

COMMERCIAL PROPERTY INSURANCE

Introduction

Thank You for choosing RGA Insurance Services. This is your Commercial Property Insurance Policy, setting out Your insurance protection in detail.

Your premium has been based upon the information shown in the Policy Certificate and recorded in your statement of fact.

If You have any questions, please contact RGA Insurance Services on 0208 587 1066.

RGA Insurance Services is a trading style of RGA Group Ltd, authorised and regulated by the Financial Services Authority. This can be checked on the FSA website at www.fsa.gov.uk/register or by contacting them on 0845 606 1234.

We adhere to the Codes of Practice of the Association of British Insurers (ABI), and the Insurance Ombudsman scheme. Your personal details and information provided are also covered by the Data Protection Act.

This insurance has been arranged by RGA Insurance Services (RGA) and is underwritten by Sterling Insurance Company Limited.

Sterling Insurance Company Limited is a private company limited by shares, registered in England and Wales number 498605. It underwrites General Insurance Business. It is authorised and regulated by the Financial Services Authority (FSA). The FSA is the independent watchdog that regulates financial services.

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

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

Our branch office is at 50 King's Hill, West Malling, Kent, ME19 4JX.

Contents

• Introduction	1
• Contents	2
• Your Policy	3
• Important Helplines	4
• Definitions	5
• Section 1 – Buildings	7
• Section 2 – Rental Income	15
• Section 3 – Public Liability	20
• Section 4 – Employers Liability	24
• Section 5 – Terrorism	27
• Policy Exclusions	28
• Special Clauses	34
• Policy Conditions	38
• Customer Service Information	42

Your Policy

This Policy is evidence of the contract which You have made with the Company and the completed proposal form or the statement of fact and any other information provided by You in addition to these documents or in substitution therefore is the basis of the contract.

What forms your contract of insurance:

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

Please refer to the "Definitions and interpretations" in the Policy. These will tell You what words have specific meanings, wherever they appear. Where a statute is referred to in this Policy, this will also include any later amendments or replacements of it.

The Company will indemnify or compensate you the Insured, by payment or, at its option, by replacement, reinstatement or repair in the event of DAMAGE, accident or liability occurring during any Period of Insurance, subject to the terms and conditions of the policy.

The Policy insures solely the sections that You have selected or requested and the Certificate identifies those that are operative. Please read the documents carefully to make sure they meet with Your requirements. If You are unsure of the meaning of any part of the documents or You feel it does not meet with Your requirements You should consult Your professional adviser.

Alterations to the cover will be confirmed by the issue of a new Certificate which You should file with Your Policy. Please refer to these replacement documents and the Policy to obtain precise details of the cover currently in force. If You require cover under any of the other sections please contact Your professional adviser who arranged this policy.

Our promise of service and satisfaction

We are confident that Your Commercial Property Insurance Policy will bring You complete satisfaction. We undertake to refund the premium in full if You are not satisfied with the cover provided by Your Policy if it is returned within 14 days of issue, but if there has been an incident which has resulted or could result in a claim You must reimburse Us for any amounts We have paid or may be required to pay in respect of that incident.

We wish to provide You with a high standard of service and to meet any claims covered by this Policy fairly and promptly. Your attention is drawn to the Customer Service Information section which includes information on how to proceed with enquiries or complaints and the Company's important and valuable Helplines – there to provide you with quality advice.

Confidentiality

We promise complete confidentiality and security in all matters relating to your insurance arrangements.

Important Helplines

Premises helpline	0117 934 0192	In the event of an unforeseen emergency affecting the insured's business premises which causes damage or potential danger, DAS will contact a suitable repairer or contractor and arrange assistance on behalf of the insured. All costs of assistance provided are the responsibility of the insured.
Legal helpline	0117 934 0192	Your own helpline to a qualified lawyer with legal help and advice. Areas of the law covered include employment, statutory regulations, landlord and tenant disputes, VAT and other taxation matters concerning the consumer, contracts and data protection. In certain circumstances the advice given will be confirmed in writing.
Counselling helpline	0117 934 2121	DAS will provide all employees (including any member of their immediate family who permanently live with them) of the insured with a confidential counselling service over the phone, including where appropriate onward referral to relevant voluntary and/or professional services.

Glass helpline	0800 474747	A fast and efficient glass and frame replacement service arranged with Solaglas utilising their nationwide fleet of radio controlled mobile glaziers. If the glass breakage or frame damage is insured by your Policy the Company will be debited direct by Solaglas. You pay only the Policy excess and VAT where appropriate.
Solaglas Replacement Glazing, Ashbourne House, Fishponds Road, Bristol BS5 6SH.		

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

Definitions

Wherever the following words and phrases appear in the Policy they will always have these meanings

RGA Insurance Services

RGA Insurance Services is a trading style of RGA Group Ltd an independent insurance intermediary arranging this insurance which is underwritten by Sterling Insurance Company Limited

Act of Terrorism

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

Business

The ownership by the Insured of the Property Insured including

- a) maintenance occupation or use of the Property Insured by the Insured
- b) the provision and management of canteen sports social or welfare organisations for the benefit of Employees and fire security first aid medical and ambulance services
- c) private work undertaken with the prior consent of the Insured by Employees for any director or senior official of the Insured

Company/Our/Us/We

Means Sterling Insurance Company Limited

Damage

The word DAMAGE in capital letters shall mean accidental loss or destruction of or damage to the Property Insured in respect of Section 1 and accidental loss or destruction of or damage to the property used by the Insured at the Premises for the purposes of the Business in respect of Section 2

Defined Peril

The words Defined Peril shall mean fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons theft earthquake storm flood escape of water from any tank apparatus or pipe or impact by any road vehicle or animal

Empty

The word Empty shall mean wholly unoccupied mainly unoccupied or not in use

Employee

- a) Any person under a contract of service or apprenticeship with the Insured
- b) Any person who is hired to or borrowed by the Insured
- c) Any person engaged in connection with a work experience or training scheme
- d) Any labour master or person supplied by him
- e) Any person engaged by labour-only sub-contractors
- f) Any self-employed person working on a labour-only basis under the control or supervision of the Insured while working for the Insured in connection with the Business

Injury

Bodily injury death disease illness or nervous shock

Insured/You/Your

The Person(s) or Company named in the Certificate

Period of Insurance

The period stated in the Certificate or any other period for which the Company has agreed to accept and for which the insured has paid or agreed to pay a premium

Policy

The Policy and **Certificate** and any endorsements attached or issued

Pollution or Contamination

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

Premises

That part of the buildings situated at the risk address or locations stated in the **Certificate** owned or managed by the insured or on his behalf for the purposes of the business

Proposal

The signed Proposal or Statement of Fact and declaration and any additional information supplied to the Company by or on behalf of the Insured

Standard Construction

Brick stone or concrete built and roofed with slates tiles metal concrete or sheets or slabs composed entirely of incombustible mineral ingredients and plastic roof lights

Non-standard Construction

Constructed of materials other than those detailed in the definition Standard Construction

Territorial Limits

- a) Great Britain Northern Ireland the Channel Islands or the Isle of Man
- b) Elsewhere in the world in connection with temporary visits undertaken in the course of the Business by any person normally resident in the territories described in a) above

Section 1

Buildings

The Cover

The Company will (subject to the terms definitions exclusions and conditions of the Policy) if any of the Property Insured be accidentally lost destroyed or damaged pay to the Insured the value of the property at the time of its loss or destruction or the amount of the damage or at the Company's option reinstate or replace such property or any part of it

Property Insured

- a) The buildings shown in the Certificate including outbuildings annexes gangways conveniences foundations or footings (unless otherwise excluded) yards car parks roads pavements landscaping planters ornamental features and statues walls gates and fences together with landlord's fixtures and fittings therein and thereon tenants improvements underground pipes drains 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 the Insured's responsibility
- b) Fitted carpets and other furnishings belonging to the Insured but excluding fitted carpets and other furnishings within properties or portions thereof which are let for domestic purposes

Amount Excluded

This Section does not cover the amounts stated in the following paragraphs in respect of each and every loss as ascertained after the application of all other terms and conditions of the Policy including any Condition of Average

Compensation Amount	Amount Excluded £
1 DAMAGE by fire lightning explosion aircraft riot civil commotion strikers locked-out workers persons taking part in labour disturbances or earthquake	£250
2 All other insured DAMAGE	£250

Limit of Liability

The maximum amount payable during any Period of Insurance under this Section including any payment made under the Extensions is the Sum Insured shown in the Certificate for the Buildings Section adjusted in accordance with the Inflation Protection Clause if applicable

Clauses

Change in Tenancy

The Insured must advise the Company of all changes in tenancy or occupation within the Property Insured in accordance with Condition 1 of this Policy

Construction of Buildings

Except as otherwise stated the buildings described in the Certificate are of Standard Construction

Contractors Interest

Where the Insured is required to effect insurance on the Property Insured in the joint names of themselves and the contractor under the terms of a contract condition then the interest of the contractor in the Property Insured as joint insured is noted provided the Insured shall advise the Company of details of any single contract valued in excess of £150,000 or 10% of the Sum Insured on the Property whichever is the less and pay any additional premium the Company may require

Day One Average

A Subject to the following Special Conditions the basis upon which the amount payable in respect of the Property Insured under sums insured marked DA in the Certificate is to be calculated shall be the reinstatement of the property lost destroyed or damaged.

For this purpose "reinstatement" means

- a) the rebuilding or replacement of property lost or destroyed which provided the liability of the Company is not increased may be carried out
 - i) in any manner suitable to the requirements of the Insured
 - ii) upon another site
- b) the repair or restoration of property damaged in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

B The Insured having stated in writing the Declared Value shown in brackets below the Sum Insured for each of the said items the premium has been calculated accordingly

"Declared Value" means the Insured's assessment of the cost of reinstatement of the Property Insured arrived at in accordance with paragraph A(a) at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with insofar as the insurance by the item provides due allowance for

- a) the additional cost of reinstatement to comply with public authority requirements
- b) professional fees
- c) debris removal costs
- d) fitted carpets and other furnishings

Special Conditions

- 1 At the inception of each Period of Insurance the Insured shall notify the Company of the Declared Value of the Property Insured by each of the said item(s) In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance
- 2 If at the time of DAMAGE the Declared Value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph B above) at the inception of the Period of Insurance then the Company's liability for any DAMAGE shall not exceed that proportion thereof which the Declared Value bears to such cost of reinstatement
- 3 The liability of the Company for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- 4 No payment beyond the amount which would have been payable in the absence of this clause shall be made
 - a) unless reinstatement commences and proceeds without unreasonable delay
 - b) until the cost of reinstatement shall have been actually incurred
 - c) if the Property Insured at the time of its loss destruction or damage shall be insured by any other insurance effected by or on behalf of the Insured which is not upon the same basis of reinstatement
- 5 All the terms and conditions of this Policy shall apply in respect of any claim payable under the provisions of this clause except insofar as they are varied hereby
- 6 Where by reason of
 - a) any of the above Special Conditions no payment is to be made beyond the amount which would have been payable under this Section if this clause had not been incorporated therein
 - or
 - b) the Insured elect not to rebuild the Property Insured in a condition equal to but not better or more extensive than its condition when new then the provisions of this clause are cancelled and the rights and liabilities of the Company and the Insured in respect of the DAMAGE shall be subject to the terms and conditions of the Policy including the following Condition of Average –

The insurance by each item of this Section is declared to be subject to Average i.e. if the property covered shall at the breaking out of any DAMAGE insured hereby be collectively of greater value than 115% of the Declared Value stated in the Certificate then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly

Empty Buildings

- a) Whenever the Property Insured by this Section is Empty the Empty Buildings Warranty will apply
- b) The Company must be notified in writing immediately any Empty building or Empty portion of a building insured hereby becomes occupied or any occupied building becomes Empty and a suitable extra premium paid if required

Empty Buildings Warranty

It is warranted that whenever the Property Insured is Empty

- a) the Insured shall notify the Company immediately they become aware
 - i) that the building(s) are Empty
 - ii) of any loss destruction or damage to the Empty building(s) whether such loss destruction or damage is insured or not with all loss destruction or damage rectified immediately
- b) notify the police immediately when the building becomes Empty
- c) the buildings are inspected internally at least once during each week by or on behalf of the Insured
- d) all trade refuse and waste materials are removed from the interior of the premises and no accumulation of refuse and waste be allowed in the adjoining yards or spaces owned by the Insured
- e) the Insured shall secure the building and put all protective and locking devices and any alarm protection into effective operation with letterboxes sealed to prevent the accumulation of mail Any entry doors must be secured to a minimum of BS3621 mortise deadlock and plate
- f)
 - i) the gas water and electricity supplies are turned off at the mains (except electricity needed to maintain any fire or intruder alarm system in operation)
 - ii) any sprinkler system be drained
 - iii) during the months of October to March (inclusive) the water system be drained
- g) the Insured shall implement any additional protections the Company may require within the time scale specified by the Company

Fire Extinguishing Appliances

Where the Company has agreed to allow a discount for the fire extinguishing equipment the Insured warrant that:-

- i) the said appliances will be maintained in efficient working order during the currency of this insurance
- ii) the routine tests prescribed by the Company are carried out and any defects revealed by such tests are promptly remedied
- iii) the Company's written consent is obtained to any proposed changes repairs or alterations to any sprinkler or alarm installation

Inflation Protection

The Company will adjust the Sum Insured in line with suitable indices of costs and the renewal premium for this Section will be based on the adjusted Sum Insured

Mortgages and Other Interests

The interest of the Leaseholder(s) Mortgagee(s) and Tenant(s) in the individual portions of the Property Insured to which their interest applies is noted such interest to be advised to the Company in the event of a claim In addition the interest of the Insured or Mortgagee(s) in this insurance shall not be prejudiced by any act or neglect of the occupier(s) or Mortgageor(s) of any building hereby insured whereby the risk of DAMAGE is increased without the authority or knowledge of the Insured or Mortgagee(s) provided that the Insured or Mortgagees shall immediately on becoming aware thereof give notice in writing to the Company and on demand pay such reasonable additional premium as the Company may require

Payments on Account

In the event of DAMAGE the Company will make monthly payments on account to the Insured if required

Reinstatement of Sum Insured

In the event of loss the Sum Insured by this Section will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by the Company or by the Insured and the Insured undertake to pay such necessary premiums as may be required for such reinstatement from that date

Repairs and Alterations

Joiners and other tradesmen may be employed to effect repairs or minor structural alterations in all or any of the buildings insured without prejudice to the insurance hereby

Sale of Property Insured

If at the time of DAMAGE to any building insured under this Section the Insured shall have contracted to sell the interest of the Insured in such building and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase if and so far as the property is not otherwise insured by or on behalf of the purchaser against such DAMAGE shall be entitled to the benefits of this Section of the Policy so far as it relates to such DAMAGE without prejudice to the rights and liabilities of the Insured or the Company under this Section up to the date of completion

Subrogation Waiver

In the event of a claim arising under this Section the Company agrees to waive any rights remedies or relief to which they might have become entitled by subrogation against

- a) any Company standing in relation of Parent to Subsidiary (Subsidiary to Parent) to the Insured as defined in the Companies Act or the Companies (N.I.) Order as appropriate current at the time of DAMAGE
- b) any Company which is a subsidiary of a Parent Company of which the Insured are themselves a Subsidiary in each case within the meaning of the Companies Act or the Companies (N.I.) Order as appropriate current at the time of DAMAGE
- c) any tenant provided that
 - i) the DAMAGE did not result from a criminal fraudulent or malicious act of the tenant
 - ii) the tenant contributes to the cost of insuring the Property Insured against the event which caused the DAMAGE

Extensions

The Insurance by this Section extends to include

Additional Metered Water Charges

Additional metered water charges incurred by the Insured as a result of DAMAGE except those in respect of any loss which has not been discovered and remedial action taken within 30 days of the occurrence of the DAMAGE subject to a limit of £25,000

Additional Sprinkler Costs

The costs incurred in upgrading an automatic sprinkler installation to current LPC rules solely as required by the Company as a result of DAMAGE to the Property Insured provided that at the time of the DAMAGE the installation conformed

- to the 28th or 29th Edition Rules or
- to the LPC Rules current at the time of installation but did not conform to subsequent amendments to those rules

Alternative Residential Accommodation

If as a result of DAMAGE the residential portions of the Property Insured are unfit to live in or access is denied the Company will pay insofar as they are not otherwise insured

- a) the costs of reasonable alternative accommodation and temporary storage of residents furniture
- b) the cost of reasonable accommodation in kennels or catteries for residents dogs and cats

Provided the liability of the Company under this Extension shall not exceed 20% of the Sum Insured on the Property Insured which has been damaged

Architects Surveyors Legal and Consulting Engineers Fees

An amount in respect of architects surveyors legal and consulting engineers fees necessarily incurred in the reinstatement or repair of the Property Insured consequent upon its DAMAGE but not for preparing any claim it being understood that the amount payable for such destruction or damage and fees shall not exceed in the aggregate the Sum Insured

Automatic Cover (Newly Acquired Properties)

Automatic cover for premises newly acquired by the Insured in the United Kingdom to the extent that the Insured's interest is not protected by any other more specific insurance provided that

- a) as soon as reasonably practicable the Insured shall notify the Company in writing of each premises acquired and arrange specific cover with the Company
- b) this cover shall operate for a maximum period of 30 days from the date the Insured acquired their interest in the Premises
- c) the Company's maximum liability any one claim for Buildings and Rent shall not exceed £2,000,000 in respect of any Premises
- d) in respect of any Premises purchased for renovation refurbishment or redevelopment the Day One Average Clause shall not apply
- e) the insurance under this extension shall be subject to all the terms provisions clauses conditions and exclusions of the Policy
- f) if cover is provided under this Extension then cover is not provided under the Capital Additions Extension at the same time in respect of the same property

Capital Additions

Subject to its terms and conditions

- a) any newly acquired and/or newly erected buildings or buildings in course of erection (excluding any property for which a building contractor is responsible) insofar as the same are not otherwise insured
- and
- b) alterations additions and improvements to buildings but not in respect of any appreciation in value anywhere in the United Kingdom provided that
 - i) at any one situation this cover shall not exceed 20% of the Sum Insured by this Section but in no case exceeding £2,000,000
 - ii) the Insured undertake to give particulars of such extension of cover as soon as practicable and to effect specific insurance thereon retrospective to the date of the commencement of the Company's liability
 - iii) the provisions of this extension shall be fully maintained notwithstanding any specific insurance effected under (ii) above
 - iv) if cover is provided under this Extension then cover is not provided under the Automatic Cover (Newly Acquired Properties) Extension at the same time in respect of the same property

Contract Works

Contract Works to the extent to which the Insured has contracted to arrange cover subject to a limit of £25,000 any one claim at any Premises excluding the first £250 of each and every loss. This insurance shall only apply in so far as the Contract Works are not otherwise insured

Damage to Landscaped Gardens

The cost of restoring any damage to landscaped gardens including trees by the Emergency Services in attending the premises as a result of DAMAGE insured by this Section

Damage to Cables and Underground Pipes

The cost of repairing accidental damage for which the Insured is responsible to cables and underground pipes and drains (and their inspection covers) on the Property Insured or connecting them to the public mains subject to the terms and conditions of the Policy

European Community and Public Authorities

Such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of

- a) European Community Legislation or
- b) Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye-Laws of any Public Authority (hereafter referred to as 'the Stipulations') in respect of
 - the lost destroyed or damaged property thereby insured
 - undamaged portions thereof

Excluding

- a) the cost incurred in complying with the Stipulations:-
 - i) in respect of DAMAGE occurring prior to the granting of this extension
 - ii) in respect of DAMAGE not insured by this Section
 - iii) under which notice has been served upon the Insured prior to the happening of the DAMAGE
 - iv) for which there is an existing requirement which has to be implemented within a given period
 - v) in respect of property entirely undamaged by any peril hereby insured against
- b) the additional cost that would have been required to make good the property lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the Stipulations

Special Conditions

- 1 The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the DAMAGE or within such further time as the Company may allow (during the said twelve months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of the Company under this extension not being thereby increased
- 2 If the liability of the Company under (any item of) this Section apart from this extension shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Company under this extension (in respect of any such item) shall be reduced in like proportion
- 3 The total amount recoverable under any item of this Section shall not exceed its Sum Insured
- 4 All the terms and conditions of the Policy except insofar as they are varied hereby shall apply as if they had been incorporated herein

Extinguishment and Alarm Resetting Expenses

The reasonable costs incurred by the Insured in refilling fire extinguishing appliances replacing used sprinkler heads and resetting fire or intruder alarms as a result of DAMAGE to the Property Insured

Further Investigation Expenses

Where a Building has suffered Damage and in the opinion of a competent construction professional there is a reasonable possibility of other Damage to portions of the same Building which is not immediately apparent the Company will pay the reasonable costs incurred by the Insured with the Company's prior consent in establishing whether or not such Damage has occurred

The Company will also pay the reasonable costs incurred by the Insured in establishing whether or not other Buildings in the vicinity have suffered Damage in the same incident but only if such Buildings are subsequently found to have suffered such Damage for which the Company is liable

Glass Breakage

- a) temporary boarding up following breakage
- b) the cost of removal or replacement of fixtures and fittings in course of the replacement of the glass
- c) lettering or other ornamental work and alarm foil on glass

Personal Possessions

Directors partners customers visitors and Employees personal effects of every description (other than motor vehicles) insofar as they are not otherwise insured for an amount not exceeding £500 in respect of any one person

Removal of Debris

Costs and expenses necessarily incurred by the Insured with the consent of the Company in

- a) removing debris
- b) dismantling and/or demolishing
- c) shoring up or propping of the portions of the Property Insured
- d) clearing drains sewers and gutters at the Property Insured

as a result of DAMAGE hereby insured against

The Company will not pay for any costs or expenses

- 1 incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
- 2 arising from pollution or contamination of property not insured by this Section

The liability of the Company under this Extension and this Section in respect of any item shall in no case exceed the Sum Insured thereby

Removal of Debris – Tenants Contents

The irrecoverable costs and expenses (insofar as they are not otherwise insured) necessarily incurred by the Insured with the consent of the Company in removing from the Property Insured the debris of contents (not being the property of the Insured) as a result of DAMAGE hereby insured against

The Company will not pay for any costs or expenses

- 1 incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
- 2 arising from pollution or contamination of property not insured by this Section

The liability of the Company under this Extension and this Section in respect of any item shall in no case exceed the Sum Insured thereby

Temporary Removal

Temporary removal of

- a) property insured by this Section for cleaning renovation or repair
- b) deeds documents and plans to any building within the United Kingdom

Provided the liability of the Company under each of (a) and (b) shall not exceed £25,000

Theft of Keys

The reasonable costs necessarily incurred in replacing external door locks at the Property Insured following the loss of keys by

- a) theft from the Property Insured or Registered Office or from the home of
- b) theft following hold-up whilst such keys are in the personal custody of the Insured or any principal director partner or Employee authorised to hold such keys or reasonable evidence that the keys have been duplicated by an unauthorised person

Provided that the maximum amount payable under this Extension in any one Period of Insurance shall not exceed £1,000 in respect of any one Premises

Trace and Access

The reasonable costs necessarily incurred by the Insured in locating the source and subsequent making good of DAMAGE resulting from

- i) the escape of water from any tank apparatus or pipe
- ii) accidental damage to cables underground pipes and drains serving the Property Insured

Unauthorised Use of Utilities

The cost of metered electricity gas or water for which the Insured are legally responsible arising from its unauthorised use by persons taking possession keeping possession or occupying the Property Insured without the Insured's authority Provided that the Insured shall take all practical steps to terminate such unauthorised use as soon as it is discovered

Value Added Tax

Value Added Tax (VAT) paid by the Insured which is not subsequently recoverable

Provided that

1

- a) the Insured's liability for such tax arises solely as a result of the reinstatement or repair of the building following DAMAGE
- b) the Company have paid or have agreed to pay for such DAMAGE
- c) if any payment made by the Company in respect of the reinstatement or repair of such DAMAGE shall be less than the actual cost of the reinstatement or repair of the DAMAGE any payment under this clause resulting from that DAMAGE shall be reduced in like proportion

2 the Insured's liability for such tax does not arise from the replacement building having a greater floor area than or being better or more extensive than the destroyed or damaged building

3 where an option to reinstate on another site is exercised the Companys liability under this Extension shall not exceed the amount of tax that would have been payable had the building been rebuilt on its original site

4 the Companys liability under this Extension shall not include amounts payable by the Insured as penalties or interest for non payment or late payment of tax

5 the Insured has taken all reasonable precautions to insure adequately for VAT liability at inception of the Policy and at each subsequent renewal date

NB Provisions to the contrary elsewhere in this Policy are overridden as follows in respect of those items to which this Extension applies

- i) for the purpose of any condition of Average reinstatement costs will be exclusive of VAT
- ii) the liability of the Company may exceed the Sum Insured by an item or in the whole the total Sum Insured where such excess is solely in respect of VAT

Section 2

Rental Income

The Cover

In the event of the Property Insured under Section 1 (hereinafter called the Premises) being accidentally lost destroyed or damaged and the Business carried on by the Insured at the Premises stated in the Certificate be in consequence thereof interrupted or interfered with the Company will (subject to the terms definitions exclusions and conditions of the Policy) pay the Insured the amount of loss arising as a result in accordance with the following provisions

Indemnity

The insurance is limited to loss due to (a) loss of Rent Receivable and (b) increase in cost of working and the amount payable as indemnity thereunder shall be

- a) the amount by which the Rent Receivable during the Indemnity Period shall in consequence of the DAMAGE fall short of the Standard Rent Receivable
- b) the additional expenditure necessarily and reasonably incurred including the cost of re-letting the Premises (including legal fees) for the sole purpose of avoiding or diminishing the loss of 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 in Rent Receivable thereby avoided

plus

5% sum insured on Rent Receivable for the Premises (but not more than £25,000)

less any sum saved during the Indemnity Period in respect of such charges or expenses of the Business as may cease or be reduced in the consequence of the DAMAGE

provided that

- i) payment shall have been made or liability admitted under Section 1 of this Policy
- ii) if the Sum Insured by this Section be less than 300% of the Annual Rent Receivable the amount payable shall be proportionately reduced

Definitions

Indemnity Period

The period beginning with the occurrence of the DAMAGE and ending not later than the number of months thereafter stated in the Certificate during which the results of the Business shall be affected in consequence of the DAMAGE

Rent Receivable

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

Annual Rent Receivable

The Rent Receivable during the twelve months immediately before the date of the DAMAGE

Standard Rent Receivable

The Rent Receivable during the period in the twelve months immediately before the date of the DAMAGE which corresponds with the Indemnity Period

Under the Definitions Annual Rent Receivable and Standard Rent Receivable adjustments shall be made 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 or which would have affected the Business had the DAMAGE not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the DAMAGE would have been obtained during the relative period after the DAMAGE

Limit of Liability

The maximum payable during any Period of Insurance under this Section is the Sum Insured shown in the Certificate adjusted in accordance with the Inflation Protection Clause if applicable plus any payment made under the Rent Review Extension

Clauses

Advance Rent Receivable

Where Rent Receivable is insured in respect of new property developments the Insured must show that but for the DAMAGE Rent Receivable would have been earned and will be required to support a claim for Loss of Rent Receivable by submitting reasonable evidence of the amount of such Rent Receivable and the date from which they would have been earned The Company will have regard

- a) to actual negotiations with prospective tenants both before and after the DAMAGE
- b) for demand for similar accommodation in the locality
- c) the general level of rents applying

If required the advice of a professional valuer acceptable to both the Insured and the Company will be sought and such fees will be included in the indemnity under this Clause

Alternative Trading

If during the Indemnity Period accommodation shall be provided or services rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or others on their behalf the money paid or payable in respect of such accommodation and services shall be brought into account in arriving at the Rent Receivable during the Indemnity Period

Bomb scare or Unlawful Occupation

This Section extends to include interruption of or interference with the Business due to

- a) the suspected or actual presence of an incendiary or explosive device on or in the vicinity of the Premises
- b) occupation of the Premises or other property in the vicinity by members of a terrorist or criminal organisation or other unlawful occupants

Provided the Company will not be liable for

- i) any incident involving an interruption of less than 48 hours duration
- ii) any period other than the actual period of prevention or hindrance of access to the Premises
- iii) eviction costs

The insurance by this Clause shall only apply for the period beginning with the loss and ending not later than three months thereafter during which the results of the Business shall be affected in consequence of the DAMAGE

Buildings Awaiting Sale

If at the time of the DAMAGE the Insured shall have contracted to sell their interest in the Premises or shall have accepted an offer in writing to purchase their interest in the Premises subject to contract and the sale is cancelled or delayed solely in consequence of the DAMAGE

Provided that the Insured shall make all reasonable efforts to complete the sale of the Premises as soon as practicable after the DAMAGE the Insured may opt for the amount payable by the Company to be as follows

- i) during the period prior to the date upon which but for the DAMAGE the Premises would have been sold
the loss of Rent Receivable being
the actual amount of the reduction in Rent Receivable solely in consequence of the DAMAGE
- ii) during the period commencing with the date upon which but for the DAMAGE the Premises would have been sold and ending with the actual date of sale or with the expiry of the Indemnity Period if earlier
the loss in respect of interest being
 - a) the actual interest incurred on capital borrowed (solely to offset in whole or part the loss of use of the sale proceeds) for the purpose of financing the Business
 - b) the investment interest lost to the Insured on any balance of the sale proceeds (after deduction of any capital borrowed as provided under a)

less any amount receivable in respect of Rent Receivable

- iii) the additional expenditure being
 - a) the expenditure necessarily and reasonably incurred in consequence of the DAMAGE solely to avoid or minimise the loss payable under (i) and (ii) immediately above but not exceeding the amount of loss avoided by such expenditure
 - b) the additional legal fees and other expenditure incurred solely as a result of the cancellation or delay in consequence of the DAMAGE but not exceeding either an amount equivalent to the expenditure incurred immediately prior to the DAMAGE or £50,000 whichever is the less

Capital Additions

This Section extends to include Rent Receivable in respect of

- a) alterations additions extensions and improvements to the Premises insured
- b) newly acquired and or newly erected buildings anywhere in the United Kingdom provided they are not otherwise insured

Provided that

- i) at any one Premises the cover shall not exceed 20% of the total Sum Insured on Rent Receivable or £250,000 whichever is the less
- ii) the Insured undertake to give particulars of such extension of cover as soon as practicable and to effect specific insurance thereon retrospective to the date of the commencement of the Companys liability
- iii) the provisions of this Clause shall be fully maintained notwithstanding any specific insurance effected under (ii) above

Denial of Access and Loss or Damage at Managing Agents Premises

Subject to the conditions of the Policy loss resulting from interruption of or interference with the Business in consequence of DAMAGE

- a) to property in the vicinity of the Premises destruction of or damage to which shall prevent or hinder the use of the Premises or access thereto whether the Premises or property of the Insured therein shall be damaged or not (but excluding loss destruction of or damage to property of any supply undertaking from which the Insured obtain electricity gas or water or telecommunications services which prevent or hinder the supply of such services)
 - b) to property at the premises of the Insured's Managing Agents
- shall be deemed to be loss resulting from DAMAGE to property used by the Insured at the Premises

Empty Buildings

Where Rent Receivable is insured in respect of any Empty buildings in the event of DAMAGE the Insured must show that but for the DAMAGE Rent Receivable would have been earned and will be required to support a claim for loss of Rent Receivable by submitting reasonable evidence of the amount of Rent Receivable and the date from which it would have been earned

The Company will have regard

- a) to actual negotiations with prospective tenants both before and after the DAMAGE
- b) for demand for similar accommodation in the locality and
- c) of the general level of rents applying.

If required the advice of a professional valuer acceptable to both the Insured and Company will be sought and such fees will be included in the indemnity under this Clause

Failure of Public Supply

This Section extends to include interruption of or interference with the Business caused by Damage as defined in this Section giving rise to destruction or damage to property at any

- a) generating station or sub station of the public electricity supply undertaking
- b) land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith
- c) water works and pumping stations of the public water supply undertaking
- d) land based premises of the public telecommunications undertaking

from which the Insured obtains electricity gas water or telecommunication services within Great Britain Northern Ireland the Channel Islands or the Isle of Man

Loss of Attraction

This Section extends to include loss resulting from interruption of or interference with the Business due to DAMAGE to property in the vicinity of the Premises which shall deter potential tenants whether the Premises of the Insured or property of the Insured therein shall be damaged or not Provided that the maximum amount payable under this Clause in any Period of Insurance shall not exceed

- a) £50,000 or the Sum Insured in respect of each Premises whichever is the less
- b) £250,000 in aggregate

Loss of Investment Income due to Late Payment of Rent

If as a result of DAMAGE the Company is paying an indemnity in respect of loss of Rent Receivable and the payment is made later than the date upon which the Insured would normally have expected to receive the rent from the lessee the Company will pay a further sum representing the investment interest lost to the Insured during the period of delay

Murder Suicide or Disease

The Company shall indemnify the Insured in respect of DAMAGE resulting from interruption of or interference with the Business during the Indemnity Period following

- a) any human infectious or human contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition) an outbreak of which the local authority has stipulated shall be notified to them manifested by any person whilst in the Premises or within a 25 mile radius of it
- b) murder or suicide in the Premises
- c) Injury or illness sustained by any person arising from or traceable to foreign or injurious matter in food or drink provided in the Premises
- d) vermin or pests in the Premises
- e) the closing of the whole or part of the Premises by order of a competent public authority consequent upon defect in the drains or other sanitary arrangements at the Premises

The Insurance by this Extension shall only apply for the period beginning with the occurrence of the loss and ending not later than three months thereafter during which the results of the Business shall be affected in consequence of the DAMAGE

New Business Clause

For the purpose of any claim arising from DAMAGE occurring before the completion of the first years trading of the Business at the Premises Definitions Annual Rent Receivable and Standard Rent Receivable shall bear the following meanings and not as within stated

Annual Rent Receivable

The proportional equivalent for a period of twelve months of the Rent Receivable realised during the period between the commencement of the Business and the date of the DAMAGE

Standard Rent Receivable

The proportional equivalent for a period equal to the Indemnity Period of the Rent Receivable realised during the period between the commencement of the Business and the date of the DAMAGE

To which adjustments shall be made 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 or which would have affected the Business had the DAMAGE not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the DAMAGE would have been obtained during the relative period after the DAMAGE

Payments on Account

In the event of loss the Company will make monthly payments on account during the Indemnity Period to the Insured if desired

Professional Accountants and Legal Fees

The Company will indemnify the Insured in respect of reasonable fees payable by the Insured

- i) to their professional accountants for producing any particulars or details contained in the Insured's business books or documents or other such proofs information or evidence as the Company may require under the terms of Condition 4c) and reporting that such particulars or details are in accordance with the Insured's business books or documents
- ii) to their lawyers for determining their contractual rights under any Rent cessor clause or insurance break clause contained in the lease but not for any other purposes in the preparation of any claim

Reinstatement of Sum Insured

In the event of loss the Sum Insured by this Section will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by the Company or by the Insured and the Insured undertake to pay such necessary premiums as may be required for such reinstatement from that date

Rent Review

Where the Rent Receivable is subject to a Rent Review during the Period of Insurance then the Sum Insured by this Section will be automatically increased to reflect the revised Rent Receivable earned Extra premium will not be charged for such increase in cover during the Period of Insurance provided that the Insured shall prior to renewal advise the Company of the revised Rent Receivable for the ensuing year of insurance

Rent Free Period

If at the date of the DAMAGE any Premises are subject to a rent free period under the terms of the lease then the Indemnity Period stated in the Certificate shall be adjusted by adding the unexpired portion of the rent free period to the number of years shown in the Certificate provided that the Company's liability does not exceed the Sum Insured or any Limit of Liability stated in the Policy whichever is the lower

Sale of Property Insured

If at the time of DAMAGE to the Premises the Insured shall have contracted to sell the interest of the Insured in such building and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase if and so far as the Rent Receivable are not otherwise insured by or on behalf of the purchaser against such DAMAGE shall be entitled to the benefits of this Section of the Policy so far as it relates to such DAMAGE without prejudice to the rights and liabilities of the Insured or the Company under this Section up to the date of completion

Value Added Tax

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

Section 3

Public Liability

Definition

For the purposes of this section only

Act of Terrorism means an activity that

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

Indemnity

The Company will Indemnify the Insured against all sums the Insured shall become legally liable to pay as damages and claimants costs and expenses arising out of accidental

- a) Injury to any person
- b) loss or damage to material property
- c) obstruction, trespass, nuisance or interference with any right of way air light or water or other easement
- d) wrongful arrest detention imprisonment or eviction of any person or invasion of the right of privacy

occurring within the Territorial Limits during the Period of Insurance and happening in connection with the Business

Limit of Indemnity

The liability of the Company for all damages payable as a result of

- a) any one occurrence or of all occurrences of a series consequent upon or attributable to one source or original cause which is directly or indirectly caused by, contributed to by, results from or arises out of or in connection with any Act of Terrorism or any action taken in controlling, preventing, suppressing, retaliating against responding to or in any way relating to any Act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence of the loss shall not exceed £2,000,000
- b) any other occurrence or of all other occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the amount stated in the Certificate

In addition the Company will pay

- 1 all other costs and expenses incurred with its written consent
- 2 the legal costs and expenses incurred with its written consent for the defence of prosecution brought under Health and Safety at Work etc Act 1974 for any alleged offence or under the Health and Safety at Work (Northern Ireland) Order 1978 including legal costs and expenses incurred with the consent of the Company in an appeal against conviction arising from such proceedings provided that –
 - a) the proceedings relate to the health safety and welfare of persons other than Employees
 - b) the Company will not indemnify the Insured in respect of
 - i) fines and penalties
 - ii) costs or expenses insured by any other policy

Corporate manslaughter

The Company will indemnify the Insured against

- a) legal costs and expenses incurred with the prior written consent of the Company and
- b) prosecution costs awarded against the insured

in the defence of any criminal proceedings including an appeal against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 as a result of any death happening in connection with the Business during the Period of Insurance and which may be the subject of indemnity under this section.

Provided that

- i) the liability of the Company under this extension shall not exceed £2,000,000 during any one Period of Insurance or the limit of indemnity applicable to this section and as stated in the Certificate whichever is the lesser
- ii) all amounts payable under this extension will form part of and not be in addition to the limit of indemnity stated in the Policy Certificate
- iii) where the Company has already provided an indemnity in respect of any legal costs or expenses incurred in connection with the defence of any criminal proceedings including appeals against conviction arising from such proceedings brought under The Corporate Manslaughter and Corporate Homicide Act 2007 arising out of the same occurrence which gave rise to such proceedings any amount paid or payable by the Company will be deducted from the amount payable under this extension
- iv) the Company agrees in writing to the appointment of any solicitor or council who is to act on behalf of the Insured prior to their appointment.

The Company will not be liable for

- i) any fines or penalties or the cost of implementing any remedial order or publicity order
- ii) an appeal against any fines penalties remedial order or publicity order
- iii) any costs incurred which result from the failure to comply with any remedial order or publicity order
- iv) costs and expenses in connection with an appeal unless advice has been obtained from solicitors or council that there are strong prospects of success
- v) costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by the Insured or any director partner or employee of the Insured
- vi) costs and expenses provided by any other source or any other insurance or where but for the existence of this extension would have been provided by such source or insurance
- vii) costs and expenses in connection with the defence of any criminal proceedings unless such proceedings are brought against the insured in a Court of Law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Data Protection Act 1998

The Company will indemnify the Insured in respect of liability arising under the Data Protection Act 1998 to pay compensation for damage or distress

Provided that

- a) the process of registration under the above Act has been commenced or completed by the Insured and the application has not been refused or withdrawn
- b) no liability arises as a result of the provision by the Insured of the services of a Data Processor

The Company shall not be liable in respect of

- a) the recording or provision of data for reward or for determining the financial status of any person
- b) any liability which arises as a result of a deliberate act or omission of the Insured and which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission

The total liability of the Company including all costs and expenses in this respect shall not exceed £250,000 during any one Period of Insurance

For the purposes of this Extension the phrases or words 'Data Processor' and 'Data' shall carry the same meaning as defined under the Data Protection Act 1998

Defective Premises Act

This Section subject otherwise to the terms of the Policy extends to indemnify the Insured against liability for Injury loss or damage arising solely by reason of Section 3 of the Defective Premises Act 1972 or Article 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of any premises previously owned for purposes pertaining to the Business and since disposed of by the Insured provided that –

- 1 this extension shall not indemnify the Insured in respect of loss of or damage to the land or premises disposed of or in connection with the cost of rectifying any defect or alleged defect therein
- 2 the Company will not be liable under this extension if the Insured are entitled to indemnity under any other insurance

Overseas Personal Liability

The Company will indemnify the Insured and if the Insured so request any director or partner of the Insured any Employee or spouse of such person against legal liability incurred in a personal capacity whilst temporarily outside Great Britain Northern Ireland the Channel Islands or the Isle of Man in connection with the Business

The indemnity will not apply

- a) to legal liability arising out of the ownership or occupation of land or buildings
- b) in respect of which any person referred to above is entitled to indemnity under any other insurance

Section 4

Only applicable if this Section is shown as operative in the Certificate

Employers Liability

Definition

For the purposes of this section only

Act of Terrorism means an activity that

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

Indemnity

The Company will indemnify the Insured against all sums that the Insured shall become legally liable to pay as damages together with costs and expenses shown below in respect of Injury sustained within the Territorial Limits during the Period of Insurance by any Employee arising out of and in the course of his/her employment by the Insured in the Business

Limit of Indemnity

The liability of the Company under this Section for damages costs and expenses payable in respect of any one claim against the Insured or series of claims against the Insured arising out of one event shall not exceed

- a) £5,000,000 as regards Injury which is directly or indirectly caused by, contributed to by, results from or arises out of or in connection with any Act of Terrorism or any action taken in controlling, preventing, suppressing, retaliating against responding to or in any way relating to any Act of Terrorism
- b) the amount stated in the Certificate as regards any other Injury

Costs and expenses shall be deemed to mean –

- 1 costs and expenses of claimants for which the Insured is legally liable
- 2 other costs and expenses incurred with the Companys written consent in respect of any claim which may be the subject of indemnity under this Section
- 3 solicitors fees incurred with the Companys written consent for
 - a) defence in any Court of Summary Jurisdiction of any proceedings brought against the Insured in respect of breach or alleged breach of any statutory duty resulting in Injury
 - b) representation at a Coroners Court or Fatal Accident Inquiry in respect of any death which may be subject to indemnity under this Section
- 4 legal costs and expenses incurred by the Insured and at the request of the Insured any director or Employee with the Companys written consent and costs awarded against the Insured or director or Employee arising in connection with a prosecution (including an appeal against any conviction resulting from a prosecution) as a result of an alleged offence occurring during the Period of Insurance under the Health and Safety at Work etc Act 1974 or similar safety legislation of Great Britain Northern Ireland the Channel Islands or the Isle of Man provided that
 - a) the proceedings relate to the health safety or welfare of Employees
 - b) the Company will not indemnify the Insured in respect of
 - i) fines or penalties
 - ii) costs and expenses insured by any other Policy

Right of Recovery

This Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to Employees in Great Britain Northern Ireland the Channel Islands or the Isle of Man but the Insured shall repay to the Company all sums paid by the Company which the Company

behalf of the Insured prior to their appointment.

The Company will not be liable for

- i) any fines or penalties or the cost of implementing any remedial order or publicity order
- ii) an appeal against any fines penalties remedial order or publicity order
- iii) any costs incurred which result from the failure to comply with any remedial order or publicity order
- iv) costs and expenses in connection with an appeal unless advice has been obtained from solicitors or council that there are strong prospects of success
- v) costs and expenses in connection with the defence of any criminal proceedings resulting from any deliberate or intentional criminal act or omission by the Insured or any director partner or employee of the insured
- vi) costs and expenses provided by any other source or any other insurance or where but for the existence of this extension would have been provided by such source or insurance
- vii) costs and expenses in connection with the defence of any criminal proceedings unless such proceedings are brought against the insured in a Court of Law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Unsatisfied Court Judgements

In the event of Injury to an Employee sustained during the Period of Insurance and arising out of his/her employment by the Insured in the course of the Business which results in a judgement for damages being obtained by such Employee or his/her personal representatives and which remains unsatisfied in whole or in part six months after the date of such judgement the Company will at the request of the Insured pay to the Employee or his/her personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied provided that

- a) the judgement for damages is obtained
 - i) in a court of law within Great Britain Northern Ireland the Channel Islands or the Isle of Man
 - ii) against a company partnership or individual other than the Insured conducting a business at or from premises within the territories described in (a) (i) above
- b) there is no appeal outstanding
- c) this judgement relates to Injury which would otherwise be within the terms of the Policy
- d) if any payment is made under the terms of this extension the Employee or the personal representatives of the Employee shall assign the judgement to the Company

Section 5

Only applicable if this Section is shown as operative in the Certificate

Terrorism

Definitions

For the purposes of this section only

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

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

Operative Sub-section means any sub-section against which a sum insured has been inserted in the Certificate

Terrorism – Property Damage

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

Terrorism – Consequential Loss

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

Provided that at the time of the happening of the loss, destruction or damage that causes the interruption or interference there shall be in force an insurance provided by the Company covering the interest of the insured in the property that suffers such loss, destruction or damage and that payment shall have been made or liability admitted therefore under such insurance or that payment would have been made or liability would have been admitted therefore but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.

Cover

The Company will indemnify the insured in the event of loss, destruction or damage to the property insured or consequential loss resulting therefrom, insofar and to the extent that it is insured in Great Britain by the General Cover and in respect of which there is an Operative Sub-section in the Certificate, the cause of which is an Act of Terrorism

Special conditions

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

Policy Exclusions

Sections 1, 2, 3 and 4

The Company shall not be liable for loss, destruction or damage to property or any cost or expense, consequential loss or bodily injury directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss

- 1 ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- 3 war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
- 4 confiscation, nationalisation or requisition by order of any government or public, municipal, local or customs authority
- 5 erasure, loss, distortion or corruption of information on, or reduction in the functionality, availability or operation of any computer system, or any hardware, program, software, data, information repository, disk, microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not, caused by the malicious introduction or incursion of any unauthorised, unintended, undesired or unexpected program, instruction or command or any other computer or electronic virus

Sections 1, 2 and 3

The Company shall not be liable for

- 1 loss, destruction or damage to property caused by Pollution or Contamination except (unless otherwise excluded) loss, destruction or damage to the property insured caused by
 - a) Pollution or Contamination which itself results from a contingency hereby insured against (other than by leakage of oil or by accidental damage to underground service pipes or cables) which comprises a sudden, identifiable, unintended and unexpected event and occurs in its entirety at a specific time and place during the period of insurance
 - b) any contingency hereby insured against (other than by leakage of oil or by accidental damage to underground service pipes or cables) which itself results from Pollution or Contamination
- 2 loss under Section 2 resulting from Pollution or Contamination but this will not exclude loss resulting from damage at the Premises to property used by the insured for the purpose of the business (unless otherwise excluded) caused by
 - a) Pollution or Contamination at the Premises which itself results from a contingency hereby insured against (other than by leakage of oil or by accidental damage to underground service pipes or cables) which comprises a sudden, identifiable, unintended and unexpected event and occurs in its entirety at a specific time and place during the period of insurance
 - b) any contingency hereby insured against (other than by leakage of oil or by accidental damage to underground service pipes or cables) which itself results from Pollution or Contamination
- 3 loss under Section 3 resulting from legal liability directly or indirectly caused by or arising from Pollution or Contamination unless caused by a sudden, identifiable, unintended and unexpected event which occurs in its entirety at a specific time and place during the period of insurance provided that
 - a) all Pollution or Contamination arising out of such event will be deemed to be one occurrence irrespective of the length of time or number of periods of insurance over which such Pollution or Contamination occurs
 - b) the liability of the Company for all damages payable arising out of all Pollution or Contamination which is deemed to have occurred during any one period of insurance will not exceed the amount stated against Section 3 in the Certificate

Definition - for the purposes of Exclusion 3 above only
Pollution or Contamination includes

- (a) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere and
- (b) all loss or damage or injury directly or indirectly caused by such Pollution or Contamination.

Sections 1 and 2

The insurance by these Sections does not cover

1 DAMAGE caused by or consisting of

- a) inherent vice latent defect gradual deterioration wear and tear frost change in water table level its own faulty or defective design or materials
- b) the bursting by steam pressure of a boiler economiser vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Insured other than
 - i) in respect of Section 1 – a boiler used for domestic purposes only
 - ii) in respect of Section 2 – any boiler or economiser on the Premises or a boiler used for domestic purposes only
- c) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

But this shall not exclude subsequent DAMAGE or subsequent loss resulting from DAMAGE which itself results from a cause not otherwise excluded

2 DAMAGE caused by or consisting of

- a) faulty or defective workmanship operational error or omission on the part of the Insured or any of his Employees

but this shall not exclude

- i) such DAMAGE not otherwise excluded which itself results from a Defined Peril
- ii) subsequent DAMAGE which itself results from a cause not otherwise excluded

- b) acts of fraud or dishonesty by the Insured's Employees

but this shall not exclude such DAMAGE not otherwise excluded which itself results from a Defined Peril

3 DAMAGE caused by or consisting of

- a) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
- b) change in temperature colour flavour texture or finish
- c) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
- d) mechanical or electrical breakdown or derangement of the particular machine apparatus or equipment in which such breakdown or derangement originates
- e) in respect of Section 2 – the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunication services

But this will not exclude

- i) such DAMAGE not otherwise excluded which itself results from a Defined Peril or from any other accidental loss destruction or damage
- ii) subsequent DAMAGE which results from a cause not otherwise excluded

- 4 Infidelity or dishonesty of the Insured or any of their Employees or other persons to whom Property Insured may be entrusted nor loss destruction or damage resulting from the Insured voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme trick device or false pretence or any unexplained loss or shortage disclosed on taking inventory

5 DAMAGE caused by or consisting of

- a) subsidence ground heave or landslip unless resulting from fire explosion earthquake or the escape of water from any tank apparatus or pipe
- b) normal settlement or bedding down of new structures

- 6 DAMAGE caused by or consisting of or arising directly or indirectly from
 - a) disappearance unexplained or inventory shortage misfiling or misplacing of information
 - b) in respect of Section 2
 - i) erasure loss distortion or corruption of information on computer systems or other records programs or software caused deliberately by rioters strikers locked-out workers persons taking part in labour disturbances or civil commotion or malicious persons
 - ii) other erasure loss distortion or corruption of information on computer systems or other records programs or software unless resulting from a Defined Peril insofar as it is not otherwise excluded
- 7
 - a) in respect of Section 1

destruction of or damage to a building or structure caused by its own collapse or cracking
 - b) in respect of Section 2

loss resulting from destruction of or damage to a building or structure used by the Insured at the Premises caused by its own collapse or cracking

unless resulting from a Defined Peril in so far as it is not otherwise excluded
- 8 DAMAGE in respect of movable property in the open fences and gates by wind rain hail sleet snow flood or dust
- 9 DAMAGE in respect of
 - a) glass (other than fixed glass) china earthenware marble or other fragile or brittle objects
 - b) in respect of Section 1 – curiosities or works of art

other than such DAMAGE caused by a Defined Peril and not otherwise excluded
- 10 Unless specifically mentioned as insured under Section 1
 - a) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
 - b) land roads pavements piers jetties bridges culverts or excavations
 - c) trees or growing crops
- 11 In respect of Section 1 – property which at the time of the happening of DAMAGE is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
- 12 In respect of Section 1 – any property more specifically insured by or on behalf of the Insured
- 13 DAMAGE or any cost or expense or consequential loss directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with an Act of Terrorism or any action taken in controlling, preventing, suppressing, retaliating against, responding to or in any way relating to an Act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss. If the Company alleges that by reason of this exclusion any DAMAGE, cost, expense or consequential loss is not covered by this policy the burden of proving the contrary shall be upon the insured
- 14 DAMAGE in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot civil commotion and (except in respect of DAMAGE by fire or explosion) strikers locked-out workers or persons taking part in labour disturbances or malicious persons

Section 3 only

Under this Section the Company shall not be liable for any claim in respect of

- 1 Injury to any Employee
- 2 Loss of or damage to
 - a) property belonging to the Insured
 - b) property which is leased let rented hired or lent to or which is the subject of a bailment to the Insured
- 3 Injury loss or damage caused by or in connection with or arising out of the ownership possession or use by or on behalf of the Insured of any
 - a) aircraft hovercraft or watercraft
 - b) mechanically-propelled vehicle or trailer attached thereto (other than motorised garden implements used to maintain the land belonging to the Premises)
- 4 liability arising from or caused by
 - a) breach of professional duty
 - b) the provision of advice or any plan, design, formula or specification given separately for a fee
 - c) any manual work carried out away from any premises belonging, leased, rented or hired to the insured other than delivery or collection
- 5 liability arising from and or caused by any processes or work in connection with any of the following
 - a) Offshore Installations, oil or gas rigs

Definition - for the purposes of this exclusion only

 - **Offshore Installation** means any platform or rig or any aircraft or vessel servicing a platform or rig
 - It is understood that any person is deemed to be 'offshore' as from the time when they embark onto a conveyance at the point of final departure to an Offshore Installation and that any person shall continue to be deemed 'offshore' until such time as they disembark from any conveyance onto land upon their return from an Offshore Installation.
 - b) towers, steeples, chimney shafts, bridges, viaducts, dams, reservoirs, wells, tunnels, mines, quarries or blast furnaces
 - c) piling or the use of explosives
 - d) any demolition unless such work forms part of a contract for construction, alteration, maintenance or repair and prior permission for any such demolition is obtained in writing by the insured from the Company
- 7 liability arising directly or indirectly out of exposure to or inhalation of, or fears of the consequence of exposure to, or inhalation of Asbestos
- 8 the cost of cleaning up or removal of or damage to property arising out of any Asbestos
- 9 fines, penalties or liquidated, punitive or exemplary damages
- 10 damages for bodily injury or loss or destruction of or damage to property unless the action is brought against the insured in a Court of Law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands

Definition - for the purposes of exclusions 7 and 8 above only

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

Section 4 only

Under this Section the Company shall not be liable for any claim in respect of

- 1 This Section does not provide an indemnity in respect of any liability for which compulsory motor insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or other compulsory road traffic act legislation
- 2 liability arising from and or caused by any processes or work in connection with any of the following

- a) Asbestos
- b) Offshore Installations, oil or gas rigs

Definition and interpretation - for the purposes of this exclusion only

- **Offshore Installation** means any platform or rig or any aircraft or vessel servicing a platform or rig
 - it is understood that any person is deemed to be 'offshore' as from the time when they embark onto a conveyance at the point of final departure to an Offshore Installation and that any person shall continue to be deemed 'offshore' until such time as they disembark from any conveyance onto land upon their return from an Offshore Installation.
- c) towers, steeples, chimney shafts, bridges, viaducts, dams, reservoirs, wells, tunnels, mines, quarries or blast furnaces
 - d) piling or the use of explosives
 - e) any demolition unless such work forms part of a contract for construction, alteration, maintenance or repair and prior permission for any such demolition is obtained in writing by the insured from the Company
- 3 damages for bodily injury or loss or destruction of or damage to property unless the action is brought against the insured in a Court of Law in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands

Definition - for the purposes of exclusion 2 a) above only

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

Section 5

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

- 1 loss, destruction or damage or consequential loss directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from
 - a) riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power
 - b) Virus or Similar Mechanism or Hacking or Denial of Service Attack in respect of any Computer Equipment
- 2 loss, destruction or damage or consequential loss in respect of
 - a) any Nuclear Installation or Nuclear Reactor
 - b) any property not being a block of flats which is insured in the name of a private individual and is occupied by that individual for residential purposes
 - c) any property which is insured by or would but for the existence of this Policy be insured by any form of transit or aviation or marine policy other than any extension of the General Cover provided by this Policy insofar as it relates to loss, destruction or damage occurring in Great Britain
 - d) any other type of property which is specifically excluded elsewhere in this policy

Definitions

For the purposes of the exclusions to Section 5 only

Computer Equipment means any computer or other equipment or component or system or item which

processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the insured or not

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

Hacking means unauthorised access to any Computer Equipment

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

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

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

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

Special Clauses

Applicable only if the Clause numbers are entered in the Certificate

1 Alarm Clause

It is a condition precedent to the liability of Underwriters in respect of the peril of theft under this Insurance that:-

- a) The burglar alarm system shall have been put into full and effective operation:-
 - i) whenever the Premises specified in the Certificate is left unattended,
 - ii) at night
- b) The burglar alarm system shall have been maintained in good order throughout the currency of this insurance under a maintenance contract with a company which is a member of NACOSS (National Approved Council of Security Systems).

2 Temporary Cover

The first premium has been calculated to take into account the cost of temporary cover (in accordance with particulars lodged with the Company) pending this Policy being issued

3 Theft Limitation Clause

This insurance excludes theft or attempted theft from the Premises specified in the Certificate unless consequent upon violent and forcible entry.

4 Non-Standard Construction Clause

In consideration of the additional premium paid hereon it is agreed that the term Standard Construction does not apply to main building of the commercial property situated at the Premises specified in the Certificate.

5 Subsidence Ground Heave and Landslip

Notwithstanding Exclusions 5(a) and 5(b) the insurance by Sections 1 and 2 extends to cover DAMAGE caused by Subsidence or Ground Heave of any part of the site on which the property stands or Landslip excluding

- a) the first £1,000 of each and every loss in respect of Section 1 at each separate premises as ascertained after the application of any Condition of Average
- b) DAMAGE to yards car parks roads pavements walls gates and fences unless also affecting a building insured hereby
- c) DAMAGE caused by or consisting of
 - i) the normal settlement or bedding down of new structures
 - ii) the settlement or movement of made up ground
 - iii) coastal or river erosion
 - iv) defective design or workmanship or the use of defective materials
 - v) fire subterranean fire explosion earthquake or the escape of water from any tank apparatus or pipe
- d) DAMAGE which originated prior to the inception of this cover
- e) DAMAGE resulting from
 - i) demolition construction structural alteration or repair of any property
 - or
 - ii) groundwork or excavation at the premises

Special Conditions

Insofar as this insurance relates to DAMAGE caused by Subsidence Ground Heave or Landslip

- a) The Insured shall notify the Company immediately they become aware of any demolition groundworks excavation or construction being carried out on any adjoining site
- b) The Company shall then have the right to vary the terms or cancel this cover

6 Flood Exclusion Clause

It is hereby agreed that Section 1 and 2 of this insurance do not cover:-

- a) escape of water from the normal confines of any natural or artificial watercourse, lake, reservoir, canal, dam;
- b) inundation from the sea; or
- c) flood resulting from storm or tempest or any other peril OTHER THAN escape of water from fixed water tanks, apparatus or pipes.

7 Contractors Exclusion Clause

This insurance excludes loss, damage or liability arising out of the activities of Contractors.

8 Failure of Other Insurances

The insurance by Sections 1 and 2 extends to cover

- a) DAMAGE to Buildings
- b) loss of Rent Receivable following DAMAGE to buildings

in which the Insured has an insurable interest but under the terms of the lease the responsibility for arranging adequate insurance cover rests with a third party lessee or third party lessor

Provided that

- a) a valid enforceable lease is in force
- b) the Insured could not have prevented such failure
- c) this Extension shall only apply
 - i) in the event of failure of the third party's insurance and then only for the excess beyond the amount payable under such insurance
 - ii) in respect of claims arising directly from a contingency specified in the lease but in no case greater in scope than the cover provided by this Policy
- d) at any one Premises this cover shall not exceed
 - i) in respect of Section 1
20% of the total Sum Insured by the Section but in no case exceeding £2,000,000
 - ii) in respect of Section 2
20% of the total Sum Insured or £250,000 whichever is the less
- e) it is a condition of the insurance by each Section that
 - i) the Insured has procedures in place to check that lessees or lessors have effected and maintain adequate insurance cover
 - ii) on discovery of a failure to insure or to insure for reinstatement value the Insured shall immediately effect adequate insurance cover

9 Cover Restriction clause

It is hereby noted and agreed that the Premises insured hereunder are covered against loss or DAMAGE directly caused by the perils of Fire, Lightning, Explosion and Aircraft only

10 Unoccupancy Clause

It is understood that if the premises insured hereunder are left unoccupied for 7 days or more

- a) the Premises are inspected at least once in every 7 day period by the Insured or his appointed representative
- b) the water, gas and electricity supplies are turned off at the main and the water system drained except where required to be maintained for central heating
- c) If the central heating system is left in operation, it should be set for a minimum continual temperature of 13°C
- d) External door locks of a reasonable standard for the protection of the Premises are fitted and in use at all times
- e) The Insurer must be informed immediately the Property becomes unoccupied.

11 Malicious Damage Clause

This insurance excludes malicious damage cover to the Premises specified in the Certificate unless consequent upon violent and forcible entry.

12 Monthly Payment Clause

It is understood and agreed that this Policy runs from month to month and that continuation of cover is dependent upon Your paying the premium for each month's cover. We will normally only review Your premium once per annum.

13 Deep Fat Frying Clause

It is warranted by the insured that

- a) no vessels (other than those fitted with a thermostatically controlled device designed to prevent the temperature of the fat or oil exceeding 205 degrees C) be left unattended whilst being used to heat fat or oil
- b) as far as is practicable, every reasonable effort shall have been made to ensure that frying and cooking equipment and the ducted extraction system be at least 150mm clear of any combustible material
- c) frying equipment be fitted with a thermostatically controlled device designed to prevent the temperature of the fat or oil exceeding 205 degrees C or alarm bells that operate when the temperature of the fat or oil exceeds 205 degrees C
- d) sump boxes and drip trays be emptied at least once every seven days
- e) extraction hoods, canopies, fat/grease collectors and filters be cleaned at least once every seven days
- f) frying range be equipped with tight fitting lids or pull down covers
- g) electrically heated ranges be serviced and cleaned at least once a year by a contractor on the roll of the NICEIC
- h) gas heated ranges be serviced and cleaned at least once a year by operatives who are either:-
an employed representative of a business registered with Gas Safe Register
OR
self-employed, registered with Gas Safe Register as a business
- i) extraction ducts and flues be inspected and cleaned internally at least once a year by:-
a contractor on the roll of the NICEIC in the case of electrically heated ranges
OR
operatives as defined in h) hereof in the case of gas heated ranges
OR
specialist ductwork cleaners as advised to and agreed in writing by the Company
This cleaning of extraction ducts and flues should be carried out at the same time or not more than two months prior to the servicing and cleaning of the range.
- j) a full record be kept of the servicing, repair, maintenance and cleaning of the frying range and its extraction ducts and flues, such record to be available for inspection at any time
- k) at least one of the following units of fire extinguishing appliances or their imperial equivalent, or such alternative appliances as have been specifically agreed by the Company and detailed in their records, be installed immediately accessible to the frying and cooking equipment and be maintained in effective working order throughout the period of insurance
 - Unit A 1 x 6 litre extinguisher for Class F fires conforming to BS7937
 - Unit B 2 x 5 kg CO₂
 - Unit C 1 x 4 kg Dry Powder
 - Unit D 1 x 9 litre Foam
- l) a suitable fire blanket is available in close proximity to frying and cooking equipment
- m) all oily or greasy waste including batter scraps be
 - i) kept in metal receptacles with metal lids whilst in the buildings
 - ii) removed from the buildings at the end of each frying session and placed in metal receptacles with metal lids or such other receptacles as stipulated by the local authorities

14 Co-insurance Clause

Notwithstanding anything stated to the contrary in the undernoted Section(s) of the Policy the Section does not cover the first 10% or £5,000 whichever is the greater, in respect of each and every loss as ascertained after the application of all other terms and conditions of the Policy including any Condition of Average in respect of DAMAGE by the undernoted Peril(s)

Section	Perils Insured
1	Fire

15 Co-insurance Clause

Notwithstanding anything stated to the contrary in the undernoted Section(s) of the Policy the Section does not cover the first 25% or £5,000 whichever is the greater, in respect of each and every loss as ascertained after the application of all other terms and conditions of the Policy including any Condition of Average in respect of DAMAGE by the undernoted Peril(s)

Section	Perils Insured
1	Fire

Policy Conditions

1 Avoidance of policy

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

2 Arbitration

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

3 Cancellation

Our Rights

We shall not be bound to accept any renewal of this Policy and may at any time cancel this Policy or any section by sending a recorded delivery letter to Your last known address giving 21 days notice. In the event of cancellation by Us, We will refund a pro rata proportion of the premium paid in respect of the unexpired term of this Policy unless a claim or an incident likely to give rise to a claim has occurred during the current period of insurance.

Your Rights

You may cancel this Policy by giving written instructions to RGA Insurance Services or the Company

- a) within 14 days of issue, returning the Policy document and Certificate and receive a full refund of premium but if there has been an incident which has resulted or could result in a claim, You must reimburse Us for any amounts We have paid or may be required to pay, in respect of that incident
- b) after 14 days of issue and receive pro rata proportional refund of the premium in respect of the unexpired term of this Policy unless a claim or an incident likely to give rise to a claim has occurred during the current period of insurance
- c) if the cancellation occurs after 14 days of issue a maximum administration charge of 15% of the premium for that period of insurance will be deducted from any refund

4 Change in risk

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

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

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

5 Claims

It is a condition precedent to the liability of the Company that on the happening of any event which could result in a claim

under this Policy the insured shall

- a) advise RGA Insurance Services or the Company as soon as practicable and in writing if required
- b) not make any admission of liability or promise of payment without the Company's written consent
- c) immediately notify the police following loss, destruction or damage by theft, riot, vandalism or malicious act or if property be accidentally lost
- d) in respect of any loss, destruction or damage to the property insured submit, at the insured's own expense, a claim in writing with all such particulars and proofs as may be reasonably required within

- i) seven days in the case of loss, destruction or damage caused by riot, civil commotion, strikes, labour disturbances or malicious persons
- ii) thirty days in the case of any other loss, destruction or damage
- e) inform the Company immediately of any claim being made, or of any impending prosecution, inquest or fatal accident inquiry. Every letter, claim, writ or other document relating to any accident, claim, prosecution or civil proceedings must be sent to the Company immediately, unacknowledged
- f) give all such information and assistance as the Company may request.

6 Contracts (Rights of Third Parties) Act 1999

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

7 Death of the insured

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

8 Fire alarm and fire extinguishment equipment

It is a condition precedent to the liability of the Company that the insured shall ensure that all

- a) fire break doors and shutters in the buildings be maintained in efficient working order
- b) fire extinguishers, sprinkler systems and fire alarms be maintained in efficient working order at all times
- c) alterations or additions to or changes in or removal to the above be advised to the Company immediately in writing

9 Fraud

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

10 Insurance Premium Tax

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

11 Law applicable

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

12 Other Insurances

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

13 Reasonable Precautions

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

- a) take all reasonable precautions to prevent DAMAGE, accident or bodily injury
- b) keep the Premises, buildings and other maintainable property which is insured by this Policy in a satisfactory state of repair

- c) comply with all relevant statutory requirements and other regulations imposed by any authority and manufacturers' recommendations all relating to the use inspection and safety of property and the safety of persons
- d) as soon as possible after discovery, cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be effected as the circumstances may require
- e) exercise due care in the selection and supervision of employees.

14 Reinstatement

If any property insured by Section 1 is to be reinstated or replaced by the Company the Insured shall at their own expense provide all such plans documents books and information as may be reasonably required The Company shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than its Sum Insured

15 Rights

In the event of Damage to the Property Insured the Company will be entitled to enter any building where such DAMAGE has happened and to take and keep possession of such Property Insured and to deal with the salvage in a reasonable manner and this Policy shall be proof of leave and licence for such purpose. No property may be abandoned to the Company.

16 Subjectivity

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

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

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

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

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

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

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

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

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

17 Subrogation

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

18 Warranties

Every warranty shall from the time the warranty attaches apply and continue to be in force during each subsequent Period of Insurance. Non-compliance with any such warranty in so far as it increases the risk of DAMAGE or accidental bodily injury shall be a bar to any claim for such DAMAGE or accidental bodily injury but this shall only apply to that section of the Policy to which the loss applies.

Customer Service Information

Claims

If You have a claim, or are aware of an incident that could result in a claim, please contact RGA Insurance Services on 0208 587 1066 or alternatively, You may contact Sterling on 0845 271 1300.

Disability Discrimination Act 1995

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

Duration of contract

The first period of insurance under Your Commercial Property Insurance Policy will be 12 months unless otherwise requested by You and agreed by Us.

Enquiries or complaints

If you have any enquiry or are dissatisfied regarding the suitability of this Policy for your needs or the information you received whilst it was originally being arranged or discussed, please contact Your professional adviser or RGA Insurance Services. RGA Insurance Services may be contacted at Grove House, 551 London Road, Isleworth, Middlesex TW7 4DS or by telephoning 0208 587 1066. It would be helpful for You to have the Policy reference number available when you contact RGA Insurance Services.

If you have a complaint concerning a claim or about the Policy or any issues regarding Sterling Insurance Company Limited, you should contact, the Customer Services Manager at Sterling Insurance Company Limited, 50 King's Hill Avenue, Kings Hill, West Malling, Kent ME19 4JX, telephone 0845 271 1300. It would be useful if you have the Policy and/or claim number available when you contact Sterling.

A copy of Sterling's complaints procedure is available on request by writing or by telephoning the Customer Services Manager, at the address or telephone number detailed above.

If you are not satisfied with the way Your complaint has been handled, You may be able to refer to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR; telephone 0845 080 1800. Please note that the Financial Ombudsman Service will normally only consider a complaint once Sterling or RGA Insurance Services have issued a final decision.

Nothing in the terms and conditions of this Policy will reduce Your statutory rights relating to faulty or misdescribed goods or services. For further information about Your statutory rights, You should contact Your local authority Trading Standards Department or Citizen's Advice Bureau.

Following this procedure will not affect Your legal rights.

Financial Services Compensation Scheme

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

Law applicable to the contract

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

Premiums

Premiums are payable to Your professional adviser. Insurance premium tax, as imposed by current legislation, is incorporated into all premiums.