced, altered or repaired by the Insured (applicable to pole sales only)
- ii. all events, competitions, parties, shows, or other pole dancing for entertainment purposes

Excess(s) Applicable To:

Cover 2 “Portable Equipment (All Risks)”

The first £250 of each & every loss

Cover 10 “Public Liability”

The first £750 each and every loss including those in respect of bodily injury

D19. PERSONAL PROTECTIVE EQUIPMENT (PPE):

Warranties:

It is a condition precedent to liability that:

- i. all *Participants* must wear Personal Protective Equipment (PPE) whilst involved in any activities organised/supervised by *You*. PPE may include, but not be limited to, suitable safety hats, safety harnesses, overalls, gloves, & life jackets.

D20. SKATE PARK CLAUSE:

Warranties:

It is a condition precedent to liability hereunder that:

- i. the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an "Indemnity to Principal" extension, with a limit of indemnity of no less than the insured's, & the insured shall obtain written proof of such.
- ii. participants are supervised at all times by at least one experienced employee of the insured.
- iii. satisfactory safety equipment is recommended to be worn by all participants including helmets, wrist guards & knee pads.
- iv. at least one person qualified in first aid must be on site at all times when open for business.
- v. anyone who is visibly intoxicated shall not be permitted to participate
- vi. all equipment must be operated in accordance with manufacturers' recommendations
- vii. there is no element of competition involving speed or timed events for any skating activities involving any more than 1 participant at any one time, on the same course.
- viii. all beginners are to be taught by a suitably experienced employee of the insured in a designated area only
- ix. the insured shall obtain a signed 'suitability to participate' form from all participants declaring their fitness, existing injuries &/or any medical conditions. A copy of said declaration must be retained by the insured and made available for insurers upon request. In respect of persons under 16 years, a counter signature by the parent or guardian is mandatory. A copy of said declaration must be retained by the insured and made available for insurers upon request.
- x. all participants must complete and sign a declaration to confirm that: a) they have been given a safety briefing / briefed on the risks involved; b) that they accept that these activities are dangerous and can result in death &/or injury; and c) that they accept the risks involved and are responsible for their own actions &/or involvement. In respect of persons under 16 years, a counter signature by the parent or guardian is mandatory. A copy of said declaration must be retained by the insured and made available for insurers upon request.

Excess(s) Applicable To:

Cover 2 "Portable Equipment (All Risks)"

The first £250 of each & every loss

Cover 10 "Public Liability"

The first £1000 each and every loss including those in respect of bodily injury

D21. 4x4 OFF ROAD DRIVING CLAUSE:

Warranties

It is a condition precedent to liability hereunder that:

- all instructors and all participants hold a full current valid driving licence
- a qualified instructor must be in the passenger seat of any vehicle being driven by a third party
- anyone who has consumed any alcohol &/or taken any drugs shall not be permitted to participate
- spectators are separated from the track side & contained within a designated cordoned off area
- the track is marshalled at all times during all events – where spectators are present
- fire extinguishers are kept available for use
- first aid/medical facilities are kept available for use
- fuel is kept in a safe environment and any refuelling takes place in a safe environment away from participants and spectators
- the insured shall only use bona fide subcontractors who have adequate Public Liability Insurance, which must include an "Indemnity to Principal" extension, with a limit of indemnity of no less than the insured's, & the insured shall obtain written proof of such
- the number of passengers per vehicle does not exceed that recommended by the manufacturer
- all vehicles shall be fitted with internal roll cages & that all caging shall be adequately padded
- seat belts are worn by passengers at all times

- all vehicles be checked for damage & malfunction prior to operation and a written record of such is maintained and available for inspection by insurers
- participants must complete and sign a declaration to confirm that: a) they have been given a safety briefing / briefed on the risks involved; b) that they accept that these activities are dangerous and can result in death &/or injury; and c) that they accept the risks involved and are responsible for their own actions &/or involvement.
- all equipment must be operated in accordance with manufacturers' recommendations

Exclusions

All cover excludes any liability/indemnity in respect of:

- viii. any use where insurance is required by virtue of the Road Traffic Act
- ix. damage to any vehicle whilst being used / under power
- x. the operation of quads/motorised vehicles over/on any man-made obstacle(s)/apparatus'(s) (not excluding use over natural off road ground terrain)

Excess(s) Applicable To Motorsports Operators:

Cover 2 "Portable Equipment (All Risks)"

The first £500 of each & every loss.

Cover 10 "Public Liability"

The first £750 of each and every loss including those in respect of bodily injury

D22. EXCESS WAIVER CLAUSE:

Upon payment of the respective premium the Public Liability excess will be waived (i.e the insured will not be liable to pay it) in respect of the first Public Liability claim notified to Leisureinsure LLP. The excess will then become payable up notification of any subsequent Public Liability Claim.

D23. TWO YEAR AGREEMENT CLAUSE:

We confirm that subject to you paying the relevant premium in full we will provide the following rate guarantee:

It is hereby understood and agreed that for the period of 24 months the insurance policy rating will remain unaltered subject to the Claims ratio not exceeding 50% of the Gross Premium (excluding Insurance Premium Tax).

It is further noted:

- i. Should the Claims ratio exceed 50% at any renewal date within the period stated, then Leisureinsure LLP reserve the right to review the rating applicable.
- ii. If the rating is reviewed by Leisureinsure LLP in accordance with 1. above, then you / the insured &/or and Subsidiary Companies reserve the right to seek an alternative insurer.
- iii. Claims include all paid, outstanding reserves and investigation costs.
- iv. This agreement is subject to no material changes in the risk.
- v. Should this agreement not be honoured by You/the Insured &/or any Subsidiary Companies, then the premium for the period stated will be due in full.

For the sake of good order, please note that payment of the discounted premium at the inception of the policy constitutes your acceptance of this clause (Two Year Agreement Clause)

D24. DECLARATION CLAUSE:

It is a condition precedent to liability that both the employer's liability cover and the public liability covers are based on the figures you have declared cover and are on a minimum and deposit basis whereby a year end declaration will be required within 30 days from expiry.

Clauses applicable to Cover 9 – Employers Liability &/or Cover 10 – Public Liability

(E1) Unsatisfied Court Judgements (applicable to Cover 9 only)

In the event of a judgement for damages being obtained in the first instance under the *Jurisdiction* of a Court in the *United Kingdom* by any *Employee* or the legal personal representatives of any *Employee* in respect of *Bodily Injury* arising out of and in the course of their employment and caused during the *Period of insurance* by *You* which remains unsatisfied in whole or in part six months after the date of such judgement at *Your* request *We* will pay to the *Employee* or the personal representatives of the *Employee* the amount of any damages or awarded costs to the extent that they remain unsatisfied.

Provided that:

- a. there is no appeal outstanding;
- b. the judgement relates to *Bodily Injury* which would otherwise be the indemnified hereunder;
- c. any payment made by *Us* shall be only in respect of liability for which *You* would have been entitled to indemnity under this Insurance if the judgement had been made against *You*;
- d. *We* shall be entitled to take over and prosecute for *Our* own benefit any claim against any other person and *You* the *Employee* or the personal representatives of the *Employee* shall give all information and assistance required.

(E2) Defective Premises Act 1972

The indemnity provided by this Insurance shall include liability arising under Section 3 of the Defective *Premises* Act 1972 or Section 5 of the Defective *Premises* (Northern Ireland) Order 1975 in respect of the disposal of any *Premises* which were previously occupied and/or owned by *You* in connection with the *Business* but *We* shall not be liable in respect of:

- a. the cost of making good replacement or reinstatement of any defect or workmanship giving rise to such liability;
- b. any *Damage* to such *Premises*;
- c. *Bodily Injury* or *Damage* giving rise to such legal liability outside the *Period of insurance*.

(E3) Leased and Rented Premises

Exclusion 3 of Cover 10. Public Liability shall not apply to *Damage* to *Premises* leased or rented to *You*.

Provided always that *We* shall not be liable in respect of:

- a. liability which attaches by virtue of a contract or agreement but which would not have attached in the absence of such contract or agreement;
- b. the first £ 500 of each and every claim in respect of *Damage* caused to such *Premises* fixtures or fittings otherwise than by fire or explosion.

(E4) Motor Contingent Liability

We will indemnify *You* in respect of legal liability for *Bodily Injury* or *Damage* arising out of the use of any motor vehicle owned by an *Employee* and which is being used in the course of the *Business*

Provided that *We* shall not be liable in respect of:

- a. liability arising when such motor vehicle is being driven;
 - i. by *You*;
 - ii. with *Your* general consent by any person who to *Your* knowledge does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding such a licence;
 - iii. *Damage* to any such motor vehicle or *Property* carried;
 - iv. any *Occurrence* arising outside of the *Territorial Limits*.

(E5) Car Parks

We will indemnify You in respect of Damage to any motor vehicle or any contents of or accessory on such motor vehicle.

Provided always that:

- a. such motor vehicle or its contents or accessory is not owned by or hired by or on behalf of or lent to *You*;
- b. this Extension shall not apply to *Damage* to any motor vehicle or any contents of or accessory on such motor vehicle caused by or arising from or in connection with the moving of any motor vehicle by *You* or *Your Employee*;
- c. the indemnity granted by this Clause shall not apply to the first £ 500 of damages, costs or expenses for *Damage* to any one motor vehicle or its contents or accessories and *You* shall reimburse *Us* for sums which *We* shall pay in respect thereof;
- d. *Our* liability for all damages payable by *You* under this Clause shall not exceed the sum of £ 50,000 in respect of any one motor vehicle its contents and accessories;
- e. It is a condition precedent to liability under this Clause that *You* shall have a clearly displayed disclaimer of liability for any loss or *Damage* to any motor vehicle situated in a prominent position in *Your* car park.

(E6) Cloakrooms

We will indemnify You in respect of Damage to Property deposited in any cloakroom owned or operated by You, Provided that:

- a. such *Property* is not owned, hired or borrowed by *You*;
- b. a numbered ticket shall be issued to the depositor of such *Property* at the time it is deposited and *You* shall not allow the removal of such *Property* until the ticket shall have been returned to *You*;
- c. an attendant shall be on duty therein throughout the whole of the time the cloakroom is in use;
- d. a disclaimer notice is prominently displayed in or adjacent to the cloakroom.

(E7) Consumer Protection Act 1987 or Food Safety Act 1990 Prosecution Defence Costs

We will indemnify You against:

- a. costs and expenses reasonably incurred with *Our* written consent;
- b. costs and expenses awarded against *You* or any of *Your* directors or *Employees*;
- c. in connection with the defence of any criminal proceedings (including an appeal against any conviction resulting from prosecution) as a result of an alleged offence under
 - i. the Consumer Protection Act 1987 or any amending legislation
 - ii. the Food Safety Act 1990 or any amending legislation

which occurs during the *Period of insurance* in the course of the *Business* where the circumstances of the alleged offence may be the subject of indemnity under this Insurance.

Provided always that We shall not be liable:

- a. for the payment of any fine or penalty;
- b. where prosecution results from a deliberate management decision, act or omission;
- c. where the proceedings relate to the health safety or welfare of any *Employee*.

(E8) Data Protection Act 1998

We will indemnify You in respect of liability under the Act to pay:

- a. compensation for *Damage* or distress under section 13 of the Act including reasonable defence costs and expenses incurred with *Our* written consent;
- b. reasonable defence costs incurred with *Our* written consent in relation to a prosecution brought under the Act

Provided that:

- a. *You* have registered in accordance with the terms of the Data Protection Act prior to the *Period of insurance*
- b. any claim for compensation is first made or prosecution first brought against *You* during the *Period of insurance*
- c. indemnity will not apply in respect of
 - i. the cost of replacing reinstating rectifying or erasing any data
 - ii. liability caused by or arising from *Your* deliberate or intentional act or omission the effect of which could reasonably be expected to result in liability under the Act
 - iii. claims which arise out of circumstances notified to previous insurers or are known to *You* at the start of the *Period of insurance*
 - iv. the payment of fines and penalties

In respect of each and every claim under this Clause *Your* contribution shall be 10% of the amount of such claim or £ 500 whichever is the greater.

Our liability under this Clause is limited to £ 50,000 in respect of any one claim and in the aggregate during any one *Period of insurance*.

G. GENERAL EXCLUSIONS

General Exclusions applicable to this Insurance

We shall not be liable for:

(I) Acquisition of Companies

- a. any company or other legal entity acquired during the *Period of insurance*, or
- b. any *Property* associated with such company or any other legal entity or business undertaking or operation, Unless advised to *Us* and agreed by *Us* in writing with any additional premium that *We* may require being paid by *You*.

(II) Radiation, War and Associated Risks

Damage to any *Property Insured* or consequential loss or any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from;

- a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- b. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- c. war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power, confiscation, nationalisation or requisition;
- d. the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials;

Exclusions to Property Insurance Covers only

We shall not be liable for:

(I) Influenza and Foot and Mouth Disease

Damage to the *Property Insured* or consequential loss at the *Premises* directly or indirectly caused by or contributed to by or arising from:

- a. Influenza or any mutant variation thereof,
- b. Foot and Mouth Disease or any mutant version thereof,
- c. the actual or perceived fear or threat of Influenza or Foot and Mouth Disease,
- d. any action taken in containing, controlling or preventing the outbreak of Influenza or Foot and Mouth Disease.

(II) Civil Commotion in Northern Ireland

Damage to any *Property Insured* or consequential loss directly or indirectly caused by or contributed to by or arising from Civil Commotion occurring within the Provinces of Northern Ireland.

(III) Fraud

Damage resulting from fraud forgery or deception or involving Theft or any attempt thereat, which any director partner or *Employee* or any *Member* of the *Your* family is involved as principal or accessory unless the incident is the subject of the Insurance under Cover 6. Fidelity.

(IV) Pollution

Damage to the *Property Insured* or consequential loss directly or indirectly caused by or contributed to by or arising from the discharge dispersal release or escape of *Pollutants* except where the *Damage* to the *Property Insured* is caused by:

- a. the discharge dispersal release or escape of *Pollutants* is the direct result of the operation of an Insured Peril,
- b. an Insured Peril which is the direct result of the discharge dispersal release or escape of *Pollutants*.

(V) Sonic Bangs

Damage to the *Property Insured* or consequential loss directly or indirectly caused by or contributed to by or arising from pressure waves caused by *Aircraft* or other aerial devices travelling at sonic or supersonic speeds.

(VI) *Terrorism*

Damage to any *Property Insured* or consequential loss directly or indirectly caused by or contributed to by or arising from *Terrorism* (including, without limitation, contemporaneous or ensuing loss caused by fire and/or looting and/or theft).

In any claim and in any action, suit or other proceedings to enforce a claim under this Insurance the burden of proving that such claims does not fall within the *Terrorism* Exclusion set out above shall be upon *You*.

(VII) Year 2000 and Other Date Recognition

Damage or cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- a. the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any *Information Technology*, hardware, programme or software and/or any microchip, integrated circuit or similar device in the *Information Technology* or non-computer equipment, whether *Your Property* or not; or
- b. any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such *Information Technology*, hardware, *Proprietary Software Programs* programme or software and/or any microchip, integrated circuit or similar device in the *Information Technology* or *Your Property* or not, non-computer equipment, whether *Your Property* or not.

This Exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the *Damage* or cost, claim or expense.

H. GENERAL CONDITIONS

General Conditions applicable to this Insurance

(I) The Schedule and the Insurance Covers

The *Schedule* (which shall include any subsequent Renewal Schedule) and the Covers shall be deemed to be incorporated in and form part of this Insurance and the expression "this Insurance" wherever used in this Contract shall be read as including the said *Schedule* and the Covers.

(II) Sums Insured and Limits of Liability

The Sum(s) Insured and Limit(s) of Liability shall not be increased by any Extension, endorsement or Supplementary Clause, to this Insurance unless the increase is specified in the extension, endorsement or Supplementary Clause.

(III) Compliance with Conditions

The due observance and fulfilment of the terms and conditions of this Insurance and of any endorsements attaching hereto so far as they relate to anything to be done or complied with by *You* shall be a condition precedent to *Our* liability to make any payment under this Insurance.

(IV) Misrepresentation

In the event of *Us* being entitled at any time to avoid this Insurance by reason of any nondisclosure and/or misrepresentation by *You* in the Presentation or Proposal for this Insurance; *We* may at *Our* discretion give written notice to *You* that *We* regard this Insurance as being in full force and effect except that *We* shall exclude from the indemnity afforded under the Insurance any claim which has or may arise and which is in any way related to the information which should have been disclosed and/or the matters misrepresented to *Us*. The Insurance shall then continue in full force and effect but will exclude the particular claim or possible claim referred to in the written notice, as if this exclusion had been specifically endorsed on the Insurance.

(V) Alteration

This Insurance shall be voided, (unless notified to *Us* and agreed by *Us* in writing) if:

- a. any alteration be made either in the *Business* or in the *Premises* or *Property Insured* therein or in any other circumstances whereby the risk of *Damage* is increased,
- b. *Your* interest ceases except by death, operation of law or will,
- c. the *Business* be wound up or carried on by a liquidator or receiver or permanently discontinued.

(VI) Precautions

You shall take all reasonable precautions:

- a. for the safety of the *Property Insured*,
- b. in checking the credentials of the *Employees You* engage,
- c. to ensure that all *Employees* are suitably trained and/or qualified to perform their occupation and/or any other tasks that *You* expect them to carry out,
- d. in complying with all regulatory and other statutory obligations imposed by any authority,
- e. to prevent or diminish any *Damage* which may give rise to a claim under this Insurance.

(VII) Security Precautions

You shall undertake to:

- a. put into full and effective operation at all times when *Your Premises* are closed for *Business*, and at all other appropriate times, all security devices including locks, fastenings, shutters and other means of protecting *Your Premises* which *You* will maintain in good order throughout the *Period of insurance*,
- b. ensure that all external (and internal doors leading to other parts of the Premises not in the Insured occupation):
 - i. for timber or steel framed doors – a mortice deadlock which has 5 or more levers and/or conforms to BS3621 specification for thief resistant locks and matching boxed striking plate. Or
 - ii. for aluminium or UPVC framed doors – a cylinder operated mortice deadlock or a deadlocking multi-point locking system.
 - iii. Double Leaf Doors – The standing leaf to be secured with bolts morticed into the leading edge of the door top and bottom or by key operated locking surface mounted bolts' and the other leaf fitted with a lock according to the construction of the door as specified above or both leaves fitted with a good quality coach-bolted locking bar secured with a close-shackle padlock having at least 5 levers.

All ground floor and basement opening windows/skylights and other opening windows/skylights accessible from roofs decks balconies fire escapes canopies or down pipes are to be fitted with key-operated window locks. This requirement does not apply to windows/skylights which are protected by solid steel bars grilles lockable gates expanded metal or weld-mesh provided agreement shall have been obtained from *Us* and *We* have agreed to this in writing.

- c. remove all keys and duplicate keys and combination codes of safes and strong rooms and of Intruder Alarm systems from the *Premises* at all times when *Your Premises* are closed for *Business* and at all other appropriate times.
- d. store equipment when not in use in a securely locked building constructed of brick, stone, slate or concrete and roofed with slate or tile; alternatively the buildings are modern industrial constructed of steel framed, metal clad walls and roof.
- e. ensure that equipment is not left unattended in any motor vehicle or trailer other than whilst in direct transit to the premises of a customer hiring the equipment, unless such motor vehicle or trailer is contained within a securely locked building as described in d. above
- f. ensure that any trailer if left parked whilst in direct transit as described in e. above will be securely hitched to a towing vehicle and not left in an isolated location. The vehicle and trailer will be immobilised and alarmed

(VIII) Security Precautions (storage containers)

Where *We* have agreed to the use of storage containers, *You* shall undertake to:

- a. store equipment when not in use in a securely locked purpose built container(s) constructed of steel.
- b. ensure that doors shall be protected by at least one 6mm - 16mm Mul-T-Lock (C Series) closed shackle padlock(s), to, at least, the main closure door half (usually the right hand side) opening arm(s). The centre of the container shall be fitted with a metal covering box with 11mm - 13mm Mul-T-Lock Slide bolt lock securing the two door halves within

(IX) Risk Improvements

You shall ensure that any risk improvements deemed as requirements by *Us* following a survey or surveys of the risk shall be complied with and implemented within the time specified by *Us*. *We* reserve the right to review all the terms and conditions of the Insurance following the survey or surveys

(X) Observance of Terms

Our liability under the *Property Insurance Covers* and *Liability Insurance Covers* will be conditional upon any person claiming indemnity under this Insurance complying with its terms. The truth of the statements and answers in the proposal and all information given to *Us* in relation to this Insurance shall be a condition precedent to *Our* liability to make any payment hereunder.

You shall give notice as soon as reasonably practicable of any fact or event which materially affects the risks insured and agree to pay any additional premium that *We* may require.

(XI) Contracts (Rights Of Third Parties) Act 1999 Clarification

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

(XII) Interpretation and Jurisdiction

Any phrase or word in this document will be interpreted in accordance with the Law of England. This Insurance, the Schedule and any endorsements attached hereto shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part shall bear such specific meaning wherever it may appear.

Any dispute concerning the interpretation of the terms conditions limitations or exclusions contained herein is understood and agreed by both *You* and *Us* to be subject to English Law. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England and to comply with all requirements necessary to give such Court jurisdiction.

All matters arising hereunder shall be determined in accordance with the law and practice of such Court.

Conditions to Property Insurance Covers

(I) Average (Underinsurance)

Each Sum Insured under the Covers (unless indicated or stated otherwise) is subject to Average whereby if the *Property Insured* by this Insurance shall at the commencement of any Damage be collectively of greater value than such Sum Insured then *You* shall be considered as being *Your* own insurers for the difference and shall bear a rateable share of the loss accordingly.

Conditions to Liability Insurance Covers

(I) Premium Adjustment

Where the premium is provisionally based on *Your* estimates, *You* shall keep accurate records and after the expiry of the *Period of insurance* declare as soon as possible such details as *We* require. The premium shall then be adjusted and any difference paid or allowed to *You* as the case may be subject to any minimum premium that may apply.

I. CLAIMS CONDITIONS

Your responsibilities following a Claim

You shall if an event gives rise to a claim under the:

(I) *Property* Insurance Covers

- a. notify the police within 24 hours of the discovery of any incident arising from malicious persons, theft or attempted theft, and *Damage* to *Money* by any cause;
- b. notify *Us* immediately and submit full written details no later than 7 days after the date of loss for any claim in respect of riot, civil commotion, strikers or locked out workers;
- c. notify *Us* within 30 days of any other incident occurring (or such further time as *We* may allow in writing) and provide *Us* with written details;
- d. provide *Us* with all proofs and information in relation to a claim that they may reasonably require together with (if required) a statutory declaration of the truth of the claim and any connected matters;
- e. take immediate action to minimise any further *Damage* to the *Property Insured* and to avoid the interruption or interference with the *Business*;
- f. make no admission offer promise payment or indemnity without *Our* written consent;
- g. pass every letter claim writ summons and process to *Us* immediately upon receipt.

No claim under this Insurance shall be payable unless the terms of this condition have been complied with.

(II) Liability Insurance Covers

- a. notify *Us* as soon as reasonably possible but in no event later than 14 days after becoming aware of any circumstance which may give rise to a claim under this Insurance;
- b. notify *Us* immediately *You* have knowledge of any impending prosecution inquest or fatal accident inquiry in connection with any *Occurrence* for which there may be liability under this Insurance;
- c. forward to *Us* immediately on receipt every letter, claim form, writ, summons or process;
- d. not admit liability, make an offer, compromise nor promise payment nor agree to settle any claim without *Our* written consent;
- e. provide all information, documented records and assistance as *We* may require, to comply with litigation procedures and disclosure of documents

This condition shall apply notwithstanding any sum born by *You* as an *Excess*.

Our responsibilities following a Claim

(I) *Property* Insurance Covers

- a. *We* shall have sole control of all claims procedures and settlements;
- b. On the happening of an event which gives rise to a claim under this Insurance *We* and any person authorised by *Us* may without thereby incurring any liability or diminishing any of *Our* rights under this Insurance enter take or keep possession of the *Premises* where the event occurred and take possession of or require to be delivered to them any *Property Insured* and deal with such *Property* for all reasonable purposes and in any manner;
- c. If *You* or anyone acting on *Your* behalf does not comply with *Our* requirements or hinders or obstructs *Us* in carrying out any of the above mentioned acts then all benefit under this Insurance shall be forfeited;
- d. No *Property* may be abandoned to *Us* whether taken possession of by *Us* or not;
- e. If *We* opt or become bound to reinstate any *Property Insured*, *You* shall at *Your* own expense produce and give *Us* all such plans documents books and information as *We* may reasonably require. *We* shall not be bound to reinstate exactly or completely but only as circumstances permit and reasonably sufficient up to the Sums Insured;

(II) Liability Insurance Covers

- a. *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 for *Your* own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and *You* shall give all such information and assistance as *We* may reasonably require;
- b. *We* may at any time pay to *You* the amount of the Limit of Indemnity (after deduction of any sum or sums already paid as damages) or any lesser amount for which any claim or claims may then be settled and upon such payment *We* shall relinquish conduct and control of such claim or claims except for expenses of litigation recoverable and shall be under no further liability in connection with such claim or claims except for other costs and expenses incurred with *Our* written consent in respect of matters prior to the date of such payment.

General Claims Conditions applicable to this Insurance

(I) Arbitration

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

(II) Non-Contribution

If at the time any claim arises under this Insurance there is or but for the existence of this Insurance there would be any other insurance covering the same liability *We* shall not be liable under this Insurance except in respect of any *Excess* beyond the maximum amount which would be payable under such other insurance had this Insurance not been effected.

(III) Non-Contribution (applicable to the Liability Insurance Covers)

If at the time any claim arises under this Insurance there is or but for the existence of this Insurance there would be any other insurance covering the same liability *We* shall not be liable under this Insurance except in respect of any *Excess* beyond the maximum amount which would be payable under such other insurance had this Insurance not been effected.

(IV) Other Insurances (applicable to the *Property* Insurance Covers)

If there are any other insurances effected by *You* or on *Your* behalf covering any of the subject matter in this Insurance but are subject to any provision whereby they are excluded from ranking concurrently with this Insurance either in whole or in part or from contributing rateably to the *Damage*, then *Our* liability shall be limited to such proportion of the *Damage* as the Sum Insured bears to the value of the *Property Insured*, If any other insurances effected by *You* or on *Your* behalf are subject to any condition of average, this Insurance shall be subject to average in like manner, if not already on this basis.

(V) Subrogation

We shall be subrogated to all of *Your* rights of recovery against any such person or organisation before or after any claims payment under this Insurance and *You* shall provide all relevant information and assistance in this regard. Any recovery made shall be applied first to *Our* outlay and then to *Your Excess* in priority to any outstanding uninsured loss of *Yours* in the absence of agreement to the contrary.

We shall not exercise said rights against any of *Your Employees* unless the claim in question has been brought about or contributed to by the dishonest fraudulent criminal or malicious act error or omission of the *Employee*.

J. CANCELLATION

We may cancel this Insurance for any reason by sending to *You* by registered post at *Your* last known address confirming that all cover will cease seven days after the date of *Our* notice. The posting of notice as aforesaid shall be sufficient proof of cancellation. In such event, the premium for the current *Period of insurance* up to the effective date of cancellation shall be adjusted in accordance with the applicable Condition of this Policy, or in the case of non-adjustable premium *We* shall make a pro-rata return to *You* provided that no claim has been made within the current *Period of insurance*.

If *You* have undertaken to pay the first or any renewal premium of this Insurance by direct debit instalments and a previously unpaid direct debit is again not paid within 21 days of request for payment the Insurance will be cancelled with effect from the original date on which such direct debit instalment was due to be paid.

You have the right to cancel this Insurance at any time by giving *Us* written notice at *Our* Registered Office. Cancellation will be effective upon receipt of the written notice by *Us*. The premiums charged herein are minimum and deposit and in the event of cancellation of the policy no return premium will be allowed.

K. COMPLAINTS PROCEDURE

We aim to provide *You* with a first class service. If *We* have not delivered the service that *You* expect or *You* are concerned with the service provided, *We* would like the opportunity to put things right. Initially please raise *Your* concerns with Leisureinsure LLP, Witney Office Village, Network Point, Range Road, Witney, OX29 0YN

What to do if You are still not satisfied

If *Your* complaint is not resolved or *You* are not happy with *Our* response and the course of action proposed, *You* can progress *Your* complaint. *You* may refer the matter to the Complaints Department at Lloyd's, One Lime Street, London EC3M 7HA, telephone 020 7327 5693 or email complaints@lloyds.com. The Society of Lloyd's is regulated by the Financial Services authority whose arbitration service is the Financial Ombudsman service and *You* may be able to refer *Your* complaint to them:

Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR

Telephone: 0845 0801800

Email: enquiries@financial-ombudsman.org.uk Website: www.financial-ombudsman.org.uk

Your rights

Your rights as a customer to take legal action remain unaffected by the existence or use of any complaint procedures referred to above. However, the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.