

Effected through **KL UNDERWRITING
AGENCY**

This is to Certify, in accordance with the authorisation granted under the Contract No KLC 01/001 the undersigned by Schwarzmeer Und Ostsee Insurance Company Limited (UK Branch), Head Office Schwanenwik 37, 22087, Hamburg and in consideration of the Insured having paid or agreed to pay the premium the Insurer hereby agrees to indemnify or otherwise pay the Insured in accordance with the terms and conditions contained herein or endorsed hereon

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

For and on behalf of KL Underwriting Agency

E.U. DISCLOSURE CLAUSE (UK)

Notice to the Proposer/Insured

The Parties are free to choose the law applicable to this Insurance Contract. Unless specifically agreed to the contrary this insurance shall be subject to English Law. Any enquiry or complaint should be addressed in the first instance to your Broker. If you are not satisfied with the way your complaint has been dealt with you may refer the matter to the

Association of British Insurers
Schwarzmeer und Ostsee Insurance Co Ltd
51, Gresham St,
37/39, Lime St,
London
EV2V 7HQ

7th Floor,
London
EC3M 7AY

Telephone: 0207 600 3333
Facsimile : 0207 696 8999

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

General Definitions

The following definitions apply to all sections of this Insurance except where expressly varied within a specific Section

Business

means the Business as shown in the Schedule of this Insurance and no other for the purposes of this Insurance.

Excess

means the amount for which the Insured is responsible in respect of each and every loss or occurrence.

Insured

means the Insured as stated in the Schedule.

Sum Insured / Limit of Indemnity

means the Sum Insured / Limit of Indemnity stated in the Schedule (or any other Sum Insured / Limit of Indemnity as may hereafter be agreed to in writing by the Underwriters).

Period of Insurance

means the Period of Insurance stated in the Schedule and any subsequent period for which the Underwriters have accepted a renewal premium.

Property / Property Insured

means the Property Insured as specified in the Specification.

Underwriters

means the Underwriters as detailed in this Insurance.

Buildings

Means

1 the building(s) shown in the Schedule being constructed of brick, stone or concrete and roofed with slates, tiles, concrete, metal or asbestos unless otherwise agreed by the Underwriters: and

2 landlords fixtures and fittings in or on the said building(s):

which are the property of or leased to the **Insured**

Unless more specifically insured, Buildings also includes

A annexes and Outbuildings being constructed of brick, stone or concrete and roofed with slates, tiles, concrete, metal or asbestos unless otherwise agreed by the Underwriters:

B conveyors, trunks, lines, wires, service pipes and similar property on the Premises and extending to the public mains:

C walls, gates and fences (no cover is provided in respect of Peril 2) unless the walls are constructed of brick and or stone

Buildings unless otherwise agreed by the Underwriters in the course of construction are **excluded**

Trade, fixtures, fittings and All Other Contents

Means machinery, plant, equipment, furniture, fixtures, fittings, and all other contents, the property of Insured or held by it in trust for which the Insured is legally responsible and is contained in the Premises:

Excluding:

1 Buildings

2 Stock in Trade

3 Money

4 Documents, manuscripts and business books except for an amount not exceeding £10,000 in respect of the value of the materials and stationery, together with the cost of the clerical labour and expended in reproducing such documents, manuscripts and business books

5 Patterns, models, moulds, plans and designs except for an amount not exceeding £25,000 in respect of the value of the materials together with the cost of labour expended in reinstatement.

6 Computer records except for an amount not exceeding £10,000 in respect of the value of the Data Media together with the cost of the clerical labour and computer time expended in re-producing such records (excluding any expenses in connection with the production of information to be recorded therein);

7 The personal effects including tools, clothing, pedal cycles of employees, directors, partners and visitors except for an amount not exceeding £ 250 in respect of any one person

8 Glass

9 motor vehicles and their accessories

10 wines, spirits, cigarettes and all other tobacco goods.

Computers

Means Hardware, peripheral equipment and Ancillary Equipment including any equipment, which having more than one function, can be used as Computer equipment in the premises

Computer Record

Means a unit of Electronic Data representing a particular transaction or inter-related data which describes an event, person or other entity

SECTION A MATERIAL DAMAGE

INSURING CLAUSE

Subject to the General Conditions and Exclusions of this Certificate, and the conditions and exclusions contained in this Section, we the Underwriters agree to the extent and in the manner provided herein to indemnify the Assured against loss of or Damage to the Property specified in the Schedule (hereinafter referred to as "the Property") caused by or arising from the Perils shown as operative in the Schedule, occurring during the period of this Insurance.

Underwriters shall not be liable for more than the Sum Insured stated in the Specification or in the Certificate in respect of each loss or series of losses arising out of one event at each location as stated in the Schedule

PERILS AND SPECIFIC EXCLUSIONS

1.
 - a) FIRE and/or LIGHTNING
 - b) FIRE consequent upon explosion wherever the explosion occurs.
2. STORM OR TEMPEST excluding:
 - a) Loss, destruction or Damage by:
 - i) the escape of water from the normal confines of any natural or artificial water course or lake, reservoir, canal or dam.
 - ii) inundation from the seaWhether resulting from storm or tempest or otherwise.
 - b) Loss, destruction or Damage by caused frost, subsidence or landslip.
 - c) Loss, destruction or Damage to fences and gates, and movable property in the open.
3. FLOOD excluding Loss, destruction or Damage by frost, subsidence or landslip.
4. BURSTING OR OVERFLOWING OF WATER TANKS, APPARATUS OR PIPES excluding:
 - a) Loss, destruction or Damage by water discharged or leaking from an installation of automatic sprinklers.
 - b) Repairs to pipes, mains and tanks.

However this insurance shall not cover bursting or overflowing or leakage of water tanks apparatus or pipes occurring whilst the premises are vacant or unoccupied but this exclusion shall not apply whilst the premises are normally closed for holidays or weekends.

5. IMPACT BY ANY VEHICLE (or by goods falling therefrom) OR ANIMAL.

6. EXPLOSION excluding:-
Loss, destruction or Damage (other than loss, destruction or Damage by fire resulting from explosion) occasioned by the bursting of a boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Assured.

7. AIRCRAFT and other aerial devices or articles dropped therefrom, excluding loss, destruction or Damage occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

8. RIOT, CIVIL COMMOTION, STRIKERS, LOCKED-OUT WORKERS or PERSONS taking part in LABOUR DISTURBANCES EXCLUDING
 - a) Loss, destruction or Damage occasioned by or happening through confiscation or destruction or requisition by order of the Government or any Public Authority.
 - b) Loss or Damage resulting from interruption or cessation of work.

9. MALICIOUS PERSONS not acting on behalf of or in connection with any political organisation excluding:
 - a) Loss, destruction or Damage resulting from interruption or cessation of work.
 - b) Loss, destruction or Damage by fire or theft.

10. EARTHQUAKE

11. WATER DISCHARGED OR LEAKING FROM THE AUTOMATIC SPRINKLER INSTALLATION(S) IN THE PREMISES provided that
 - (i) such discharge or leakage of water be accidental and shall not be occasioned by or happen through:
 - a) Freezing whilst the premises in the Assured's ownership and/or tenancy are empty or disused.
 - b) Heat caused by fire.
 - c) Explosion (including the blowing up of buildings or blasting), earthquake or subterranean fire.
 - (ii) The Assured shall take all reasonable steps to prevent frost and other Damage to the automatic sprinkler installation(s) and, so far as their responsibility extends to maintain the installation(s) including the automatic external alarm signal(s) in efficient condition.

In the event of any discharge or leakage from the said installation(s) the Assured shall do and permit to be done all things practicable whether by removal or otherwise to save and protect the property insured.

- (iii) When any changes, repairs or alterations to the automatic sprinkler installation(s) are proposed notice thereof is to be given to the Underwriters.

12. THEFT OR ATTEMPTED THEFT

- i) following entry into or exit from the Premises by forcible and violent means only.

and/or

- ii) Consequent upon and in connection with assault or violence or threat thereof to the Assured or any employee of the Assured.

Excluding loss, destruction or Damage:

- a) to property in any yard or open space,
- b) by fire or explosion,
- c) to glass which is more specifically insured,
- d) to money, medals, documents of title.

This Insurance shall also include, Damage to or Destruction of the Buildings or Fixtures and Fittings, the property of the Assured or for which the Assured is legally responsible, during such theft or attempted theft, up to a limit of 10% of the Sum insured stated in the Schedule in respect of the damaged premises.

13. ACCIDENTAL DAMAGE

Caused by or arising from any cause whatsoever not otherwise named as an Insured Peril herein, but excluding:

A. Loss, Destruction or Damage caused by:

- 1) inherent vice, latent defect, gradual deterioration, wear and tear, frost, its own faulty or defective design or materials.
- 2) faulty or defective workmanship, operational error or omission on the part of the Assured or any of their employees.
- 3) explosion occasioned by the bursting of a boiler, economiser vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Assured

but this exclusion shall not apply to Loss or Damage resulting from an ensuing cause which is not otherwise excluded.

B. Loss Destruction or Damage caused by:

- 1) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects.
- 2) change in temperature, colour, flavour, texture or finish.
- 3) theft or attempted theft other than Damage to the Buildings (including landlord's fixtures and fittings) of the premises for which the Assured is responsible and which is not otherwise insured.
- 4) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith.
- 5) mechanical or electrical breakdown or derangement of machinery or equipment.

C. Loss Destruction or Damage caused by:

- 1) acts of fraud or dishonesty.
- 2) disappearance, unexplained or inventory shortage, misfiling or misplacing of information.

D. Collapse or cracking of any Building or Structure unless such Collapse or Cracking can be attributed to an independent cause not excluded by this Insurance

E. Loss of or Damage to movable property in the open, fences and gates by wind, rain, hail, sleet, snow, flood or dust.

F. Loss, Destruction or Damage resulting from the property insured undergoing any process of production, packing, treatment, testing, commission, servicing or repair.

G. Loss of or Damage to:

- 1) fixed glass.
- 2) glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects.
- 3) Electronic Data Processing Equipment and Media

H. Loss, Destruction or Damage to:

- 1) Jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art and rare books

- 2) Property in transit.
- 3) Money, cheques, stamps, bonds, credit cards or securities of any description.
- 4) Vehicles licensed for road use (including accessories thereon) caravans, trailers whilst being used outside the confines of the premises, railway locomotives, rolling stock, watercraft or aircraft.
- 5) Property or structures in the course of construction or erection and materials supplied in connection with all such property in course of construction or erection.
- 6) Roads, pavements, piers, jetties, bridges, culverts or excavations.
- 7) Livestock, growing crops or trees.
- 8) Land, air and water.

Unless specifically declared to and agreed by the Underwriters and endorsed upon this Insurance.

14 Subsidence groundheave or landslip

Damage caused by subsidence groundheave or landslip of any part of the site on which the buildings stand EXCLUDING

- (1) DAMAGE caused by or consisting of
 - (a) coastal or river erosion
 - (b) defective design or inadequate construction of foundations
 - (c) demolition construction structural repair or groundworks or excavation
 - (d) the normal settlement or movement of made up ground
 - (e) the settlement or movement of made up ground
 - (f) fire subterranean fire explosion earthquake or escape of water from any tank apparatus or pipe
- (2) Damage to swimming pools tennis courts terraces patios driveways footpaths walls fences gates yards roads car parks service areas and hedges unless there is damage to the remaining portions of the buildings at the same time
- (3) Damage as a result of the movement of solid floor slabs unless there is damage to the foundations beneath the exterior walls of the buildings at the same time
- (4) Damage, which originated prior to the inception of this policy.

SPECIAL CONDITIONS applying to 14

Insofar as this insurance relates to Damage caused by subsidence ground heave or landslip

- (a) The Insured shall notify the company immediately they become aware of any demolition groundworks excavation or construction being carried out on any adjoining site

- (b) The underwriters shall then have the right to vary the terms and conditions or cancel the policy

SPECIAL CONDITIONS APPLICABLE TO THIS SECTION ONLY

1. This Section does not cover:
 - a) Loss, Destruction or Damage attributable solely to change in the water table level.
 - b) Notwithstanding anything to the contrary contained herein, this Section does not cover loss, destruction or Damage caused by pollution or contamination except (unless otherwise excluded) destruction of or Damage to the property insured caused by
 - i) pollution or contamination which itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, bursting overflowing discharging or leaking of water tanks apparatus or pipes, sprinkler leakage or impact by any road vehicle or animal
 - ii) any of the perils listed in (i) above which itself results from pollution or contamination.
2. Where Buildings are covered by this Insurance and an amount has been so entered in the Schedule, Underwriters, agree, in addition to provide coverage in respect of the following
 - a) The cost of repairing accidental Damage to fuel oil or the underground water supply or gas pipes, electricity or telephone cables extending from the Buildings to the public mains.
 - b) Accidental breakage or collapse of radio and television aerials, their fittings and masts.
 - c) Accidental breakage of sanitary fixtures forming part of the Buildings, excluding:
 - i) the first £250 of each loss
 - ii) loss or Damage whilst the Buildings are unoccupied
 - iii) breakage of property not in sound condition.

Provided that the Sum Insured for Building is not thereby increased.
3. The Underwriters will not be liable under this Section of the Certificate for destruction of or Damage to electrical plant or apparatus caused by self-ignition, but this exclusion shall only apply to that part of the electrical plant or apparatus in which self-ignition occurs.

MEMORANDA

1. DESIGNATION OF PROPERTY

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

2. AVERAGE (NOT APPLICABLE TO ITEMS 2, 3, 4 AND 5)

If the Sum Insured declared to Underwriters in respect of the item shall at the time of loss be less than 85% of the value of the property insured by this section of the Certificate as shown in the Specification then the Assured shall be considered as being their own Insurers for the difference and shall bear a rateable share of any loss occurring during such period of insurance.

3. AVERAGE (APPLICABLE TO ITEMS 2, 3, 4 AND 5)

If the property covered shall at the breaking out of any fire or at the commencement of any destruction of or Damage to such property by any other peril hereby insured against be collectively of greater value than such Sum Insured, then the Assured shall be considered as being their own Insurer for the difference and shall bear a rateable share of the loss accordingly.

4. CAPITAL ADDITIONS

This Insurance shall, subject to its terms and conditions, extend to cover in the United Kingdom,

- a) any newly acquired and/or newly erected buildings, machinery and plant, insofar as the same are not otherwise insured,

provided that

- i) at any one situation the liability under this extension shall not exceed 10% of the Sums Insured by items 1, 2 and 3,
- ii) the Assured undertakes to give particulars of such extension of cover as soon as practicable and to effect specific insurance thereon retrospective to the date of the commencement of the Underwriters liability,
- iii) immediately such specific insurance is effected, cover by this extension shall be fully reinstated.

5. TEMPORARY REMOVAL

Subject to the following provisions, the property insured by this section other than property covered by item 4 or deeds and documents is covered whilst temporarily removed elsewhere on the same or to any other premises and in transit thereto and therefrom by road, rail or inland waterway, all in the United Kingdom and Eire.

The amount recoverable under this Memorandum in respect of each item of the Certificate shall not exceed the amount which would have been recoverable had the loss occurred in that part of the premises from which the property is temporarily removed nor, in respect of any loss occurring elsewhere than at the

said premises, 10% of the Sum Insured by the item after deducting therefrom the value of any building (exclusive of fixtures and fittings) and property covered by item 2 or deeds and documents.

This Memorandum does not apply to property in so far as it is otherwise insured nor, as regards losses occurring elsewhere than at the premises from which the property is temporarily removed, to

- a) motor vehicles and motor chassis licensed for normal road use,
- b) property held by the Assured in trust, other than machinery and plant.

6. ARCHITECTS'. SURVEYORS'. LEGAL AND CONSULTING ENGINEERS' FEES

This Insurance covers Architects', Surveyors', Legal, Consulting Engineers', and other Fees necessarily incurred by the Assured in the reinstatement of the property insured following upon its destruction or Damage by any peril hereby insured 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.

7. REINSTATEMENT

It is hereby agreed that in the event of the property insured under Item Nos. 1, 2 and 3 of this Section of the Certificate being lost, destroyed or damaged by any peril insured hereunder the basis upon which the amount payable under each of the said Items of the Certificate is to be calculated shall be the reinstatement of the property lost, destroyed or damaged subject to the following special provisions and subject also to the terms and conditions of the Certificate except in so far as the same may be varied hereby.

For the purpose of the insurance under this Memorandum "reinstatement" shall mean:-

- i) The carrying out of the aftermentioned work, namely,
 - a) Where property is lost or destroyed, the rebuilding of the property, if a building, or, in the case of other property, its replacement by similar property, in either case in a condition equal to but not better or more extensive than its condition when new.
 - b) Where 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 as new.
- ii) In respect only of goods sold but not delivered for which the Assured are responsible and with regards to which under the conditions of sale the sale contract is by reason of the destruction or Damage cancelled, either wholly or the extent of the loss or Damage, the liability of the Underwriters shall be based on the contract price and for the purpose of Average the value of all goods to which the Memorandum would in the event of loss or

Damage be applicable shall be ascertained on the same basis.

SPECIAL PROVISIONS

- A) The work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Assured subject to the liability of the Underwriters not being thereby increased) must be commenced and carried out with reasonable despatch otherwise no payment beyond the amount which would have been payable under the Certificate if this Memorandum had not been incorporated therein shall be made.
- B) Where any property insured under this memorandum is lost, 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 the Certificate if this memorandum had not been incorporated therein shall be made until the cost of reinstatement shall have been actually incurred.
- D) No payment beyond the amount which would have been payable under the Certificate if this memorandum had not been incorporated therein shall be made, if at the time of any loss or destruction of/or Damage to any property insured hereunder, such property shall be covered by any other insurance effected by or on behalf of the Assured, which is not upon the identical basis of reinstatement set forth herein.
- E) Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under the Certificate if this memorandum had not been incorporated therein, the rights and liabilities of the Underwriters and the Assured in respect of the destruction or Damage shall be subject to the terms and conditions of the Certificate, including any Condition of Average therein.

8. PUBLIC AUTHORITIES

The insurance by this Certificate extends to include such additional cost of reinstatement of the property hereby insured which has been lost, destroyed or damaged by any peril hereby insured against, as may be incurred solely by reason of the necessity to comply with Buildings or other Regulations under or framed in pursuance of any ACT of PARLIAMENT or with BYE-LAWS of any MUNICIPAL or LOCAL AUTHORITY provided that:-

- 1) The amount recoverable under this Memorandum shall not include
 - a) The cost incurred in complying with any of the aforesaid Regulations or Bye-Laws
 - i) in respect of loss, destruction or Damage occurring prior to the granting of this Extension,
 - ii) in respect of loss, destruction or Damage not insured by this section of the Certificate,

- iii) under which notice has been served upon the Assured prior to the happening of the destruction or Damage,
 - iv) in respect of undamaged property or undamaged portions of the property,
- b) the additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid 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 aforesaid Regulations or Bye-Laws.
- 2) The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve months after the loss, destruction or Damage or within such further time as the Underwriters may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws so necessitate) subject to the liability of the Underwriters under this Memorandum not being thereby increased.
 - 3) If the liability of the Underwriters under any item of the Certificate apart from this Memorandum shall be reduced by the application of any of the terms and conditions of the Certificate then the liability of the Underwriters under this Memorandum in respect of any such item shall be reduced in like proportion.
 - 4) The total amount recoverable under any item of the Certificate shall not exceed the Sum Insured thereby.
 - 5) All the terms and conditions of the Certificate except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

9. REMOVAL OF DEBRIS

It is understood that the insurance provided by this Section of the Certificate includes costs and expenses necessarily incurred by the Assured with the consent of the Underwriters in:-

- a) removing the debris of,
- b) dismantling and/or demolishing,
- c) shoring up or propping of the portion or portions of the property insured by the said Items destroyed or damaged by fire or by any other peril hereby insured against.

Underwriters will not pay for any cost or expenses:

- (i) incurred in removing debris except from the site of such property lost, destroyed or damaged and the area immediately adjacent to such site.
- (ii) arising from pollution or contamination of property not insured by this Certificate.

10. SUBROGATION WAIVER

In the event of a claim arising under this Certificate the Underwriters agree to waive any rights, remedies or relief to which they might become entitled by subrogation against:-

- a) any Company standing in the relation of Parent to Subsidiary to the Assured as defined in Section 154 of the Companies Act 1948.
- b) any Company standing in the relation of Subsidiary to Parent to the Assured as defined in Section 154 of the Companies Act 1948,
- c) any Company which is a Subsidiary of a Parent Company of which the Assured are themselves a Subsidiary in each case within the meaning of Section 154 of the Companies Act 1948.

11. ALL OTHER CONTENTS

It is agreed that so far as they are not otherwise or more specifically insured by this or any other

Certificate the term "All Other Contents" is understood to include:

- a) Money and Stamps (other than National Insurance Stamps) for an amount not exceeding £1,000.
- c) Documents, Manuscripts and Business Books but only for the value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to the Assured of the information contained therein.
- c) Computer Systems Records but only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expense in connection with the production of information to be recorded therein) and not for the value to the Assured of the information contained therein for an amount not exceeding £5,000.
- d) Patterns, Models, Moulds, Templates, Plans and Designs for an amount not exceeding the cost of the labour and materials expended in reinstatement
- e) Clothing and Personal Effects, Tools, Instruments and the like, of Directors, Executives, Employees, Visitors and Guests of the Assured for an amount not exceeding £500 in respect of any one person, and for pedal cycles £500 per person.
- f) Wines, Spirits, Tobacco and/or Cigarettes for an amount not exceeding £250, unless specifically covered elsewhere hereunder and unless an amount has been entered in the Specifications.

12. OTHER INTERESTS

The interest of other parties in this insurance is noted, it being understood that in the event of loss, the Assured will disclose the nature and extent of such other interests.

13. NON-INVALIDATION

This insurance shall not be invalidated by any change of occupancy or increase of risk taking place in the described premises without the knowledge of the Assured provided that they shall, immediately upon the same coming to their knowledge, given notice thereof to the Underwriters and pay such additional premium as may be required from the date of such increase of risk.

14. WORKMEN

Workmen may be employed for the purpose of making alterations, repair, general maintenance and the like in all or any of the buildings at the premises without prejudice to the insurance hereby. The Assured is to give prior notice to underwriters and confirm that the contractors hold adequate liability insurance.

15. CUSTOMERS' GOODS

The Assured having intimated to their Customers that they will accept responsibility for destruction or Damage by fire to Goods the property of such Customers or for which the said Customers may be legally responsible whether manufactured by them or not; upon which work is or is to be done on behalf of Customers or which may be left in the Assured's hands for storage or despatch or otherwise temporarily in the Assured's custody it is hereby declared and agreed that all such goods in said buildings shall be held to be insured by the Item of this Certificate covering Stock in Trade except insofar as they shall be more specifically otherwise insured.

16. EXTENSIONS

Except where specifically insured the buildings and/or contents

a) outbuildings, annexes, gangways, conveniences and external hoists,

b) extensions communicating with any of the building(s) described herein,

are insured under the respective Item(s) applying to the building(s) and/or contents to which such property is attached or belongs.

17. TEMPORARY REMOVAL (DEEDS AND OTHER DOCUMENTS)

Deeds and other documents (including stamps thereon), manuscripts, plans, writings of every description and written and printed books insured by this Certificate, but excluding computer systems' records, are covered (in so far as they are not otherwise insured) for an amount not exceeding 10% of their total value, whilst temporarily removed to any premises not in the Assured's occupation and in transit by road, rail or inland waterway, all in the United Kingdom and Eire.

18. MOTOR VEHICLES

This insurance does not to include Motor Vehicles or their contents more specifically insured, except in respect of any amount beyond that covered under the terms of such more specific insurance.

19. SERVICES

The Insurance on Buildings, Machinery and Plant extends to include telephone, gas, water and electricity instruments, meters, drains, piping, cables and the like, and accessories thereof including such property for which the Assured are responsible which is underground and/or partly or wholly serves to supply the described premises.

OPTIONAL EXTENSIONS

The following Extensions shall apply only where specified in the Specifications. Where there is any conflict between the terms of an Extension and any condition, exclusion or Memorandum of this Section of the Certificate then the terms of the Extension shall prevail

1. DAY ONE BASIS (NON ADJUSTABLE)

Applicable to Buildings and Machinery if shown as operative in the Specification.

- a) The Assured having stated in writing the Declared value incorporated in each item to which this Memorandum applies the premium has been calculated accordingly.

Declared Value shall mean the Assured's assessment of the cost of reinstatement of the Property Insured arrived at in accordance with paragraph (a) of the Reinstatement Memorandum at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with insofar as the insurance by the items provides due allowance for:-

- i) the additional cost of reinstatement to comply with Public Authorities requirements,
 - ii) Professional Fees,
 - iii) Removal of Debris.
- b) At the inception of each Period of Insurance the Assured shall notify the Underwriters of the Declared Value of the Property Insured by each of the said item(s). In the absence of such declaration the last amount declared by the Assured shall be taken as the Declared Value for the ensuing Period of Insurance.

Memorandum 2 is restated as follows

Average

If at the time of Loss, Destruction or Damage the Declared Value of the Property covered by such Item(s) be less than the cost of reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum) at the inception of the Period of Insurance then the Underwriters' liability for any Damage hereby insured shall be limited to that proportion thereof which the Declared Value bears to such cost of reinstatement.

Special Provision E of Memorandum 7 is restated as follows:-

Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under this Section if this Memorandum had not been incorporated therein the rights and liabilities of the Underwriters and the Assured in respect of the Damage shall be subject to the terms of this Section including any condition of average herein as if this Memorandum had not been incorporated herein except that the Sums Insured shall be limited to 125% of the Declared Values.

- c) In respect of each of the Items subject to this Memorandum the figure(s) stated in brackets below the Sum(s) Insured represent the Declared Value as defined in paragraph a) above.

2. STOCK DECLARATION

The insurance on item 3 are subject to the following Conditions:-

The Premium paid hereon in respect of this item is only Provisional, being calculated at the agreed rate of % of 75% of the amount of the said item and is subject to adjustment as follows:-

- a) The Assured to the Underwriters shall declare the value of the property on the last day of each calendar month in writing and if a declaration were not so given the Assured shall be deemed to have declared the maximum Sum Insured for such property as the value.
- b) On the expiry of each period of insurance the actual premium shall be calculated at the rate applicable on the average amount declared i.e. the total of the sums declared divided by the number of declaration. If the actual premium were greater than the first premium (or in the case of the second and subsequent periods of insurance the annual premium) the Assured shall pay the difference; if it be less the difference shall be repaid to the Assured.

In consideration of the insurance not being reduced by the amount of any loss, the Assured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the date of the expiry of the period of insurance.

3. RENT PAYABLE

In the event of Damage to the buildings in respect of any item on Rent Payable the Underwriters will pay to the Assured the amount of rent which continues to be payable by the Assured for the Buildings or part of the Buildings whilst unfit for occupation in consequence of the Damage, for a period not exceeding 12 months from the occurrence of the Damage or the period for which the Assured is contractually obliged to pay Rent, whichever is the lesser.

4. GLASS

This Insurance shall also include BREAKAGE OF GLASS fixed in the windows and doors of the premises specified, but only if the cost of the replacement of such glass has to be borne by the Assured. In addition, Underwriters will indemnify the Assured against the cost of boarding up pending replacement of glass following such breakage.

THIS CERTIFICATE also covers breakage of internal glass but does not include:

- a) The cost of removing or restoring frames or fittings,
- b) Breakage arising from repairs, decorations, additions, alterations that in any way affect the glass, or to glass whilst being fitted.
- c) Breakage due to dilapidation or deterioration of framework.

In the event of breakage, all glass shall be considered plain and of ordinary glazing quality unless specifically mentioned in the Schedule.

5. SUBSIDENCE

Subsidence, Ground Heave or Landslip - If so indicated on the Schedule this Section also covers Damage arising from Subsidence, Ground Heave or Landslip of any part of the site on which the property stands excluding:

- a) Damage to any paths, drives and other surfaced areas, walls, gates and fences unless the building itself is damaged at the same time by the same peril
- b) Damage resulting from:
 - i) The normal settling or bedding down of new structures the settlement or movement of made up ground coastal or river erosion
 - ii) Defective design or workmanship or the use of defective materials
 - iii) Fire, subterranean fire, explosion, earthquake or escape of water from any tank, pipe or apparatus
 - iv) Damage, which commenced prior to the inception of this cover
 - v) Damage occurring as a result of demolition, construction, structural alteration or repair of any property or ground works or excavation, at the same premises
- c) the first £1,000 (or as shown in the schedule whichever the greater) of each and every loss at each separate premises as ascertained after the application of any condition of Average

Special Condition

This extension shall be avoided if the risk of subsidence, ground heave or landslip is increased by reason of demolition, groundworks, excavation or construction being carried out on the same or adjoining sites.

SECTION B (i) BUSINESS INTERRUPTION **INSURING CLAUSE**

Subject to the General Conditions and Exclusions of this Certificate, and the conditions and exclusions contained in this Section, if during the period of Insurance the Business of the Assured is interrupted or interfered with as a direct result of loss, destruction or damage to property by any peril covered under the Material Damage section other than theft of this Certificate (such loss, destruction

or Damage being hereafter referred to as "Damage") then if liability for such Damage has been admitted or would have been admitted but for the operation of any deductible or self-insured amount there under Material Damage covering the interest of the Assured at the Insured Premises, the Underwriters will pay in respect of each item on the Specification hereto the amount of loss resulting from the interruption or interference in accordance with the provisions hereinafter contained.

Provided that Underwriters shall not be liable for more than the Sum Insured stated in the Specification in respect of each loss or series of losses arising out of one event at each location as stated in the Schedule

GROSS PROFIT

The insurance under this item is limited to loss of gross profit due to (a) REDUCTION IN TURNOVER and (b) INCREASE IN COST OF WORKING and the amount payable as indemnity there under shall be:

- 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 necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for the 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.

PROFESSIONAL ACCOUNTANTS CLAUSE

Any particulars or details contained in the Assured's books of account or other business books or documents which may be required under General Condition 5 of this Certificate for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the Assured and their report shall be prima facie evidence of the particulars and details to which such report relates.

ADDITIONAL INCREASED COST OF WORKING

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred during the indemnity period in consequence of the Damage in respect of increase in cost of working (including the cost of alternative accommodation) in excess of the amount payable under the Item on Gross Profit for the purpose of avoiding or diminishing the reduction in turnover.

RENT RECEIVABLE

The Underwriters shall provide indemnity for any loss sustained as a result of the Untenantability, caused by Damage to Buildings let by the Assured. The amount so payable shall be calculated as follows:

- a) The amount by which the rent receivable by the Assured during the Indemnity Period shall, in consequence of the Damage, fall short of the rent which would have been received during the period had the Damage not occurred.
- b) The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding a shortfall in rent, but not exceeding the amount of the loss of rent which would otherwise have been payable under paragraph a) less any savings in respect of expenditure payable out of rent receivable which reduces or ceases in consequence of the Damage.

In arriving at the amount of rent receivable such adjustments shall be made as may be necessary to provide for trend, variations or other relevant circumstances either before or after the Damage, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the rent which, but for the Damage, would have been obtained during the relative period after the Damage.

If following the Damage the amount of rent receivable is maintained by the provision of alternative accommodation by the Assured such rent shall be taken into account in calculating the amount payable.

If at the time of the Damage the Sum Insured by any item on rent receivable is less than the amount of rent, which would have been received during the period of, insurance if the Damage had not occurred (or a proportionately increased multiple thereof if the rental period exceeds 12 months) the amount payable shall be proportionately reduced.

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) The Specified Working Expenses

The amounts of the Opening and Closing Stocks 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 Gross Profit) as specified in the Specification. The words and expressions used in this definition shall have the meaning usually attached to them in the

books and accounts of the Assured.

ESTIMATED GROSS PROFIT

The amount declared by the Assured to the Underwriters as representing not less than the Gross Profit which it is anticipated will be earned by the business during the financial year most nearly concurrent with the period of insurance (or a proportionately increased multiple thereof where the indemnity period exceeds twelve months).

TURNOVER

The money paid or payable to the Assured for goods sold and delivered and for services rendered in 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 specified in the Specification, during 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) to which such
adjustments shall be made as may) be necessary
the financial year immediately before the date of the Damage) Business and
to provide for the trend of the) circumstances
for variations in or other) or after the
affecting the Business either before) the Business
STANDARD TURNOVER) the figures
Damage or which would have affected) as may be
The Turnover during that period in the twelve months) but for the
had the Damage not occurred so that) Damage would have
immediately during the date of the Damage which) been obtained
thus adjusted shall represent as nearly) during the
Corresponds with the Indemnity Period) relative period after the
reasonably practicable the results which) Damage

VALUE ADDED TAX

To the extent that the Assured is accountable, to the tax authorities for Value Added Tax, all terms in this section shall be exclusive of such tax.

LIMIT OF LIABILITY

Notwithstanding anything herein contained to the contrary, the liability of the

Underwriters' shall in no case exceed in respect of item number 1- Gross Profit - 133.1/3rd % of the estimated gross profit stated herein.

In the absence of written notice by the Assured or the Underwriters to the contrary the Underwriters' liability shall not stand reduced by the amount of any loss, the Assured undertaking to pay the appropriate additional premium for such automatic reinstatement of cover.

MEMORANDA

Where there is any conflict between the terms of a memorandum and any condition or exclusion of this section of the Certificate then the terms of the Memorandum shall prevail

1. RENEWAL MEMORANDUM

The Assured shall prior to each renewal furnish the Underwriters with the estimated gross profit for the financial year most nearly concurrent with the ensuing year of insurance.

2. PREMIUM ADJUSTMENT MEMORANDUM

The first and annual premium in respect of Item No. 1 are provisional and are based on the estimated Gross Profit for the financial year most nearly concurrent with the period of insurance.

The Assured shall furnish to the Underwriters not later than six months after the expiry of each period of insurance a declaration certified by the Assured's auditors of the Gross Profit earned during the financial year most nearly concurrent with the period of insurance.

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

If the declaration (adjusted as provided above and proportionately increased where the maximum indemnity period exceeds 12 months),

- a) Is less than the estimated Gross Profit for the relative period of insurance the Underwriters will allow a pro-rata return of the premium paid on the estimated Gross Profit but not exceeding 50% of such premium.
- b) Is greater than the estimated Gross Profit for the relative period of insurance the Assured shall pay a pro-rata addition to the premium paid on the estimated Gross Profit.

3. DEPARTMENTAL MEMORANDUM

If the Business can be conducted in Departments, the independent trading result of which are ascertainable the provisions of Memoranda (a) and (b) of the Item on Gross Profit shall apply separately to each Department affected by the Damage.

4. PAYMENTS ON ACCOUNT MEMORANDUM

It is agreed that payments on account of a claim may be paid if required by the Assured, during the Indemnity Period provided that Underwriters' consent to such payments is obtained; such consent shall not be unreasonably withheld. However if the total of the amounts so paid exceeds the final adjusted loss sustained, the Assured undertakes to pay the difference to the Underwriters.

5. ALTERNATIVE BASIS MEMORANDUM

It is agreed and declared that, at the option of the Assured, the term OUTPUT may be substituted for the term TURNOVER and for the purposes of this Certificate OUTPUT shall mean the sale value of goods manufactured by the ASSURED in the course of the Business at the Premises.

Provided that

- a) Only one such meaning shall be operative in connection with any one occurrence involving Damage (as within defined).
- b) If the meaning set out above be used the ALTERNATIVE TRADING MEMORANDUM shall be altered to read as follows:

If during the INDEMNITY PERIOD goods shall be manufactured other than at the Premises for the benefit of the Business either by the Assured or by others on the Assured's behalf the sale value of the goods so manufactured shall be brought into account in arriving at the OUTPUT during the INDEMNITY PERIOD.

6. ACCUMULATED STOCKS MEMORANDUM

In adjusting any loss account shall be taken and an equitable allowance made if any shortage in turnover due to the Damage is postponed by reason of the turnover being temporarily maintained from accumulated stocks of finished goods.

7. DENIAL OF ACCESS MEMORANDUM

Subject to the conditions of this Section loss resulting from interruption or interference with the business in consequence of Damage (as within defined) to property in the vicinity of the premises destruction of or Damage to which shall prevent or hinder the use of the premises or access thereto whether the premises or property of the Assured therein shall be damaged or not shall be deemed to be loss resulting from Damage to property used by the Assured at the premises.

9. AUDITORS CHARGES

The insurance includes an amount in respect of the reasonable charges payable by the Assured to their Auditors and for Accountants for producing any particulars or details contained in the Assured's books of account or other business books or documents or such other proofs, information or evidence as may be required by the Underwriters under the terms of this Certificate and reporting that such particulars or details are in accordance with the Assured's books of account or other business books or documents.

10. ALTERNATIVE TRADING MEMORANDUM

If during the Indemnity period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the Business either by the Insured or by others on their behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

Business Interruption
Section B (ii): Increased Cost of Working

Settlement Provisions

The insurance of Item 1 of the schedule is limited to Additional cost of Working not exceeding the Sum Insured stated in the schedule due to

the additional expenditure (including the cost of moving to and from and the additional rent of temporary premises additional rates and taxes thereon and expenses incurred in equipping the said premises to make them suitable for the Insured's **business** additional cost in respect of lighting heating and water additional cost in respect of additional staff and overtime and allowances for meals to existing staff) necessarily and reasonable incurred in order to minimize any interruption or interference with the **business** during the **indemnity period**

Additional Definitions

Each time one of the additional definitions below is used it will have the same meaning wherever it appears in this Section or on the schedule in relation to this Section To help identify these words they appear in **bold italics** in this Section

Note 1 – To the extent that the Insured is accountable to the Tax Authorities for Value Added Tax all terms in this Section shall be exclusive of such tax

Note 2 – For the purpose of these definitions any adjustment implemented for current cost accounting shall be disregarded

Incident

Loss or destruction of or damage to property used by the Insured at the **premises** for the purpose of the **business**

Indemnity Period

The period beginning with the occurrence of the **incident** and ending not later than the **maximum indemnity period** thereafter during which the results of the **business** shall be affected in the consequence of the **incident**

Maximum Indemnity Period

As stated in the schedule

Memorandum 1

In the event of any **incident** in consequence of which a claim is or may be under this Section the **company** shall not be liable for more than 50% of the sum insured hereunder in respect of such additional expenditure arising in the first three months following the date of the **incident** and 15% of the sum insured in respect of additional expenditure in any one month thereafter

Memorandum 2 – Professional Accountants

The **company** will pay to the Insured the reasonable charges payable by the Insured to their professional accounts for producing such particulars or details or any other proofs information or evidence as maybe required by the **company** under the terms of the Claims Conditions and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents provided that the sum of the amount payable under this clause and the amount otherwise payable under this Section shall in no case exceed the sum insured

CONDITIONS

1. Sections B (i) and B (ii) shall be void if:-

- i) The business is wound up or carried on by a liquidator or receiver or permanently discontinued

Or

- ii) The Assured's interest ceases otherwise than by death, at any time after the commencement of this insurance unless its continuance be admitted in writing by or on behalf of the Underwriters.

SECTION C GLASS INSURANCE

IN THE EVENT OF ACCIDENTAL:-

- 1 breakage of fracture extending through its entire thickness of the Glass Insured
- 2 damage to external signs
- 3 damage to:
 - (a) contents of display windows
 - (b) window or door frames and fittingsbeing a direct consequence of breakage of the Glass Insured as stated in 1 above situated at the Premises being the property of the Insured or for which he is responsible the Underwriters will indemnify the Insured against such breakage or damage (including the cost necessarily incurred in boarding up pending replacement of glass following breakage) provided that the liability of the Underwriters shall not exceed in respect of:-
 - 1, 2 and 3(a) the cost of repair or replacement with materials of similar or equivalent quality to those which were damaged or destroyed
 - 3(b) such sum as shall be sufficient to make good such damage for which the Insured is responsible

EXCLUSIONS

The Underwriters shall not be liable under this Section in respect of:-

- 1 breakage or damage:
 - (a) whilst the Premises are unoccupied
 - (b) arising from repairs, decorations, additions or alterations to the Premises
 - (c) to property insured whilst being installed, fitted or moved or which was in any way defective at the inception of this Insurance
 - (d) to glass in light fittings gaming amusement or vending machines or stock in trade
- 2 damage to External Signs arising from:-
 - (a) wear and tear gradual deterioration any process of cleaning or restoring or atmospheric or climatic conditions (other than hail or wind storms) or vermin
 - (b) mechanical or electrical breakdown or the application of electrical energy
- 3 the cost of removing or replacing fixtures or other obstructions to replacement
- 4 consequential loss or damage of any kind or description
- 5 the amount of the Deductible
- 6 any amount in excess of the Sum Insured

GLASS INSURED - means fixed plain plate or sheet glass including internal showcases, counter tops or cabinets and sanitary fixtures and fittings

SECTION D LOSS OF MONEY

INSURING CLAUSE

Subject to the General Conditions and Exclusions of this Certificate, and the Conditions and exclusions contained herein, if during the period of insurance

- a) Money and Non-Negotiable Money is lost, destroyed or damaged by any cause
- b) Any safe or strongroom belonging to the Assured is lost, destroyed or damaged as a result of theft or attempted theft of Money

Whilst within or in transit between The United Kingdom and Eire, the Underwriters will indemnify the Assured at their option by repairing, replacing or paying the amount of the loss, destruction or Damage.

Provided that Underwriters shall not be liable for more than the Sum Insured stated in the Specification or in the Certificate in respect of each loss or series of losses arising out of one event as stated in the Schedule

LIMITS OF LIABILITY

The Underwriters' liability shall not exceed the Limit of Liability set against any Item in the Specification.

DEFINITIONS

1. Money shall-mean Negotiable and Non-Negotiable Money as defined herein

2. Negotiable Money shall mean Cash, Bank Notes, Uncrossed Cheques, Uncrossed Girocheques, Uncrossed Bankers' Drafts, Uncrossed Money Orders, Uncrossed Postal Orders, Bills of Exchange, Unused Postage Stamps and certificates, Holidays with Pay Stamps, Credit Company Sales Vouchers and VAT Purchase Invoices all the Assured's own or for which they are responsible and Luncheon Vouchers the property of the Assured but only whilst in their custody.
3. Non-negotiable Money shall mean Crossed Cheques, Crossed Girocheques, Crossed Bankers' Drafts, Crossed Money Orders, Crossed Postal Orders, Used National Insurance Stamps, National Savings Certificates, Credit Company Sales Vouchers, VAT Purchase Invoices and Franking Machine Units.

EXCLUSIONS

This Section does not cover:

- i) The first £250 of each and every claim
- ii) Shortages due to error or omission.
- iii) Loss, destruction or Damage arising from the dishonesty of any employee:-:
 - a) unless such loss, destruction or Damage is discovered within seven working days of its occurrence
 - b) insured under a Fidelity Guarantee policy (irrespective of whether the Assured has purchased such Insurance) except in respect of any excess beyond the amount which would have been payable under such policy had this insurance not been effected.
- iv) Loss, destruction or Damage resulting from a safe or strongroom being opened by the use of a key or a combination code through the key or combination code having been left on the Assured's premises whilst closed for business.
- v) Loss destruction or Damage as a result of theft from an unattended vehicle.
- vi) Loss destruction or Damage to money whilst in transit by post.

SPECIAL CONDITIONS

It is a condition precedent to any liability under this Section that:

1. The Insured shall keep a record of all Money insured under this Section and such record be kept in a secure place, other than in safes or strongrooms on the Premises.
2. The Insured shall at all times exercise reasonable care in the selection and employment of employees involved with the handling and or transit of Money and has obtained and will continue to obtain satisfactory

written references and confirmation of such references from previous employers.

3. Safe shall be locked and keys removed whenever the room containing the safe is left unattended

4. It is warranted in respect of Cash carryings the following conditions apply :

Adult	Up to £2,500	-	1 Able Bodied
Adults	£2,501 - £4,000	-	2 Able Bodied
Adults	£4,001 - £10,000	-	3 Able Bodied
Company	Over £10,000	-	Security

Adjustments of Premium

The premium for this section has been calculated on estimates supplied by the Assured of the amount of Money at risk during the Period of Insurance. The Assured shall keep an accurate record:-

EXTENSIONS

Cover under this Section is extended to include:

Assault - personal assault benefits in accordance with the Table of Benefits hereunder in the event of a robbery or attempted robbery of the Insured or any partner, director or employee in the course of their employment by the Insured, which directly results in death or disablement.

1.	death:	£10,000
2.	total & irrecoverable loss of sight in one or both eyes:	£10,000
3.	total loss of use of an entire hand, arm, foot or leg:	£10,000
4.	permanent total disablement from usual occupation:	£10,000
5.	temporary total disablement from usual occupation:	£100 per week

provided that:

- i) Benefits shall only be payable under one of the Table of Benefits 1 to 4 in respect of any one injury and such payment shall be the maximum payable per person in any Period of Insurance.
- ii) No benefit shall be payable under Benefits 1 to 4 inclusive unless death or disablement occurs within twelve months of the injury.
- iii) No benefit shall be payable to any person whose age is less than sixteen or more than sixty-five years.
- iv) Benefit 5 shall cease immediately the Insured are entitled to claim Benefits 1,2,3 or 4.
- v) The maximum period payable for Benefit 5 shall be 104 weeks from the date on which the Insured, partner, director or employee first attends a qualified medical practitioner.
- vi) Persons are between the ages of 16 and 60 years.

SECTION E GOODS IN TRANSIT

INSURING CLAUSE

Subject to the General Conditions and Exclusions of this Certificate, and the Conditions and Exclusions contained in this Section herein, if the goods as described in the Specification or any part thereof are lost, destroyed or damaged within the territorial limits specified below whilst being loaded upon, in transit by or unloaded from the means of conveyance detailed in the Specification by any cause not excluded hereby the Underwriters will indemnify the Assured in respect of such loss or Damage up to the limits of liability specified in the Schedule.

Provided that Underwriters shall not be liable for more than the Sum Insured stated in the Specification or in the Certificate in respect of each loss or series of losses arising out of one event at each location as stated in the Schedule

It is a condition as regards transit on vehicles owned or operated by the Assured that any vehicle left loaded and unattended.

1. Is fully closed and locked with all keys removed therefrom and all alarm/immobilising systems put into operation
2. Is housed in a securely locked garage or compound, between the hours of 7 p.m. and 8 a.m.

TERRITORIAL LIMITS

The United Kingdom, Channel Islands, Isle of Man and Eire including whilst in transit by sea or air between these countries.

EXCLUSIONS

This section does not cover

1. The first £250 or each and every loss.
2. Loss or Damage:
 - a) of or to jewellery, watches, works of art, precious stones or precious metals or articles composed of them, furs, leather' goods or livestock, money, securities or stamps, manuscripts, business books, patterns, moulds, plans, designs, explosives or other dangerous goods, perfumery, tobacco, cigars, cigarettes, wines, spirits and the like, cameras, radios, television sets, tape records and the like
 - b) arising from wear, tear, depreciation, gradual deterioration, defective workmanship, moth, vermin, or changes brought about by natural causes, electrical or mechanical derangement unless caused by external means and contamination
 - c) loss or Damage caused by breakdown or derangement of refrigerating units.
 - d) loss or Damage arising from infidelity or dishonesty on the part of the Assured the Assured's Employees or Agents of the Assured, inventory shortages and unexplained disappearance.

SPECIAL CONDITIONS

1. If at the time of the happening of any loss or Damage the total value of

the goods comprising the load or consignment exceeds the limit of liability the Assured shall be considered as being their own Insurers for the difference.

2. The Assured shall take all reasonable care:
 - a) in the selection and supervision of employees
 - b) in the maintenance of vehicles and any protective devices thereon
 - c) in the safeguarding of the goods insured by proper packing and addressing, loading, unloading and handling.
3. Any claim for loss or Damage following theft shall be:
 - i) evidenced by violent and forcible entry and in the event of theft of the vehicle by violent forcible entry therein.
 - or
 - ii) accomplished by hold-up or kidnapping or by the use of keys obtained by robbery from an approved custodian of the keys for the vehicle and alarm systems.
4. Adjustment of Premium

The premium has been calculated on estimates supplied by the Assured and they shall keep an accurate record of information on matters for which estimates have been given. Within one month of expiry of each Period of Insurance the Assured shall supply a true statement of the particulars necessary for assessment of premium and should these particulars differ from the estimates upon which premium has been paid the difference in premium shall be met by a further proportionate payment or refund as the case may be. Failure to supply such particulars shall entitle the Underwriters to estimate if they so wish such particulars and to assess the further premium payment due calculated on such estimated particulars.

MEMORANDA

Where there is any conflict between the terms of Memoranda 1 or 2 below and any condition or exclusion of this section of the Certificate then the terms of the Memorandum shall prevail

All Memoranda shall be applicable to own vehicle or vehicles under the custody or control of the Assured only.

1. Clearance of Debris, Transhipment and Recovery Charges

The Underwriters will indemnify the Assured up to £1,000 any one occurrence in respect of costs reasonably incurred in clearing debris, transhipment and recovery of property lost damaged or destroyed by a peril not otherwise excluded by this section.

2. Sheets, Ropes, Chains, Toggles and Dunnage

The Underwriters, will indemnify the Assured, subject to the Certificate terms and conditions against loss or destruction of or Damage to Sheets, Ropes, Chains, Toggles and Dunnage. Nevertheless the Underwriters shall not be liable for

- a) more than £1,000 in respect of any one vehicle
- b) loss, destruction or Damage caused by or arising from wear and tear or gradual deterioration
- c) loss, destruction or Damage unless the cause is
 - i) supported by direct evidence to the satisfaction of the Underwriters
 - ii) a peril insured by this section of the Certificate.
- d) the first £100 of each and every loss.

SECTION F ALL RISKS TO BUSINESS EQUIPMENT
INSURING CLAUSE

Subject to the general Exclusions of this Certificate, this Section insures Business Equipment of the Assured or for which the Assured may be responsible against All Risks of Physical Loss or Damage occurring during the period of Insurance anywhere in the United Kingdom and Eire up to the limits shown in the Specification.

SPECIFIC CONDITIONS

- 1 In the event of loss, destruction or Damage hereunder, the basis of Valuation for such lost, damaged or destroyed equipment shall be based upon the cost of repair or replacing the said item(s) with an item of similar specification.
- 2. In respect of each item separately, the liability of Underwriters for any loss or Damage, shall not exceed the respective Sum Insured specified in the Specification, nor shall it exceed such proportion of the said loss or Damage as the Sum Insured bears to the total value thereof.

SPECIFIC EXCLUSIONS

This section does not cover

- 1. The first £250 of each and every loss.
- 2. Loss or Damage caused by moth, vermin, inherent vice, climatic conditions, wear and tear, mechanical derangement, gradual deterioration or faulty manipulation.
- 3. Loss or Damage to any part of any machine caused by its own ignition, electrical breakdown or burn out.
- 4. Loss or Damage caused by the actual process of repair, renovation or servicing.
- 5. Depreciation, contamination, or any other consequential loss of any description.
- 6. Loss or Damage to Business Equipment whilst contained in an unattended vehicle unless in a locked boot.

SECTION G BOOK DEBTS

INSURING CLAUSE

Subject to the General Conditions and Exclusions of this Certificate, and the Conditions and Exclusions contained herein. If the Assureds books of accounts, other business books or records at the premises stated in the Schedule should be destroyed or damaged by any of the perils detailed in the Material Damage section and shown as insured in the Specification and in consequence thereof the Assured is unable to trace or establish the outstanding debit balance in whole or in part due to them, then the Underwriters will pay to the Assured the loss sustained by the Assured in respect of such outstanding balances and the amount payable in respect of any one occurrence or Damage shall not exceed :-

- a) the difference between
 - i) the outstanding debit balances
 - ii) the total of the amounts received or traced in respect thereof
- b) the additional expenditure incurred with the previous consent of the Underwriters in tracing and establishing outstanding debit balances after the Damage.

If the Sum Insured be less than the outstanding debit balances the amount payable shall be proportionately reduced.

The Sum Insured under this Section includes all reasonable charges payable by the Assured to their Auditors for producing identifying and certifying any particulars or details contained in the books of account or other business books or records, or documents or such other proofs, information or evidence as may be required by the Underwriters.

Provided that Underwriters shall not be liable for more than the Sum Insured stated in the Specification or in the Certificate in respect of each loss or series of losses arising out of one event

DEFINITIONS

1. Outstanding Debit Balances - the total shown in the Assured's last audited accounts adjusted for:-
 - a) bad debts
 - b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to customer's 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 had or could have had a material effect on the business so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred.

2. Customers' Accounts - the accounts of all customers and/or agents of the Assured who purchase goods from, or to whom services are rendered by the Assured.

CONDITIONS

1. This Section shall be void if:-
 - i) the business be wound up or carried on by a liquidator or receiver or permanently discontinued, or
 - ii) the Assured's interest ceases other than by death at the time after the commencement of this insurance, unless its continuance be admitted in writing by or on behalf of the Underwriters.

WARRANTY

1. FIRE RESISTANT SAFES

It is WARRANTED that the Assured books of accounts, other business books or records are kept in a fire resistant Safe or cabinet when not in use.

SECTION H STOCK DETERIORATION FOLLOWING REFRIGERATION BREAKDOWN

INSURING CLAUSE

Subject to the General Conditions and Exclusions of this Certificate, and the Conditions and Exclusions contained herein, this section shall cover Stocks of frozen foods whilst contained in Deep Freezers and/or Refrigerators up to the amount specified in the Specification against deterioration or putrefaction due to a change in the temperature following:-

- 1) breakdown of refrigeration
- 2) failure of the Public Electricity or Gas supply
- 3) the action of refrigerant fumes escaping from the refrigeration equipment.

which occurs during the period of Insurance set forth in the schedule Provided that Underwriters shall not be liable for more than the Sum Insured stated in the Specification or in the Certificate in respect of each loss or series of losses arising out of one event at each location as stated in the Schedule

EXCLUSIONS

This section does not cover.

- 1) The deliberate act of any electricity or gas supply authority of the exercise by any such authority of its power to withhold or restrict supply.
- 2) Failure of the electricity or gas supply due to strikes 'or any other withdrawal of labour by employees of any electricity or gas authority.

CONDITION PRECEDENT

It is a Condition Precedent to Underwriters' liability under this Section that the refrigerant unit(s) is/are maintained by maker, installer or competent engineer under an annual maintenance contract.

SECTION I LOSS OF LICENCE INSURANCE

In the event of the licence which has been granted for the sale of excisable liquors at the Premises being totally forfeited under the provision of the appropriate legislation governing such licences or refused renewal after due application for such renewal to the appropriate authority the Underwriters will pay or make good to the Insured all loss that the Insured may sustain in respect of:-

- (a) the depreciation in value of the interest of the Insured in the Premises by the forfeiture of or refusal to renew the licence
- (b) the costs and expenses incurred by the Insured with the written consent of the Underwriters in connection with any appeal the forfeiture of or refusal to renew the licence Provided that if the Insured shall be entitled to obtain the payment of compensation under the provisions of any Act of Parliament in respect of the refusal to renew the licence no claim shall arise under this Section

Provided that the liability of the Underwriters shall not exceed the Sum Insured stated in the Schedule

EXCEPTIONS

- (a) If any alterations to the Premises requiring the consent of the licensing or other necessary authority shall be made without their approval or if the Premises are closed for any period not required by law or are not maintained in good sanitary and general repair or any direction or requirement of the licensing or other authority shall not be complied with or if the forfeiture of or refusal to renew the licence be occasioned wholly or partly by or through the misconduct procurement connivance neglect or omission of the Insured or by any omission of the Insured to take any step necessary for keeping the licence in force no claim shall arise under this Section unless the Insured shall prove to the satisfaction of the Underwriters that such matter was beyond his power or control
- (b) No claim shall arise under this Section if prior or subsequent to the refusal to renew or forfeiture of the licence the Premises shall be required for any public purpose or if refusal to renew or forfeiture shall arise under or result directly or indirectly from any scheme of town or country planning improvement or redevelopment or surrender reduction or redistribution of licences in connection with post-war reconstruction or from any alteration of the law affecting the grant surrender refusal to renew or forfeiture of licences

SPECIAL CONDITIONS

- (a) The Insured shall on becoming aware of any
 - (i) complaint against the premises or the control thereof
 - (ii) proceedings against or conviction of the licence holder manager tenant or occupier of the Premises for any breach of the licensing law or any matter whatsoever whereby the character or reputation of the person concerned is affected or called in question with respect to his honesty moral standing or sobriety
 - (iii) change in the tenancy or management of the Premises

- (iv) transfer or proposed transfer of the licence
 - (v) alteration in the purpose for which the Premises are used
 - (vi) objection to renewal or other circumstances which may endanger renewal immediately give notice thereof in writing to the Underwriters and supply such additional information and give such assistance as the Underwriters may reasonably require
- (b) In the event of the death bankruptcy incapacity desertion of the Premises or conviction for any offence (where such conviction affects the character or reputation of the convicted person with respect of his honesty moral standing or sobriety) of the tenant manager occupier or licence holder the Insured shall procure a suitable person to replace him and one to whom the Justices will transfer the licence or grant the licence by way of renewal
- (c) In the event of the licence being forfeited or renewal being refused the Insured shall
- (i) give notice in writing to the Underwriters within 24 hours of receiving knowledge of such event stating the grounds upon which the licence was forfeited or renewal refused
 - (ii) give all such assistance as the Underwriters may require for the purpose of an appeal against such forfeiture or refusal to renew and allow the Underwriters and their Solicitors full discretion in the conduct of such proceedings if so requested by and at the expense of the Underwriters
 - (iii) apply if practicable and if required by the Underwriters for the grant of such new licence for the same or alternative premises as may enable the Insured to continue the business in a similar or alternative form
 - (iv) provide a statement of the depreciation if any together with such documents statements and accounts as may be required by the Underwriters to verify the same and if required by the Underwriters make a statutory declaration as to the truth accuracy and comprehensiveness thereof and give the Underwriters free access to the Premises and the books and accounts thereof as may be necessary for ascertaining the value of the property and the goodwill of the business

THE TERRITORIAL LIMITS

The Territorial Limits shall mean:

Anywhere within the limits of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man

CLAUSES

1. Pollution

This Section excludes all liability in respect of Pollution or Contamination other than caused by a sudden, identifiable, unintended, and unexpected incident, which takes place in its entirety at a specific time and place during the period of Insurance.

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

The liability of the Insurers for all compensation payable in respect of all Pollution or Contamination, which is deemed to have occurred during the Period of Insurance, shall not exceed the Limits of Indemnity in the aggregate. Provided always that the total liability of the Insurers to pay compensation shall not exceed the Limit(s) of Indemnity specified in the Schedule.

For the purpose of this Memorandum "Pollution or Contamination" shall be deemed to mean:

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

SPECIAL CONDITIONS

Discharge of Liability

The Insurers may at any time by the payment to or on behalf of the Insured of the

maximum sum payable hereunder in respect of any one occurrence, or the balance of such maximum sum should any payments have already been made in respect of claims arising out of the same occurrence, or by the payment as aforesaid of the balance of the maximum sum payable hereunder in any one Period of insurance should the same be less than either of the aforesaid amounts by reason of any payments made in connection with any previous claims together with the amount of any legal costs incurred prior to the time of such payment absolve itself from any further liability whatsoever arising out of or in connection with such occurrences and if the sum payable in respect of any claim or claims occurring in connection with or arising out of any one source or original cause exceeds the sum payable under this Policy the Insured shall pay the excess and shall also pay such proportion of the law costs payable to any claimants and/or incurred in the defence of any claim or claims in respect of such occurrence as such excess bears to the total sum payable in respect of such occurrence.

SECTION C PROPERTY OWNERS' LIABILITY

The Insurers agree to indemnify the Insured (subject to the terms, limitations and conditions herein contained) during the period stated in the Schedule and during any subsequent period for which the Insurers shall have accepted the premium required for renewal of this Policy in respect of all sums which the Insured shall become legally liable to pay as compensation for:

PUBLIC LIABILITY

- a) accidental death of or accidental Personal Injury to any person other than an Employee where such death or Personal Injury arises out of and in the course of the employment
- b) accidental loss of or accidental damage to material property
- c) accidental obstruction, accidental trespass, accidental nuisance, accidental interference with pedestrian, road, rail, air or waterborne traffic, accidental invasion of the right of privacy or accidental interference with any right of air, light, water or way
- d) wrongful arrest or false imprisonment

occurring during the currency of this Policy within The Territorial Limits in connection with the Business of the Insured.

The liability of the Insurers under this Section for all compensation payable by the Insured to any claimant or number of claimants in respect of any one occurrence or all occurrences of a series arising out of one original cause shall not exceed the Limit(s) of Indemnity stated in the Schedule.

EXCLUSIONS TO PUBLIC LIABILITY

The indemnity granted by this Section shall not apply to or include:

1. liability arising from the ownership or possession or use by or on behalf of the Insured of any mechanically propelled vehicle or mobile plant:

- a) which is licensed for road use or
- b) for which compulsory motor insurance or security is required or
- c) which is more specifically insured.

Provided always that this Exclusion shall not apply in respect of:

- i) liability not more specifically insured under any other policy arising during the act of loading or unloading mechanically propelled vehicles or mobile plant or the bringing to or the taking away of a load from such vehicle or such plant
- ii) the use of any mechanically propelled vehicle or mobile plant solely as a tool of trade unless more specifically insured or unless compulsory motor insurance or security is required.
- iii) the unauthorised movement on the Insured's premises or contract site of any mechanically propelled vehicle or mobile plant unless more specifically insured or unless compulsory motor insurance or security is required

2. Liability arising from the ownership or possession or use by or on behalf of the Insured of craft designed to travel through air or space, hovercraft or watercraft other than barges, motor launches and non-powered craft used on inland waterways.
3. Liability arising from Products after they have ceased to be in the custody or control of the Insured other than food or beverages for consumption on the Premises of the Insured or at any other Premises where the Insured is carrying on the Business.
4. Loss of or damage to that part of any property upon which the Insured or any servant or agent of the Insured is or has been working where the loss or damage is the direct result of such work.
5. Loss of or damage to property belonging to the Insured or held in trust by or borrowed, rented, leased or hired for the use by the Insured but this exception shall not apply to:
 - a) the personal effects (including vehicles and their contents) of directors, Employees and visitors
 - b) buildings or their contents temporarily occupied by the Insured for the purpose of carrying out work therein or thereon
 - c) Premises (or fixtures and fittings therein) hired, rented, leased or lent to the Insured other than such loss or damage if liability is assumed by the Insured under a tenancy or other agreement and would not have attached in the absence of such agreement.
6. The first £250 (Two Hundred and Fifty Pounds) of compensation payable for loss of or damage to material property in respect of any one occurrence or all occurrences of a series arising out of one original cause.

Provided always that the Insured shall indemnify the Insurers in respect of any such amount for which the Insurers have made payment.

GENERAL EXCLUSIONS

The indemnity granted by Section C shall not apply to or include:

- 1 Liability in respect of liquidated damages or fines or penalties which attaches solely because of a contract or agreement

Liability arising out of professional advice given by the Insured for a fee or in circumstances where a fee would normally be charged

Any Associated or Subsidiary Company of the Insured or Branch Office or Representative of the Insured with Power of Attorney domiciled elsewhere than in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man

Aggravated, exemplary, vindictive or punitive damages awarded by any Court of Law outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

EXTENSIONS

1. Legal Costs

In addition to the indemnity provided by Section C the Insurers will indemnify the Insured in respect of all legal costs awarded to any claimant or incurred in the defence of any claim that is contested by or with the

consent of the Insurers.

2. Additional Benefit

The Insurers will pay the costs incurred with consent for: representation at any Coroner's Inquest or Fatal Inquiry in respect of any death any act or omission causing or relating to any event which may be the subject of indemnity under this policy.

3. Personal Representatives

In the event of the death of the Insured the indemnity provided by this Policy shall apply to any personal representative of the Insured in respect of liability incurred by the Insured.

Provided always that such personal representative shall as though he were the Insured observe, fulfil and be subject to the terms, limitations and conditions of this Policy.

4. Indemnity to Directors and Employees

In the event of any claim in respect of which the Insured named in the Schedule hereto would be entitled to receive indemnity under this Policy being brought or made against:

a) any director or Employee of the Insured

Provided always that:

- i) such person is not entitled to indemnity under any other insurance
- ii) such person shall as though he were the Insured observe, fulfil and be subject to the terms, limitations and conditions of this Policy
- iii) the Insurers shall not be liable under this Extension unless the Insurers have the sole conduct and control of all claims
- iv) the total liability of the Insurers under this Extension to pay compensation shall not exceed the Limit(s) of Indemnity.

5. Indemnity to Principal

In the event of any claim in respect of which the Insured would be entitled to receive indemnity under this Policy being brought or made against any Public or Local Authority or other Principal the Insurers will indemnify the said Public or Local Authority or other Principal against such claim and/or any costs, charges and expenses in respect thereof.

Provided always that the Insurers shall not be liable under this Extension unless the Insurers have the sole conduct and control of all claims.

6. Defective Premises Act 1972

The Insurers will indemnify the Insured against liability at law incurred by the Insured under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with Premises which have been disposed of by the Insured.

Provided always that the Insurers shall not be liable under this Extension

- a) for the cost of remedying any defect or alleged defect in said Premises in respect of liability more specifically insured under any other insurance

7. Cross Liabilities

Where this Policy is issued in the joint names of more than one party it will indemnify each party in the same manner as if a separate policy had been issued to each of them.

Provided always that the total liability of the Insurers under this Extension to pay compensation shall not exceed the Limit(s) of Indemnity.

8. Court Attendance Costs

In the event of any of the under-mentioned persons attending court as a witness at the request of the Insurers in connection with a claim in respect of which the Insured is entitled to indemnity under this Section the Insurers will provide compensation to the Insured at the following rates per day for each day on which attendance is required:

- | | |
|---|------|
| a) any director or partner of the Insured | £250 |
| b) any employee | £100 |

Provided always that these Extensions are subject to the terms, limitations and conditions of the Policy insofar as they can apply.

9. Data Protection Act

The Insurers will indemnify the Insured against liability at law incurred by the Insured under Sections 22 and 23 of the Data Protection Act 1984 in connection with personal data as defined by Section 1 in the said Act held by the Insured.

Provided always that the Insurers shall not be liable for:

- a) the payment for fines and penalties
- b) the cost of placing, reinstating, rectifying or erasing any personal data.

DEFINITIONS

The Business

The Business shall include in addition to those activities specified in the Schedule:

- a) maintenance of property and Premises owned or occupied by the Insured

Personal Injury

Personal Injury shall include illness.

Employee

Employee shall mean:

- a) any person under a contract of service or apprenticeship with the Insured
- b) any labour master or labour only subcontractor or persons supplied by any of them
- c) any self employed person
- d) any person under a work experience scheme
- e) any person hired or borrowed by the Insured working for the Insured in connection with the Business.

THE TERRITORIAL LIMITS

The Territorial Limits shall mean:

Anywhere within the limits of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man

CLAUSES

1. Pollution

This Section excludes all liability in respect of Pollution or Contamination other than caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the period of Insurance.

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

The liability of the Insurers for all compensation payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance shall not exceed the Limits of Indemnity in the aggregate. Provided always that the total liability of the Insurers to pay compensation shall not exceed the Limit(s) of Indemnity specified in the Schedule.

For the purpose of this Memorandum "Pollution or Contamination" shall be deemed to mean:

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

SPECIAL CONDITIONS

Discharge of Liability

The Insurers may at any time by the payment to or on behalf of the Insured of the

maximum sum payable hereunder in respect of any one occurrence, or the balance of such maximum sum should any payments have already been made in respect of claims arising out of the same occurrence, or by the payment as aforesaid of the balance of the maximum sum payable hereunder in *any* one Period of insurance should the same be less than either of the aforesaid amounts by reason of any payments made in connection with any previous claims together with the amount of any legal costs incurred prior to the time of such payment absolve itself from any further liability whatsoever arising out of or in connection with such occurrences and if the sum payable in respect of any claim or claims occurring in connection with or arising out of any one source or original cause exceeds the sum payable under this Policy the Insured shall pay the excess and shall also pay such proportion of the law costs payable to any claimants and/or incurred in the defence of any claim or claims in respect of such occurrence as such excess bears to the total sum payable in respect of such occurrence.

CONDITIONS AND EXCLUSIONS APPLICABLE TO ALL SECTIONS **GENERAL CONDITIONS**

1. ALARM PROTECTIONS MAINTENANCE CLAUSE

It is a condition precedent to Underwriters' liability for loss of or damage to property following entry or attempted entry into or exit from the premises by forcible and violent means that :-

A. In respect of any Alarm System installed at the Premises.

- i) a maintenance contract is maintained in force during the currency of this insurance with the installing company or other such company approved by Underwriters.
- ii) the Premises are not left unattended unless.
 - a) the Alarm System is tested and set in its entirety and, where the equipment permits, any central station to which the Alarm System is connected has acknowledged the setting signal.
 - b) as far as the Insured or his representative is aware, the Alarm System is in full and efficient working order.
 - c) the agreement of Underwriters is obtained in writing before replacing, extending or otherwise altering the Alarm System.
- iii) Underwriters are notified immediately and in writing if,
 - a) the Insured receives written notification from a Police Authority that they may be withdrawing response to alarm calls or
 - b) the Insured is required to abate a nuisance under Code of Practice on Noise from Audible Intruder Alarms 1983 or by Force policy issued by the Chief Constable.

B. whenever the Premises are left unattended

- i) all locks and other protective devices are in full operation.
- ii) all keys (including those relating to any part of the Alarm System) are
 - a) removed from the Premises or
 - b) placed within a locked safe or strongroom, the keys to which are themselves removed from the Premises.

Definition: Alarm System shall be deemed to include all lines and equipment used to transmit the signals to and from the Premises.

2. FIRE APPLIANCE MAINTENANCE CLAUSE

It is understood and agreed that

- a) the Insured will maintain all fire extinguishing appliances contained in the premises in full working order during the currency of this Insurance and
- b) notify the Underwriters immediately of any disconnection or failure of the automatic fire alarm installation which is likely to leave any area without protection for 12 hours or more

Nevertheless this Insurance shall not be invalidated by any defect in any of the appliances due to circumstances unknown or beyond the control of the Insured.

3. NON-CONTRIBUTION

This insurance does not cover any loss or liability which at the time of the happening of such loss or liability is more specifically insured elsewhere, except in respect of any excess beyond the amount which would have been payable under such other Insurances had this insurance not been effected.

4. DUE DILIGENCE

The Assured shall at all times use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any loss, Damage or liability under this insurance.

5. CLAIMS NOTIFICATIONS

It is a condition precedent to the liability of Underwriters that following any happening likely to give rise to a claim the Assured will:

- a) as soon as is practicable notify in writing the Underwriters
- b) provide such information and assistance as Underwriters may reasonably require
- c) in the event of theft, loss of money, riot or malicious Damage immediately inform the Police, and offer them all reasonable assistance in the apprehension of the person(s) responsible and the recovery of any property stolen.
- d) in respect of Claims arising under Section C, every letter claims writ summons and process shall be notified or forwarded to Underwriters immediately on receipt. Notice shall also be given in writing to the Underwriters immediately the Assured shall have notice of any impending prosecution inquest or fatal accident inquiry in connection with any such occurrence.

All such matters shall be referred immediately to the Broker through whom this Certificate has been issued.

5. HANDLING OF CLAIMS

The Assured shall not incur any expense in making good any Damage without the consent of the Underwriters and shall not admit liability for or offer or agree to settle any claim without the written consent of the Underwriters, who shall be entitled to take over and conduct in the name of the Assured the defence of any claim and to prosecute in the

Assured's name for Underwriters benefit any claim for indemnity or Damage 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.

6. ALTERATIONS

The Assured shall give the Underwriters immediate notice in writing of any alterations to the risk insured and shall pay or agree to pay any additional Premium that may be required.

7. WARRANTIES

Every warranty shall from the time that the warranty attaches apply and continue to be in force during the whole currency of this Certificate and non-compliance with any such warranty whether it increases the risk or not shall be a bar to any claim provided that whenever this Certificate is renewed a claim occurring during the renewal period shall not be barred by reason of a warranty not having been complied with at any time before the commencement of such period provided such warranty if it is still in force has been fully complied with from the commencement of such period.

8. PREMIUM ADJUSTMENT

Where the premium is calculated on the statements and estimates furnished by the Insured the Insured shall keep an accurate record of all relevant particulars and shall at any reasonable time allow the Underwriters to inspect such record and shall within one month of the expiry of each Period of Insurance furnish to the Underwriters such information as the Underwriters require

For such expired period and the premium for the Underwriters and the difference shall thereupon adjust such period be paid or allowed to the Insured as the case may be subject to any agreed minimum premium.

9. DUTIES OF THE INSURED

The Insured shall

- (a) maintain the Premises, machinery, plant and equipment in a satisfactory state of repair
- (b) take all reasonable precautions to prevent loss or destruction or damage, accident or injury
- (c) take all reasonable precautions for the safety and protection of the property insured including the selection and supervision of Employees and not do or permit anything whereby the risk of Underwriters shall be increased
- (d) comply with all statutory requirements and other safety regulations imposed by any authority
- (e) keep books with a complete record of purchases and sales
- (f) make good any defect or danger which becomes apparent and take additional precautions as circumstances require.

10. SALVAGE

On the happening of any loss, destruction or Damage, the Assured shall give the Underwriters or their agent or representative leave and licence to enter the building where the loss, destruction or Damage has occurred and take and keep possession of any of the property hereby insured and deal with the salvage in a reasonable manner.

11. FRAUDULENT CLAIMS

If the Assured shall make any statement, claim or representation 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.

12. CANCELLATION

This insurance may be cancelled at any time at the request of the Assured in writing to the Broker who effected the Insurance, and the premium hereon shall be adjusted on the basis of Underwriters receiving or retaining the customary short term premium, details of which are available on request. This Insurance may also be cancelled by or on behalf of Underwriters by 30 days' notice given in writing, and sent by registered or recorded delivery mail, to the Assured at his last known address, and the premium hereon shall be adjusted on the basis of Underwriters receiving or retaining pro-rata premium for the unexpired period.

13. AUTOMATIC REINSTATEMENT OF LOSS

Upon the occurrence of a loss hereunder, the Sum Insured shall be immediately and automatically reinstated, and the Assured undertake to pay the Additional Premium on the amount of loss at the rate applicable pro-rata from the date of the loss to the expiration of this Certificate

GENERAL EXCLUSIONS

1. PROPERTY EXCLUDED

This Insurance does not cover loss, destruction or Damage:

- a) To motor vehicles and accessories in or upon the said vehicles, explosives, livestock, cash currency and/or banknotes, stamps, bonds, bills of exchange, promissory notes, securities for money, negotiable documents or other documents except as expressly mentioned as insured.
- b) To computer system records, nor any claim whatsoever arising from such loss or Damage, except as expressly mentioned as insured herein.

2. INVALID PAYMENTS

This Insurance excludes all claims in respect of loss of property hereby insured where loss has been sustained by the Assured consequent upon handing over such insured property to any third party against any payment or promise of payment by any means whatsoever and where such payment shall prove to be false, fraudulent or otherwise invalid or uncollectible for any reason whatsoever.

3. CONSEQUENTIAL LOSS

This Insurance does not cover Loss of use, delay, consequential loss or loss of market, unless specifically specified herein.

4. WAR

This Insurance does not cover any Loss, Damage, Bodily Injury or Liability directly or indirectly occasioned by, happening through 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 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.

5. RADIOACTIVE CONTAMINATION

This Certificate does not cover

- a) loss or destruction of or Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- b) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising 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, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

6. SONIC BANG

This Insurance does not cover any Loss, Damage or Liability directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

7. TERRITORIAL LIMITS

This Insurance does not cover any Loss, Damage or Liability occurring outside the limits of The United Kingdom unless otherwise stated herein to the contrary.

8. NORTHERN IRELAND OVERRIDER CLAUSE

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 committed maliciously by a person or persons acting on behalf of, or in connection with any unlawful association.

Note: "Unlawful association" means any organisation which is engaged in terrorism and includes an organisation which at any relevant time is a proscribed organisation 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 fear.

In any action, suit or other proceedings where the Underwriters allege that by reason of the provisions of this exclusion any loss, destruction or Damage is not covered by this Certificate 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 extensions thereof, unless such extension expressly cancels this overriding exclusion.

SPECIAL CLAUSES/WARRANTIES APPLYING TO THIS POLICY

BURNING AND WELDING CONDITIONS

It is a condition of this Insurance that the Assured shall take all steps to ensure the following precautions are complied with on each occasion where the Assured is using any oxyacetylene or electric welding or cutting plant or any blow lamp or blow torch away from his own premises;

- (i) the immediate area in which the operation is to be carried out must be segregated to the greatest practicable extent by the use of screens made of metal and/or fire retardant material,
- (ii) the whole of this segregated area must be adequately cleaned and free from combustible material before operations commence,
- (iii) combustible floors/substances in or surround this segregated area must be liberally covered with sand or protected by overlapping sheets of incombustible material,
- (iv) where work is being carried out in any enclosed area an additional employee of the Assured or an employee of the occupier shall be present at all times to guard against an outbreak of fire,
- (v) no work should be carried out unless specifically authorised by the occupier who should also be asked to approve the safety arrangement,
- (vi) the following must be kept available for immediate use near the scene of operations;
 - a. suitable fire extinguishers and/or
 - b. hoses connected up in readiness for immediate use and tested prior to the commencement of the work,
- (vii) a thorough examination must be made in the vicinity of the work approximately one hour after the termination of each operation. In the event that it is not practicable for such examination to be carried out by the Assured's own employee then appropriate arrangements must be made with the occupier,
- (viii) before "burning off" metal work built into or projecting through walls or partitions an examination should be made to confirm that the other end of the metal is not in a hazardous proximity to combustible material which may be ignited by the condition of heat.

Furthermore, where the Assured burns debris away from his premises the following precautions shall be taken on each occasion:-

- a. Fire to be in a cleared area and at a distance of at least ten yards from any property.
- b. Fire not to be left unattended at any time.
- c. A suitable fire extinguisher to be kept available for immediate use.
- d. Fire to be extinguished at least one hour prior to leaving site at the end of each working day.

Daily Waste Warranty

It is warranted that trade waste and other refuse be swept up daily and placed in bags or bins outside the Building.

Portable Heating Warranty

It is a condition precedent to the liability of the Underwriters that there will be no use of or storage on the premises of any form of portable heating unless specifically agreed.

Minimum Protections Warranty

It is warranted that all final exit doors have a minimum 5 lever mortice deadlocks fitted with box steel striking plates at least 7". Where locks are to be replaced or fitted these should conform to BS3621. Alternatively a 5 lever close shackle padlock with substantial locking bar. All accessible windows to be barred or fitted with key operated window locks or fixed permanently shut.

Millennium Clause (Named Perils)

UK MILLENNIUM ENDORSEMENT **COMMERCIAL NAMED PERILS**

This Insurance does not cover any physical loss or damage or any consequential loss directly or indirectly caused by or consisting of or arising from the failure of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the Insured or not, and whether occurring before, during or after the year 2000,

- i) correctly to recognise any date as its true calendar date
- ii) 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
- iii) 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

but this shall not exclude:

- (a) any ensuing physical loss or damage to property insured;
 - (i) resulting from a peril insured under this Insurance and
 - (ii) which is not otherwise excluded;
- or
- (b) any consequential loss, as covered under this Insurance, which may arise from such ensuing physical loss or damage.

Provided that nothing in this endorsement or any other provision or extension of this Insurance shall be construed to extend the liability of the Insurers to cover any costs and expenses, whether preventative, remedial or otherwise arising out of or relating to change, alteration or modification of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the Insured or not.

Millennium Clause (All Risks)

UK MILLENNIUM ENDORSEMENT **COMMERCIAL ALL RISKS**

This Insurance does not cover any physical loss or damage or any consequential loss directly or indirectly caused by or consisting of or arising from the failure of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the Insured or not, and whether occurring before, during or after the year 2000,

- i) correctly to recognise any date as its true calendar date
- ii) 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
- iii) 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

but this shall not exclude:

- (a) any ensuing physical loss or damage to property insured;
 - (i) resulting from a listed peril, set out below, as covered under this Insurance but no other for the purposes of this endorsement, and
 - (ii) which is not otherwise excluded;
- or
- (b) any consequential loss, as covered under this Insurance, which may arise from such ensuing physical loss or damage.

Listed Perils

1. Fire and/or Lightning
2. Explosion
3. Aircraft or other aerial devices or articles dropped therefrom
4. Impact by road vehicles or animals
5. Riot or civil commotion
6. Strikers, locked-out workers, or persons taking part in labour disturbances
7. Malicious persons
8. Earthquake
9. Storm
10. Flood
11. Escape of water from any tank apparatus or pipe
12. Theft

If specific perils are defined in this Insurance the listed perils shall be deemed to be amended to follow this Insurance but **in no event shall it include Accidental Damage or the equivalent coverage provided by this Insurance**. If any of the above listed perils are specifically excluded by this Insurance they shall be deemed to be deleted from this list.

Provided that nothing in this endorsement or any other provision or extension of this Insurance shall be construed to extend the liability of the Insurers to cover any costs and expenses, whether preventative, remedial or otherwise arising out of or relating to change, alteration or modification of any computer system, hardware, programme or

software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the Insured or not.

WAR AND TERRORISM EXCLUSION CLAUSE

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage cost or expense of whatsoever nature directly or indirectly 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 to the loss;

- (1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; 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, or
- (2) any act of terrorism.

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

This insurance also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the assured alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the assured.

RADIOACTIVE EXCLUSION CLAUSE

Unless specifically agreed for an insured loss involving nuclear material under determined circumstances, this insurance does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly 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 to the loss:

1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear or nuclear component thereof
3. any weapon or device employing atomic or nuclear fission and/or fusion
or other like reaction or radioactive force or matter.

T & D Lines exclusion clause

This insurance does not cover any loss of destruction of or damage to any kinds of above or below ground conductors (e.g. transmission and distribution lines) including wires, cables, poles, scaffolding, pylons and masts or any property forming a part thereof or connected therewith and including substations and transformer stations unless such conductors for which the insured carries the risk are located no further than 500 feet from an insured plant of this insured. This exclusion also applies to any consequential losses, time element losses or business interruption losses resulting therefrom including but not limited to increased cost of working.

This exclusion includes but is not limited to conductors for the transmission or distribution of electrical energy, telephone or telegraphic signals, and all communication signals whether audio or visual.

CONTAMINATION AND POLLUTION EXCLUSION CLAUSE

1. This insurance shall not cover any loss or damage due to contamination, sooting, deposition, impairment with dust, chemical precipitation, poisoning, epidemic and disease including but not limited to foot and mouth disease, pollution, adulteration or impurification or due to any limitation or prevention of the use of objects because of hazards to health.
 2. This exclusion does not apply if such loss or damage arises out of one or more of the following perils
 - Fire, Lightning, Explosion, Impact of Aircraft
 - Vehicle Impact, Sonic Boom
 - Accidental escape of water from any tank apparatus or pipe
 - Riot, Civil Commotion, Malicious Damage
 - Storm, Hail
 - Flood, Inundation
 - Earthquake
 - Landslide, Subsidence
 - Pressure of Snow, Avalanche
 - Volcanic Eruption
2. All other terms and conditions of the insurance treaty shall be unaltered and especially the exclusions shall not be superseded by this clause

MOULD/FUNGUS INSURANCE EXCLUSION CLAUSE

This insurance excludes all loss, cost or expense directly or indirectly arising out of, resulting from or in any manner related to Fungal Pathogens whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

“Fungal Pathogens” as utilized herein shall mean any fungus or mycota or any byproduct or type of infestation produced by such fungus or mycota, including but not limited to mould, mildew, mycotoxine, spores of ay biogenic aerosols.

NUCLEAR ENERGY RISKS EXCLUSION CLAUSE (INSURANCE) (1994) (WORLDWIDE EXCLUDING U.S.A. AND CANADA)

This insurance shall exclude Nuclear Energy Risks whether such risks are written directly and/or by way of insurance and/or via Pools and/or Associations.

For all purposes of this exclusion Nuclear Energy Risks shall mean

- I. All **Property**, on the site of a nuclear power station.
Nuclear Reactors, reactor buildings and plant and equipment therein on any site other than a nuclear power station.
- II. All **Property**, on any site (including but not limited to the sites referred to in I above) used or having been used for:
 - (a) The generation of nuclear energy; or
 - (b) The **Production, Use or Storage of Nuclear Material**.
- III. Any other **Property** eligible for insurance by the relevant local Nuclear Insurance Pool and/or Association but only to the extent of the requirements of that local Pool and/or Association.
- IV. The supply of goods and services to any of the sites, described in I to III above, unless such insurances or insurances shall exclude the perils of irradiation and contamination by **Nuclear Material**.

Except as undernoted, Nuclear Energy Risks shall not include: -

- i. any insurance or insurance in respect of the construction or erection or installation or replacement or repair of maintenance or decommissioning of **Property** as described in I to III above (including contractors' plant and equipment);
- ii. any Machinery Breakdown or other engineering insurance or insurance not coming within the scope of (i) above

Provided always that such insurance or insurance shall exclude the perils or irradiation and contamination by **Nuclear Material**.

However, the above exemption shall not extend to: -

1. The provision of any insurance whatsoever in respect of: -
 - (a) **Nuclear Material;**
 - (b) Any **Property** in the **High Radioactivity Zone or Area** of any **Nuclear Installation** as from the introduction of **Nuclear Material** or – for reactor installations – as from fuel loading or first criticality where so agreed with the relevant local Nuclear Insurance Pool and/or Association.
2. The provision of any insurance or insurance for the undernoted perils:
 - Fire, lightning, explosion;
 - Earthquake;
 - Aircraft and other aerial devices or articles dropped therefrom;
 - Irradiation and radioactive contamination;
 - Any other peril insured by the relevant local Nuclear Insurance Pool and/or Association;

in respect of any other **Property** not specified in 1 above which directly involves the **Production, Use or Storage of Nuclear Material** as from the introduction of **Nuclear Material** into such **Property**.

Definitions

“Nuclear Materials” means:

- i. Nuclear fuel, other than natural uranium and depleted uranium, capable of producing energy by a self-sustaining chain process of nuclear fission outside a **Nuclear Reactor**, either alone or in combination with some other material; and
- ii. **Radioactive Products or Waste.**

“Radioactive Products or Waste” means any radioactive material produced in, or any material made radioactive by exposure to the radiation incidental to the production or utilisation of nuclear fuel, but does not include radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose.

“Nuclear Installation” means:

- i. Any **Nuclear Reactor**;
- ii. Any factory using nuclear fuel for the production of **Nuclear Material**, or any factory for the processing of **Nuclear Material**, including any factory for the reprocessing or irradiated nuclear fuel; and
- iii. Any facility where **Nuclear Material** is stored, other than storage incidental to the carriage of such material.

“**Nuclear Reactor**” means any structure containing nuclear fuel in such an arrangement that a self-sustaining chain process of nuclear fission can occur therein without an additional source of neutrons.

“**Production, Use or Storage of Nuclear Material**” means the production, manufacture, enrichment, conditioning, processing, reprocessing, use, storage, handling and disposal of **Nuclear Material**.

“**Property**” shall mean all land, buildings, structures, plant, equipment, vehicles, contents (including but not limited to liquids and gasses) and all materials of whatever description whether fixed or not.

“**High Radioactivity Zone or Area**” means:

- i. For nuclear power stations and **Nuclear Reactors**, the vessel or structure which immediately contains the core (including its supports and shrouding) and all the contents thereof, the fuel elements, the control rods and irradiated fuel store; and
- ii. For non-reactor **Nuclear Installations**, any area where the level of radioactivity requires the provision of a biological shield.

INFORMATION TECHNOLOGY HAZARDS (RISK) EXCLUSION CLAUSE

Losses arising, directly or indirectly, out of:

- i. loss of, alteration of, or damage to

or

- ii. A reduction in the functionality, availability, or operation of

a computer system, hardware, programme, software, data, information repository, microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the policyholder of the insure or not, are excluded hereon unless arising out of on or more of the following perils:

fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze or weight of snow.

ASBESTOS EXCLUSION

This policy does not cover loss, cost or expense directly or indirectly arising out of, resulting as a consequence of, or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to Asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

SPECIAL CLAUSES/WARRANTIES

THESE ARE OPERATIVE ONLY IF SHOWN IN THE SCHEDULE OR IN AN ENDORSEMENT FORMING PART OF THE SCHEDULE

CL2 - Pipe and Tank Lagging Warranty

Underwriters will not be liable for loss of or damage to property as a result of burst or leaking water pipes & tanks which are inadequately lagged at the time of the loss or damage.

CL3 - Deep Fat Frying Warranty

It is warranted that :-

All frying and other cooking ranges, equipment, flues and exhaust ducting are securely fixed and free from contact with combustible material.

All extraction hoods, canopies, filters and grease traps are cleaned every two weeks.

All extraction ducts are cleaned at least every six months.

Frying equipment is fitted with a thermostat designed to prevent the temperature of cooking oils and fat from rising above 205 C.

Multi purpose fire extinguishers or other materials suitable for extinguishing oil and fat fires are maintained and close to the installation ready for immediate use.

The pans to be fitted with metal lids which can be shut down in the event of fire

(with larger installations closing to be automatic and the system to be linked to the ventilation system so that this is also shut down in the event of a fire).

CL4 - Kitchen Duct Warranty

Warranted cooking fume extraction canopies and ductwork be cleaned at least every six months by independent contractors and that filters, traps or other grease removal devices therein be cleaned at least fortnightly

CL5 - Roof Maintenance Warranty

It is a Condition precedent to liability in respect of damage by storm, tempest that any flat felted roof portion of the within described premises shall be inspected at least once every two years by a qualified builder or property surveyor and any defects brought to light by that inspection shall be repaired immediately.

CL6 - Electrical Clause

It is understood and agreed that the Underwriters shall not be liable for any loss, destruction of or damage to electrical apparatus or appliances caused by self-ignition. However, this exclusion shall apply solely to the part of the said apparatus or appliance in which self-ignition occurs.

CL8 - Frost Stat Warranty

Warranted that the heating system incorporates Frost stat controls to ensure that a minimum temperature of at least 4 degrees centigrade is automatically maintained between the months of October and May inclusive.

CL9 - Waste Warranty

Warranted combustible storage/waste in the open to be at least 20 ft from building when premises are closed for business.

CL10 - Flammables Warranty

It is a condition precedent to the liability of the Underwriters that all flammables are kept in metal lidded containers when not in use.

CL11 - Bulk Flammables Warranty

Warranted bulk supplies of flammables kept within a separate locked store and only one days supply permitted out on the premises.

CL12 - Gutter Warranty

Warranted valley gutters cleared and downpipes rodded at least twice per annum.

CL13 - Alarm Protected Area Warranty

Warranted all stock/contents within alarm protected area.

CL14 - Cooking In Rooms Warranty

Warranted no cooking in rooms other than in designated kitchen areas.

CL15 - Renovation/Refurbishment Exclusion

Excluding losses arising from building works, renovation or refurbishment

CL16 - Stillage Warranty

It is warranted that all property stored in the premises is stored on racks, shelves and stillages not less than 6" (six inches) above floor level.

CL17 - Paint Spraying Warranty

It is warranted that:

- all paint spraying to be conducted in booths of non-combustible material and positioned against an external wall. All doors to be self-closing and kept closed during spraying. Any glazing should be wired glass.
- all electrical fittings in booths to be flamed proof and earthed.
- all wiring should conform to Institute of Electrical Engineers' wiring regulations. A current Institute of Electrical Engineers Certificate to be held and reissued every three years.
- all paints residue to be cleaned off at least weekly.
- each booth to have a separate ventilation fan and duct discharging direct to the open air.
- motors not to be located in ducts.

CL18 - Auditorium Warranty

Warranted that the Assured carry out a thorough examination of the premises insured hereunder for smouldering matches, tobacco or other material at the close of business each day and for signed reports to be made thereon daily by the employee, or employees, detailed to make the examination and for such reports to be checked at least weekly by the Management. It is further warranted that all ashtrays and the like to be emptied into a lidded metal bin and the bin is removed from the buildings at the close of each day.

CL19 – Un-occupancy Conditions

Notwithstanding anything contained herewith it is hereby understood and agreed that coverage herein is limited to fire, lightning, explosion, aircraft only.

Warranted all mains services disconnected and all water pipes/tanks drained down.

Warranted premises secured against illegal entry. All windows and doors shall be boarded or bricked up at ground level and other accessible windows so as to prevent un-authorized entry and firmly secured at other levels.

Warranted all letterboxes shall be sealed to prevent insertion of material.

Warranted premises shall be kept clear of all loose combustible materials

Warranted assured and/or his agent to visit premises once per week and carry out any work necessary to maintain security. A record of these visits is to be kept and produced to underwriters on demand

Warranted any defects following the aforementioned visit are rectified immediately

Warranted the contractors remove from the premises at the close of business all combustible waste materials

Warranted that contractors do not burn waste on the premises or within 100 metres of the premises

CL21 - Electrical Circuit Warranty

It is warranted that the electrical installation be inspected and tested at least once in every three years by a contractor approved by the National Inspection Council for Electrical Installation (N.I.C.E.I.C) and that any defects found be remedied forthwith in accordance with the regulations of the Institute of Electrical Engineers.

CL22 - Sprinkler and Fire Extinguishing Appliances Maintenance Clause

In consideration of the reduced premium at which this Insurance is written it is warranted that the Assured will, maintain the Sprinkler Installation(s) and other Fire Extinguishing Appliances specified in this policy in full working order during the currency of this Insurance, make a test every week for the purpose of ascertaining that the Alarm Gong is in full working order and that the Stop Valves controlling the Water Supplies are fully open, ensure that a test is made every twelve months to confirm that the Water Supplies are in order, and that the particulars of such tests are recorded, and remedy promptly any defect revealed by such tests.

Nevertheless this Policy shall not be invalidated by any defect in the Sprinkler Installation(s) or other Fire Extinguishing Appliances due to circumstances unknown to or beyond the control of the Assured.

CL23 - Restricted Perils Clause

Notwithstanding anything contained herein to the contrary the Insured perils granted by this certificate are limited to Fire, Lightning, Full Explosion and aircraft only.

CL 24 - Co Insurance Clause

Notwithstanding anything contained herein to the contrary it is noted and agreed that Theft is subject to _____ %
Co Insurance Clause with a minimum contribution by the insured of £_____ each and every claim.

CL 26 - Business Interruption – Theft cover

It is hereby deemed that the words “other than theft” are deleted from the first paragraph of Section B - Business Interruption.

CL30 – Theft limitation Clause

Underwriters will not be liable for losses caused by Theft or any attempt thereat if not

- a) involving entry to or exit from the Premises by forcible or violent means.
- b) following actual or threatened assault or violence to the Insured, the Insured's employees or any person lawfully on the Premises.

CL 31 – Theft from vehicles (applies to Section F only)

Underwriters will not be liable for theft or attempted theft from any unattended motor vehicle owned by the Assured unless:

- a) all doors, windows and all other points of access have been closed and all keys to doors, ignition or other services removed, and the event of the vehicle being a hatchback the insured item be contained in a locked boot, and
- b) from 9.00pm to 6.00am the vehicle is in a guarded security park, securely locked building