

# Jewellers' Block Policy

This is to Certify that in accordance with the authorisation granted under the Contract (which number is specified in the Schedule) to the undersigned by certain Underwriters at Lloyd's, whose names and the proportions underwritten by them, which will be supplied on application, can be ascertained by reference to the said Contract which bears the Seal of Lloyd's Policy Signing Office, and in consideration of the premium specified herein the said Underwriters are hereby bound, each for his own part and not one for another, their Heirs, Executors and Administrators to insure in accordance with the terms and conditions contained herein or endorsed hereon.

**Whereas** the Assured named in the Schedule as made to the Underwriters a written Proposal and Declaration bearing the date specified in the Schedule which is hereby agreed to be the basis of this Contract and to be considered as incorporated herein.

The **Underwriters** hereby agree, to the extent and in the manner hereinafter provided, to indemnify the Assured against loss or damage sustained or legal liability for accidents happening during the period stated in the Schedule.

**Provided always** that this Certificate insures in respect ONLY of such of the Sections hereof as are so specified in the Schedule.

**In Witness** whereof this Certificate has been signed at the place stated and on the date specified in the Schedule by:

## Global Jewellery Insurance Services

The Marginal Notes are intended for guidance only. They do not form part of this Insurance, nor do they claim to be an exact description of its meaning.

## SECTION ONE: STOCK, GOODS IN TRUST AND MONEY

### Property :

This Section covers STOCK and MONEY (as defined below) usual to the conduct of the Assured's business, the property of Assured or in trust or on commission.

### Definition:

1 Money shall mean:

(A) Cash bank notes currency notes uncrossed cheques (including uncrossed giro cheques giro cash cheques and travellers cheques but excluding pre-signed blank cheques) uncrossed bankers' drafts uncrossed postal orders uncrossed money orders current postage stamps intended for the Assured's own use current revenue stamps telephone cards intended for the Assured's own use National Insurance stamps (not fixed to cards) National Savings stamps bills of exchange luncheon vouchers consumer redemption vouchers Holiday with Pay stamps gift tokens and trading stamps.

(B) Crossed cheques (including crossed giro cheques and drafts but excluding pre-signed blank cheques) crossed bankers' drafts crossed postal orders crossed money orders unused units in franking machines National Savings Certificates Premium Bonds credit company sales vouchers VAT purchase invoices belonging to the Assured or for which the Assured is responsible and pertaining to the Business.

### The Cover and Limits provided:

The STOCK and MONEY as defined in (A) above are covered against LOSS OR DAMAGE arising from any cause whatsoever (except as specifically excluded below), whilst

- a) at the Assured's premises stated in the Schedule and/or
- b) anywhere else within the Territorial Limits stated in the Schedule, including in transit therein or between, but not exceeding the Sum(s) Insured stated in the Schedule.
- c) loss of **Money** from
  - (i) the premises when they are closed or unattended
  - (ii) any private residence of the Assured or any director partner or employee of the Assured when left unattended unless the **Money** is contained in a locked safe or strongroom.

This exception does not apply to the first £500.00 of any such loss. Money as described in (B) above for which the limit is £250,000

### Limit (A) (Out of Safe Limit):

It is a Condition of this Insurance, in respect of loss or damage by theft occurring at the Assured's premises, that the total value of all watches, gem, gold and platinum, bullion, unset precious stones, pearls and money (including when held for payment of salaries and wages,) left out of locked safe(s) and/or strongroom(s) at night and at all times when the premises are not open for business shall not exceed the amounts stated in the Schedule.

This Condition shall not apply during any period of temporary daytime closing if at the time of loss or damage there was present in the sales portion of the premises or a room directly communicating therewith, the Assured or an employee of the Assured in charge thereof.

### Limit (B) (Window Smash Limit):

Underwriter's liability in respect of loss or damage to property contained in the display windows at the Assureds' premises by theft or attempted theft accomplished by or resulting from the smashing or cutting of such windows shall not exceed:

- (i) When the premises are open for business or when the Assured or any of their employees (other than security personnel) are present at, or in attendance at, the premises:  
The amount stated in paragraph (B) (i) of the Schedule.

- (ii) At all other times:

The amount stated in paragraph (B) (ii) of the Schedule.

### Limit (C) (Robbery or Hold-up Limit):

Underwriters' liability shall be limited to the amount stated in the Schedule in respect of loss or damage by Robbery when the premises are open for business or when the Assured or any of their employees (other than security personnel) are present at, or in attendance at the premises.

### Limit (D) (Outside Limit):

Underwriter's liability shall be limited to the amount stated in the Schedule in respect of any one loss elsewhere than at the Assured's premises specified in the Schedule or within any Bank or Safe Deposit Vault.

Nothing in (A), (B), (C) or (D) above shall increase the sum Insured under this Section.

### Specific Conditions:

1. Underwriters' liability shall be limited to £2,500 any one person in respect of loss of or damage to Stock whilst being worn away from the premises but within the Territorial Limits, by the Assured or any Principal, Director or Partner thereof, members of their families, relatives, employees, representatives or travellers of the Assured or whilst in their custody for this purpose.

### Sendings:

2. It is a Condition precedent to the liability of Underwriters that all packages containing watches, gem, gold, platinum, bullion, unset precious stones, pearls and money with a total value exceeding £350 must be sent by:

- (a) registered post, for which the minimum compensation fee has been paid.  
or
- (b) (i) Compensation Fee (CF) Parcel Service, for which the maximum compensation fee has been paid.  
(ii) Datapost operated by the Post Office, provided that the total value of the package does not exceed £2,500 in all and no watch or item or gem, gold, platinum, bullion, or unset precious stones, pearls or sum of money exceeds £150.

- (c) Insured airmail,  
or

- (d) Airfreight, for which a DECLARATION OF VALUE FOR CARRIAGE has been made to the airline and the appropriate valuation charge paid so as to provide compensation of at least 25% of the value of the package or parcel.

### Basis of Settlement of any claim:

3. The Basis of Settlement in respect of Section 1 (Stock, Goods in Trust and Money) shall be:

- a) The Assured's liability or approbation price in respect of goods entrusted to the Assured.
- b) The selling price in respect of goods sold and not delivered.
- c) Otherwise the replacement cost price at the date of loss, unless otherwise stated in the schedule.

### Specific Exclusions

#### Infidelity:

This Section does NOT COVER

- (a) Loss or damage to property Insured by theft or dishonesty or dishonest deception committed by or with the complicity of:
  - (i) Any Director, Principal or employee of the Assured  
or

- (ii) Any other person or any customer with whom the Assured has dealt in the course of the Assured's Business in respect of property entrusted to them by the Assured, his or their servants or agents.

or

- (iii) Any Broker or agent of any Broker or any customer or other person with whom such broker or agent has dealt in respect of property entrusted to them.

**Process:**

- (b) Damage to property insured, sustained whilst the same is being actually worked upon and directly resulting therefrom, unless otherwise agreed and specifically endorsed thereon under Section 11.

**Unexplained Loss:**

- (c) Property Insured found to be missing at stocktaking where the Assured is unable to prove the date and circumstances of any loss.

**Exhibitions:**

- (d) Loss of or damage to property Insured whilst at any Public or Trade Exhibition except with the prior agreement of Underwriters.

**Road Vehicles:**

- (e) Theft or disappearance of or from road vehicles of every description owned by or under the control of the Assured and/or his or their servants or agents or representatives when such vehicles are left unattended, unless otherwise agreed and specifically endorsed thereon under Section 11.

**Private Dwellings:**

- (f) Theft of property whilst in any private dwelling house of Principals, Directors or Partners of the Assured or their employees, travellers, representatives or agents whenever the same is left without a responsible person therein unless such property Insured is contained in a locked safe. This Specific Exclusion shall not apply provided the total value thereof does not exceed £1,000.

**Invalid Payments:**

Loss resulting from acceptance by the Assured or any currency which subsequently is proven to have been forged or counterfeit or from acceptance by the Assured of any cheque, credit or charge card, or other negotiable instrument which is subsequently dishonored for payment, unless otherwise agreed and specifically endorsed thereon under Section 11.

**Note:** *This Section is also subject to the general conditions and exclusions of this insurance.*

**SECTION TWO: ALL OTHER CONTENTS**

**Property :**

This section covers ALL OTHER CONTENTS usual to the conduct of the Assured's business (excluding Money and Stock of a type covered by Section 1) including Shopfront glass, Exterior clocks and signs, safes, tools, decorations and documents and improvements, manuscripts and business books but only for the value of the materials as stationery together with the cost of clerical labour expended in reproduction and not for the value to the Assured of the information contained therein.

**The Cover and Limits Provided:**

THE ALL OTHER CONTENTS are covered against LOSS OR DAMAGE arising from any cause whatsoever (except as specifically excluded below) whilst

- (a) at the Assured's premises stated in the Schedule, and/or
- (b) anywhere else within the Territorial Limits stated in the Schedule, in respect of property of the Assured or for which they are responsible up to £5,000 any one loss, including in transit therein or between, but not exceeding the Sum(s) Insured stated in the Schedule.

This Section also covers, within the Sum(s) Insured:

- (a) The cost of opening safe(s) and/or strongroom(s) or changing locks or other necessary remedial work in the event of keys to them or alarm installation(s) or premises being lost or stolen or in the event of the automatic re-locking devices fitted to any safe or strongroom, malfunctioning, but limited to 10% of the Sum Insured stated in the Schedule, not exceeding £1,000 for any one claim at a private dwelling house.
- (b) The cost of boarding up, temporary glazing removing/ restoring Window display or other obstructions to replacement or any

similar temporary work or expense necessary to reinstate loss or damage covered hereunder.

- c) Personal effects, the property of the policyholder or their employees but limited to £250 any one person and not exceeding £1,000 for any one claim

**Reinstatement Clause:**

In the event of loss or damage occurring under this Section of the Insurance, the basis upon which the amount payable in respect of such loss or damage is to be calculated shall be the reinstatement of the property lost or damaged.

**Provided always that:**

- (a) For the purpose of this Clause the word 'reinstatement' shall mean the carrying out of the aftermentioned work, namely:
  - (i) Where the property is lost or destroyed, its replacement by similar property in a condition equal to but not better or more extensive than its condition when new.
  - (ii) Where the property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.
- (b) When any property Insured on this reinstatement basis is Damaged or destroyed in part only, the liability of the Underwriters shall not exceed the sum representing the cost which the Underwriters could have been called upon to pay for reinstatement if such property had been wholly destroyed.
- (c) No payment beyond the amount which would have been payable under this section of the Insurance if this Clause had not been incorporated therein shall be made until the cost of reinstatement shall have been actually incurred.

**Specific Exclusions:**

This Section does NOT COVER

**Wear and Tear**

- (a) loss, destruction or damage directly occasioned by moth, vermin, wear, tear, gradual deterioration, electrical or mechanical breakdown or derangement.

**Infidelity**

- (b) loss, or damage to property Insured by theft or dishonesty or dishonest deception committed by or with the complicity of any director, principal or employee of the Assured.

**Glass**

- (c) (i) Loss caused by delay or interruption of business during the interval between the breakage or damage and replacement.
- (ii) Breakage or damage arising from repairs, decorations, additions or alterations to the premises.
- (iii) Breakage of or damage to glass being fitted to replace glass broken or damaged.

**Away Risk**

- (d) loss, or damage occurring away from the Assured's premises stated in the Schedule in respect of mobile or portable telephones and accessories

**Road Vehicles:**

- (e) Theft or disappearance of or from road vehicles of every description owned by or under the control of the Assured and/or his or their servants or agents or representatives when such vehicles are left unattended, unless otherwise specifically endorsed within the policy.

**Note:** *This Section is also subject to the General Conditions and Exclusions of this Insurance.*

**SECTION THREE: DAMAGE TO PREMISES BY THIEVES**

**Property and Cover:**

This Section covers the premises at which the Assured's business is carried out and/or Landlord's fixtures and fittings thereof, the property of the Assured or for which the Assured is legally responsible as tenant(s) against damage (other than by Fire) done by Thieves or persons attempting to commit Theft.

**Note:** *This Section is subject to the General Conditions and Exclusions of this Insurance.*

**SECTION FOUR: BUILDINGS**

**Property Insured:**

This Section covers the BUILDINGS of the Assured's premises stated in the Schedule including Landlord's fixtures and fittings therein and thereon and the walls, gates and fences around and pertaining to

such premises.

**The Cover and Limits Provided:**

The BUILDINGS are covered against LOSS OR DAMAGE Arising from any cause whatsoever except as specifically excluded below and limited to the Assured stated in the Schedule.

This Section also covers, within the Sum(s) Insured :

**Fixed glass and Sanitary Fittings:**

- (a) accidental breakage of fixed glass and sanitary fixtures forming part of the Buildings, excluding breakage of property not in sound condition.
- (b) accidental damage to fuel oil pipes or the underground water supply pipes, gas pipes, electricity or telephone cables extending from the Buildings to the public mains.

**Reinstatement:**

In the event of destruction or damage occurring under this Section of the Insurance, the basis upon which the amount payable in respect of such destruction or damage is to be calculated shall be the reinstatement of the property destroyed or damaged.

**Provided always that:**

- (a) For the purpose of this Clause the word 'reinstatement' shall mean the carrying out of the aftermentioned work, namely:
  - (i) Where the property is destroyed, the rebuilding of the property in a condition equal to but not better or more extensive than its condition when new.
  - (ii) Where the property is damaged the repair of the damage and substantially the same as but not better or more extensive than its condition when new.
- (b) When any property Insured on this reinstatement basis is damaged or destroyed in part only, the liability of the Underwriters have been called upon to pay for reinstatement if such property had been wholly destroyed.
- (c) No payment beyond the amount which would have been payable under this Section of the Insurance if this Clause had not been incorporated therein shall be made until the cost of reinstatement shall have been actually Insured.

**Public Authorities:**

It is hereby agreed that within the limit(s) of the Sum(s) Insured stated in the Schedule, this Section of the Insurance covers such additional cost of reinstatement of the property which has been destroyed or damaged by any peril Insured against, as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Act of Parliament or with Bye-Laws of any Municipal or Local Authority.

**Provided always that:**

- 1) The amount payable under this section of the Insurance shall not include
  - a) The cost incurred in complying with any of the said Regulations or Bye-Laws
    - (i) in respect of destruction or damage occurring prior to the granting of this extension,
    - (ii) under which notice has been served upon the Assured prior to the happening of the destruction or damage.
    - (iii) in respect of undamaged property or undamaged portions of property other than foundations of that portion of the property destroyed or damaged.
  - b) The additional cost that could have been incurred to make good the property destroyed or damaged to a condition equal to its condition when new and the necessity to comply with any of the said Regulations or Bye-Laws not arisen.
  - c) The amount of any rate, tax, duty, development or other 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 any of the said Regulations or Bye-Laws.
- 2) The work of reinstatement must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if that said, Regulations or Bye-Laws so necessitate) subject to the liability of the underwriters this clause not being thereby increased.

**Specific Exclusions:**

This Section does NOT COVER

**Pressure Plant:**

- a) Damage by explosion of a boiler or other plant designed to operate under steam pressure and belonging to or under the control of the Assured (but this exception shall not apply to

domestic boilers nor to loss or damage by fire resulting from explosion).

**Gates/Fences:**

- b) Damage by storm or flood to gates and fences.

**Wear and Tear:**

- c) The cost of maintenance or routine decoration.

**Subsidence:**

- d) Subsidence, collapse, land slip, ground heave, creeping, normal settlement, shrinkage, cracking or expansion in fixed glass and sanitary fittings

**Process:**

- e) Any process of cleaning, restoring, altering or repairing.

**Defective Design:**

- f) Faulty or defective design, materials or workmanship, inherent vice or latent defects.

**Deterioration:**

- g) Insect, vermin, fungal attack, dampness, dryness or any gradually operating cause.

**Water Tables:**

- h) Damage attributable solely to changes in the water table level.

**Depreciation:**

- i) Depreciation in value

**Theft**

- j) Theft or attempted theft.

**Excess:**

- k) The first £250 of each claim.

**Note:** *This Section is subject to the General Conditions and Exclusions of this Insurance.*

**SECTION FIVE; CONSEQUENTIAL LOSS OF PROFITS**

**The Cover and Limits Provided:**

This Section covers the CONSEQUENTIAL LOSS OF PROFITS as follows:

If during the period of insurance any building or other property or any part thereof at the premises at which the Assured's business is conducted, or at any other place, or location with the prior agreement of Underwriters, be lost, destroyed or damaged from any cause whatsoever except as specifically excluded by this policy, (loss, destruction or damage so caused being hereinafter termed 'Damage') and the said Business carried on by the Assured at the Premises be in consequence thereof interrupted or interfered with, this Section will indemnify the Assured in respect of each item stated in the Schedule the amount of loss resulting from such interruption or interference.

**Specific Exclusions:**

This Section does NOT COVER

Loss of Gross Profit, consequent upon interruption of or interference with the business arising directly or indirectly from damage caused by accidental, unauthorised or malicious erasure or modification, loss distortion or corruption of date information on computer systems or other records, programs or software.

**GROSS PROFIT:**

The amount payable under Item 1 of the Schedule is limited to the loss of Gross Profit due to:

- 1) Reduction of Turnover and 2) increase in Cost of Working as follows:
  - a) **In respect of Reduction in Turnover:** the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover
  - b) **In respect of Increase In Cost of Working:** the additional expenditure (subject to the provisions of Memo 1) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided. Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage.

**PROVIDED ALWAYS THAT:**

- 1. If the sum Insured by this item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or if the

- Indemnity Period is greater than 12 months, to that proportion of The Annual Turnover which such period bears to 12 months), the amount payable shall be proportionately reduced.
2. If during the Indemnity Period goods shall be sold or services rendered elsewhere than at the Premises for the benefit of the Business either by the Assured or by others on their behalf, the money paid or payable in respect of such sales or services shall be brought into account arriving at the Turnover during the Indemnity Period.
  3. The total liability of the Underwriters shall not exceed in the aggregate in respect of all losses under this Section during the Period of Insurance the Sum(s) Insured hereby.

**Auditors' Fees:**

This Section also includes within the Sum(s) Insured the reasonable charge payable by the Insured to their Auditors for producing and certifying any particulars or details contained in the books of account or other business books or documents or such other profits, information or evidence as may be required by the Underwriters in connection with a claim under this insurance.

**Definitions:**

**GROSS PROFIT:** The amount by which

- i) the sum of
  - a) the Turnover (less any Discounts allowed)
  - and
  - b) the amount of the Closing Stock and Closing Work in Progress shall exceed
- ii) The sum of the amounts of
  - a) the Opening Stock and Opening Work in progress
  - b) Purchases of Stock, Raw Materials and Components (less any Discounts received)
  - and
  - c) the Specified Working Expenses.

The amounts of the Opening and Closing Stock and Work in Progress shall be arrived at in accordance with the Assured's normal accountancy methods, due provision being made for depreciation.

**SPECIFIED WORKING EXPENSES:**

Which the Assured elects not to insure as part of the Gross Profit as listed in Item 2 of the Schedule. The words and expressions used in this definition shall have the meaning attached to them in the books and accounts of the Assured.

**TURNOVER:**

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

**INDEMNITY PERIOD:**

The period, beginning with the occurrence of the Damage and ending not later than the last day of the period stated in Item 3 of the Schedule which the results of the Business shall be affected in consequence of the Damage.

**RATE OF GROSS PROFIT:**

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

**ANNUAL TURNOVER:**

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

**STANDARD TURNOVER:**

The Turnover during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period to which such adjustment 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.

**PREMISES:**

The premises or any part thereof used by the Assured for the purpose of the business. Herein referred to as 'the premises'.

**PREVENTION OF ACCESS:**

It is hereby agreed that subject to the terms and conditions of this insurance loss as Insured by Item 1 of this Section resulting from Prevention or Hindrance of Access to or the use of the premises solely in consequence of

- a) Damage (as defined herein) to property in the immediate vicinity of such premises
- b) Restrictions imposed by order of a Civil Authority consequent upon any sudden and unforeseen emergency resulting from a peril not excluded by this policy which is likely to endanger life or property in the vicinity of such premises except that
  - i) no claim shall be payable unless the restrictions shall be in force for a period of more than four consecutive hours
  - ii) this shall not include loss resulting from strikes, picketing or notifiable diseases or from any event of which the Assured had prior knowledge
  - iii) the indemnity period shall be the actual period during which the restrictions are in force but no Period shall be deemed to be loss resulting from Damage to property Insured by the Assured at the premises.

**PUBLIC UTILITIES:**

It is hereby agreed that subject to the terms and conditions of this insurance loss as by Section 1 of this policy resulting from the failure of the public supply of electricity, gas or water at the terminal point of the supply undertaking's fed to the premises from any cause not excluded by this policy except that

- i) no claim shall be payable unless the failure shall be for a continuous period of at least thirty minutes
- ii) this shall not include loss resulting from failure occasioned by or happening through
  - a) the deliberate act of any supply authority or the exercise by any such authority of its power to withhold or restrict supply.
  - b) a fault on any part of the installation belonging to the Assured
  - c) drought
  - d) strikes, picketing or other industrial action shall be deemed to be loss resulting from damage to property by the Assured at the premises.

**ADJUSTMENT OF PREMIUM:**

In the event of the Gross Profit earned (or if the Indemnity Period is greater than 12 months, that proportion of the Gross Profit earned which such period bears to 12 months) as Certified by the Assured's Auditors, for the financial year most nearly concurrent with the period of insurance being less than the sum thereon, a pro rata return of premium not exceeding 50% of the premium paid on such sum insured for such period of insurance will be made in respect of the difference. If any Damage shall have occurred giving rise to a claim under this Section of the Insurance, such return shall be made only of so much of the difference as is not due to such damage.

**Memoranda:**

1. If any standing charges of the Business be not Insured by this Section of the Insurance (having been deducted in arriving at the Gross Profit as defined herein) then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the Gross Profit bears to the sum of the Gross Profit and the uninsured standing charges.
2. If the business be conducted in Departments the independent results of which are ascertainable, the provision of clauses (a) and (b) of this Section relating to Item 1 of the Schedule shall apply separately to each Department affected by the damage except that if the Sum Insured by the said item be less than the aggregate of the sum produced by applying the Rate of Gross Profit for each Department of the Business (whether affected by the Damage or not) to the relative Annual Turnover thereof (or if the Indemnity Period is greater than 12 months, to that proportion of the relative Annual Turnover thereof which such period bears to months), the amount payable shall be proportionately reduced.

**Specific Conditions:**

1. The Assured shall use due diligence and do and concur in doing all things reasonably practicable to minimise any interruption of or interference with the business and to avoid or diminish the loss whether by taking other premises or by any other means.
2. The Underwriters will not be liable for any loss under this Section unless at the time of the happening of the Damage there shall be in force an insurance covering the interest of the Assured in the property at the Premises against such damage and payment shall have been made or liability admitted therefore under such insurance.

**Note:** This Section is also subject to the General Conditions and Exclusions of this Insurance.

## SECTION SIX : RENT

### The Cover and Limits Provided

This Section covers LOSS of RENT of the Buildings specified in Section Four in the event of their being destroyed by or so damaged by the perils as set out in Section Four hereof as to be rendered unfit for occupation and then only for such proportion of the amount of the number of months rent, as stated in the Schedule, as may be equivalent to the time necessary for reinstating the damage sustained.

Note: *This Section is also subject to the General Conditions and Exclusions of this Insurance.*

## SECTION SEVEN: APPROBATION & BOOK DEBTS

### The Cover and Limits Provided:

This Section covers Consequential Loss as follows:

If during the period of insurance

- 1) the Assureds books of account or other business books or records at Premises, or any part thereof at the premises at which the Assureds business is conducted.
- 2) the Assureds Approbation Book(s) whilst anywhere within the geographical limits stated in the Schedule, be lost, destroyed or damaged by any cause whatsoever except as specifically excluded below (loss, destruction or damage so caused being hereinafter termed damage) and the Assured being in consequence thereof unable to trace or to establish
  - a) the customers outstanding debit balances
  - b) anything by Section 1 of this policy (excluding money as defined) in whole or in part due to them paying to the Assured in respect of each item in the schedule hereto the amount of loss resulting from such damage in accordance with the provisions therein contained.

### Specific Exclusions:

This section does NOT COVER

- 1) Erasure or distortion of information on computer systems or other Records:
  - a) due to the presence of a magnetic flux or whilst mounted in or on any machine or data processing apparatus, unless caused by damage to the said machine or apparatus.
  - b) due to defects in such records.
- 2) Loss resulting from deliberate falsification of business records.

### Book Debts & Approbation:

The amount payable under 1 and 2 of the schedule is limited to the loss sustained by the Assured, in respect of customers' outstanding debit balances, directly due to the damage and the amount payable in respect of any one occurrence of damage shall not exceed

- a) the difference between
  - i) customers outstanding debit balances and
  - ii) the total amount of the amount received or traced in respect thereof
- b) the difference between
  - i) the total value outstanding in the Approbation Book and
  - ii) the total of the values received or traced in respect thereof
- c) the additional expenditure incurred with the previous consent of Underwriters, in tracing and establishing customers debit balances (and for this purpose outstanding approbation shall be considered as a debit balance) after the damage

### PROVIDED ALWAYS THAT:

If the sum Insured by this item be less than the customers outstanding debit balances (including in respect of the Approbation Book if included) the amount payable shall be proportionately reduced.

### Auditor's Fees:

This Section also includes within the sum(s) Insured the reasonable charges payable by the Assured to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required under the terms of general condition 1(a) of this policy and reporting that such particulars or details are in accordance with the books of account or other business books or documents as may be applicable.

### Definitions:

#### Customer Accounts:

The total amount outstanding in customers' accounts that can be demonstrated by the Assured adjusted for

- a) bad debts
- b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through books at the time of the damage) to customers' accounts in the period between

the date to which the last statement relates and the date of the damage,  
and

- c) any abnormal conditions of trade which have or could have, had a material effect on the business

### Approbation Book:

The total amount outstanding in the Assureds Approbation Book that can be reasonably demonstrated upon reconciliation of the Assureds Stock or Goods in Trust as Insured by Section 1 of this policy adjusted for

- a) bad debts and losses arising during the normal course of trading
- b) any abnormal conditions of trade which have or could have had a material effect on the business.

It always being understood that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the damage, had the damage not occurred.

### Premises:

The premises or any part thereof used by the Assured for the purpose of the business.

### Temporary Removal:

The insurance by item number 1 herein is extended to include loss (as defined in such item) resulting from damage (as within defined) to the Insured's books of account or other business books or records whilst temporarily removed to any premises occupied by persons acting on behalf of the Assured, or whilst in transit by road, rail or inland waterway, all within the geographical limits stated in the schedule of this policy.

### Specific Conditions:

1. The Assured shall use due diligence and do and concur in doing all things reasonably practicable to minimise any interruption of or interference with the business and to avoid or diminish the loss.
2. If at the time of any loss there shall be any other subsisting insurance covering such loss, or any part thereof the Underwriter shall not be liable to pay more than their rateable proportion of the loss.

**Note:** *this Section is also subject to the general conditions and exclusions of this insurance.*

## SECTION EIGHT : PERSONAL ACCIDENT-ASSAULT

### The Cover and Limits Provided:

This Section covers as follows:-

If during the period of insurance any Person sustains bodily injury as defined below as a direct result of theft or hold-up or any attempted threat within the Territorial Limits stated in the Schedule, the Underwriters will pay to the Assured according to the Schedule of Compensation below.

Provided always that, in respect of any one person:

1. (a) Compensation shall not be payable under more than one of the items of the Schedule of Compensation in respect of the Consequences of one event and  
(b) No weekly compensation shall become payable until the total amount thereof has been ascertained and agreed. If, nevertheless, payment be made for weekly compensation, the amount so paid shall be deducted from any lump sum becoming claimable in respect of the same event.
2. The total sum payable under this Section in respect of any one or more events shall not exceed the largest sum Insured under any of the items contained in the Schedule of Compensation, except that the Underwriters will in addition pay Medical Expenses as provided hereunder.

### Schedule of Compensation:

1. Death  
100% of the Sum Insured stated in the Schedule.
2. Loss of one or more limbs and/or sight of one or both eyes  
100% of the sum Insured stated in the Schedule.
3. Permanent total disablement (other than loss of sight of one or both eyes or loss of limb).  
100% of the Sum Insured stated in the Schedule.
4. Temporary total disablement.  
1% of the Sum Insured stated in the Schedule per week for as long as disablement continues, not exceeding 104 consecutive weeks for any single disablement.

**Restricted Compensation:**

In respect of Persons:

- (a) under 16 years of age at last birthday:  
Death Benefit shall be limited to £250 and Benefit 4 shall not apply.
- (b) over 80 years of age at last birthday:  
Benefits 3 and 4 shall not apply.

**Medical Expenses:**

In the event of a claim under Benefit 4 above, the Underwriters will in addition pay Medical Expenses incurred up to but not exceeding 15% of the total amount of any claim admitted under such Benefit.

**Definitions (applying to this Section):****BODILY INJURY:**

means bodily injury which, solely and independently of any other cause, except illness directly resulting from, or medical or surgical treatment rendered necessary by such injury, occasions the death or disablement of a person hereby Insured within twelve calendar months from the date of the occurrence.

**TOTAL DISABLEMENT:**

means disablement which entirely prevents the injured person from attending to a business or occupation (of any and every kind).

**PERMANENT:**

means lasting twelve calendar months and at the expiry of that period being beyond hope of improvement.

**LOSS OF LIMB:**

means loss by physical severance at or above the wrist or ankle and includes total and irrecoverable loss of use of hand, arm or leg.

**INSURED PERSON:**

means any person stated in the Schedule who is employed at or from the premises hereunder and who is engaged in the Assured's business stated in the Schedule, or their spouse or children permanently residing with them.

**Specific Conditions:**

1. Immediate notice must be given to the Underwriters of the death of an Assured person or of the happening of any event which causes or may cause injury or disablement within the meaning of this Section. The injured or disabled person must as early as possible place himself under the care of a duly qualified medical practitioner.
2. In no case will the Underwriters be liable to pay compensation in respect of the Assured Person unless the medical adviser or advisers appointed by the Underwriters for the purpose shall be allowed so often as may be deemed necessary to make an examination of the injured person.

**Note:** This Section is also subject to the General Conditions and Exclusions of this Insurance.

**SECTION NINE: Public (including Products) Liability Insurance**

The Cover Provided:

**Definitions**

The following expressions shall have the specified meanings given to them wherever they may appear in this section.

**Bodily Injury**

Death, disease, illness, physical and mental injury, mental anguish, shock, false arrest, false imprisonment, invasion of right of privacy, wrongful detention, false eviction and malicious prosecution.

**Business**

The activities of the Assured as stated in the Schedule and including

- a) provision and management of canteens, sports, social and welfare and medical organisations for the benefit of the Assureds' employees and/or their pensioners, sponsorships, medical, dental, nursing, first aid, fire, rescue and ambulance services, principally in connection with but not limited to the operations of the Assured,
- b) provision of security services for the benefit of the Assured,
- c) provision of nursery, crèche or child care facilities where incidental to the business,
- d) property owners, lessors and lessees including repair refurbishment and maintenance of such property,
- e) organisation of and participation in exhibitions, trade fairs, conferences and the like,
- f) private work undertaken by any Employee for any fellow employee, director or partner or executive of the Assured,

g) employment of subcontractors for performance of work on behalf of the Assured,

h) the organisation of charitable events or similar fund raising activities,

i) sponsorship of events, organisations, entities and individuals,

j) repair, maintenance and servicing of own mechanically propelled vehicles,

k) sale or disposal of own property and goods, including owned mechanically propelled vehicles,

l) provision of gifts and promotional material incidental to the business

**Costs and Expenses**

a) recoverable by any claimant from the Assured and at the Assured's request any director, partner or employee,

b) incurred by the Company or by the Assured with the written consent of the Company,

c) incurred at the request of the Assured, with the prior approval of the Company and in connection with the defence of any criminal proceedings brought or an appeal against conviction, including representation of the Assured at any Coroner's Inquest or Fatal Accident Inquiry arising from such proceedings and the costs of prosecution awarded against the Assured or any Employee of the Assured in relation to health and safety at work legislation or in respect of a charge of manslaughter or corporate killing, in connection with any occurrence which is or may be the subject of indemnity under this section whether or not Bodily Injury has occurred.

**Damage**

Loss, destruction, damage, nuisance, trespass and impairment or diminution of or other interference with any right of light or air or way or water easement.

**Employee**

Any person whilst

a) engaged under a contract of service or apprenticeship with the Assured,

b) acting in the capacity of non executive director of the Assured,

c) supplied to, hired or borrowed by the Assured including where on secondment from another company that is not an Assured under this section in the course of Business, including at the request of the Assured but only in circumstances where such persons are not legally defined as being under a contract of service or apprenticeship any other person required by the Assured to be defined as an employee, which may include but is not limited to

i) labour masters or persons supplied by them,

ii) labour only subcontractors,

iii) self-employed persons,

iv) drivers or operators of hired-in plant,

v) persons engaged under work experience, training, study, exchange or similar schemes,

vi) any officer, member or voluntary helper of the organisations or services stated in the Business Definition,

vii) voluntary workers, helpers and instructors,

viii) persons working under the Community Offenders Act 1978, the Community Offenders (Scotland) Act 1978 or similar legislation,

ix) employee(s) elected on any industry users committee,

x) outworkers or homeworkers employed under contracts to personally execute any work in connection with Business whilst they are engaged in that work,

xi) any other person defined under Sections 32.-(1), 35.-(2) and 54.-(3)(b) of the National Minimum Wage Act 1998.

xii) prospective employees who are being assessed by the Assured as to their suitability for employment,

xiii) any person a Court of Law in the United Kingdom deems to be an Employee.

**Insured:**

The Assured named in the policy schedule including the legal or personal representatives of the Assured in respect of legal liability incurred by the Assured.

**Liability:**

Legal liability to pay damages including interest thereon in respect of or in consequence of

a) accidental Bodily Injury to any person other than an employee,

b) accidental damage to property other than property belonging to or in the custody, possession or control of the Assured, occurring during the Period of Insurance and in addition, Costs and Expenses in connection with any occurrence which is or may be the subject of indemnity under this section.

#### **Limit of Indemnity**

The amount stated in the Schedule is the maximum amount payable for damages, including interest thereon but excluding Costs and Expenses, in respect of any one occurrence (irrespective of the number of claims occasioned thereby) and shall be unlimited in amount during any one Period of Insurance except that in respect of

- claims arising from Products (whether or not involving pollution or contamination)
- other claims arising from pollution or contamination of buildings or other structures or of water or land or the atmosphere and all loss or damage or injury directly or indirectly caused by such pollution or contamination the amount stated in the Schedule shall be the maximum amount payable for such damages, including interest thereon in the aggregate during any one Period of Insurance.

Other than Costs and Expenses that will be paid in addition to the Limit of Indemnity the indemnity provided by the Standard Clauses or any other amendment to this section shall not operate so as to increase the maximum amount payable in respect of claims arising out of one occurrence or the aggregate limit.

Where more than one party makes a claim in respect of the same occurrence the Company will not pay more than the Limit of Indemnity in respect of that occurrence.

#### **North America**

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

#### **Offshore**

- Work in or on any offshore rig or platform or support or accommodation vessel for any offshore rig or platform and/or
- In transit to and from or between any offshore rig or platform or support or accommodation vessel for any offshore rig or platform from the time of embarkation onto a conveyance at the point of final departure to an offshore rig or platform until disembarkation from the conveyance onto land upon return from an offshore rig or platform.

#### **Products**

Goods or articles including containers, packaging and its labeling sold, supplied, installed, altered, erected, repaired, treated, stored, serviced or transported by the Assured in the course of the Business including any advice, instruction or design relating to such goods.

#### **Territorial Limits**

Worldwide

#### **United Kingdom**

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

#### **Indemnity Clause**

The Company subject to the terms of this policy will indemnify the Assured up to the Limit of Indemnity against Liability incurred by them during the Period of Insurance arising out of and in the course of Business within the Territorial Limits.

#### **Standard Clauses**

The indemnity provided by this section includes liability under the following clauses provided that where a party other than the Assured is indemnified such party shall as though he were the Assured, observe, fulfill and be subject to the terms in so far as they can apply.

#### **1 Contractual Liability**

The Liability of the Assured assumed by them under any contract or agreement entered into by them in the course of Business provided that the Company shall not be liable for

- liquidated damages, fines or penalties,

- Damage to the contract works,
- Damage to materials, plant or equipment used in performance of the contract by the Assured, their principals or subcontractors.

To the extent that may be required by such contract or agreement the Company will waive rights of subrogation against any party specified in the contract or agreement.

#### **2 Indemnity to Principal**

Where any contract or agreement entered into by the Assured with any other party (hereinafter referred to as the "principal") so requires this section will indemnify the principal against any claims made against them for which the Assured are legally liable and which fall within the Terms and Conditions of this section provided that the Assured shall have arranged with the principal for the conduct and control of all claims to be vested in the Company.

#### **3 Leased Premises**

The Assured's Liability for Damage to premises including landlord's contents, fixtures and fittings not owned by the Assured but leased or rented by them in the course of Business, excluding

- liability for which indemnity to the Assured is provided under any other insurance or in any other way,
- the first £100 (or such larger sum that has been agreed overall) of any amount otherwise payable hereunder in respect of each claim other than as the result of fire or explosion,
- liability which attaches by way of any contract or agreement that would not have attached in the absence of such contract or agreement.

#### **4 Motor Vehicles**

Notwithstanding Exclusion 1 (a) (iii) this section includes the Assured's Liability arising from or caused by the use, in the course of Business, of any

- mobile crane or excavator or other item of mobile plant as a tool of trade excluding liability for which insurance is necessary to comply with the Road Traffic Acts,
- motor vehicle not belonging to or provided by the Assured provided that
  - in so far as concerns use of such a vehicle by the Assured this extension shall not apply in respect of
  - use other than for the sole purpose of removing an obstruction or interference with the performance of Business caused by the vehicle,
  - liability for which insurance is necessary to comply with the Road Traffic Acts,
  - in so far as concerns use of such a vehicle other than by the Assured this extension shall not apply to Damage to the vehicle.

#### **5. Watercraft**

Notwithstanding Exclusion 1 (a) (i) this section includes the Assured's Liability arising from or caused by the use, in the course of Business, of

- motor barges not exceeding seventy five ton capacity on inland waterways,
- motor launches not exceeding ten metres in length on inland waterways,
- any watercraft not belonging to or chartered by the Assured but used by them for business entertainment provided that
  - such watercraft is primarily owned and operated as a river cruise vessel,
  - such watercraft is by the owner or charterer under a marine insurance section,
  - the Company shall not indemnify the Assured in respect of liability which attaches by way of any contract or agreement that would not have attached in the absence of such contract or agreement.

#### **6. Personal Effects**

The Liability for Damage to directors', employees' or visitors' personal effects including vehicles and their contents but excluding liability for which indemnity is provided under any other insurance or in any other way.

#### **7. Indemnity to Other Parties**

The Company will if the Assured so requires also indemnify as if they were the Assured

- any director, partner, Employee or a former Employee of the Assured,

- b) any officers, members' committee and/or Employee paid and voluntary helpers of the Assured's
  - i) canteen and welfare organisations
  - ii) nursery, crèche or child care facilities
  - iii) sports and social organizations in their respective capacities as such,
- c) any officers and members of the Assured's
  - i) security, rescue, first aid, fire and ambulance services medical organisation other than any doctor, surgeon or dentist while working in a professional capacity in their respective capacities as such,
- d) any director or partner or executive of the Assured in respect of private work undertaken by any Employee for a director, partner or executive of the Assured,
- e) any principal or any other party to the extent required by contract,
- f) any officers or trustees of the Assured's pension scheme(s),
- g) any other party not described in (a) – (f) above for whom the Assured wish to accept responsibility to insure or to provide an indemnity, but the Company will not provide an indemnity
  - i) unless the Company has the sole conduct and control of any claim,
  - ii) where the other person is indemnified under any other insurance or in any other way.

Provided that where the Company agrees to indemnify more than one party then nothing in this section shall increase the liability of the Company to pay any amount in respect of one claim or series of claims arising out of any one occurrence in excess of the amount stated as the Limit of Indemnity.

#### 8. Data Protection Act 1998

The Company will indemnify the Assured and if the Assured so requires any Employee in respect of their liability under the Data Protection Act 1998 to pay

- a) compensation in respect of damage or distress under section 13 of Part II of the Act including defence costs and expenses,
- b) defence costs in relation to a prosecution brought under section 21 of Part III of the Act, in relation to a claim made by any person except an Employee, provided that
  - i) the Assured has registered in accordance with the terms of the Act,
  - ii) a claim is first made against the Assured during the Period of Insurance,
  - iii) this extension shall not apply in respect of
    - i) the payment of fines or penalties
    - ii) the cost of replacing, reinstating, rectifying or erasing any personal data,
    - iii) liability caused by or arising from a deliberate or intentional act by or omission of any party entitled to indemnity by this section the effect of which will knowingly result in liability under the Act, claims which arise out of circumstances notified to previous insurers or known to the Assured at inception of this section, any amount including Costs and Expenses exceeding the Limit of Indemnity, liability for which indemnity is provided under any other insurance,
    - iv) in respect of each and every claim under this extension the Company shall not be liable for ten per cent (10%) of the cost of the claim or the first £500 whichever is the greater.

The cover and exceptions will apply to compensation and legal costs and expenses recoverable under similar clauses in the Data Protection Act 1984.

#### 9. Employees' Liability Overseas

The Assured's Liability and if the Assured so requires such Liability of any Employee, their spouse and their children whilst abroad on Business but excluding liability for which indemnity is provided under any other insurance or in any other way.

#### 10. Cross Liabilities

Where the Assured includes more than one party this section shall operate as though a separate section had been issued to each party

provided that the total liability of the Company shall not exceed the Limit of Indemnity.

For the purposes of this clause members of the Assured's sports and social clubs and other organizations engaged in activities described in paragraph (a) of the Business definition shall each be considered separate parties.

#### 11. Health and Safety at Work, Etc. Act 1974

The Company will indemnify the Assured and if the Assured so requires any Employee in respect of Costs and Expenses incurred in defending a prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974 and other relevant legislation provided that the prosecution

- a) relates to an offence alleged to have been committed during the Period of Insurance and in the course of Business,
- b) relates to matters affecting the health, safety and welfare of persons other than Employees.

The Company will also pay

- i) Costs and Expenses of an appeal against improvement and prohibition notices incurred with its written consent,
- ii) prosecution costs awarded against the Assured.

The indemnity does not apply

- i) to fines imposed or ordered to be paid,
- ii) where there is indemnity by a legal expenses insurance section.

#### 12. Consumer Protection Act 1987 & Food Safety Act 1990

The Company will indemnify the Assured and if the Assured so requires any Employee in respect of legal costs and expenses incurred in defending a criminal prosecution brought under Part II of the Consumer Protection Act 1987 or Part II of the Food Safety Act 1990 provided that the prosecution relates to an offence alleged to have been committed during the Period of Insurance and in the course of Business.

The Company will also pay Costs and Expenses including an appeal against a suspension notice incurred with its written consent but this indemnity does not apply

- a) to fines or penalties of any kind
- b) where there is indemnity by any other insurance
- c) to a prosecution consequent upon a deliberate act by or omission of any party entitled to indemnity by this section the effect of which will knowingly result in a breach of Part II of the Acts.

#### 13. Work Upon Third Party Property

The words "or in the custody possession or control of" in paragraph (b) of the Liability definition shall not apply in respect of premises and their contents temporarily in the Assured's custody possession or control for the purpose of undertaking work. This clause shall not apply in respect of

- a) premises and their contents belonging to the Assured or occupied by them as tenants,
- b) liability arising from or caused by Damage to that part of the premises or contents upon which the Assured are or have been working resulting directly from the work process.

#### 14. Defective Premises Act 1972

Liability incurred by virtue of section 3 of the Defective Premises Act 1972 and other relevant legislation.

#### 15. Conflict of Interest

In the event of a conflict of interest between the Assured and any Employee indemnified by this section separate representation will be arranged for each party.

#### 16. Compensation for Court Attendance

In the event of any director, partner or Employee attending court as a witness at the request of the Company in connection with a claim in respect of which the Assured is entitled to indemnity under this section the Company will provide compensation to the Assured at the undernoted rates

- a) any director or partner of the Assured £500
- b) any other Employee £250 per day for each day on which attendance is required.

## 17. Sudden and Accidental Pollution

The Assured's Liability in respect of

- a) pollution or contamination of buildings or other structures or water or land or the atmosphere and
- b) Damage or injury directly or indirectly caused by such pollution or contamination, caused by a sudden identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

All such pollution or contamination which arises out of one incident shall be deemed to be one occurrence and to have occurred at the time such incident takes place.

## 18. Breach of Professional Duty

The Company will indemnify the Assured in respect of liability arising for damages and claimants costs and expenses arising from any claim or claims made against the Assured during the currency of the policy for breach of duty by reason of any negligent act, error or omission committed or alleged to have been committed in the conduct of the business by the Assured or any partner, director or employees of the Assured, provided that

- a) The Assured is acting in their professional capacity as valuers of jewellery, watches, gold, silver and similar articles being so qualified and providing the Assured acts in accordance with recommended guidelines of the Registered Valuers' Scheme administered and operated by the "National Association of Goldsmiths."
- b) Any act or event giving rise to a claim under this insurance shall have occurred during the period of insurance.
- c) The liability of The Company for all claims under this insurance shall not exceed £50,000 excluding the first £250 in respect of each and every claim.

## EXCLUSIONS

### 1. Motor Vehicles, Watercraft and Aircraft

This section excludes liability arising from or caused by the ownership or possession or use by or on behalf of the Assured of any mechanically propelled

- i) waterborne vessel or hovercraft or any aircraft or airborne device,
- ii) vehicle outside the United Kingdom,
- iii) vehicle in circumstances where a Certificate of Insurance is required in accordance with the Road Traffic Acts currently in force in the United Kingdom, liability for which indemnity is provided under any other insurance in respect of any vehicle, vessel, hovercraft, aircraft or airborne device.

### 2. Products and Workmanship

This section excludes

- a) liability for Damage to,
- b) costs incurred in or in consequence of recalling, replacing or making good, Products or workmanship performed by or on behalf of the Assured but this exclusion shall not apply to the Assured's Liability for Damage to such property arising from or caused by other Products or workmanship, which are the subject of a separate contract.

### 3. Advice, Instruction Or Design

This section excludes liability arising from any advice, instruction or design given

- a) for a fee by or on behalf of the Assured unless relating to any Products for which indemnity is provided by this section,
- b) without a fee and for which indemnity is provided by other insurance.

### 4. War and Terrorism

This section excludes liability for all actual or alleged losses, liabilities, damages, injuries, defence costs or expense(s) directly or indirectly arising out of, contributed to, caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence of the loss:

- a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power, confiscation by order of any public authority or government de jure or de facto, martial law;
- b) riots, strikes or civil commotion; or
- c) any act of terrorism.

For the purposes of this Exclusion, an act of terrorism means an activity that

- i) 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
  - ii) 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 section of any government de jure or de facto by intimidation or coercion, or
    - IV) affect the conduct or section of any government de jure or de facto by mass destruction, assassination, kidnapping or hostage-taking.
- This Exclusion also excludes from coverage all actual or alleged losses, liabilities, damages, injuries, defence costs, costs or expenses directly or indirectly arising out of, contributed to, caused by, resulting from, or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to a), b) and/or c) above.

If the Company allege that by reason of this Exclusion any actual or alleged losses, liabilities, damages, injuries, defence costs, costs or expenses are not covered by this section the burden of proving the contrary shall be upon the Assured.

In the event that any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

### 5. Nuclear Risks

This section excludes liability of whatsoever nature directly or indirectly caused by or contributed to or arising from

- a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel,
- b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

### 6. North American Risks

This section excludes

Liability for claims against any party brought in or under or in consequence of any Judgment or Order in or under the Law of North America

### 7. Data Protection Act 1998

This section excludes liability incurred under the Data Protection Act 1998 or similar legislation outside the Economic Union countries.

### 8. Use Or Application Of Heat – Fire Precautions

This section excludes liability arising from or caused by the use or application of heat away from the Assured's premises unless the Insured

- a) when using oxyacetylene, electric arc or similar welding and cutting equipment takes all reasonable precautions to prevent Damage. Where the use of such equipment is subcontracted the Assured shall require the subcontractor to also take all reasonable precautions.

The term "reasonable precautions" in relation to the use of such equipment shall include but not be limited to the following

- i) Before Starting Work
  - I) a person shall be made responsible for fire safety and for ensuring that reasonable precautions are taken,
  - II) all persons shall be made aware of the location of the site's fire alarms and fire fighting equipment,
  - III) the responsible person shall examine all property within a Radius of six metres from where the heat is being applied and where possible remove all combustible materials or otherwise cover and protect by overlapping sheets or screens of non-combustible material.
- ii) During the Process of Work
  - i) a person shall work alongside the operator of the equipment to look out for an outbreak of fire and there shall be available for immediate use
    - a) at least two buckets of dry sand,
    - b) a hose connected to the nearest hydrant with water turned on and controllable at the nozzle of the hose. If water is not available or unsuitable then two fully charged fire extinguishers must be available,
    - i) the lighting of equipment shall be in accordance with manufacturers instructions and no piece of lighted equipment

shall be left unattended,

ii) gas cylinders not required for immediate use shall be kept at least six metres from where the heat is being applied.

iii) After Ceasing Work

a) continuous examination for thirty minutes shall be made of the area within a radius of six metres from where the heat has been applied to ensure that there is no risk of fire.

b) when using or applying heat in any other way takes all reasonable precautions to prevent Damage.

#### 9 Pollution Or Contamination

This section excludes liability in respect of:

a) pollution or contamination of buildings or other structures or of water or land or the atmosphere and

b) Damage or injury directly or indirectly caused by such pollution or contamination other than Liability for which an indemnity is provided by Standard Clause 17 Sudden and Accidental Pollution.

#### 10. Employees Working outside the United Kingdom

This section excludes liability directly or indirectly arising from or caused by employment undertaken outside the United Kingdom provided that this exclusion shall not apply

a) where the Employee is resident within the United Kingdom and intends to return to his country of residence following completion of the temporary overseas employment, and

b) where any single overseas work assignment is not intended or planned to exceed six months duration provided always that the Company will not indemnify the Assured or any other party in respect of liability for payment under any Workman's Compensation scheme or similar social workplace compensation legislation.

#### 11. Operations Domiciled outside the United Kingdom

This section excludes liability arising from, caused by or in connection with the Assured's

a) subsidiary companies

b) branch offices

c) representatives with power of attorney domiciled outside of the United Kingdom.

#### 12. Contracts (Rights of Third Parties) Act 1999

This section does not confer or create any right enforceable under the Contracts (Rights of Third Parties) Act 1999 or any amending or subsequent legislation, by any person who is not named as the Assured and

a) both the Assured and the Company may amend or lapse this section without giving notice to, or requiring the consent of, any other third party

b) the Company may cancel this section without giving notice to, or requiring the consent of, any other third party

#### 13. Hazardous Materials

This section excludes liability for any loss, cost or expense directly or indirectly arising out of, resulting as a consequence of, or related to

a) the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or Polychlorinated biphenyls or materials or products containing asbestos or Polychlorinated biphenyls whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss

b) magnetic, electric or electromagnetic fields or radiation.

c) the production or manufacture of tobacco products

#### 14. Date Related Coverage

This section excludes liability of whatsoever nature directly or indirectly caused by, or contributed to, or arising from, the failure, whether occurring before during or after the year 2000, of any equipment, whether or not the Assured's property, including but not limited to computer hardware and/or computer software and/or systems incorporating microchips and/or systems for processing, storing or retrieving data to

a) correctly recognise any date as its true calendar date or

b) correctly recognise, capture, save, retain, restore, copy, manipulate, interpret, calculate and/or process any data, information, command and/or instruction as a result of

i) treating any date otherwise than its true calendar date or

ii) the operation of any command which has been programmed into any computer software or systems incorporating microchips or similar and which before, on or after any date causes

l) the loss of data or information and/or

ll) the inability to correctly recognise, capture, save, retain, restore, copy, manipulate interpret, calculate and/or process any data, information, command and/or instruction before, on or after any date.

#### 15. E-Commerce

This section excludes liability

a) arising from loss, alteration or impairment of, or damage to, information and/or data in electronic form

b) arising from malicious acts of any person carried out by electronic means

c) for defamation or harassment carried out by electronic means but this exclusion shall not apply in respect of liability for any ensuing accidental Bodily Injury (save for mental injury or mental disease) or accidental Damage which is not otherwise excluded.

#### 15. Excess

This section excludes liability for the first £250.00 (or currency equivalent) of any claim made in respect of Third Party Property Damage.

#### Special Conditions

##### Accidents

The Assured shall give notice in writing to the Company

a) immediately on or not later than 24 hours from, receipt of notice of any impending inquest, fatal accident, inquiry, prosecution or other legal proceedings

b) within fourteen (14) days after the occurrence of any other accident or Bodily Injury with full particulars thereof which may be the subject of indemnity under this section and the Assured shall give all such information and assistance as the Company may require.

**Note:** *This Section is subject to the General Conditions and Exclusions of this Insurance*

#### SECTION TEN: EMPLOYERS LIABILITY

##### Definitions

The following expressions shall have the specified meanings given to them wherever they may appear in this section.

##### Bodily Injury

Bodily injury including but not limited to death, disease, illness, physical and mental injury or mental anguish, but excluding injury to feelings.

##### Business

The activities of the Assured as stated in the Schedule and including

- provision and management of canteens, sports, social and welfare and medical organisations for the benefit of the Assureds' employees and/or their pensioners, sponsorships, medical, dental, nursing, first aid, fire, rescue and ambulance services, principally in connection with but not limited to the operations of the Assured,
- provision of security services for the benefit of the Assured,
- provision of nursery, crèche or child care facilities where incidental to the business,
- property owners, lessors and lessees including repair, refurbishment and maintenance of such property,
- organisation of and participation in exhibitions, trade fairs, conferences and the like,
- private work undertaken by any Employee for any fellow Employee, director or partner or executive of the Assured,
- employment of subcontractors for performance of work on behalf of the Assured,
- the organisation of charitable events or similar fund raising activities,
- sponsorship of events, organisations, entities and individuals,
- repair, maintenance and servicing of own mechanically propelled vehicles,
- sale or disposal of own property and goods, including owned mechanically propelled vehicles,
- provision of gifts and promotional material incidental to the business

##### Costs and Expenses

a) recoverable by any claimant from the Assured and at the request of any director, partner or Employee,

- b) incurred by the Company or by the Assured with the written consent of the Company,
- c) incurred at the request of the Assured, with the prior approval of the Company and in connection with the defence of any criminal proceedings brought or an appeal against conviction, including representation of the Assured at any Coroner's Inquest or Fatal Accident Inquiry arising from such proceedings and the costs of prosecution awarded against the Assured or any Employee of the Assured in relation to health and safety at work legislation or in respect of a charge of manslaughter or corporate killing, in connection with any occurrence which is or may be the subject of indemnity under this section whether or not Bodily Injury has occurred.

#### Employee

Any person whilst

- a) engaged under a contract of service or apprenticeship with the Assured,
- b) acting in the capacity of non executive director of the Assured.

The Assured named in the Policy Schedule including the legal or personal representatives of the Assured in respect of legal liability incurred by the Assured.

#### Limit of Indemnity

The amount stated in the Schedule which is the maximum amount payable including interest and all Costs and Expenses in respect of

- a) any one claim against the Insurer or series of claims against the Assured, and
- b) any claim or series of claims made by the Assured under this section arising out of one cause.

The indemnity provided by the Standard Clauses or any other amendment to this section shall not operate so as to increase the maximum amount payable in respect of claims arising out of one cause.

#### North America

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

#### Offshore

- a) Work in or on any offshore rig or platform or support or accommodation vessel for any offshore rig or platform and/or
- b) In transit to and from or between any offshore rig or platform or support or accommodation vessel for any offshore rig or platform from the time of embarkation onto a conveyance at the point of final departure to an offshore rig or platform until disembarkation from the conveyance onto land upon return from an offshore rig or platform.

#### United Kingdom

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

#### Indemnity Clause

If any Employee, whilst employed in or temporarily outside the United Kingdom on the Business of the Assured, sustains Bodily Injury caused during the Period of Insurance and arising out of and in the course of employment by the Assured the Company will subject to the terms of this policy indemnify the Assured against legal liability for damages, Costs and Expenses up to the Limit of Indemnity provided that

- a) the action for damages is brought against the Assured in a Court of Law outside North America,
- b) no admission, offer or promise, payment or indemnity shall be made or given by or on behalf of the Assured without the written consent of the Company which shall be entitled if it so desires to take over and conduct in the name of the Assureds defence or settlement of any claim or to prosecute in the name of the Assured for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim,
- c) the Assured shall give notice in writing to the Company
  - i) immediately on or not later than 24 hours from, receipt of notice of any impending inquest, fatal accident inquiry, prosecution or other legal proceedings

- ii) immediately on or within 48 hours from, receipt of notice of an Industrial Tribunal hearing that includes alleged Bodily Injury within fourteen (14) days after the occurrence of any other accident or Bodily Injury with full particulars thereof, which may

be the subject of indemnity under this section and the Assured shall give all such information and assistance as the Company may require.

#### Standard Clauses

The indemnity provided by this section includes liability under the following clauses provided that where a party other than the Assured is indemnified such party shall as though he were the Assured, observe, fulfil and be subject to the terms in so far as they can apply.

#### 1. Contractual Liability

Where any contract or agreement entered into by the Assured with any other party (hereinafter called the "principal") so requires, this section will indemnify

- a) the Assured against liability arising in connection with and assumed by the Assured by virtue of such contract or agreement or
- b) the principal in like manner to the Assured in respect of the principal's liability arising from the performance of such contract or agreement but only so far as concerns liability as defined in this section to Employees of the Assured and provided that
  - i) the Assured shall have arranged with the principal for the conduct and control of all claims to be vested in the Company,
  - ii) the principal shall as though he were the Assured observe, fulfil and be subject to the terms and conditions of this section in so far as they can apply, to the extent that may be required by such contract or agreement the Company will waive rights of subrogation against any party specified in the contract or agreement.

#### 2. Indemnity to Other Parties

The Company will if the Assured so requires also indemnify as if they were the Assured

- a) any director, partner, Employee or a former Employee of the Assured,
- b) any officers, members' committee and/or Employee paid and voluntary helpers of the Assured's
  - i) canteen and welfare organisations
  - ii) nursery, crèche or child care facilities
  - iii) sports and social organizations in their respective capacities as such,
- c) any officers and members of the Assured's
  - i) security, rescue, first aid, fire and ambulance services
  - ii) medical organisation other than any doctor, surgeon or dentist whilst working in a professional capacity in their respective capacities as such,
- d) any director or partner or executive of the Assured in respect of private work undertaken by any Employee for a director, partner or executive of the Assured,
- e) any principal or any other party to the extent required by contract,
- f) any officers or trustees of the Assured's pension scheme(s), any other party not described in (a) – (f) above for whom the Assured wish to accept responsibility to insure or to provide an indemnity, but the Company will not provide an indemnity
  - i) unless the Company has the sole conduct and control of any claim,
  - ii) where the other person is indemnified under any other insurance or in any other way.

Provided that where the Company agrees to indemnify more than one party then nothing in this section shall increase the liability of the Company to pay any amount in respect of one claim or series of claims arising out of any one cause in excess of the amount stated as the Limit of Indemnity.

#### 3. Medical Treatment

This section extends to indemnify the Assured and any medical doctor employed by the Assured in respect of liability for damages and Costs and Expenses to any person under a contract of service or apprenticeship with the Assured resulting from treatment given in connection with any Bodily Injury sustained by such person during the Period of Insurance.

#### 4. Health and Safety at Work, Etc. Act 1974

The Company will indemnify the Assured and if the Assured requires any Employee in respect of Costs and Expenses incurred in defending a prosecution brought under sections 2 to 8 of the Health and Safety at Work, etc. Act 1974 and other relevant legislation provided that the prosecution

- a) relates to an offence alleged to have been committed during the Period of Insurance and in the course of Business,
- b) relates to matters affecting the health, safety and welfare of Employees.

The Company will also pay

- i) Costs and Expenses of appeal including an appeal against improvement and prohibition notices incurred with its written consent,
- ii) prosecution costs awarded against the Assured.

The indemnity does not apply

- i) to fines imposed or ordered to be paid,
- ii) where there is indemnity by a legal expenses insurance section.

#### 5. Unsatisfied Court Judgments

If an Employee or his or her personal representatives sustains Bodily Injury caused during the Period of Insurance, arising out of and in the course of employment by the Assured, for which a third party is legally liable and the Employee

- a) is unable to enforce a judgment for damages against the third party either in part or in whole within six months of the date of the judgment the Company will if the Assured so requires indemnify the Employee up to the amount of the adjudged damages and any awarded costs to the extent they remain unsatisfied provided that
  - i) this extension shall only apply to judgments made in a Court of Law outside of North America,
  - ii) there is no appeal outstanding,
  - iii) the Employee in return for the payment assigns his judgment to the Company,
- b) is unable to institute or serve proceedings for damages against the third party within a reasonable period of time or at all the Company will if the Assured so requires pay to the Employee an amount equivalent to the sum which would reasonably be expected to be recovered in proceedings for damages in a Court of Law outside North America provided that the Employee
  - i) assigns to the Company his chosen action,
  - ii) provides all reasonable assistance that the Company may require should it become possible to pursue the action.

The Company will reimburse all costs reasonably incurred by the Employee in compliance with this requirement.

Any dispute arising out of this extension shall be resolved by reference to an independent arbitrator acceptable to both the Employee and the Company who shall be a practicing member of the Bar experienced in personal injury claims and whose decision will be final.

#### 6. Compensation For Court Attendance

In the event of any director, partner or Employee attending court as a witness at the request of the Company in connection with a claim in respect of which the Assured is entitled to indemnity under this section the Company will provide compensation to the Assured at the undernoted rates

- a) any director or partner of the Assured £500
  - b) any other Employee £250
- per day for each day on which attendance is required.

#### 7. Data Protection Act 1998

The Company will indemnify the Assured and if the Assured so requires any Employee in respect of their liability under the Data Protection Act 1998 to pay

- a) compensation in respect of damage or distress under section 13 of Part II of the Act including defence Costs and Expenses,
- b) defence costs in relation to a prosecution brought under section 21 of Part III of the Act, in relation to a claim made by an Employee, provided that
  - i) the Assured has registered in accordance with the terms of the Act,
  - ii) a claim is first made against the Assured during the Period of Insurance,

- iii) this extension shall not apply in respect of
  - i) the payment of fines or penalties
  - ii) the cost of replacing, reinstating, rectifying or erasing any personal data,
  - iii) liability caused by or arising from a deliberate or intentional act by or omission of any party entitled to indemnity by this section the effect of which will knowingly result in liability under the Act,
  - iv) claims which arise out of circumstances notified to previous insurers or known to the Assured at inception of this section,
  - v) liability for which indemnity is provided under any other insurance,
  - vi) in respect of each and every claim under this extension the Company shall not be liable for ten per cent(10%) of the cost of the claim or the first £500 whichever is the greater.

The cover and exceptions will apply to compensation and legal costs and expenses recoverable under similar clauses in the Data Protection Act 1984.

#### 8. Conflict Of Interest

In the event of a conflict of interest between the Assured and any Employee indemnified by this section separate representation will be arranged for each party.

#### 9. Waiver of Subrogation against Subsidiaries

In the event of any Employee sustaining Bodily Injury arising out of and in the course of employment with the Assured due to the negligence of a subsidiary of the Assured and at the request of the Assured, the Company agrees to waive rights of subrogation against the subsidiary company.

#### EXCLUSIONS

##### 1. Employees Working outside the United Kingdom

This section excludes liability directly or indirectly arising from or caused by employment undertaken outside the United Kingdom provided that this exclusion shall not apply

- a) where the Employee is resident within the United Kingdom and intends to return to his country of residence following completion of the temporary overseas employment, and
- b) where any single overseas work assignment is not intended or planned to exceed six months duration provided always that the Company will not indemnify the Assured or any other party in respect of liability for payment under any Workman's Compensation scheme or similar social workplace compensation legislation.

##### 2. Offshore Activities

This section excludes liability in respect of Bodily Injury sustained Offshore

##### 3. Road Traffic Legislation

This section excludes liability for Bodily Injury sustained by an Employee when the Employee is

- a) being carried in or upon a vehicle or
- b) entering or getting into or alighting from a vehicle in circumstances where insurance or security is required to be effected by the Assured to comply with the Road Traffic Acts as amended by The Motor Vehicles (Compulsory Insurance) Regulations 1992 or any alteration to such Regulations or any similar legislation applying to Northern Ireland, the Isle of Man or the Channel Islands or to any other territory consequent on the Third Council Directive 90/232/EEC of 14/05/1990 relating to insurance against Civil Liability in respect of the use of motor vehicles.

##### 4. Contracts (Rights of Third Parties) Act 1999

This section does not confer or create any right enforceable under the Contracts (Rights of Third Parties) Act 1999 or any amending or

subsequent legislation, by any person who is not named as the Assured and

- a) both the Assured and the Company may amend or lapse this section without giving notice to, or requiring the consent of, any other third party

- b) Othe Company may cancel this section without giving notice to, or requiring the consent of, any other third party.

## 5. War and Terrorism

The section excludes liability for all actual or alleged losses, liabilities, damages, injuries, defence costs or expense(s) directly or indirectly arising out of, contributed to, caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence of the loss:

- a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, revolution, rebellion, insurrection, uprising, military or usurped power, confiscation by order of any public authority or government de jure or de facto, martial law;
- b) riots, strikes or civil commotion; or
- c) any act of terrorism.

For the purposes of this Exclusion, an act of terrorism means an activity that

- i) 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
- ii) 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 section of any government de jure or de facto by intimidation or coercion, or
  - IV) affect the conduct or section of any government de jure or de facto by mass destruction, assassination, kidnapping or hostage-taking.

This Exclusion also excludes from coverage all actual or alleged losses, liabilities, damages, injuries, defence costs, costs or expenses directly or indirectly arising out of, contributed to, caused by, resulting from, or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to a), b) and/or c) above.

If the Company allege that by reason of this Exclusion any actual or alleged losses, liabilities, damages, injuries, defence costs, costs or expenses are not covered by this section the burden of proving the contrary shall be upon the Assured.

In the event that any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Further, this Exclusion shall not apply to the first £5,000,000 of

- a) any one claim against the Assured or series of claims against the Assured, and
- b) any claim or series of claims made by the Assured under this section arising out of one cause.

### Special Condition

#### Employers' Liability (Compulsory Insurance) Act 1969

The indemnity granted by this section is deemed to be in accordance with the provisions of the Employers' Liability (Compulsory Insurance) Act 1969 and the Employers Liability (Compulsory Insurance) Regulations 1998 or any subsequent amendment or re-enactment or similar legislation in Northern Ireland, the Isle of Man and the Channel Islands.

But the Assured shall repay to the Company all sums paid by the Company, which the Company would not have been liable to pay, but for the provisions of such law.

## SECTION ELEVEN: SPECIAL EXTENSIONS TO THE BASIC POLICY

### Dishonesty of Employees:

This Sub Section is to indemnify the Assured for

### Cover Provided:

- 1) Direct loss of property as Insured by Section 1 of this policy belonging to the Assured or for which the Assured is responsible. Resulting directly from an act of fraud or dishonesty

committed by an employee in the course of the business and occurring during the period of insurance.

Provided that

- a) such loss is discovered not more than 24 months following
  - i) The termination of the employment of or
  - ii) The cancellation of this section whichever occurs first immediately following the discovery of an act of fraud or dishonesty committed by any of the employees Underwriters shall not be liable for any losses arising from further acts of fraud or dishonesty by the employee or employees
- 2) Auditors fees necessarily incurred with the consent of Underwriters solely to establish the amount of the loss referred to in 1 above.

### Specific Exclusions:

This Sub Section does NOT COVER

1. The first £250 or 10% of each claim whichever shall be the greater.

### Limit of Indemnity:

The total liability of Underwriters under this section including liability for auditors fees shall not exceed the amount shown in the schedule in respect of:-

- a) All losses attributable to acts of fraud or dishonesty committed by any one employee (or with other employees acting in collusion) during the currency of this Section and
- b) The aggregate of all losses occurring during any one period of insurance.

Furthermore in the event of this section continuing in force for more than one Period of Insurance Underwriters liability shall not be accumulated or increased thereby and the aggregate liability of Underwriters during any Period of Insurance under this section (or any policy issued in substitution for or substituted by this section) shall not exceed the limit of indemnity shown in the schedule.

### Definition:

Employee: Unless otherwise agreed by Underwriters, for the purpose of this Section 'employees' shall mean any person working under a contract of service or apprenticeship with the Assured and who is remunerated for such service wholly or mainly by salary or wages.

### Special Conditions:

1. Notice in writing must be given to Underwriters by the Assured within 14 days of discovery of any act of fraud or dishonesty by any of the employees or any reasonable cause for suspicion thereof or any circumstances which may give rise to a claim under this section.
2. Any recoveries effected by the Assured shall be applied in the following order:-
  - i) In reduction of the loss suffered by the Assured which would have been covered by this section but for the application of the limit of indemnity.
  - ii) In reduction of the loss suffered by Underwriters.
  - iii) In reduction of the loss suffered by the Assured in respect of exception (1) applicable to this section.

### Pound Breach & Defective title:

#### Cover Provided:

This Sub Section is to indemnify the Assured for: Sums which the Assured is liable to pay up to the Limit of Liability shown in the schedule under this sub section against losses suffered in connection with the Pound Breach or Rescue by the Assured without notice of distress of goods or chattels distrained or for rent under the Distress Act 1689 and the Distress for Rent Act 1737 or by reason of the vendors lack of title or defective title to goods dealt with or purchased by the Assured or by reason of any charge or encumbrance affecting such goods whether or not such lack of title or the existence of such charge or encumbrance arises by reason of any hiring or hire purchase agreement affecting the goods or otherwise.

Underwriters will also pay legal costs and expenses recoverable by any claimant and all costs and expenses incurred with the written consent of Underwriters.

### Specific Exclusions:

This Sub Section does NOT COVER:

Loss by reason of any duly registered Bill of Sale affecting the said goods.

**Invalid Payments:****Cover Provided**

This Sub Section is to indemnify the Assured for Loss resulting from acceptance by the Assured of

- a) Any currency which subsequently is proved to have been forged or counterfeit or
- b) Any cheque, credit or charge card or other negotiable instrument which is subsequently dishonoured for payment. Providing the Assured can prove to Underwriters' satisfaction that every reasonable care was exercised to establish the authenticity of such currency, cheque, credit or charge card or other negotiable instrument before being accepted as payment for goods sold.

**Limit of Indemnity:**

In the event of such loss occurring, Underwriters' liability shall be limited to £500 any one loss and £2,500 in any one period of insurance.

**Damage to Goods Being Worked Upon:****Cover Provided:**

This Sub Section is to indemnify the Assured for :  
Damage to property sustained whilst the same is being actually worked upon directly resulting therefrom.

**Limit of Indemnity:**

In the event of any such damage occurring Underwriters liability shall be limited to 90% of any such damage the remaining 10% being at the Assured's risk and uninsured, and further each and every claim subject to Underwriters' maximum liability not exceeding £5,000 in the aggregate in any one period of insurance.

**Unattended Vehicles:****Cover Provided:**

This Sub Section is to indemnify the Assured for:  
Loss of property as Insured by Section 1 of this policy in respect of the specified vehicles and sums Insured stated under Section Eleven of the schedule.

**Special Conditions:**

It is a condition that all doors, windows, windscreens and other openings of the vehicle(s) are left closed, securely locked and properly fastened and that any such protections and/or safeguards as may be referred to in the written proposal and declaration shall be in full and effective operation. Provided further that any such door, window, windscreen, opening, lock or fastener shall have been smashed by violent forcible means whereby entry, access or theft has been affected.

If the Assured shall fail to comply with the above conditions all rights to indemnity under this Sub Section shall be forfeited.

**Note:** *This WHOLE Section is also subject to the general conditions and exclusions of this insurance.*

**GENERAL ENDORSEMENTS****Designation (Sections One, Two, Three and Four Only):**

1. For the purpose of determining where necessary the heading under which the property is Insured, the Underwriters agree to accept the designation under which such property has been entered in the Assured's books.

**Professional Fees:**

2. The insurance by each of Sections One, Two and Four include within the limit(s) of the respective Sum(s) Insured, an amount in respect of Architects', Surveyors', Consulting Engineers', Legal and other Fees necessarily incurred by the Assured in the reinstatement of the property following upon its destruction or damage by any peril hereby against (but not any fees for the preparation of a claim or estimate of loss) not exceeding the amounts authorised under the Scales of the various Institutions regulating such charges prevailing at the time of the destruction or damage.

**Debris Removal:**

3. The insurance by each of Sections One, Two and Four includes, within the limit(s) of the respective Sum(s) , costs and expenses necessarily incurred by the Assured with the consent of the Underwriters in
  - a) removing debris,

- b) dismantling or demolishing,
- c) Shoring up or propping of the portion(s) of the property by the said Deceptions destroyed or damaged by fire or by any other peril thereby .

**Payment on Account Clause (Section One Only)**

4. Underwriters agree that where claims papers submitted demonstrate that only the quantum of the claim is in question, they will make a payment on account equal to 75% of the lower of the amounts claimed and agreed by the Underwriters.

**General Conditions and Exclusions:**

1. It is a condition precedent to the liability of Underwriters that:

**a) Stock Records:**

The Assured shall keep detailed stock records of all sales purchases and their transactions, and that such records shall be available for inspection by the Underwriters or their representatives in case of a claim being made under this Insurance.

**b) Protections Maintenance:**

Such protections and/or safeguards as may be referred to in the written proposal and declaration as being in force shall not be withdrawn or varied to the detriment of the interests of the Underwriters without their consent and immediate advice shall be given to the Underwriters of any notice of withdrawal of police or other security force protection.

**c) Keys:**

All keys and duplicate keys capable of operating the alarms (if any) and all keys and duplicate keys of Safe and/or Strongrooms are removed from the premises when the said premises are not open for business, in which context 'premises shall not include any portion which is occupied for residential purposes. This Condition shall not apply, if at the time of loss or damage there was present in such premises the Assured or an employee in charge thereof.

**d) Alarms:**

As regards theft occurring at the Assured's premises that:

- i) at the time of the closing of the Assured's premises for business the Burglar Alarm (if any) shall have been put into full and proper operation and
- ii) such Alarm shall have been maintained under Contract by the installing Company, or any other approved by Underwriters.

This Insurance, however, shall not be invalidated by any defect in the said Alarm Installation due to any circumstances unknown to or beyond the control of the Assured.

**2. Sue and Labour:**

In the case of any loss of any kind whatsoever it shall be lawful for the Assured, his or their factors, employees or assigns to sue, labour and travel in and about the defence, safeguarding and recovery of the subject matter of this Insurance or any part thereof without prejudice to this Insurance or Waiver of the rights hereunder.

**3. Claims notification:**

The Assured shall, in the case of loss or damage and as a condition precedent to any right of indemnification in respect thereof, give to the Underwriters, as soon as practicable, notice in writing of the happening of any occurrence likely to give rise to a claim under this Insurance and shall, in the event of a claim, give to the Underwriters such information and evidence of the loss or damage as the Underwriters may reasonably require and as may be in the Assured's power.

The Assured shall not admit liability for or offer or agree to settle any claim without the written consent of the Underwriter or otherwise against any third party and shall have full discretion in the conduct of any negotiations and proceedings and the settlement of any claim.

**4. Reinstatement of Loss: (Sections One and Two Only)**

In the event of loss or losses occurring under this Insurance, it is hereby mutually agreed to reinstate The respective Section(s) of the Insurance to their Sum(s) Insured from the time of the occurrence of such loss or losses until the expiry of this Insurance and that an additional premium calculated at pro rata of the

(Insurance rate) from the date of such loss or losses to expiry of the Insurance shall be paid by the Assured upon the amount of such loss or losses when such loss or losses is/are settled. Nevertheless Underwriters' limit of liability should never exceed The respective Sum(s) Insured in respect of any one loss.

## 5. Cancellation:

You must make any request for the cancellation of a policy in writing. Any relevant certificate must be returned to us. The terms of your policy may allow insurers to retain the premium in full, retain a minimum premium or charge short-period or pro rata premiums in the event of cancellation. Please see your summary of cover or policy documentation.

For the avoidance of doubt, once our remuneration has been earned, in the event of mid term cancellation, our fees, brokerage or commission will not normally be returned.

This Insurance may also be cancelled by or on behalf of Underwriters by ten day's (10) notice given in writing to the Assured at his or their last known address, and the premium thereon shall be adjusted the basis of the Underwriters receiving or retaining pro rata premium. Notice shall be deemed to be duly received in the course of post if sent by pre-paid letter post properly addressed. In the event of any of the following occurring this insurance shall become void and all cover cancelled with immediate effect. Receivership or the appointment of receivers under any circumstances. Material changes to controlling shareholders or beneficial owners of the company.

## 6. Fraudulent Claims:

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

## 7. This Insurance does NOT COVER:

### a) Other Insurance:

Any loss, damage or liability occurring through the operation of peril against which, at the date of the happening of such loss or damage, the Assured has effected separate insurance irrespective of whether or not such insurance is liable to or does meet such loss.

### b) Computer:

Damage attributable to or as a result of accidental or unauthorised erasure or modification of data recorded on Computer Systems Records where such erasure or modification occurs while Computer systems Records are mounted in or on any computer Equipment for use or processing.

### c) Radioactive contamination:

loss or destruction of or damage to any loss or expense whatsoever resulting or arising therefrom or any consequential loss from

- (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- (ii) the radioactive, toxic, explosion or other hazardous properties of any explosive nuclear assembly or nuclear component thereof:

### d) War:

any loss or damage or liability directly or indirectly occasioned by happening throughout or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, martial law or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

- e) any loss, destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

## 8. Northern Ireland:

Notwithstanding anything in this Insurance or in any extension thereof, it is hereby declared and agreed that as an exclusion overriding all other terms (including the nature and terms of perils Insured against) this Insurance does not cover loss or destruction of or damage to any property in Northern Ireland or loss resulting therefrom caused by or happening through or in consequence of:

- i) civil commotion
- ii) any unlawful, wanton or malicious act i.e. maliciously by a person or persons acting on behalf of or in connection with any unlawful association.

**Note:** - 'Unlawful Association' means any organization which is engaged in terrorism and includes an organization which at any relevant time is a proscribed organization within the meaning of the Northern Ireland (Emergency Provisions) Act 1973.

'Terrorism' means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in danger. In any action, suit or other proceedings where the Underwriters allege that by reason of the provisions of this endorsement any loss, destruction or damage is not covered by this Insurance the burden of proving that such loss, destruction or damage is covered shall be upon the Assured. This overriding exclusion applies to this Insurance and to any legal liability of whatsoever nature directly or indirectly caused by or contributed to or arising from any extensions thereof, whether such extension be issued before or after this overriding exclusion except only if an extension be issued hereafter which expressly cancels this overriding exclusion.

## 9. The Law Applicable to this Policy

The parties to this contract have the right to choose the law that should apply. The Underwriters propose to apply the law of England and Wales except for those customers who at inception of the contract are domiciled:-

- i) Scotland where Scots Law will apply or
- ii) in Northern Ireland where the Law of Northern Ireland will apply.
- iii) in the Republic of Ireland where the Law of The Republic of Ireland will apply.

In the absence of any written agreement to the contrary, the appropriate law as detailed above will apply.

## 10. Electronic Date Recognition Exclusion (EDRE)

The Underwriters will not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- (i) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Assured or not; or
- (ii) any change, alteration, or modification involving the date Change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Assured or not.

The Underwriters will not indemnify the Assured against legal liability of whatsoever nature, or associated costs or expenses, directly or indirectly caused by or contributed to by or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the Assured or not and whether occurring before, during or after the year 2000 (including any measures taken with the intention of averting or mitigating any such failure)

- (i) correctly to recognise any date as its true calendar Date to capture, save or retain and/or correctly to manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date.
- (ii) to capture, save retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data on or after any date Paragraphs A(I) & (ii) above shall not apply to Sections, 6, 7, 8, 9 and 10 of the policy (Rent, Approbation & Book Debts, Personal Accident Assault, Public and Products Liability, Employers Liability)

This General Exclusion applies regardless of any other cause, event or liability that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

## 11. Disclosure under the Data Protection Act 1998

The Company records and holds data in accordance with the Data Protection Act 1998 and follows strict security procedures in the

storage and disclosure of information provided to prevent unauthorised access or loss of such information. The Company may find it necessary to pass data to other firms or businesses that supply products and services associated with this contract of insurance. Further, by accessing and updating various databases the Company may share information with other firms and public bodies, including the police, in order to substantiate information and prevent or detect fraud. If false or inaccurate information is provided and fraud is suspected this fact will be recorded and the information will be available to other organisations that have access to the databases. Details of databases accessed or contributed to are available on request.

#### 12. Non-disclosure

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

#### 13. Material Alteration

This policy shall be voidable if after the commencement of this insurance the risk of loss, destruction or damage, injury or liability is increased unless such change of circumstances has been expressly acknowledged and accepted by written memorandum signed for and on behalf of the Company.

#### 14. Observance

The due observance and fulfillment of the terms and conditions of this policy insofar as they may relate to anything to be done or complied with by the Assured shall be a condition precedent to any liability to make any payment under this policy.

#### 15. Contribution

If at the time of any claim under this policy there shall be any other insurance covering the same risk or any part thereof the Company shall not be liable for more than its rateable proportion. This condition shall not apply to any personal accident or medical insurance by this policy.

If any other insurance shall be subject to any condition of average, this policy if not already subject to a condition of average shall be subject to average in like manner.

#### 16. Reasonable Precautions

The Assured shall take all reasonable precautions to prevent accidents, loss, destruction or damage.

#### 17. Document Management

The Underwriters may hold documents relating to this insurance and any claims under it in electronic form and may destroy the originals. It is hereby agreed that an electronic copy of any such document will be admissible in evidence to the same extent as and carry the same weight as the original.

#### 18. Subjectivity and changes in conditions

The policy, the application form, statement of fact and/or declaration made by You, and any clauses endorsed on the policy and the policy schedule should be read together and form the contract of insurance between You, the policyholder, and Us Lloyds of London and QBE Insurance (Europe) Limited in respect of Sections Nine and Ten.

We will clearly state if the cover provided by the policy is subject to You:

- a. providing Us with any additional information requested by the

required date(s)

- b. completing any actions agreed between You and Us by the required date(s)
- c. allowing us to complete any actions agreed between You and Us.

Upon completion of these requirements (or if they are not completed by the required date(s), We may, at our option:

- a. modify Your premium
- b. issue a mid-term amendment to Your policy terms and conditions
- c. require You to make alterations to the risk by the required date(s)
- d. exercise Our right to cancel Your policy
- e. leave the policy terms and conditions, and Your premium, unaltered.

We will contact You with our decision and where applicable, specify the date(s) by which any action(s) agreed need to be completed by You and/or any decision by Us will take effect.

#### Complaints Procedure:

We are dedicated to providing you with a high quality service and we want to ensure that we maintain this at all times. If you feel that we have not offered you a first class service, please tell us and we will do our best to resolve the problem. In the event that you remain dissatisfied and wish to make a complaint, you can speak to any of our staff or contact our Managing Director: Mr. H Warren, GJIS Ltd, Peel Place, 50 Carver Street, Birmingham B1 3AS, Tel: 0121 233 3401. Should we be unable to resolve the situation, you can refer it to the Complaints Department of the relevant Insurer who may, in certain circumstances, be able to review the matter.

Their addresses are: Complaints Department, Lloyd's, One Lime Street, London, EC3M 7HA, Tel: 020 7327 5693 Fax: 020 7327 5225 E-mail: [Complaints@Lloyds.com](mailto:Complaints@Lloyds.com) or for Sections 9 and 10: QBE Insurance (Europe) Limited Plantation Place, 30 Fenchurch Street, London, EC3M 3BD.

Both Insurers are authorised and regulated by the Financial Conduct Authority.

In the event that the Complaints departments are unable to resolve your complaint, it may be possible for you to refer it to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process.

#### Notification of Claims:

Claims should be directly to: Claims Department, GJIS Ltd, Peel Place, 50 Carver Street, Birmingham B1 3AS Tel: 0121 233 3401, Fax: 0121 236 2276.

You will need to give us the name of the policyholder, a contact telephone number and an outline of what happened. We will then advise what further information Insurers require and how the claim will be handled.

Insurer: Underwriters at Lloyd's of London, One Lime Street, London, EC3M 7HA, England, and QBE Insurance (Europe) Limited Plantation Place, 30 Fenchurch Street, London, EC3M 3BD in respect of Employers and Public Liability Insurance, who are authorised and regulated by the Financial Conduct Authority

Arranged Through

**GLOBAL JEWELLERY INSURANCE SERVICES, PEEL PLACE, 50 Carver Street, Birmingham B1 3AS.**  
Tel: +44 (0)121 233 3401. Fax: +44 (0)121 236 2276 e-mail: [insurance@gjis.co.uk](mailto:insurance@gjis.co.uk)