ZURICH Municipal

Select

Property module



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Part A – Material damage

Section 1 – Special Definitions

Damage
Accidental physical loss or accidental physical damage by any of the insured perils stated in the schedule.

Declared Value
The **insured's** assessment of the cost of **reinstatement** of the **property** insured at the level of costs applying at the inception of each period of insurance (ignoring inflationary factors which may operate subsequently) together with in so far as the insurance by the item provides due allowances for:

a) the additional cost of reinstatement to comply with European Union and public authority requirements

b) professional fees

c) debris removal costs.

Education Properties
Buildings, **contents** and **stock** in any building or temporarily removed therefrom (including **stock** in the open) belonging to the **insured's** Education Department or held by them in trust for which they are responsible all within the **territorial limits**.

General Properties
Buildings, **contents** and **stock** in any building or temporarily removed therefrom (including **stock** in the open) belonging solely to the **insured** or held by them in trust for which they are responsible all within the **territorial limits** excluding Housing Properties and Education Properties.

Housing Properties
Buildings of all private dwelling houses, bungalows, maisonettes and flats belonging to the **insured** or for which they are responsible and owned or acquired by them in pursuance of their statutory powers for the provision of housing accommodation all within the **territorial limits**.

Non-ranking Deductible
The amount stated in the schedule to be deducted from each and every loss at each separate **premises** before contributing towards the annual aggregate and once the annual aggregate has been breached.

One Event
The total of all losses arising from one occurrence or all occurrences of a series consequent upon or attributable to one original cause after the application of all the terms and conditions of this part.

Section 2 – Cover
In the event of Damage to the **property** insured stated in the schedule and occurring during the period of insurance the **insurer** will pay to the **insured** the value of the **property** at the time of its Damage or at the **insurer's** option indemnify the **insured** by reinstatement, replacement or repair.

Provided always that the liability of the **insurer** will not exceed:

a) in the whole the total sum insured or in respect of any item its sum insured or any other limit of liability stated in the schedule at the time of the Damage

b) the sum insured or limit remaining after deduction for any other Damage occurring during the same period of insurance unless the **insurer** has agreed to reinstate any such sum insured or limit.

2.1 Adaptation (Energy Performance and Sustainable Buildings) Clause
In respect of General and Education Properties this part includes:

a) the additional cost of reinstatement incurred with the prior written consent of the **insurer** to comply with the recommendations made under any current Energy Performance Certificate in respect of Damage to the **property** insured

b) additional cost of reinstatement incurred with the prior written consent of the **insurer** to reinstate the Damage to a standard above the minimum required under the prevailing European Union or Building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority where such standard would otherwise result in a recommendation for improvement to be made in a subsequent Energy Performance Certificate assessment

c) the reasonable additional cost of reinstatement incurred with the prior written consent of the **insurer** arising from the use of alternative materials or sources of materials in accordance with the principles of the Building Research Establishment Environmental and Sustainability Standard.

Provided always that:

i) the **insurer** will not be liable for any undamaged portions of the **property** insured

ii) the **insurer** will not be liable for the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the **property** insured by reason of the works funded by the application of this clause

iii) the **insurer** will not be liable for the cost incurred in complying with prevailing European Union or Building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority under which notice has been served upon the **insured** prior to the happening of the Damage

iv) if the liability of the **insurer** under any item of this part other than this clause is reduced by the application of any of the terms and conditions of this part then the liability of the **insurer** under this clause in respect of any such item will be reduced in like proportion

v) the total amount recoverable under this clause in respect of any One Event and in total in any one period of insurance will not exceed 5% otherwise payable in respect of **buildings** in the absence of this clause or £250,000 whichever is the lesser.

2.2 Automatic Reinstatement of Sum Insured

In the absence of written notification by the **insurer** or the **insured** to the contrary this insurance will not be reduced by the amount of any loss in consideration of which the **insured** will pay the appropriate additional premium on the amount of the loss from the date of the loss to the expiry of the period of insurance provided always that the **insured** takes immediate steps to effect such additions to or variations in the protection of the **property** insured as the **insurer** may require.

2.3 Capital Additions and Alterations

This part includes:

a) any newly acquired **buildings** or **contents** not otherwise insured within the **territorial limits**

b) completed alterations, additions or improvements to **buildings** or **contents**

but not in respect of any appreciation in value during the current period of insurance at any of the **premises** insured.

Provided always that:

i) at any one site the **insurer's** liability will not exceed £10,000,000

ii) the **insured** will supply to the **insurer** details of all such extensions of cover at the end of each period of insurance and pay any additional premium required.

2.4 Damage to Reputation

This part includes reasonable costs incurred by the **insured** to mitigate resultant damage to the **insured's** reputation subsequent to any One Event insured under this part.

Provided always that:

a) the damage to the **insured's** reputation is a consequence of media coverage in print, by radio, television or news agency

b) the value of any One Event is in excess of £1,000,000 after the application of any deductible or **excess**

c) the **insurer's** liability will not exceed £50,000 in any one period of insurance

d) the **insurer** will not be liable unless subsequent to any One Event the sole conduct and control of any claim or series of claims under this clause rests with the **insurer**.

2.5 Drains and Gutters

This part includes reasonable costs and expenses necessarily incurred with the **insurer's** consent in cleaning or clearing drains, sewers or gutters following Damage to the insured **property** or **property** for which the **insured** are legally responsible.

2.6 European Union and Public Authority Requirements (including Undamaged Property)

Subject to the following supplementary conditions this part in respect of **buildings** and **contents** includes the additional cost of reinstatement including demolition and site clearance incurred solely by reason of the necessity to comply with the stipulations of:

a) European Union legislation

b) Building or other regulations under or framed in pursuance of any Act of Parliament or bye-law of any public authority

hereinafter referred to as 'the Stipulations' in respect of Damage to the **property** insured and undamaged portions thereof.

The **insurer** will not pay for:

i) the cost incurred in complying with the Stipulations:

   1) in respect of loss or damage not insured under this part

   2) under which notice has been served upon the **insured** prior to the happening of the Damage

   3) for which there is an existing requirement which has to be implemented within a given period

   4) in respect of **property** entirely undamaged

ii) the additional cost that would have been required to make good the **property** suffering Damage to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen

iii) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the **property** or by its owner by reason of compliance with the Stipulations.

Supplementary Conditions

1. The work of reinstatement must be commenced and carried out without delay and in any case must be completed within 12 months of the Damage or within such further time as the **insurer** may allow during the said 12 months and may be carried out upon another site if the Stipulations so necessitate subject to the **insurer's** liability under this clause not being increased.
2. If the **insurer's** liability in respect of any item under this part apart from this clause is reduced by the application of any of the terms and conditions of this part then the **insurer's** liability under this clause will be reduced in like proportion.
3. The total amount recoverable under this clause will not exceed:
   a) in respect of the **property** suffering Damage:
      i) 15% of its sum insured
      ii) where the sum insured under the item applies to **property** at more than one **premises** 15% of the amount for which the **insurer** would have been liable had the **property** insured under the item at the **premises** where the Damage has occurred been wholly destroyed
   b) in respect of undamaged portions of **property** other than foundations 15% of the total amount for which the **insurer** would have been liable had the **property** insured under the item at the **premises** where the Damage has occurred been wholly destroyed.

2.7 Fire Extinguishment Expenses

This part includes reasonable costs and expenses necessarily incurred by the **insured** for:

a) refilling fire extinguishing appliances

b) recharging gas flooding systems

c) replacing used sprinkler heads

d) refilling sprinkler tanks where water costs are metered

e) resetting fire and intruder alarms

f) fire brigade charges

following Damage.

Provided always that the **insurer's** liability any One Event will not exceed £50,000.

2.8 Landscaped Gardens

This part includes reasonable costs and expenses necessarily incurred with the **insurer's** consent in making good **damage** caused by the emergency services to landscaped gardens or grounds at the **premises** caused by Damage but excluding:

a) the cost of movement of soil other than as necessary for surface preparation

b) the failure of trees, shrubs, plants or turf to become established following replanting

c) the failure of seeds to germinate.

Provided always that the **insurer's** liability any One Event will not exceed £50,000.

2.9 Loss Minimisation and Prevention Expenditure

The insurance under this part includes reasonable costs and expenses necessarily incurred by the **insured** in:

a) preventing or mitigating Damage to insured **property** in the event of imminent Damage

b) preventing or mitigating further Damage to insured **property** after or in consequence of actual Damage.

Provided always that:

i) the impending Damage was not reasonably foreseeable and would be the natural outcome if such costs and expenses were not incurred

ii) the costs and expenses incurred prevented or mitigated the Damage

iii) the **insurer's** limit of liability does not exceed £100,000 in the aggregate in any one period of insurance.

2.10 Metered Utilities

This part includes the cost of metered water, gas, oil or electricity supplies for which the **insured** are legally responsible arising from its escape

Provided always that:

a) the amount payable in respect of any one **premises** is limited to such excess charges damaged by the supply authority resulting from accidental escape from pipes, apparatus or tanks in consequence of Damage

b) the **insurer's** liability any One Event and in the aggregate in any one period of insurance will not exceed £25,000.

2.11 Mortgagees and Lessors

Any increase in the risk of Damage resulting from any act or neglect of any mortgagor, leaseholder, lessee or occupier of any **buildings** will not prejudice the interest of any mortgagee, freeholder or lessor provided always that such increase in risk is without their knowledge and authority and that the **insurer** is notified immediately they become aware of such increase in risk and the **insured** pay an additional premium if required.

2.12 Non-Invalidation

This insurance will not be invalidated by any act or omission or by any alteration whereby the risk of Damage is increased unknown to the **insured** provided always that the **insured** immediately on becoming aware give notice to the **insurer** and pay an additional premium if required.

2.13 Replacement of Locks

The **insurer** will indemnify the **insured** for the reasonable cost of replacement locks at any General Property or Education Property made necessary by theft of keys from the **premises** or from the home of any adult person authorised to hold such keys but excluding the cost of replacing safe or strongroom locks where the keys have been left on the **premises** when closed for **business**.

Provided always that the liability of the **insurer** any One Event will not exceed £5,000.

2.14 Trace and Access

In the event of **damage** resulting from escape of water or fuel oil if insured this part includes the reasonable costs and expenses necessarily incurred with the **insurer's** consent in locating the source of such **damage** and the subsequent making good of any **damage** caused provided always that the **insurer's** liability any One Event and in the aggregate in any one period of insurance will not exceed £50,000.

2.15 Transit

This part includes Damage to **property** belonging to the **insured** while in transit by road, rail or inland waterway within the **territorial limits** excluding any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft.

Provided always that the **insurer's** liability any One Event will not exceed £250,000.

2.16 Upgrading Sprinkler Installation

This part includes additional costs incurred following Damage to any automatic sprinkler installation in the event that on repair or reinstatement the **insurer** requires it to conform to the British Standard or European Code of Practice rules for Automatic Sprinkler Installations current at that time.

Provided always that:

a) at the time of the Damage there is no existing requirement to upgrade the automatic sprinkler installation at the **premises** where the Damage occurred within a given time

b) the work to upgrade the automatic sprinkler installation must be commenced and carried out without unreasonable delay and in any event must be completed within 12 months of the date from which the **insurer** notifies the **insured** of the requirement to upgrade the automatic sprinkler installation or such further period as the **insurer** may agree within the said 12 months

c) no amount will be payable by the **insurer** until the cost of conforming with the prevailing British Standard or European Code of Practice rules for Automatic Sprinkler Installations has been incurred

d) the **insurer's** liability any One Event will not exceed £50,000.

Section 3 – Special Provisions

1. Contracting Purchasers

If at the time of Damage the **insured** has contracted to sell their interest in any **building** and the purchase has yet to be completed when completion takes place the purchaser will be entitled to the benefit under this part provided always that the **property** is not otherwise insured.

2. Debris Removal

The insurance in respect of **buildings** and/or **contents** unless insured by a separate item includes reasonable costs and expenses necessarily incurred by the **insured** with the consent of the **insurer** in:

a) removing debris of

b) dismantling or demolishing

c) shoring up or propping

d) boarding up

e) weatherproofing

the **property** insured following Damage.

Provided always that:

i) the amount payable in respect of any one item will not exceed in total its sum insured

ii) the **insurer** will not pay for any costs or expenses:

1) incurred in removing debris except from the site of such **property** suffering Damage and the area immediately adjacent to such site

2) arising from pollution or contamination of **property** not insured under this part.

3. Designation

For the purposes of determining where necessary the heading under which any **property** is insured the **insurer** agrees to accept the designation in the **insured's** records.

4. Inadvertent Omissions

The **insured** having notified the **insurer** of the intention to insure all **property** within the **territorial limits** as insured under this part in which the **insured** has an interest and the **insured's** belief being that all such **property** is insured if any **property** is found to have been inadvertently omitted the **insurer** will deem it to be insured under the terms and conditions of this part subject to payment of the premium on all such **property** erected or purchased as from the inception of this part or from the date of the **insured's** interest in such **property**.

Provided always that the liability of the **insurer** at any one **premises** will not exceed £5,000,000.

5. Other Interests

It is agreed that where the **insured** so intend the interests of parties other than the **insured** in this insurance are admitted and the **insured** undertake to declare the name, nature and extent of an interest of such party at the time of Damage.

6. Professional Fees

The insurance in respect of **buildings** or **contents** unless insured by a separate item includes an amount in respect of architects', surveyors', legal and consulting fees necessarily and reasonably incurred in the reinstatement or repair of **property** insured consequent upon its Damage but not for preparing any claim.

Provided always that the amount payable under each item will not exceed in total its sum insured.

7. Rent

Any item on rent applies only if any **building** or any portion of it is unfit for occupation in consequence of its Damage and the amount payable will not exceed such proportion of the sum insured on rent as the period necessary for reinstatement bears to the period of rent insured.

8. Tradespeople

Tradespeople are allowed to work in the **buildings** for the purposes of effecting any repairs, minor additions or alterations or decorations without prejudice to this insurance.

9. Underinsurance

The sum insured by each item of this part other than those applying solely to fees, rent or removal of debris is declared to be separately subject to **average**.

Section 4 – Special Conditions

The following special conditions 1, 2, 3, 4 and 5 will only apply if the devices described are installed at the **premises**.

1. Automatic Fire Alarm Installations

In respect of any automatic fire alarm installation at the **premises** the **insured** will:

a) carry out the testing and checking requirements referred to on the completion certificate and remedy promptly any defect disclosed

b) carry out the maintenance procedures specified by the manufacturers of the equipment

c) notify the **insurer** immediately of any disconnection or failure of the automatic fire alarm installation likely to leave any area unprotected for 12 hours or more

d) record details of all events such as alarms, faults, tests, maintenance and disconnection's and keep such details available for examination by the **insurer**.

2. Automatic Sprinkler Installations

In respect of any automatic sprinkler installations at the **premises** the **insured** will:

a) make a test every working day for the purpose of ascertaining the condition of the circuit between the alarm switch and control unit (except where it is continuously monitored or is such that one break of wires will not prevent an alarm signal being transmitted e.g. a ring circuit)

b) i) make a test at least once a week for the purpose of ascertaining the condition of:

1) any connection with the public fire station, central fire alarm depot or public fire service control (unless the fire service has given a written undertaking to carry out this test)

2) the relevant batteries

(Note: Where the circuit concerned is not continuously monitored test 1) must be made every working day)

ii) have a contract with approved installing engineers providing for the maintenance of and half-yearly inspection of the system referred to in i) above and to obtain from them following each inspection certification that it is in satisfactory working order

c) make a test every week for the purpose of ascertaining that the alarm gong is in working order and that the stop valves controlling the individual water supplies and the installation are fully open

d) make tests each week for the purpose of ascertaining that any pump can be started both automatically and manually and that in respect of any diesel engine-driven pump the battery electrolyte level and density are correct and record the completion of these tests

e) notify the **insurer** before any installation is rendered inoperative or immediately in the event of an emergency

f) allow the **insurer** access to the **premises** at all reasonable times for the purpose of inspecting the sprinkler installation.

3. Firebreak Doors and Shutters

The **insured** will maintain any firebreak doors and shutters in their custody or control in efficient working order and such doors and shutters will be kept closed except during working hours.

4. Fire Extinguishing Appliances

Fire extinguishing appliances will be serviced and maintained under an annual service contract arranged by the **insured** with a competent service provider.

This part will not be invalidated as a result of any defect in any of the said appliances unknown to the **insured** or beyond the **insured's** control.

5. Security Precautions

In respect of any intruder alarm system at the **premises** the **insured** will ensure that:

a) all protections will be fitted in accordance with the **insurer's** requirements and together with all other devices for the protection of the **property** insured will be kept in good order and put into full and effective operation when the **premises** are closed for **business** or are unattended

b) all keys including duplicate keys relative to the security of the **premises** will be removed from the secured **premises** whenever they are closed for **business** or unattended

c) the intruder alarm system will be:

   i) installed in accordance with the specification agreed by the **insurer** and no alteration or variation of the system or the procedures agreed by the **insurer** for police or any other response to any activation of the system or any structural alteration to the **premises** which would affect the system will be made without the written consent of the **insurer**

   ii) maintained in full and effective working order at all times under a contract to provide both corrective and preventive maintenance with the installing company or such other company as approved by the **insurer** with no alteration being made thereto without the written consent of the **insurer**

   iii) tested and set whenever the alarmed portion of the **premises** are closed for **business** or unattended by the **insured** or any person authorised by the **insured** to be responsible for the security of the **premises**

d) immediate notice will be given to the **insurer**:

   i) of any notice from the police or a security organisation that the intruder alarm system signals will be disregarded

   ii) of any notice from a local authority or a magistrate of any requirement imposed under any terms of the Environmental Protection Act 1990 or other legislation requiring modification of the intruder alarm

   iii) if the intruder alarm system cannot be returned to or maintained in full working order

e) all keys to the intruder alarm system are removed from the **premises** when they are left unattended

f) secrecy of codes for the operation of the intruder alarm system will be maintained and no details of same are left on the **premises**

g) at least 2 keyholders will be appointed and up to date written details of the keyholders are lodged with the alarm company and the police

h) in the event of notification of any activation of the intruder alarm system or interruption of the means of communication during any period that the intruder alarm system is set a keyholder will attend the **premises** as soon as reasonably possible.

6. Unoccupied Buildings

a) Immediately the **insured** become aware the **insured** will notify the **insurer** when any **building** becomes **unoccupied** or when an **unoccupied building** or a portion of it becomes occupied and the **insured** will:

   i) take immediate steps to effect such additions to or variations in the protections of the **property** insured as the **insurer** may require; and

   ii) pay an additional premium or an increase in the **insured's excess** will be applied if required.

b) In any case the **insured** will provide a full list of any **unoccupied** General, Education and Housing Properties (entire blocks of flats or terraces only) together with their sums insured to the **insurer** each quarter.

c) Immediately the **insured** become aware that any **building** is **unoccupied** the **insured** will:

i) turn off all mains services except for the electricity supply to maintain any fire or intruder alarm system; and

ii) completely drain the water system except that during the period 1 October to 1 April each year any central heating systems may be kept working at a minimum temperature of 5 degrees Celsius; and

iii) seal up all letter boxes and take steps to prevent accumulation of mail; and

iv) remove all combustible contents and waste from within the **unoccupied** portion of the **building** and yard areas belonging to it; and

v) secure the **buildings** against unlawful entry by closing and locking doors and windows and setting any fire or intruder alarm systems; and

vi) arrange internal inspections of the **buildings** by an authorised representative, ensure such inspections are recorded and carried out at a minimum frequency of every fourteen calendar days unless otherwise notified to and agreed with or specified by the **insurer** and remove all waste and repair all **damage** identified in the course of such inspections without delay; and

vii) immediately remove any new accumulations of combustible materials including but not limited to junk mail found during such inspections.

Part B – Works in progress – specified perils

Section 1 – Special Definitions

Damage

Accidental physical loss or accidental physical damage to the **property** insured shown in section 2 and by any of the insured perils stated in the schedule.

Section 2 – Cover

In the event of Damage occurring during the period of insurance the **insurer** will pay to the **insured** the value of the **property** insured at the time of the Damage or the cost of repair of the Damage or at the **insurer's** option reinstate or replace the **property** or any portion of it.

The **property** insured being:

a) works in progress comprising:

   i) new **buildings** in course of erection

   ii) alterations and additions to existing **buildings**

   iii) unfixed goods and materials on or adjacent to the site for incorporation therein all the **property** of the **insured** or for which they are responsible

   but excluding any temporary buildings, plant, machinery, tools and equipment the **property** of any contractor or subcontractor or for which they are responsible

b) existing **buildings** and their **contents** insured under part A of this module but only during the period in which the **buildings** are undergoing alterations or additions including any agreed period for maintenance or making good defects.

Provided always that the liability of the **insurer** under this part will not exceed:

i) in the whole the total sum insured or in respect of any item its sum insured or any other limit of liability stated in the schedule at the time of the Damage

ii) the sum insured or limit remaining after deduction for any other Damage occurring during the same period of insurance unless the **insurer** has agreed to reinstate any such sum insured or limit

iii) the limit any one contract as stated in the schedule.

2.1 European Union and Public Authorities Clause

Subject to the following supplementary conditions the insurance by each item on **buildings** and **contents** includes such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the stipulations of:

a) European Union legislation

b) Building or other regulations under or framed in pursuance of any Act of Parliament or bye-law of any public authority

hereinafter referred to as 'the Stipulations' in respect of Damage to **property** insured and undamaged portions thereof.

The **insurer** will not pay for:

a) the cost incurred in complying with the Stipulations:

   i) in respect of loss or damage occurring prior to the granting of cover by this clause

   ii) in respect of loss or damage not insured by this part

   iii) under which notice has been served upon the **insured** prior to the happening of the Damage

   iv) for which there is an existing requirement which has to be implemented within a given period

   v) in respect of **property** entirely undamaged by any cause hereby insured against

b) the additional cost that would have been required to make good the **property** suffering Damage to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen

c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the **property** or by its owner by reason of compliance with the Stipulations.

Supplementary Conditions

1. The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months of the Damage or within such further time as the **insurer** may allow during the said 12 months and may be carried out upon another site if the Stipulations so necessitate subject to the **insurer's** liability under this clause not being increased.
2. If the **insurer's** liability under this part apart from this clause is reduced by the application of any of the terms and conditions of this part then the **insurer's** liability under this clause will be reduced in like proportion.
3. The total amount recoverable under any item of this part in respect of this clause will not exceed:
   a) in respect of the **property** suffering Damage:
      i) 15% of its sum insured
      ii) where the sum insured by the item applies to **property** at more than one **premises** 15% of the amount for which the **insurer** would have been liable had the **property** insured by the item at the **premises** where the Damage has occurred been wholly destroyed
   b) in respect of undamaged portions of **property** other than foundations 15% of the total amount for which the **insurer** would have been liable had the **property** insured under the item at the **premises** where the Damage has occurred been wholly destroyed.

2.2 Expediting Expenses

This part includes reasonable costs and expenses necessarily incurred with the **insurer's** consent in effecting temporary repair and of expediting permanent repair including overtime working and the use of rapid transport provided always that the cost does not exceed 50% of the cost of repair had such cost not been incurred.

2.3 Indemnity to Other Persons

The **insurer** agrees that:

a) all interest in this insurance will be vested jointly in the **insured** and any contractor employed by the **insured** to undertake the works in progress as defined in the schedule

b) any rights or remedies to which the **insurer** may become entitled or subrogated upon paying for or making good any Damage will not be pursued against any nominated subcontractor or domestic subcontractor in any period from commencement of to the issue of a certificate of practical completion for the subcontract works.

   This waiver does not apply to:

   i) Damage caused other than by the insured perils as stated in the schedule

   ii) domestic subcontractors in so far as the Damage extends to existing **buildings** or their **contents**.

Section 3 – Special Exclusions

This part does not cover:

1. Completed Work

Damage to work for which a certificate of practical completion has been issued

2. Fines or Penalties

any fine or penalty for non-completion, non-compliance or delay.

Section 4 – Special Provisions

1. Contracts (Rights of Third Parties) Act 1999

For the purposes of the Contracts (Rights of Third Parties) Act 1999 this part is not enforceable by any third party.

2. Debris Removal

The insurance by each item on works in progress includes an amount in respect of reasonable costs and expenses necessarily incurred by the **insured** with the **insurer's** consent in:

a) removing debris of

b) dismantling or demolishing

c) shoring up or propping

d) boarding up

e) weatherproofing

the **property** insured following Damage.

The **insurer** will not pay any costs or expenses:

i) incurred in removing debris except from the site of such **property** suffering Damage and the area immediately adjacent to such site

ii) arising from pollution or contamination of **property** not insured by this part.

3. Professional Fees

The insurance under section 2a) and b) on works in progress includes an amount in respect of reasonable architects', surveyors', legal and consulting engineers' fees necessarily incurred in the reinstatement or repair of the **property** insured consequent upon its Damage but not for preparing any claim.

Provided always that the amount payable will not exceed in total its sum insured.

Part C – Works in progress – 'all risks'

Section 1 – Special Definitions

Damage
Accidental physical loss or accidental physical damage to the **property** insured shown in section 2 and stated in the schedule resulting from a cause not otherwise excluded.

Defined Peril
Fire, lightning, explosion, aircraft and other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, earthquake, storm, flood or escape of water from any tank, apparatus or pipe.

Section 2 – Cover
In the event of Damage occurring during the period of insurance the **insurer** will pay to the **insured** the value of the **property** insured at the time of the Damage or the cost of repair of the Damage or at the **insurer's** option reinstate or replace the **property** or any portion of it.

The **property** insured being:

a) works in progress comprising:

   i) new **buildings** in course of erection

   ii) alterations and additions to existing **buildings**

   iii) unfixed goods and materials on or adjacent to the site for incorporation therein all the **property** of the **insured** or for which they are responsible

   but excluding any temporary buildings, plant, machinery, tools and equipment the **property** of any contractor or subcontractor or for which they are responsible

b) existing **buildings** and their **contents** insured under part A of this module but only during the period in which the **buildings** are undergoing alterations or additions including any agreed period for maintenance or making good defects.

Provided always that the liability of the **insurer** under this part will not exceed:

i) in the whole the total sum insured or in respect of any item its sum insured or any other limit of liability stated in the schedule at the time of the Damage

ii) the sum insured or limit remaining after deduction for any other Damage occurring during the same period of insurance unless the **insurer** has agreed to reinstate any such sum insured or limit

iii) the limit any one contract as stated in the schedule.

2.1 European Union and Public Authorities Clause
Subject to the following supplementary conditions the insurance by each item on **buildings** and **contents** includes such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the stipulations of:

a) European Union legislation

b) Building or other regulations under or framed in pursuance of any Act of Parliament or bye-law of any public authority

hereinafter referred to as 'the Stipulations' in respect of Damage to **property** insured and undamaged portions thereof.

The **insurer** will not pay for:

a) the cost incurred in complying with the Stipulations:

   i) in respect of loss or damage occurring prior to the granting of cover by this clause

   ii) in respect of loss or damage not insured by this part

   iii) under which notice has been served upon the **insured** prior to the happening of the Damage

   iv) for which there is an existing requirement which has to be implemented within a given period

   v) in respect of **property** entirely undamaged by any cause hereby insured against

b) the additional cost that would have been required to make good the **property** suffering Damage to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen

c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the **property** or by its owner by reason of compliance with the Stipulations.

Supplementary Conditions

1. The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months of the Damage or within such further time as the **insurer** may allow during the said 12 months and may be carried out upon another site if the Stipulations so necessitate subject to the **insurer's** liability under this clause not being increased.
2. If the **insurer's** liability under this part apart from this clause is reduced by the application of any of the terms and conditions of this part then the **insurer's** liability under this clause will be reduced in like proportion.
3. The total amount recoverable under any item of this part in respect of this clause will not exceed:
   a) in respect of the **property** suffering Damage:
      i) 15% of its sum insured
      ii) where the sum insured by the item applies to **property** at more than one **premises** 15% of the amount for which the **insurer** would have been liable had the **property** insured by the item at the **premises** where the Damage has occurred been wholly destroyed
   b) in respect of undamaged portions of **property** other than foundations 15% of the total amount for which the **insurer** would have been liable had the **property** insured under the item at the **premises** where the Damage has occurred been wholly destroyed.

2.2 Expediting Expenses

This part includes reasonable costs and expenses necessarily incurred with the **insurer's** consent in effecting temporary repair and of expediting permanent repair including overtime working and the use of rapid transport provided always that the cost does not exceed 50% of the cost of repair had such cost not been incurred.

2.3 Indemnity to Other Persons

The **insurer** agrees that:

a) all interest in this insurance will be vested jointly in the **insured** and any contractor employed by the **insured** to undertake the works in progress as stated in the schedule

b) any rights or remedies to which the **insurer** may become entitled or subrogated upon paying for or making good any Damage will not be pursued against any nominated subcontractor or domestic subcontractor in any period from commencement of to the issue of a certificate of practical completion for the subcontract works.

   This waiver does not apply to:

   i) Damage caused other than by a Defined Peril

   ii) domestic subcontractors in so far as the Damage extends to existing **buildings** or their **contents**.

Section 3 – Special Exclusions

This part does not cover:

1. Completed Work

loss or damage to work for which a certificate of practical completion has been issued

2. Defective Design

the cost of reinstating or repairing:

a) any work executed or any site materials suffering loss or damage as a result of its own faulty or defective design, materials, plans, specification, faulty or defective workmanship or operational error or omission or other work executed which suffers loss or damage in consequence thereof where such work relied for its support or stability on work which is defective

b) **property** which is defective due to wear and tear, obsolescence, deterioration, rust or mildew

3. Fines or Penalties

any fine or penalty for non-completion, non-compliance or delay

4. Government or Public Authority Action

loss or damage as a result of nationalisation, confiscation, requisition, seizure or destruction by the government or any public authority

5. Unexplained Losses

loss or damage caused by or consisting of disappearance, unexplained or inventory shortage, misfiling or misplacing of information or shortages due to error or omission.

Section 4 – Special Provisions

1. Contracts (Rights of Third Parties) Act 1999

For the purposes of the Contracts (Rights of Third Parties) Act 1999 this part is not enforceable by any third party.

2. Debris Removal

The insurance by each item on works in progress includes an amount in respect of reasonable costs and expenses necessarily incurred by the **insured** with the **insurer's** consent in:

a) removing debris of

b) dismantling or demolishing

c) shoring up or propping

d) boarding up

e) weatherproofing

the **property** insured following Damage.

The **insurer** will not pay any costs or expenses:

i) incurred in removing debris except from the site of such **property** suffering Damage and the area immediately adjacent to such site

ii) arising from pollution or contamination of **property** not insured by this part.

3. Professional Fees

The insurance under section 2a) and b) on works in progress includes an amount in respect of reasonable architects', surveyors', legal and consulting engineers' fees necessarily incurred in the reinstatement or repair of the **property** insured consequent upon its Damage but not for preparing any claim.

Provided always that the amount payable will not exceed in total its sum insured.

Section 5 – Special Condition

1. Joint Code of Practice

The **insured** undertakes to comply with the Joint Code of Practice on the Protection from Fire of Construction Sites and Buildings Undergoing Renovation dated May 1992 or any subsequent amendment to or revised edition thereof current at the inception of any period of insurance (hereinafter referred to as 'The Joint Code').

The Joint Code will only apply to the works in progress where any original individual contract price is £5,000,000 or more. For the purpose of paragraph 6.3 of The Joint Code if the individual estimated works in progress contract price exceeds £20,000,000 it will be regarded as a large project.

The **insurer's** appointed representative will have the right at all reasonable times to enter and inspect the contract site for the purpose of checking whether the conditions thereon in all respects comply with The Joint Code.

If the **insurer** becomes aware of a breach of The Joint Code the **insurer** may inform the main contractor's site management of the nature of the breach specifying the remedial measures the **insurer** requires (hereinafter referred to as 'the Remedial Measures') and the period within which these must be completed.

Where the **insurer** considers such a breach is of sufficient importance the **insurer** may confirm the same by notice in writing to the **insured** (hereinafter referred to as 'Notice'). Such Notice will be given by special delivery mail, facsimile transmission or by hand. Under the terms of this or any subsequent Notice the **insurer** may suspend or cancel cover at the contact site concerned from the date stated in the Notice not being a date earlier than the date named for completion of the Remedial Measures it being understood that upon suspension cover will be reinstated when the **insurer** is satisfied that the Remedial Measures have been completed.

Part D – Business interruption – gross revenue

Section 1 – Special Definitions

Annual Gross Revenue
The Gross Revenue during the 12 months immediately before the date of the Incident.

Damage
Accidental physical loss or accidental physical damage by any of the insured perils stated in the schedule.

Estimated Gross Revenue
The amount declared by the **insured** to the **insurer** as representing not less than the Gross Revenue 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 Maximum Indemnity period exceeds 12 months.

Gross Revenue
The money paid or payable to the **insured** for goods sold and delivered and for services rendered in the course of the **business** at the **premises** less the relative cost of purchases and other specific costs as may be applicable to the **business**.

Incident
Any Damage to **property** used by the **insured** at the **premises** for the purpose of the **business**.

Increase in Cost of Working
The reasonable additional expenditure necessarily incurred solely to avoid or diminish the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident but not exceeding the amount of reduction in Gross Revenue thereby avoided.

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** are affected.

Maximum Indemnity Period
The period stated in the schedule.

One Event
The total of all losses arising from one occurrence or all occurrences of a series consequent upon or attributable to one original cause after the application of all the terms and conditions of this part.

Standard Gross Revenue
The Gross Revenue during that period in the 12 months immediately before the date of the Incident which corresponds with the Indemnity Period.

Notes to the Special Definitions
1. For the purpose of the above **special definitions** any adjustment implemented in current cost accounting will be disregarded.
2. Adjustments will be made to the Annual Gross Revenue and Standard Gross Revenue as may be necessary to provide for the trend, variations in or other circumstances affecting the **business** either before or after the Incident or which would have affected the **business** had the Incident not occurred so that the adjusted figures will represent as nearly as practicable the results which but for the Incident would have been obtained during the relative period after the Incident.

Section 2 – Cover
In the event of any Incident during the period of insurance in consequence of which the **business** carried on by the **insured** at the **premises** be interrupted or interfered with the **insurer** will pay to the **insured** in respect of each item stated in the schedule the amount of loss resulting from such interruption or interference being:

a) the amount by which the Gross Revenue during the Indemnity period falls short of the Standard Gross Revenue in consequence of the Incident; and

b) Increase in Cost of Working

less any sum saved during the Indemnity Period in respect of charges and expenses of the **business** payable out of Gross Revenue which cease or are reduced in consequence of the Incident.

Provided always that:

i) at the time of the Incident there is in force an insurance covering the **insured's** interest in the **property** against such Incident and that payment:

   1) has been made or liability admitted therefor

   2) would have been made or liability admitted for the Incident but for a proviso excluding liability for losses below a specified amount

ii) the **insurer's** liability will not exceed:

   1) in the whole the total sum insured or in respect of any item its sum insured or any other limit of liability stated in the schedule at the time of Damage

   2) the sum insured or limit remaining after deduction for any other interruption or interference consequent upon Damage occurring during the same period of insurance unless the **insurer** has agreed to reinstate any such sum insured or limit.

2.1 Automatic Reinstatement of Sum Insured

In the absence of written notice by the **insured** or the **insurer** to the contrary this insurance will not be reduced by the amount of any loss in consideration of which the **insured** will pay the appropriate extra premium on the amount of the loss from the date thereof to the expiry of the period of insurance provided always that the **insured** takes immediate steps to effect such additions to or variations in the protections of the **property** insured under part A as the **insurer** may require.

Section 3 – General Extensions

Any loss as insured under this part resulting from interruption of or interference with the **business** at the **premises** in consequence of the contingencies described under this section will be deemed to be an Incident provided always that after the application of all other terms and conditions of this part the **insurer's** liability under each extension will not exceed its stated limit or the sum insured under this part whichever is the lesser.

1. Action of Competent Authorities

Action by the police or other competent local, civil or military authority following a danger or disturbance (including but not limited to bomb threat hoax or actual) occurring within or within one mile of the **premises** where access to the **premises** is prevented.

Provided always that:

a) for the purpose of this extension the action or advice of any party insured under this policy will not be deemed to be an action by the police or other competent local, civil or military authority

b) there will be no liability for loss resulting from interruption of or interference with the **business** during the first 12 hours of the Indemnity Period

c) for the purposes of this general extension 'Indemnity Period' will mean the actual period for which access to the **premises** is denied in consequence of the Incident during which the results of the **business** are affected but not exceeding the Maximum Indemnity Period

d) the Maximum Indemnity period will mean one month

e) the limit is £50,000 any One Event and in the aggregate in any one period of insurance.

2. Loss of Attraction

Damage to **property** within a one mile radius of the **premises** causing loss of custom to the **insured** due to loss of amenities within a one mile radius of the **premises** whether the **premises** or **contents** are damaged or not.

Provided always that:

a) there is an identifiable reduction in the **insured's business** solely in consequence of the Incident

b) there will be no liability for loss resulting from interruption of or interference with the **business** during the first 12 hours of the Indemnity Period

c) this extension does not cover any loss following obstruction by storm, flood or snow

d) the Maximum Indemnity Period will mean 3 months

e) the limit is £50,000 any One Event and in the aggregate in any one period of insurance.

3. Property Stored in Third Party Premises

Damage to **property** of the **insured** while stored in secure premises within the **territorial limits** not belonging to nor occupied by the **insured**.

The limit is £250,000 any One Event.

4. Transit

Damage to **property** belonging to the **insured** while in transit by road, rail or inland waterway within the **territorial limits** excluding any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft.

The limit is £100,000 any One Event.

Section 4 – Optional Extensions

Applicable only where stated in the schedule.

1. Public Utilities and Denial of Access

Any loss as insured under this part resulting from interruption of or interference with the **business** in consequence of Damage to **property** at the under-noted sites within the **territorial limits** will be deemed to be an Incident:

a) any generating station or sub-station of any public electricity supply supplier

b) any land-based premises of any public gas supplier or any natural gas producer linked directly to them

c) any water works and pumping stations of any public water supplier

d) any land-based premises of any public telecommunications supplier

from which the **insured** obtains electricity, gas, water or telecommunications services

e) within a one mile radius of the **premises** which prevents or hinders the use of or access to the **premises** excluding loss or damage to **property** of any supplier which prevents or hinders the supply of services by any electricity, gas, water or telecommunications supplier to the **premises**.

Provided always that:

i) the Maximum Indemnity Period will mean 3 months

ii) the limit is £1,000,000 any One Event and in the aggregate in any one period of insurance.

2. Terminal Ends

Any loss as insured under this part resulting from interruption of or interference with the **business** in consequence of accidental failure to above ground and underground telephone, gas, water and electric mains, cabling, piping, meters, wires, electrical instruments and the like including accessories and supporting structures at the terminal ends of the supply undertakings' incoming line terminals or receivers, meters, main stopcock or service feeders at the **premises** will be deemed to be an Incident.

Provided always that:

a) there will be no liability for loss resulting from interruption of or interference with the **business** during the first 12 hours of the Indemnity Period

b) this extension does not cover any loss due to:

   i) any failure which does not include a total cessation of supply for at least 30 consecutive minutes

   ii) drought, atmospheric or weather conditions but this will not exclude failure due to **damage** to equipment caused by such conditions

   iii) the deliberate act of any supply undertaking or by the exercise by any such undertaking of its power to withhold or restrict supply or services not performed for the sole purpose of safeguarding life or protecting the supply undertaking's system

   iv) strikes or any labour or trade dispute

c) the Maximum Indemnity Period will mean 7 days

d) the **insurer's** liability under this extension will not exceed £100,000 any One Event.

Section 5 – Special Provisions

1. Alternative Trading

If during the Indemnity Period goods are sold or services provided elsewhere than at the **premises** for the benefit of the **business** either by the **insured** or by others on behalf of the **insured** the money paid or payable in respect of such sales or services will be brought into account in arriving at the Gross Revenue during the Indemnity Period.

2. Payments on Account

At the **insurer's** discretion payments on account may be made to the **insured** during the Indemnity Period but in no case will any payment exceed the **insurer's** liability in respect of the reduction in Gross Revenue of each item for the period in respect of which a payment is to be made.

This special provision will not apply to any item under this part where it is stated in the schedule to be on a first loss basis.

3. Premium Adjustment

The first and annual premiums for Gross Revenue are provisional and are based on the Estimated Gross Revenue and may be adjusted on receipt by the **insurer** of a declaration of Gross Revenue earned during the financial year most nearly concurrent with the period of insurance as reported by the **insured's** professional accountants.

If any Incident occurs giving rise to a claim for loss of Gross Revenue the aforementioned declaration will be increased by the **insurer** for the purpose of premium adjustment by the amount by which the Gross Revenue was reduced during the financial year solely in consequence of the Incident. If either declaration adjusted as provided for above and proportionately increased where the Maximum Indemnity Period exceeds 12 months is:

a) less than the Estimated Gross Revenue for the relative period of insurance the **insurer** will allow a pro rata return of premium not exceeding 50% of the premium paid

b) greater than the Estimated Gross Revenue the **insured** will pay a pro rata addition to the premium paid on the Estimated Gross Revenue.

4. Professional Accountants' Fees

Any details contained in the **insured's** business books required by the **insurer** for the purpose of investigating or verifying any claim may be produced by professional accountants if at the time they are regularly acting as such for the **insured** and their report will be prima facie evidence of the details to which such report relates.

The **insurer** will pay to the **insured** the reasonable charges payable to its professional accountants' for producing any particulars or details contained in the **insured's** accounts or other documents which may be required by the **insurer** under the conditions of this part for the purpose of investigating or verifying any claim provided always that the total amount payable does not exceed any sum insured or limit of liability.

5. Renewal Declaration

Prior to each renewal the **insured** will provide the **insurer** with the Estimated Gross Revenue for the financial year most nearly concurrent with the ensuing year of insurance.

6. Underinsurance

If the sum insured stated in the schedule in respect of Gross Revenue is less than Annual Gross Revenue or a proportionately increased multiple where the Maximum Indemnity Period exceeds 12 months the amount payable will be proportionately reduced. For the avoidance of doubt solely in respect of the application of **average** clause c) iii) of general condition 5 will not apply.

7. Value Added Tax

To the extent that the **insured** is accountable to the tax authorities for Value Added Tax all terms in this part will be exclusive of such tax.

Part E – Business interruption – gross profit

Section 1 – Special Definitions

Annual Turnover
The Turnover during the 12 months immediately before the date of the Incident.

Damage
Accidental physical loss or accidental physical damage by any of the insured perils stated in the schedule.

Declaration
A declaration of the Gross Profit earned:

a) during the financial year most nearly concurrent with the period of insurance; and

b) proportionately increased where the Maximum Indemnity Period exceeds 12 months; and

c) increased by the amount by which the Gross Profit may have been reduced during the financial year solely in consequence of an Incident giving rise to a claim for loss of Gross Profit

which must be:

i) provided to the **insurer** not later than 6 months after the expiry of each period of insurance

ii) confirmed by the **insured's** professional accountants.

Estimated Gross Profit
The amount declared by the **insured** to the **insurer** 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 and proportionately increased where the Maximum Indemnity Period exceeds 12 months.

Gross Profit
The amount by which Turnover plus the value of closing stock and work in progress exceeds the value of the opening stock, Uninsured Working Expenses and work in progress. The amounts of the opening and closing stocks and work in progress will be arrived at in accordance with the **insured's** normal accountancy methods due provision being made for depreciation.

Incident
Any Damage to **property** used by the **insured** at the **premises** for the purposes of the **business**.

Increase in Cost of Working
The reasonable additional expenditure necessarily incurred solely to avoid or diminish the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of reduction in Gross Profit thereby avoided.

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** are affected.

Maximum Indemnity Period
The period stated in the schedule.

One Event
The total of all losses arising from one occurrence or all occurrences of a series consequent upon or attributable to one original cause after the application of all the terms and conditions of this part.

Rate of Gross Profit
The Gross Profit earned expressed as a percentage of the Turnover during the financial year immediately before the date of the Incident.

Standard Turnover
The Turnover during the period in the 12 months immediately before the date of the Incident which corresponds with the Indemnity Period.

Turnover
The money paid or payable to the **insured** for goods sold and delivered and for services rendered in the course of **business** at the **premises**.

Uninsured Working Expenses
Packing, carriage or freight, bad debts, purchases less discounts and discounts allowed.

Notes to the Special Definitions
1. For the purpose of the above **special definitions** any adjustment implemented in current cost accounting will be disregarded.
2. In respect of **special definitions** for Annual Turnover, Rate of Gross Profit and Standard Turnover provision will be made for the trend of the **business** and for variations in or other circumstances either before or after the date of the Incident which affect the **business** or would have affected the **business** had the Incident not occurred and the figures for Annual Turnover, Rate of Gross Profit and Standard Turnover adjusted to represent as nearly as reasonably practicable the results which would have been obtained during the relative period after the Incident if the Incident had not happened.

Section 2 – Cover
In the event of any Incident during the period of insurance in consequence of which the **business** carried on by the **insured** at the **premises** be interrupted or interfered with the **insurer** will pay to the **insured** in respect of each item stated in the schedule the amount of loss resulting from such interruption or interference.

Provided always that:

a) insurance is in force at the time of the Incident covering the interest of the **insured** in the **property** at the **premises** against such Damage

b) payment has been made or liability admitted for such Damage or payment would have been made or liability admitted for such Damage but for a proviso excluding liability for losses below a certain amount

c) the **insurer's** liability will not exceed in the whole the total sum insured or in respect of any item its sum insured or any other limit of liability stated in the schedule at the time of the Damage

d) the sum insured or limit remaining after deduction for any other interruption or interference consequent upon Damage occurring during the same period of insurance unless the **insurer** has agreed to reinstate any such sum insured or limit.

The insurance under each item on Gross Profit is limited to:

i) reduction in Turnover being the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period falls short of the Standard Turnover in consequence of the Incident; and

ii) Increase in Cost of Working

less any sum saved during the Indemnity Period in respect of charges and expenses of the **business** payable out of Gross Profit which cease or are reduced in consequence of the Incident.

2.1 Automatic Reinstatement of Sum Insured
In the absence of written notice by the **insured** or the **insurer** to the contrary this insurance will not be reduced by the amount of any loss in consideration of which the **insured** will pay the appropriate extra premium on the amount of the loss from the date thereof to the expiry of the period of insurance provided always that the **insured** takes immediate steps to effect such additions to or variations in the protections of the **property** insured under part A as the **insurer** may require.

Section 3 – General Extensions

Any loss as insured under this part resulting from interruption of or interference with the **business** at the **premises** in consequence of the contingencies described under this section will be deemed to be an Incident provided always that after the application of all other terms and conditions of this part the **insurer's** liability under each extension will not exceed its stated limit or the sum insured under this part whichever is the lesser.

1. Action of Competent Authorities

Action by the police or other competent local, civil or military authority following a danger or disturbance (including but not limited to bomb threat hoax or actual) within or within one mile of the **premises** where access to the **premises** is prevented.

Provided always that:

a) for the purpose of this extension the action or advice of any party insured under this policy will not be deemed to be an action by the police or other competent local, civil or military authority

b) there will be no liability for loss resulting from interruption of or interruption with the **business** during the first 12 hours of the Indemnity Period

c) for the purposes of this general extension 'Indemnity Period' will mean the actual period for which access to the **premises** is denied in consequence of the Incident during which the results of the **business** are affected but not exceeding the Maximum Indemnity Period

d) the Maximum Indemnity period will mean one month

e) the limit is £50,000 any One Event and in the aggregate in any one period of insurance.

2. Loss of Attraction

Damage to **property** within a one mile radius of the **premises** causing loss of custom to the **insured** due to loss of amenities within a one mile radius of the **premises** whether the **premises** or **contents** are damaged or not.

Provided always that:

a) there is an identifiable reduction in the **insured's business** solely in consequence of the Incident

b) there will be no liability for loss resulting from interruption of or interference with the **business** during the first 12 hours of the Indemnity Period

c) this extension does not cover any loss following obstruction by storm, flood or snow

d) the Maximum Indemnity Period will mean 3 months

e) the limit is £50,000 any One Event and in the aggregate in any one period of insurance.

3. Property Stored in Third Party Premises

Damage to **property** of the **insured** while stored in secure premises within the **territorial limits** not belonging to nor occupied by the **insured**.

The limit is £250,000 any One Event.

4. Transit

Damage to **property** belonging to the **insured** while in transit by road, rail or inland waterway within the **territorial limits** excluding any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft.

The limit is £100,000 any One Event.

Section 4 – Optional Extensions

Applicable only where stated in the schedule.

1. Public Utilities and Denial of Access

Any loss as insured under this part resulting from interruption of or interference with the **business** in consequence of Damage to **property** at the under-noted sites within the **territorial limits** will be deemed to be an Incident:

a) any generating station or sub-station of any public electricity supply supplier

b) any land-based premises of any public gas supplier or any natural gas producer linked directly to them

c) any water works and pumping stations of any public water supplier

d) any land-based premises of any public telecommunications supplier

from which the **insured** obtains electricity, gas, water or telecommunications services

e) within a one mile radius of the **premises** which prevents or hinders the use of or access to the **premises** excluding loss or damage to **property** of any supplier which prevents or hinders the supply of services by any electricity, gas, water or telecommunications supplier to the **premises**.

Provided always that:

i) the Maximum Indemnity Period will mean 3 months

ii) the limit is £1,000,000 any One Event and in the aggregate in any one period of insurance.

2. Terminal Ends

Any loss as insured under this part resulting from interruption of or interference with the **business** in consequence of accidental failure to above ground and underground telephone, gas, water and electric mains, cabling, piping, meters, wires, electrical instruments and the like including accessories and supporting at the terminal ends of the supply undertakings' incoming line terminals or receivers, meters, main stopcock or service feeders at the **premises** will be deemed to be an Incident.

Provided always that:

a) there will be no liability for loss resulting from interruption of or interference with the **business** during the first 12 hours of the Indemnity Period

b) this extension does not cover any loss due to:

   i) any failure which does not include a total cessation of supply for at least 30 consecutive minutes

   ii) drought, atmospheric or weather conditions but this will not exclude failure due to **damage** to equipment caused by such conditions

   iii) the deliberate act of any supply undertaking or by the exercise by any such undertaking of its power to withhold or restrict supply or services not performed for the sole purpose of safeguarding life or protecting the supply undertaking's system

   iv) strikes or any labour or trade dispute

c) the Maximum Indemnity Period will mean 7 days

d) the **insurer's** liability under this extension will not exceed £100,000 any One Event.

Section 5 – Special Provisions

1. Alternative Trading

If during the Indemnity Period goods are sold or services rendered elsewhere than at the **premises** for the benefit of the **business** either by the **insured** or by others on behalf of the **insured** the money paid or payable in respect of such sales or services will be brought into account in arriving at the Turnover during the Indemnity Period.

2. Limit of Indemnity

Where insurance under this part is stated in the schedule to be insured on the 'Declaration-Linked Basis' the **insurer's** liability will in no case exceed 133% of the Estimated Gross Profit.

In any other circumstances the amount payable under any one item will not exceed its sum insured at the time of the Incident.

3. Payments on Account

At the **insurer's** discretion payments on account may be made to the **insured** during the Indemnity Period but in no case will any payment exceed the **insurer's** liability in respect of the reduction in Gross Profit of each item for the period in respect of which a payment is to be made.

4. Premium Adjustment

The first and annual premiums for Gross Profit are provisional and the **insured** will provide the **insurer** a Declaration.

Where it is stated in the schedule that the insurance under this part is arranged on the 'Declaration-Linked Basis' the first and annual premiums are based on the Estimated Gross Profit and if a Declaration is:

a) less than the Estimated Gross Profit the **insurer** will allow a pro rata return of premium on the Estimated Gross Profit but not exceeding 50% of the premium paid

b) greater than the Estimated Gross Profit the **insured** will pay a pro rata addition to the premium paid on the Estimated Gross Profit.

Where loss of Gross Profit is not stated in the schedule to be insured on the 'Declaration-Linked Basis' the first and annual premiums are based on 75% of the sum insured and:

i) the **insurer** will allow a pro rata return premium if the Declaration is less than 75% of the sum insured

ii) the **insured** will pay a pro rata additional premium if the Declaration is greater than 75% of the sum insured

but in neither case exceeding 33.3% of the provisional premium paid.

5. Professional Accountants' Fees

Any details contained in the **insured's** business books required by the **insurer** for the purpose of investigating or verifying any claim may be produced by professional accountants if at the time they are regularly acting as such for the **insured** and their report will be prima facie evidence of the details to which such report relates.

The **insurer** will pay to the **insured** the reasonable charges payable to its professional accountants' for producing any particulars or details contained in the **insured's** accounts or other documents which may be required by the **insurer** under the conditions of this part for the purpose of investigating or verifying any claim provided always that the total amount payable does not exceed any sum insured or limit of liability.

6. Renewal Declaration

Where it is stated in the schedule that the insurance under this part is arranged on the 'Declaration-Linked Basis' prior to each renewal the **insured** will provide the **insurer** with the Estimated Gross Profit for the financial year most nearly concurrent with the ensuing year of insurance.

7. Underinsurance

If the sum insured stated in the schedule in respect of Gross Profit at the time of the Incident is less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover or to a proportionately increased multiple where the Maximum Indemnity Period exceeds 12 months the amount payable will be proportionately reduced. For the avoidance of doubt solely in respect of the application of **average** clause c) iii) of general condition 5 will not apply. This special provision will not apply where the insurance on Gross Profit is stated in the schedule to be on the 'Declaration Linked' basis.

8. Uninsured Standing Charges

If any standing charges of the **business** be not insured by this part (having been deducted in arriving at the Gross Profit) then in computing the amount recoverable as Increase in Cost of Working that proportion only of any additional expenditure will be brought into account which the Gross Profit bears to the sum of the Gross Profit and the uninsured standing charges.

9. Value Added Tax

To the extent that the **insured** is accountable to the tax authorities for Value Added Tax all terms in this part will be exclusive of such tax.

Part F – Business interruption – additional expenditure

Section 1 – Special Definitions

Additional Expenditure

a) Reasonable additional costs and expenses necessarily incurred in order to effectively continue administration and maintain services

b) increased costs incurred for rent, rates, taxes, lighting, heating, cleaning and insurance due to the enforced occupation of temporary premises

c) legal, clerical and other charges incurred in the replacement or restoration of deeds, plans, specifications, documents, books of account, card indexes and other office records

less any sum saved during the Indemnity Period in the **insured's** normal expenditure which may have been effected in consequence of the Incident.

Damage

Accidental physical loss or accidental physical damage by any of the insured perils stated in the schedule.

Incident

Any Damage to **property** used by the **insured** at the **premises** for the purposes 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** are affected.

Maximum Indemnity Period

The period stated in the schedule.

One Event

The total of all losses arising from one occurrence or all occurrences of a series consequent upon or attributable to one original cause after the application of all the terms and conditions of this part.

Section 2 – Cover

In the event of any Incident during the period of insurance in consequence of which the **business** carried on by the **insured** at the **premises** be interrupted or interfered with the **insurer** will pay to the **insured** in respect of each item stated in the schedule the amount of any Additional Expenditure except that relating to computer or data processing systems for the sole purpose of avoiding or diminishing the interruption of or interference with the **business** which but for the expenditure would have taken place during the Indemnity Period in consequence of the Incident:

Provided always that:

a) at the time of the Incident there is in force an insurance covering the **insured's** interest in the **property** against such Incident and that payment:

   i) has been made or liability admitted therefor

   ii) would have been made or liability admitted for the Incident but for a proviso excluding liability for losses below a specified amount

b) the **insurer's** liability will not exceed the sum insured or limit remaining after deduction for any other interruption or interference consequent upon any Incident occurring during the same period of insurance unless the **insurer** has agreed to reinstate the sum insured or limit.

2.1 Automatic Reinstatement of Sum Insured

In the absence of written notice by the **insured** or the **insurer** to the contrary this insurance will not be reduced by the amount of any loss in consideration of which the **insured** will pay the appropriate extra premium on the amount of the loss from the date thereof to the expiry of the period of insurance provided always that the **insured** takes immediate steps to effect such additions to or variations in the protections of the **property** insured under part A as the **insurer** may require.

Section 3 – General Extensions

Any loss as insured under this part resulting from interruption of or interference with the **business** at the **premises** in consequence of the contingencies described under this section will be deemed to be an Incident provided always that after the application of all other terms and conditions of this part the **insurer's** liability under each extension will not exceed its stated limit or the sum insured under this part whichever is the lesser:

1. Action of Competent Authorities

Action by the police or other competent local, civil or military authority following a danger or disturbance (including but not limited to bomb threat, hoax or actual) within or within one mile of the **premises** where access to the **premises** is prevented.

Provided always that:

a) for the purpose of this extension the action or advice of any party insured under this policy will not be deemed to be an action by the police or other competent local, civil or military authority

b) there will be no liability for loss resulting from interruption of or interference with the **business** during the first 12 hours of the Indemnity Period

c) for the purposes of this general extension 'Indemnity Period' will mean the actual period for which access to the **premises** is denied in consequence of the Incident during which the results of the **business** are affected but not exceeding the Maximum Indemnity Period

d) the Maximum Indemnity period will mean one month

e) the limit is £50,000 any One Event and in the aggregate in any one period of insurance.

2. Loss of Attraction

Damage to **property** within a one mile radius of the **premises** causing loss of custom to the **insured** due to loss of amenities within a one mile radius of the **premises** whether the **premises** or **contents** are damaged or not.

Provided always that:

a) there is an identifiable reduction in the **insured's business** solely in consequence of the Incident

b) there will be no liability for loss resulting from interruption of or interference with the **business** during the first 12 hours of the Indemnity Period

c) this extension does not cover any loss following obstruction by storm, flood or snow

d) the Maximum Indemnity Period will mean 3 months

e) the limit is £50,000 any One Event and in the aggregate in any one period of insurance.

3. Property Stored in Third Party Premises

Damage to **property** of the **insured** while stored in secure premises within the **territorial limits** not belonging to nor occupied by the **insured**.

The limit is £250,000 any One Event.

4. Transit

Damage to **property** belonging to the **insured** while in transit by road, rail or inland waterway within the **territorial limits** excluding any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft.

The limit is £100,000 any One Event.

Section 4 – Optional Extensions

Applicable only where stated in the schedule.

1. Public Utilities and Denial of Access

Any Additional Expenditure incurred as insured under this part resulting from interruption of or interference with the **business** in consequence of Damage to **property** at the under-noted sites within the **territorial limits** will be deemed to be an Incident:

a) any generating station or sub-station of any public electricity supply supplier

b) any land-based premises of any public gas supplier or any natural gas producer linked directly to them

c) any water works and pumping stations of any public water supplier

d) any land-based premises of any public telecommunications supplier

from which the **insured** obtains electricity, gas, water or telecommunications services

e) within a one mile radius of the **premises** which prevents or hinders the use of or access to the **premises** excluding loss or damage to **property** of any supplier which prevents or hinders the supply of services by any electricity, gas, water or telecommunications supplier to the **premises**.

Provided always that:

i) the Maximum Indemnity Period will mean 3 months

ii) the limit is £1,000,000 any One Event and in the aggregate in any one period of insurance.

2. Terminal Ends

Any Additional Expenditure incurred as insured under this part resulting from interruption of or interference with the **business** in consequence of accidental failure to above ground and underground telephone, gas, water and electric mains, cabling, piping, meters, wires, electrical instruments and the like including accessories and supporting structures at the terminal ends of the supply undertakings' incoming line terminals or receivers, meters, main stopcock or service feeders at the **premises** will be deemed to be an Incident.

Provided always that:

a) there will be no liability for loss resulting from interruption of or interference with the **business** during the first 12 hours of the Indemnity Period

b) this extension does not cover any loss due to:

i) any failure which does not include a total cessation of supply for at least 30 consecutive minutes

ii) drought, atmospheric or weather conditions but this will not exclude failure due to **damage** to equipment caused by such conditions

iii) the deliberate act of any supply undertaking or by the exercise by any such undertaking of its power to withhold or restrict supply or services not performed for the sole purpose of safeguarding life or protecting the supply undertaking's system

iv) strikes or any labour or trade dispute

c) the Maximum Indemnity Period will mean 7 days

d) the **insurer's** liability under this extension will not exceed £100,000 any One Event.

Section 5 – Special Provisions

1. Professional Accountants' Fees

Any details contained in the **insured's** business books required by the **insurer** for the purpose of investigating or verifying any claim may be produced by professional accountants if at the time they are regularly acting as such for the **insured** and their report will be prima facie evidence of the details to which such report relates.

The **insurer** will pay to the **insured** the reasonable charges payable to its professional accountants' for producing any particulars or details contained in the **insured's** accounts or other documents which may be required by the **insurer** under the conditions of this part for the purpose of investigating or verifying any claim provided always that the total amount payable does not exceed any sum insured or limit of liability.

2. Value Added Tax

To the extent that the **insured** is accountable to the tax authorities for Value Added Tax all terms in this part will be exclusive of such tax.

Part G – Business interruption – rent receivable

Section 1 - Special Definitions

Damage
Accidental physical loss or accidental physical damage by any of the insured perils stated in the schedule.

Incident
Any Damage to **property** used by the **insured** at the **premises** for the purposes of the **business**.

Increase in Cost of Working
The reasonable additional expenditure necessarily incurred solely to avoid or diminish the loss of Rent Receivable which but for that expenditure would have taken place during the Indemnity Period in consequence of the Incident but not exceeding the amount of reduction in Rent Receivable thereby avoided.

Indemnity Period
The period during which the results of the **business** are affected in consequence of the Incident beginning with the Incident and lasting not longer than the Maximum Indemnity Period stated in the schedule.

Rent Receivable
The amount of rent received or receivable and payments for accommodation and services provided in respect of the letting of the **premises** stated in the schedule including any additional rent which would have been received as a result of an increase in rent following a rent review.

Standard Rent Receivable
Rent Receivable during the period in the 12 months immediately before the date of the Incident which corresponds with the Indemnity Period and adjusted for the trend of the **business** and for variations in or other circumstances either before or after the date of the Incident which affect the **business** or would have affected the **business** had the Incident not occurred so the adjusted figure represents as nearly as reasonably practicable the results which would have been obtained during the relative period after the Incident if the Incident had not happened.

Note to the Special Definitions
1. For the purpose of the above **special definitions** any adjustment implemented in current cost accounting will be disregarded.

Section 2 – Cover
In the event of any Incident during the period of insurance in consequence of which the **business** carried on by the **insured** at the **premises** be interrupted or interfered with the **insurer** will pay to the **insured** in respect of each item stated in the schedule the amount of loss resulting from such interruption or interference being:

a) the amount by which the Rent Receivable during the Indemnity period falls short of the Standard Rent Receivable in consequence of the Incident

b) Increase in Cost of Working

less any sum saved during the Indemnity Period in respect of charges and expenses of the **business** payable out of Rent Receivable which cease or are reduced in consequence of the Incident.

Provided always that:

i) at the time of the Incident there is in force an insurance covering the **insured's** interest in the **property** against such Incident and that payment:

   1) has been made or liability admitted therefor

   2) would have been made or liability admitted for the Incident but for a proviso excluding liability for losses below a specified amount

ii) the **insurer's** liability will not exceed:

   1) in the whole the total sum insured or in respect of any item its sum insured or any other limit of liability stated in the schedule at the time of Damage

   2) the sum insured or limit remaining after deduction for any other interruption or interference consequent upon Damage occurring during the same period of insurance unless the **insurer** has agreed to reinstate any such sum insured or limit.

2.1 Automatic Reinstatement of Sum Insured

In the absence of written notice by the **insured** or the **insurer** to the contrary this insurance will not be reduced by the amount of any loss in consideration of which the **insured** will pay the appropriate extra premium on the amount of the loss from the date thereof to the expiry of the period of insurance provided always the **insured** takes immediate steps to effect such additions to or variations in the protections of the **property** insured under part A as the **insurer** may require.

Section 3 – Optional Extensions

Applicable only where stated in the schedule.

1. Public Utilities and Denial of Access

Any loss incurred as insured under this part resulting from interruption of or interference with the **business** in consequence of Damage to **property** at the under-noted sites within the **territorial limits** will be deemed to be an Incident:

a) any generating station or sub-station of any public electricity supply supplier

b) any land-based premises of any public gas supplier or any natural gas producer linked directly to them

c) any water works and pumping stations of any public water supplier

d) any land-based premises of any public telecommunications supplier

from which the **insured** obtains electricity, gas, water or telecommunications services

e) within a one mile radius of the **premises** which prevents or hinders the use of or access to the **premises** excluding loss or damage to **property** of any supplier which prevents or hinders the supply of services by any electricity, gas, water or telecommunications supplier to the **premises**.

Provided always that:

i) the Maximum Indemnity Period will mean 3 months

ii) the limit is £1,000,000 any One Event and in the aggregate in any one period of insurance.

Section 4 – Special Provisions

1. Alternative Trading

If during the Indemnity Period services are rendered elsewhere than at the **premises** for the benefit of the **business** either by the **insured** or by others on behalf of the **insured** the money paid or payable in respect of such services will be brought into account in arriving at the Rent Receivable during the Indemnity Period.

2. Premium Adjustment

The premium paid may be adjusted on receipt by the **insurer** of a declaration of Rent Receivable earned during the financial year most nearly concurrent with the period of insurance as reported by the **insured's** professional accountants.

If any Incident occurs giving rise to a claim for loss of Rent Receivable the above mentioned declaration will be increased by the **insurer** for the purpose of premium adjustment by the amount by which the Rent Receivable was reduced during the financial year solely in consequence of the Incident.

If either declaration adjusted as provided for above and proportionately increased where the Maximum Indemnity Period exceeds 12 months is less than the sum insured on Rent Receivable for the relative period of insurance the **insurer** will allow a pro rata return of premium not exceeding 50% of the premium paid.

3. Professional Accountants' Fees

Any details contained in the **insured's** business books required by the **insurer** for the purpose of investigating or verifying any claim may be produced by professional accountants if at the time they are regularly acting as such for the **insured** and their report will be prima facie evidence of the details to which such report relates.

The **insurer** will pay to the **insured** the reasonable charges payable to its professional accountants' for producing any particulars or details contained in the **insured's** accounts or other documents which may be required by the **insurer** under the conditions of this part for the purpose of investigating or verifying any claim provided always that the total amount payable does not exceed any sum insured or limit of liability.

4. Value Added Tax

To the extent that the **insured** is accountable to the tax authorities for Value Added Tax all terms in this part will be exclusive of such tax.

Part H – Business interruption – book debts

Section 1 – Special Definitions

Damage
Accidental physical loss or accidental physical damage by any of the insured perils stated in the schedule.

Declaration
Declaration of the total amount outstanding in customer accounts as set out in the **insured's** accounts which must be provided to the **insurer** within 30 days of the end of each quarterly period within the period of insurance.

Incident
Any Damage to **property** used by the **insured** at the **premises** for the purposes of the **business**.

Outstanding Debit Balances
The total last declared under the terms of this part adjusted for:

a) bad debts

b) amounts debited and credited to customers accounts

c) amounts invoiced but not debited and credit notes and cash not passed through the books at the time of the Incident

d) any abnormal condition of trade which had or could have had a material effect on the **business**

in the period between the date of the last declaration and the date of the Incident so that the figures represent as nearly as reasonably practicable those which would have obtained at the date of the Incident had it not occurred.

Section 2 – Cover
In the event of any Incident during the period of insurance in consequence of which the **business** carried on by the **insured** at the **premises** be interrupted or interfered with the **insurer** will pay to the **insured** in respect of each item stated in the schedule the amount of loss resulting from such interruption or interference being:

a) the amount of any loss of Outstanding Debit Balances solely resulting from Damage during the period of insurance to the **insured's** books of account or other business books or records at the **premises**

b) the difference between the Outstanding Debit Balances and the total of the amounts received or traced in respect thereof

c) the additional expenditure incurred with the prior consent of the **insurer** in tracing and establishing customers debit balances after the Incident.

Provided always that:

i) the **insurer's** liability will not exceed:

   1) in the whole the total sum insured or in respect of any item its sum insured or any other limit of liability stated in the schedule at the time of the Damage

   2) the sum insured (or limit) remaining after deduction for any other interruption or interference consequent upon Damage occurring during the same period of insurance unless the **insurer** has agreed to reinstate any such sum insured (or limit)

ii) the **insured's** books of account or other business books or records in which customers accounts are shown will be kept in fire-resisting safes or fire-resisting cabinets when not in use.

Section 3 – Special Provisions

1. Average

If the sum insured stated in the schedule in respect of Outstanding Debit Balances is less than the actual Outstanding Debit Balances at the date of the Incident the amount payable will be proportionately reduced.

For the avoidance of doubt solely in respect of the application of **average** to any item under this policy clause c) iii) of general condition 5 will not apply.

2. Premium Adjustment

The premium in respect of Outstanding Debit Balances is provisional and is based on the maximum amount declared to the **insurer** at inception of each period of insurance.

On the expiry of each period of insurance the actual premium will be calculated on the average of the quarterly amounts declared. If the actual premium is less than the provisional premium the **insurer** will allow a return of premium not exceeding 50% of the premium paid.

3. Professional Accountants'

Any details contained in the **insured's** business books required by the **insurer** for the purpose of investigating or verifying any claim may be produced by professional accountants if at the time they are regularly acting as such for the **insured** and their report will be prima facie evidence of the details to which such report relates.

The **insurer** will pay to the **insured** the reasonable charges payable to its professional accountants' for producing any particulars or details contained in the **insured's** accounts or other documents which may be required by the **insurer** under the conditions of this part for the purpose of investigating or verifying any claim provided always that the total amount payable does not exceed the sum insured.

Insured perils

Applicable to Parts A, B, D, E, F, G and H.

1. **Fire, Lightning and Explosion**
   Fire but excluding **damage** to **property** or **business interruption** caused by:

   a) explosion resulting from fire

   b) earthquake or subterranean fire

   c) the **property's** spontaneous fermentation or heating

   d) insured **property** undergoing any heating process or any process involving the application of heat.

   Lightning.

   Explosion:

   a) of gas used for domestic purposes only

   b) of boilers used for domestic purposes only; and

   c) in respect of Parts D, E, F, G and H of any other boilers or economisers on the **premises**

   but excluding **damage** or **business interruption** caused by Earthquake or Subterranean Fire.

2. **Housing Minimum Perils**
   In respect of buildings of private dwellings fire, lightning, explosion and aircraft or other aerial devices or articles dropped from them.

3. **Explosion**
   Explosion excluding:

   a) in respect of part A **damage** to any vessel, machinery or apparatus or its contents belonging to the **insured** or under the **insured's** control caused by an explosion originating therein

   b) in respect of parts D, E, F, G and H **business interruption** caused by explosion originating in any vessel, machinery or apparatus or its contents belonging to the **insured** or under the **insured's** control

   which requires an examination to comply with any statutory regulation unless such vessel, machinery or apparatus is the subject of a policy or other contract providing the required inspection service.

4. **Aircraft**
   Aircraft or other aerial devices or articles dropped from them.

5. **Riot Fire Only**
   Riot or civil commotion in respect of **damage** or **business interruption** caused by fire only excluding **damage** or **business interruption** arising from confiscation, requisition or destruction by order of the government or any public authority.

6. **Riot**
   Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation excluding:

   a) **damage** or **business interruption** arising from confiscation, requisition or destruction by order of the government or any public authority

   b) in respect of parts D, E, F, G and H **business interruption** arising from deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programs or software.

7. Riot and Malicious Persons

Riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons excluding:

a) **damage** or **business interruption**:

   i) arising from confiscation, requisition or destruction by order of the government or any public authority

   ii) caused other than by fire or explosion by malicious persons not acting on behalf of or in connection with any political organisation in respect of any **buildings** which have been **unoccupied** for a period of more than 30 consecutive days

b) **damage** by theft directly caused by malicious persons not acting on behalf of or in connection with any political organisation

c) in respect of parts D, E, F, G and H **business interruption** arising from deliberate erasure, loss, distortion, or corruption of information on computer systems or other records, programs or software.

8. Earthquake

Earthquake.

9. Subterranean fire

Subterranean fire.

10. Spontaneous Fermentation or Heating

Fire only resulting from the **property's** own spontaneous fermentation or heating.

11. Storm

Storm excluding **damage** or **business interruption**:

a) caused by:

   i) the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal or dam

   ii) inundation from the sea

   whether resulting from storm or otherwise

b) attributable solely to change in the water table level

c) caused by frost, subsidence, ground heave or landslip

d) in respect of movable **property** in the open, fences and gates.

12. Storm or Flood

Storm or flood excluding **damage** or **business interruption**:

a) attributable solely to change in the water table level

b) caused by frost, subsidence, ground heave or landslip

c) in respect of movable **property** in the open, fences and gates.

13. Escape of Water

Escape of water from any tank, apparatus or pipe excluding **damage** or **business interruption**:

a) caused by water discharged or leaking from any automatic sprinkler installation

b) in respect of any **buildings** which have been **unoccupied** for a period of more than 30 consecutive days.

14. Impact

Impact by any road vehicle or by goods falling from them or by any animal not belonging to or under the control of the **insured** or any occupier of the **premises** or their respective employees.

15. Impact including Own Vehicles

Impact by any road vehicle or by goods falling from them or by any animal.

16. Sprinkler Leakage

Accidental escape of water from any automatic sprinkler installation in the **premises** not caused by:

a) freezing while the **building** in so far as it is in the **insured's** ownership or tenancy has been **unoccupied** for a period of more than 30 consecutive days

b) explosion, earthquake, subterranean fire or heat caused by fire.

17. Houseowners

Houseowners being Insured Perils numbered 2, 6, 8, 9, 10, 11, 13, 15 and 16 and:

a) theft involving breaking into or out of the **buildings** at the **premises** by forcible or violent means excluding **damage** in respect of any **building** which is **unoccupied**

b) breakage or collapse of audio or visual communication apparatus

c) accidental breakage of fixed glass or fixed sanitary ware except in respect of any **buildings** which are **unoccupied**

d) accidental **damage** to supply pipes and cables serving the **buildings**

e) falling trees or branches

f) leakage of fuel oil from any fixed oil-fired installation including smoke and smudge damage arising from defective vaporisation.

Supplementary Provision to Insured Peril 17

The **insurer** will indemnify the **insured** in respect of loss of rent if any **building** or any portion of it is unfit for occupation but only in respect of the period necessary for reinstatement for an amount not exceeding 20% of the full value of the **building**.

18. Subsidence

Subsidence or ground heave of any part of the site on which the **property** stands or landslip excluding:

a) **damage** or **business interruption** arising from **damage** to adjoining or specifically associated yards, car parks, roads, pavements, forecourts, walls, gates and fences unless a building insured at the same **premises** is also damaged

b) **damage** or **business interruption** caused by or consisting of:

   i) the normal settlement or bedding down of new structures

   ii) the settlement or movement of made up ground

   iii) coastal or river erosion

   iv) defective design or workmanship or the use of defective materials

   v) fire, subterranean fire, explosion, earthquake or escape of water

c) **damage** or **business interruption** which originated prior to the inception of this cover

d) **damage** or **business interruption** resulting from:

   i) demolition, construction, structural alteration or repair of any **property**

   ii) groundworks or excavation

   at the same **premises**.

Supplementary Condition to Insured Peril 18

This cover will be invalidated if the risk of **damage** or **business interruption** is increased without the **insurer's** written consent by reason of demolition, groundworks, excavation or construction being carried out on any adjoining site.

19. All Other Damage

All risks of accidental **damage** to the **property** insured excluding:

a) **damage** or **business interruption** caused by insured perils 1 to 16 above whether insured or not or specifically excluded by those insured perils

b) **damage** or **business interruption** resulting from or caused by:

   i) asbestos material removal

   ii) demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos material

   iii) any governmental direction or request declaring that asbestos material present in, part of or utilised on any undamaged portion of the **property** insured must be removed or modified

c) **damage** or **business interruption** caused by or consisting of:

   i) inherent vice, latent defect, gradual deterioration, wear and tear, its own faulty or defective design or materials

   ii) faulty or defective workmanship, operational error or omission on the part of the **insured** or the part of any **employee**

   but this will not exclude subsequent **damage** or **business interruption** which itself results from a cause not otherwise excluded

d) **damage** or **business interruption** caused by or consisting of:

i) corrosion, erosion, oxidation, rust, wet or dry rot, shrinkage, evaporation, loss of weight, mould, dampness, dryness, marring, scratching, vermin or insects

ii) change in temperature, humidity, colour, flavour, texture, finish or action of light

iii) theft or attempted theft

iv) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of associated steam and feed piping

v) mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates

vi) the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services

vii) the deliberate act of withholding the provision of extranets or access to or presence on the internet or access to applications and related services over the internet

but this will not exclude:

1) such **damage** or **business interruption** not otherwise excluded which itself results from any other accidental **damage**

2) subsequent **damage** or **business interruption** which itself results from a cause not otherwise excluded

e) **damage** or **business interruption** caused by or consisting of:

i) subsidence, ground heave or landslip

ii) normal settlement or bedding down of new structures

iii) acts of fraud or dishonesty

iv) disappearance, unexplained or inventory shortage, misfiling or misplacing of information

v) bookkeeping, accounting or billing errors and omissions

vi) shortage due to error or omission

vii) erasure, loss, distortion or corruption of information on computer systems or other records, programs and software

f) **damage** to **buildings** or any structure caused by its own collapse or cracking

g) **damage** or **business interruption** other than by fire or explosion resulting from its undergoing any process of production, packing, treatment, testing, commissioning, repairing, adjusting, servicing, repair or maintenance operation

h) **damage** to:

i) audio or visual equipment where the value any one item exceeds £1,000, paintings, etchings, pictures, rare books, tapestries, rare or art glass, art glass windows, valuable rugs, statuary, sculptures, antique furniture, jewellery, precious stones, precious metals, bullion, furs, curiosities or works of art

ii) **property** in transit other than as insured under Part A section 2 clause 2.15

iii) fixed glass, glass, china, earthenware, marble or other fragile or brittle objects

iv) **computer equipment**

v) **money**.

Part I – Money

Section 1 – Special Definition

Non-Negotiable Money
Any crossed cheque, crossed bankers' or giro draft crossed money order, crossed postal order and premium savings bond.

Section 2 – Cover
In the event of physical loss of **money** from a cause not otherwise excluded arising during the period of insurance the **insurer** will pay the **insured** the amount of such loss not exceeding any limit stated in the schedule.

2.1 Damage to Property
This part includes accidental **damage** as a direct result of theft or attempted theft of **money** to:

a) clothing or personal effects and money of any **employee** up to a maximum of £500 any one **employee**

b) any franking machine, safe, strongroom or security case, bag, money belt or waistcoat, cash carrying case or similar cash carrying device designed for the safe carriage of **money** up to the reinstatement cost.

2.2 Replacement of Locks
This part includes the reasonable cost of replacing safe or strongroom locks made necessary by the theft of keys from the **premises** or from the private residence of any person authorised to hold such keys up to a maximum of £5,000 any one incident of theft but excluding such costs where the keys have been left on the **premises** while closed for business or unattended.

This clause will not apply where part A clause 2.13 is operative.

Section 3 – Special Exclusions
This part does not cover any loss of **money**:

1. **Cash Dispensers**
   from any automated teller machine or cash dispenser

2. **Employee Fraud**
   due to fraud or dishonesty on the part of an **employee** but this exclusion will not apply to loss arising from fraud or dishonesty which is discovered within 72 hours.

   Provided always that:

   a) such loss is not recoverable under a fidelity, employee dishonesty or similar policy of insurance

   b) the **insurer's** liability will not exceed the limit stated in the schedule against item 2 c) i)

3. **Error or Omission**
   arising from error or omission in receipts, payments or accounting practice

4. **Machines**
   in excess of £250 from equipment operated by bank note, coin, card or token

5. **Malfunction of Machines**
   resulting from gradual deterioration, mechanical or electrical defect, breakdown or malfunction of any franking, dispensing or similar machine

6. **Security Company**
   in the custody and control of a security company or similar organisation except for the amount of any loss which cannot be recovered from the security company or similar organisation by legal means but not exceeding the limit stated in the schedule

7. **Unattended Vehicles**
   from an unattended vehicle.

Section 4 – Special Condition

1. Security of Safe and Strongroom Keys and Combination Codes

It is a condition precedent to the liability of the **insurer** that whenever the office, room or area in which the safe or strongroom containing **money** is situated is unattended:

a) such safe or strongroom will be securely locked

b) any key and records of a code to such safe or strongroom will be removed from the **premises** or kept on the person of an authorised person except where a portion of the **premises** is occupied residentially by the **insured** or any **employee** when any key and record of a code will be removed from the business portion of the **premises**.

Part J – Glass

Section 1 – Special Definitions

Glass

Fixed glass including but not limited to bent, curved, movable, etched, stained or special glass specifically noted under this part by the **insurer** and stated on the schedule.

Section 2 – Cover

The **insurer** will pay for **damage** arising during the period of insurance to Glass and associated framework caused by:

a) accidental breakage

b) malicious persons

c) theft or attempted theft

which has been notified to the **insurer** and for which the **insured** is responsible at the **premises** stated in the schedule.

The **insurer** will also indemnify the **insured** for the cost necessarily incurred of boarding up until the broken glass is replaced.

Provided always that the liability of the **insurer** will not exceed the sum insured stated in the schedule.

Section 3 – Special Exclusions

The insurer will not be liable for loss or damage:

a) caused by scratching, fire or explosion

b) insured under any other insurance

c) when the **premises** are **unoccupied**

d) caused by repairs or alterations to the **premises**.

Part K – 'All risks'

Section 1 – Special Definitions

Damage
Accidental physical loss or accidental physical damage resulting from a cause not otherwise excluded.

One Event
The total of all losses arising from one occurrence or all occurrences of a series consequent upon or attributable to one original cause after the application of all the terms and conditions of this part.

Section 2 – Cover
In the event of Damage to the **property** insured stated in the schedule occurring during the period of insurance within the **territorial limits** the **insurer** will pay to the **insured** the value of the **property** at the time of the Damage or the amount of such Damage or at the **insurer's** option replace, reinstate or repair the **property** or any part of it.

Provided always that the liability of the **insurer** will not exceed:

a) in respect of any item its sum insured

b) the sum insured or limit remaining after deduction for any other Damage occurring during the same period of insurance unless the **insurer** has agreed to reinstate any such sum insured or limit.

2.1 Acquisitions
This part includes **property** acquired during the period of insurance.

Provided always that:

a) the **property** acquired is similar to the **property** insured under this part

b) the **insurer's** liability in respect of all **property** acquired during any one period of insurance does not exceed the amount stated in the schedule as the acquisition limit

c) the **insurer's** liability under this clause at any one situation will not exceed £1,000,000

d) the **insured** undertakes to give particulars of all such acquisitions at the end of each period of insurance and to pay any additional premium which may be required.

Section 3 – Optional Extensions
Applicable only where stated in the schedule.

1. Civic Regalia
Damage to civic regalia as detailed in a list held by the **insured** while within the European Union.

Provided always that:

a) at all times other than when worn the **property** insured under this special extension is carried as hand luggage when travelling and locked in a hotel safe at destination

b) the **insurer's** liability any One Event will not exceed £10,000

c) where the value of the **property** insured carried exceeds £5,000 it will be accompanied by more than one person.

2. Transit
Damage to **property** while in transit by road, rail or inland waterway within the **territorial limits** excluding any loss arising from delay or loss of use of the conveying road or rail vehicle or waterborne craft provided always that the **insurer's** liability any one transit will not exceed £50,000.

Section 4 – Special Exclusions

This part does not cover:

1. **Causes Excluded**
   loss or damage caused by fire, lightning, explosion or aircraft or articles dropped from them

2. **Changes in Environment or Mechanical or Electrical Breakdown**
   loss or damage caused by or consisting of:

   a) corrosion, erosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, mould, dryness, marring, scratching, vermin or insects

   b) change in temperature, colour, flavour, texture or finish

   c) mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement occurs

   but this will not exclude subsequent **damage** which itself results from a cause not otherwise excluded

3. **Confiscation**
   confiscation, destruction or detention by customs or other authorities

4. **Depreciation, Gradually Operating Changes and Faulty or Defective Design or Workmanship**
   loss or damage caused by or consisting of:

   a) depreciation, inherent vice, latent defect, gradual deterioration, wear and tear, frost or change in water table level

   b) faulty or defective design or materials

   c) faulty or defective workmanship, operational error or omission on the part of the **insured** or on the part of any **employee**

   but this will not exclude subsequent **damage** which itself results from a cause not otherwise excluded

5. **Fraud or Dishonesty**
   loss or damage arising from any act of fraud or dishonesty committed or connived at by any **member**, **employee** or **volunteer**

6. **Maintenance and Testing**
   loss or damage caused by any testing, commissioning, repairing, adjusting, treatment, servicing or maintenance operation

7. **Property Excluded**
   computer equipment, **data processing systems** and **money**

8. **Theft from Unattended Motor Vehicles**
   theft from an unattended motor vehicle unless:

   a) the **property** insured is concealed from view in a glove compartment or locked luggage compartment; and

   b) all doors are locked; and

   c) all windows and the roof are closed and fastened; and

   d) all security devices are put into full and effective operation; and

   e) all keys or any other removable ignition device of the vehicle are removed; and

   f) if left overnight the vehicle is garaged or kept in secure premises

9. **Unexplained Losses**
   loss or damage caused by or consisting of disappearance, unexplained or inventory shortage, misfiling or misplacing of information or shortages due to error or omission.

Section 5 – Special Provisions

1. Underinsurance

If at the commencement of Damage the sum insured for any individual article of **property** within the overall sum insured under any item is less than the value of the individual article of **property** covered under that item the **insured** will be considered as being its own insurer for the difference and the amount payable will be proportionally reduced.

For the avoidance of doubt solely in respect of the application of **average** clause c) iii) of general condition 5 will not apply.

2. Inventory

The **property** insured is more particularly described and valued in an inventory maintained by the **insured**.

In the event of **damage** to any article insured the inventory will be referred to for evidence of the value of such article and the **insurer** will not be liable for more than the sum set against such article in the inventory.

Part K (a) – 'All risks' for museums and art galleries

Section 1 – Special Definitions

Damage
Accidental physical loss or accidental physical damage resulting from a cause not otherwise excluded.

Designated Person
Any person known to the **insured** or to a responsible **employee** and appointed as the **insured's** personal representative.

Named Location(s)
The Named Location(s) as stated in the schedule.

Personally Accompanied Transit
The transit of insured **property** by a Designated Person.

Unoccupied
A Named Location that has not been staffed during normal working hours or has not been inspected at least twice a week.

Section 2 – Cover
In the event of Damage to the **property** insured as stated in the schedule occurring during the period of insurance within the **territorial limits** the **insurer** will pay to the **insured** the value of the **property** or the amount of the **damage** in accordance with special provision 1 or at the **insurer's** option replace, reinstate or repair the **property** or any part of it.

In no event will the **insurer** be liable for more than the limit of liability stated in the schedule.

2.1 Acquisitions
This part includes **property** acquired during the period of insurance.

Provided always that:

a) the liability of the **insurer** does not exceed up to an aggregate of 10% of the total sum insured or £1,000,000 whichever is the lesser

b) the **insured** undertakes to give particulars of all such acquisitions within 60 days of acquisition and pay a pro rata additional premium at the expiry of the period of insurance.

Section 3 – Special Exclusions
This part does not cover:

1. **Changes in Environment or Mechanical or Electrical Breakdown**
   loss or damage caused by or consisting of:
   a) corrosion, erosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, mould, dryness, marring, scratching, vermin, insects, mildew, fungus or fungal attack
   b) change in temperature, colour, flavour, texture or finish
   c) mechanical or electrical breakdown or derangement of the particular machine, apparatus, equipment or item in which such breakdown or derangement occurs
   d) frost or change in water table level
   e) atmospheric or climatic conditions, exposure to light or extremes of temperature

   but this will not exclude subsequent **damage** which itself results from a cause not otherwise excluded

2. **Confiscation**
   confiscation, destruction or detention by customs or other authorities

3. **Fraud or Dishonesty**
   loss or damage arising from any act of fraud or dishonesty committed by or in collusion with any principal, shareholder (beneficial or otherwise), partner, director or other officer of the **insured** or any **employee**, **volunteer** or person to whom the **property** insured is entrusted or loaned

4. **Gradually Operating Changes and Faulty or Defective Design or Workmanship**
loss or damage caused by consisting of:

a) natural ageing, gradual deterioration, wear and tear, inherent vice or latent defect

b) any repairing, reframing, restoring, retouching or while undergoing any similar process

c) faulty or defective workmanship, design or materials, operational error or omission on the part of the **insured** or on the part of any **employee**

but this will not exclude subsequent **damage** which itself results from a cause not otherwise excluded

5. **Incorrect Inventory Recording**
loss or damage to **property** not recorded in accordance with special provision 3

6. **Insufficiency or Unsuitability of Packing**
loss or damage to **property** insured while in transit caused by insufficiency or unsuitability of packing or preparation of the said **property** to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out:

a) by the **insured** or any **employee**

b) prior to the inception of this part.

For the purpose of this exclusion packing will be deemed to include stowage in a container

7. **Property Excluded**
computer equipment, **data processing systems** and **money**

8. **Theft from Unattended Motor Vehicles**
theft from an unattended motor vehicle unless:

a) the **property** insured is concealed from view in a glove compartment or locked luggage compartment; and

b) all doors are locked; and

c) all windows and the roof are closed and fastened; and

d) all security devices are put into full and effective operation; and

e) all keys or any other removable ignition device of the vehicle are removed; and

f) if left overnight the vehicle is garaged or kept in secure premises

9. **Trains or Motor Vehicles**
loss or damage to trains or motor vehicles insured under this part while under their own power

10. **Unexplained Losses**
loss or shortage discovered while taking inventory or during periodic stocktaking

11. **Unoccupied Property**
loss or damage to **property** if the location where the Damage occurs:

a) is Unoccupied for a period of 30 consecutive days or longer

b) is undergoing any demolition, structural alteration, structural repair or extension unless the **insurer** has received prior notification and has agreed to maintain cover in writing.

Section 4 – Special Provisions

1. Basis of Valuation

The value on which settlement will be based will be:

a) for **property** of the **insured** the current market value of the **property** at the time any Damage occurs unless the **insurer** has agreed with the **insured** an agreed value for such item in which case the **insurer** will pay no more than the agreed value

b) for **property** acquired by the **insured** as a gift or other similar bequest the current market value at the time Damage occurs. In no event will the **insurer** cover the **property** beyond the **insured's** interest therein and in the event of Damage such interest of the **insured** at the time of Damage will be that as stipulated in the bequest, contract or other document executed between the **insured** and the donor of said **property**

c) for **property** of others loaned to the **insured** the value agreed upon by the **insured** and the owners as stated within the loan agreement of the **insured's** liability to the owner.

In the event of partial Damage to any item insured the amount of loss will be the cost and expense of restoration plus any resulting depreciation in value but not exceeding the full value of that item prior to the Damage.

2. Inventory Records

The **insured** must maintain an inventory in which individual details of all **property** insured with a value in excess of £5,000 are recorded including the value of each item. The accuracy of such inventory must be checked by making a physical inventory of the **property** insured at least once annually and recording the results in electronic or written form.

The **insured** must maintain a detailed record of all **property** insured loaned to or by the **insured**. Such records must include copies of written loan agreements for all such loaned items including the value of the relevant **property** insured which is not to exceed the current market or agreed value.

3. Pairs and Sets

In the event of Damage to any **property** insured which has a special or increased value by virtue of forming part of a pair or set any indemnity under this part will take into account any such special or increased value and the amount of loss will be the cost and expense of restoration plus any resulting depreciation in value but not exceeding the value of that pair or set.

Following the payment of the full amount insured for any item, pair or set the **insurer** will become the full owner and reserves the right to take possession of the item, pair or set.

4. Property Buy Back

The **insured** will have the right to purchase from the **insurer** any **property** that is recovered for which the full sum insured has been paid in settlement of a claim at the lesser of:

a) the amount of the settled claim plus interest from the date of settlement at a relevant prevailing bank rate plus loss adjustment and recovery expenses

b) the fair market value at time of recovery.

The **insurer** will notify the **insured** of the right to purchase **property** recovered and the **insured** will have 60 days from the date of notice to exercise the right of purchase.

Section 5 – Special Conditions

1. Keys and Codes

The **insured** undertake that all keys, combinations and codes to all safes, strongrooms, alarms and final exit doors are removed from unattended Named Locations.

2. Other Insurance

The liability of the **insurer** is limited to the amount that any other valid insurance would fail to cover any claim if this part had not been effected.

3. Personally Accompanied Transit

It is a condition precedent to the **insurer's** liability in respect of any Personally Accompanied Transit that the **property** insured remains held by, attached to or within sight and at arms length reach of a Designated Person at all times.

This special condition will be deemed to have been complied with when the **property** insured is being transported in a locked boot or van and remains under the personal control of a Designated Person.

4. Protections Maintenance

The **insured** undertake that all physical protections including intruder and fire alarm systems notified to the **insurer** are engaged or activated whenever the Named Location(s) are left unattended.

The **insurer** is to be notified as soon as possible if a system is inoperative for any reason and the **insurer** may vary the terms and conditions of this part.

All systems must be regularly serviced by a reputable company.

Part L – Theft

Section 1 – Special Definition

Theft
Theft involving:

a) forcible and violent entry to or exit from any building at the **premises** or any attempt at such theft

b) personal violence or threat of personal violence to any **employee**.

Section 2 – Cover
In the event of **damage** to the **property** insured stated in the schedule arising during the period of insurance within the **territorial limits** resulting from Theft the **insurer** will pay to the **insured** the value of the **property** at the time of the **damage** or the amount of such **damage** or at the **insurer's** option replace, reinstate or repair the **property** or any part of it provided always that the liability of the **insurer** will not exceed the sum insured stated in the schedule.

The **insurer** will also indemnify the **insured** for the cost of:

a) repair of **damage** to buildings caused by Theft of the **property** insured where the **insured** is legally responsible for the cost of repairing such **damage**

b) external glazing and the cost of boarding up provided this is directly accompanied by Theft of the **property** insured.

Section 3 – Special Exclusions
This part does not cover:

1. **Consequential Loss**
   consequential loss of any kind or description

2. **Excluded Property**
   theft of:

   a) **computer equipment**, mechanically propelled vehicles licensed for road use, items of plant, civic regalia, pictures, paintings, sculptures, museum exhibits, works of art, money, wines, spirits, tobacco, cigars and cigarettes

   b) token or coin-operated amusement machines, vending machines or their contents

   unless specifically stated in the schedule as being insured

3. **Fraud**
   theft involving parting with the title or possession of any **property** insured if induced to do so by fraud, trick or false pretence

4. **Property in Lightweight or Temporary Structures**
   theft from containers, portable buildings, portacabins, site huts, sheds and any other temporary structures unless specifically stated in the schedule as being insured

5. **Persons Lawfully on the Premises or Collusion**
   theft by any person lawfully in or on the **premises** or involving the **insured** or any **employee**.

Section 4 – Special Provision

1. **Underinsurance**
   The sum insured by each item under this part is declared to be separately subject to **average**.

Section 5 – Special Condition

1. Security Precautions

In respect of any intruder alarm system at the **premises** the **insured** will ensure that:

a) all protections will be fitted in accordance with the **insurer's** requirements and together with all other devices for the protection of the **property** insured will be kept in good order and put into full and effective operation when the **premises** are closed for **business** or are unattended

b) all keys including duplicate keys relative to the security of the **premises** will be removed from the secured **premises** whenever they are closed for **business** or unattended

c) the intruder alarm system will be:

   i) installed in accordance with the specification agreed by the **insurer** and no alteration or variation of the system or the procedures agreed by the **insurer** for police or any other response to any activation of the system or any structural alteration to the **premises** which would affect the system will be made without the written consent of the **insurer**

   ii) maintained in full and effective working order at all times under a contract to provide both corrective and preventive maintenance with the installing company or such other company as approved by the **insurer** with no alteration being made thereto without the written consent of the **insurer**

   iii) tested and set whenever the alarmed portion of the **premises** are closed for **business** or unattended by the **insured** or any person authorised by the **insured** to be responsible for the security of the **premises**

d) immediate notice will be given to the **insurer**:

   i) of any notice from the police or a security organisation that the intruder alarm system signals will be disregarded

   ii) of any notice from a local authority or a magistrate of any requirement imposed under any terms of the Environmental Protection Act 1990 or other legislation requiring modification of the intruder alarm

   iii) if the intruder alarm system cannot be returned to or maintained in full working order

e) all keys to the intruder alarm system are removed from the **premises** when they are left unattended

f) secrecy of codes for the operation of the intruder alarm system will be maintained and no details of same are left on the **premises**

g) at least 2 keyholders will be appointed and up to date written details of the keyholders are lodged with the alarm company and the police

h) in the event of notification of any activation of the intruder alarm system or interruption of the means of communication during any period that the intruder alarm system is set a keyholder will attend the **premises** as soon as reasonably possible.

This special condition will only apply if the devices described are installed at the **premises**.

Exclusions to parts A, B, C, D, E, F, G, H, I, J, K, K(a) and L

Parts A, B, C, D, E, F, G, H, I, J, K, K(a) and L do not cover:

1. **Consequential Loss**
   in respect of Parts A, B, C, K, K(a) and L only consequential loss of any kind other than loss of rent if insured

2. **Electronic Risks**
   a) loss or damage caused by **virus or similar mechanism** or **hacking** or **denial of service attack** to any computer or other equipment, component, system or item which processes, stores, transmits, retrieves or receives data or any part thereof whether tangible or intangible including but without limitation any information, programs or software and whether the **property** is insured or not.

   b) loss, cost or expense directly or indirectly caused by or arising from **virus or similar mechanism** or **hacking** or **denial of service attack**

3. **Excesses**
   except where endorsement 5 applies the **excess** as stated in the schedule for each and every loss at each separate **premises** arising from any insured peril stated in the schedule.

   However in respect of claims relating to any **buildings** comprising more than one housing unit the **excess** applies to each individual housing unit.

4. **Pollution or Contamination**
   loss, damage, cost or expense caused by, consisting of or resulting from pollution or contamination but this will not exclude **damage** or **business interruption** not otherwise excluded caused by:

   a) pollution or contamination which itself results from Damage

   b) Damage which itself results from pollution or contamination

5. **Property Excluded**
   a) loss or damage to any **property** more specifically insured by or on behalf of the **insured**

   b) **property** which at the time of Damage is insured by or would but for the existence of this part be insured by any marine policy except in respect of any excess beyond the amount which would have been payable under such policy had this part not been effected.

   c) in respect of part A unless specifically mentioned as insured and in respect of parts D, E, F, G and H:

      i) motor vehicles licensed for road use including accessories thereon , caravans, trailers, railway locomotives, rolling stock, watercraft, aircraft or spacecraft

      ii) playground equipment and artificial sports surfaces

      iii) livestock

      iv) growing crops, trees, shrubs, plants or turf other than where incorporated as part of the structure of the **buildings**

      v) **buildings** or structures in course of construction, erection, alteration, addition or improvement and materials or supplies in connection therewith

      vi) land, roads, pavements, piers, jetties, bridges, culverts or excavations

6. **Riot**
   a) in respect of parts A, B, C, D, E, F, G and H loss, damage, cost or expense occasioned by or happening through or in consequence directly or indirectly of riot or civil commotion unless this Insured Peril is specified in the schedule and then only to the extent stated

   b) in respect parts K and K(a) loss or damage occasioned by or happening through or in consequence directly or indirectly of riot or civil commotion occurring outside the **territorial limits**

7. Communicable Diseases

any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with the following:

a) a **communicable disease**; or

b) the fear or threat (whether actual or perceived) of a **communicable disease**

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

This exclusion does not however apply in respect of and only to the extent of cover expressly stated as being provided under the extension provided under Endorsement 6 titled Named Diseases, Murder, Suicide or Rape.

Part M – Terrorism

Section 1 – Special Definitions

Act of Terrorism
Any act or acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of His Majesty's Government in the United Kingdom or any other government de jure or de facto.

Computer System
A computer or other equipment or component or system or item which processes, stores, transmits or receives Data.

Data
Data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

Denial of Service Attack
Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or Computer Systems.

Denial of Service Attacks include but are not limited to the generation of excess traffic into the network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other Computer Systems.

Hacking
Unauthorised access to any Computer System whether the insured's property or not.

Phishing
Any access or attempted access to Data made by means of misrepresentation or deception.

Virus or Similar Mechanism
Program code, programming instruction or any set of instructions intentionally constructed with the ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor Computer Systems, Data or operations, whether involving self-replication or not.

Virus or Similar Mechanism includes but is not limited to Trojan horses, worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

Section 2 – Cover
In the event that:

a) His Majesty's Government or His Majesty's Treasury or any successor relevant authority issue a certificate certifying an event or occurrence to have been an Act of Terrorism; or

b) His Majesty's Government or His Majesty's Treasury or any successor relevant authority refuse to issue a certificate certifying an event or occurrence to have been an Act of Terrorism and that refusal is reversed by the decision of a validly constituted tribunal

the **insurer** will by this Terrorism cover provide cover for accidental loss of or damage to material property (hereafter referred to as 'Damage') and consequential loss proximately caused by such Act of Terrorism in so far and to the extent that such Damage and consequential loss is insured under parts A, B, C, D, E, F, G, H, I, K and K(a) of this policy.

Provided always that:

1) the liability of the **insurer** will not exceed:

   A) in the whole the total sum insured

   B) in respect of any item its sum insured

   C) any other limit of indemnity

   stated in the schedule to this part at the time of the loss or damage

2) such Damage and consequential loss occurs in England, Wales or Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 and not Northern Ireland, the Channel Islands or the Isle of Man

3) in any action, suit or other proceedings where the **insurer** alleges that any Damage and consequential loss is not covered under section 2 the burden of proving that such Damage and consequential loss is covered will fall upon the **insured**

4) the insurance effected by section 2 excludes:

   A) any losses whatsoever:

      a) occasioned by riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power

      b) directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:

         i) damage to or the destruction of any Computer System; or

         ii) any alteration, modification, distortion, erasure or corruption of Data

         in each case whether the property of the **insured** or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from Virus or Similar Mechanism, Hacking, Phishing or Denial of Service Attack

   Proviso to exclusion 4) A) b)

   save that Covered Loss otherwise falling within this exclusion 4) A) b) will not be treated as excluded by exclusion 4) A) b) solely to the extent that such Covered Loss:

   i) results directly (or, solely as regards ii) 3) below, indirectly) from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea-going or water-going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any Computer System; and

   ii) comprises:

      1) the cost of reinstatement, replacement or repair in respect of damage to or destruction of Property insured; or

      2) the amount of business interruption loss suffered directly by the **insured** by way of loss of or reduction in profits, revenue or turnover or increased cost of working as a direct result of either damage to or destruction of Property insured or as a direct result of denial, prevention or hindrance of access to or use of the Property insured by reason of an Act of Terrorism causing damage to other Property within one mile of the Property insured to which access is affected; or

      3) the amount of loss caused by the cancellation, abandonment, postponement, interruption, curtailment or relocation of an event as a result of damage to or destruction of Property and any additional costs or charges reasonably and necessarily paid by the **insured** to avoid or diminish such loss

   and

   iii) is not proximately caused by an Act of Terrorism in relation to which the relevant organisation or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state

iv) for the purposes of this Proviso

1) the meaning of 'Property' shall exclude:

A) any money (including **money**), currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any other financial instrument of any sort whatever; and

B) any Data.

2) 'Covered Loss' means all losses arising as a result of damage to or the destruction of Property insured, the proximate cause of which is an Act of Terrorism.

v) notwithstanding the exclusion of Data from Property, to the extent that damage to or destruction of Property within the meaning of sub-paragraph ii) above indirectly results from any alteration, modification, distortion, erasure or corruption of Data, because the occurrence of one or more of the matters referred to in sub-paragraph i) above results directly or indirectly from any alteration, modification, distortion, erasure or corruption of Data, that shall not prevent cost or business interruption loss directly resulting from damage to or destruction of such Property and otherwise falling within sub-paragraphs i) and ii) 1) or 2) nor any loss, cost or charges otherwise falling within sub-paragraphs i) and ii) 3) above from being recoverable under section 2 of this part.

In no other circumstances than the previous sentence, however, will any loss or losses directly or indirectly caused by, contributed to by or arising from or occasioned by or resulting from any alteration, modification, distortion, erasure or corruption of Data be recoverable under section 2 of this part

B) any type of property which has been specifically excluded under parts A, B, C, I, K and K(a) of the Property Module, part F of the Additional Covers Module or part B of the Engineering module

C) any **nuclear installation** or **nuclear reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes, wires, cables, drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **nuclear installation** or **nuclear reactor**

5) save for the exclusions listed in 4) above no other exclusions applicable to parts A, B, C, D, E, F, G, H, I, K and K(a) of the Property module, part F of the Additional Covers module or part B of the Engineering module will apply to the insurance effected by section 2 of this part. All the other terms, definitions, provisions and conditions of said parts including but not limited to any **excess** or deductible to be borne by the **insured** will apply to the insurance effected by section 2 of this part except for:

A) any Long Term Agreement applying to this policy

B) any terms which provide for adjustments of premium based upon declarations on expiry or during the period of insurance contained in those parts of the modules stated under part M of the schedule

C) any extension of **premises** to locations outside England and Wales and Scotland.

2.1 Uncertified Terrorism

In the event that His Majesty's Government or His Majesty's Treasury or any successor relevant authority refuse to issue a certificate certifying an event or occurrence to have been an Act of Terrorism and such refusal is upheld by the decision of a validly constituted tribunal general exclusion 4 will not apply to parts A, B, C D, E, F, G, H, I, K and K(a) of the Property module, part F of the Additional Covers module or part B of the Engineering module in respect of such event or occurrence.

Provided always that:

a) such **damage** and/or **business interruption** occurs in England, Wales or Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 and not Northern Ireland, the Channel Islands or the Isle of Man

b) the liability of the **insurer** will not exceed:

i) in the whole the total sum insured

ii) in respect of any item its sum insured

iii) any other limit of indemnity

stated in the schedule to parts A, B, C, D, E, F, G, H, I, K and K(a) of the Property module, part F of the Additional Covers module or part B of the Engineering module at the time of the said event or occurrence

c) save for proviso a) above the terms, definitions, provisions and conditions applicable to parts A, B, C, D, E, F, G, H, I, K and K(a) of the Property module, part F of the Additional Covers module and part B of the Engineering module will apply to this clause.

Endorsements

Applicable only where stated in the schedule.

1. Reinstatement Basis

Subject to the following supplementary conditions the basis upon which the amount payable in respect of **buildings** and **contents** is to be calculated will be **reinstatement**.

Supplementary Conditions

a) The **insurer's** liability for the repair of partially damaged **property** will not exceed the amount which would have been payable had such **property** been wholly destroyed.

b) No payment beyond the amount which would have been payable in the absence of this clause will be made:

   i) unless **reinstatement** commences and proceeds without delay

   ii) until the cost of **reinstatement** has been incurred

   iii) if the **property** insured at the time of its Damage is insured by any other insurance effected by or on the **insured's** behalf which is not upon the same basis of **reinstatement**.

c) All the terms and conditions of this part will apply:

   i) in respect of any claim payable under the provisions of this clause except in so far as they are varied hereby

   ii) where claims are payable as if this clause had not been incorporated.

d) If at the time of **reinstatement** the sum representing 85% of the cost which would have been incurred in reinstating the whole of the **property** covered under any item subject to this clause exceeds its sum insured at the commencement of the any Damage the **insurer's** liability will not exceed that proportion of the amount of the Damage which the said sum insured bears to the sum representing the total cost of reinstating the whole of such **property** at that time.

2. Index-Linking

The sum insured in respect of each of the items stated under part A in the schedule will be adjusted monthly in line with the indices selected by the **insurer**. At each renewal the premium will be calculated on the adjusted sum insured.

3. Day One Basis (Non-adjustable)

The following Declaration Conditions apply in respect of the items stated in the schedule under part A:

Declaration Conditions

1. The **insured** having stated in writing the Declared Value (specified in brackets below the sum insured) for each of the said items the premium has been calculated accordingly.

2. At the inception of each period of insurance the **insured** will notify the **insurer** of the Declared Value of the **property** by each of the item(s). In the absence of such declaration the last amount declared by the **insured** will be taken for the ensuing period of insurance.

3. The following wording replaces supplementary condition b) of the Reinstatement Condition:

   b) If at the commencement of Damage the Declared Value of the **property** covered by an item is less than the cost of **reinstatement** at the inception of the period of insurance then the **insurer's** liability for any loss will be limited to the proportion which the Declared Value bears to such cost of **reinstatement**.

4. Where claims are payable as if the Reinstatement Condition had not been incorporated all the terms and conditions of the part will apply except that the sums insured will be limited to the percentage stated in the schedule of each Declared Value.

3A. Day One Basis (Adjustable)

The following conditions are added to endorsement 3:

5. The premium on each of the said items is provisional. On expiry of each period of insurance the premium will be adjusted by 50% of the difference between:

   a) the provisional premium at the commencement of the period; and

   b) the premium calculated at the terms which have been applied during the period under adjustment based on the Declared Value for the subsequent period of insurance.

6. For the purpose of paragraph 5 of this endorsement only:

   a) if the part or any item thereof is cancelled or not renewed the **insured** will provide the Declared Value of the items but at the level of costs applying at the date of cancellation or expiry

   b) where **property** has not been reinstated following Damage the **insured** will provide the Declared Value as though the **property** had not been lost, destroyed or damaged

   c) where the Declared Value is not submitted to the **insurer** an additional premium will become payable as stated in the schedule.

7. The insurance under each of the items where not otherwise insured includes

   a) any newly-acquired or newly-erected **buildings**, machinery and plant

   b) alterations, additions and improvements to **buildings**, machinery and plant

   anywhere in the **territorial limits** for an amount not exceeding the sum stated in the schedule at any one situation.

   Any other extension to the items of the part relating to capital additions as defined in a) and b) above is cancelled.

4. Appreciation in Value (Escalator)

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the stated percentage to the first or the annual premium as appropriate on the items stated in the schedule the sum insured thereby will be increased each day during the period of insurance by an amount representing 1/365 of the stated percentage increase per annum.

Unless specifically agreed to the contrary the provisions of this endorsement will apply only to the sums insured in force at the start of each period of insurance.

At each renewal date the **insured** will notify to the **insurer**:

a) the sums to be insured under each item; and

b) the specified percentage increase required for the forthcoming period of insurance.

In the absence of such instructions:

i) the sums insured by the stated items will be those stated in the schedule as amended by any endorsements effective prior to the aforesaid renewal date to which will be added the increases which have accrued under this endorsement during the period of insurance up to that renewal date

ii) the existing percentage increase will apply for the period of insurance from renewal.

All the terms and conditions of this part except in so far as they are varied hereby will apply as if they had been incorporated herein.

5. Deductible

Unless otherwise stated in each schedule endorsement 5 (A, B, C and/or D) applies jointly to all parts to which this endorsement is applied and not separately to each.

A. Each and Every Loss

The **insurer** will not be liable for the amount of any Deductible stated in the schedule in respect of each and every loss at each separate **building** and each individual **housing unit** at the **premises** as ascertained after the application of all other terms and conditions of the relevant parts including **average**.

However in the event of multiple excesses being payable by the same individual or legal entity in respect of any One Event at a single **building** such individual or legal entity shall only be liable for a single Deductible being the highest applicable.

B. Event

The **insurer** will not be liable for the amount of any Deductible stated in the schedule in respect of the total of all losses less the amount of the Non-ranking Deductible stated in the schedule arising from any one occurrence as ascertained after the application of all other terms and conditions of the relevant parts including **average**. In the event of the losses exceeding the Event any such excess amount will be payable hereunder less the amount of the Non-ranking Deductible stated in the schedule.

For losses attributed separately to, caused by or resulting from Insured Perils Storm, Storm or Flood, Escape of Water or Sprinkler Leakage an occurrence means any separate period of 72 consecutive hours during the currency of this part.

All losses to be taken into account in arriving at the Event will be notified to the **insurer**.

C. Annual Aggregate Limit

If during the annual period of insurance the aggregate of the amounts borne by the **insured** under the terms of A. or B. above exceeds the amount of the Annual Aggregate Limit stated in the schedule such excess amount will be payable hereunder less the amount of the Non-ranking Deductible stated in the schedule .

All losses to be taken into account in arriving at the aggregate figure will be notified to the **insurer**.

D. Annual Aggregate Deductible

The **insured** will bear all losses as ascertained after the application of all other terms and conditions of the relevant parts including **average** in each separate period of insurance up to but not exceeding in aggregate the amount stated in the schedule less the amount of the Non-ranking Deductible stated in the schedule. In the event of the losses exceeding the aggregate any such excess amount will be payable hereunder less the amount of the Non-ranking Deductible stated in the schedule.

All losses to be taken into account in arriving at the aggregate will be notified to the **insurer**.

6. Named Diseases, Murder, Suicide or Rape

The insurance in respect of each item under this part includes loss resulting from interruption of or interference with the **business** carried on by the **insured** at the **premises** in consequence of:

a) i) any occurrence of a Named Disease at the **premises** or attributable to food or drink supplied from the **premises**

ii) any discovery of an organism at the **premises** likely to result in the occurrence of a Named Disease

b) the discovery of vermin or pests at the **premises**

c) any accident causing defects in the drains or other sanitary arrangements at the **premises**

which causes restrictions on the use of the **premises** on the order or advice of the competent local authority

d) any occurrence of murder, suicide or rape at the **premises**.

Provided always that:

i) Named Disease will mean illness sustained by any person resulting from:

1) food or drink poisoning

2) one of the following specified human infectious or human contagious diseases:

Acute encephalitis	Malaria	Scarlet fever
Acute poliomyelitis	Measles	Smallpox
Bubonic plague	Meningitis	Tetanus
Cholera	Meningococcal infection	Tuberculosis
Diphtheria	Mumps	Typhoid fever
Dysentery	Ophthalmia neonatorum	Typhus fever
Legionellosis	Paratyphoid fever	Viral haemorrhagic
Legionnaires disease	Rabies	Viral hepatitis
Leprosy	Relapsing fever	Whooping cough
Leptospirosis	Rubella	Yellow fever

an outbreak of which the competent local authority has stipulated will be notified to them.

ii) For the purposes of this clause:

1) Indemnity Period will mean the period during which the results of the **business** are affected in consequence of the occurrence, discovery or accident beginning with the date from which the restrictions on the **premises** are applied or in the case of d) above with the date of the occurrence and ending not later than the Maximum Indemnity period thereafter.

2) Maximum Indemnity Period will mean 3 months.

iii) In the event that this part includes an extension which deems loss at other locations to be loss at the **premises** such extension will not apply to this clause.

iv) The **insurer** will not be liable under this clause for:

1) loss arising from restrictions on the use of the **premises** in consequence of an emergency prohibition notice or emergency prohibition order being served against the **insured** or the manager of the **premises** in relation to a breach of the Food Safety Act 1990, General Food Regulations 2004 or Food Hygiene Regulations 2006 including any amendments or re-enactment thereto

2) any costs incurred in the cleaning, repair, replacement, recall or checking of **property**.

v) The **insured** will comply with all issues identified as contraventions arising from a Food Premises Inspection Report within the timescales stated in such report.

vi) The **insured** will notify the **insurer** immediately of any prohibition notice, emergency prohibition notice or emergency prohibition order served against them or the manager of the **premises** in relation to a breach of the Food Safety Act 1990, General Food Regulations 2004 or Food Hygiene Regulations 2006 including any amendments or re-enactment thereto.

vii) The **insurer** will only be liable for the loss arising at those **premises** which are directly affected by the occurrence, discovery or accident and then only for an amount not exceeding £100,000 any One Event and in the aggregate in any one period of insurance.

7. Inclusion of Fire Lightning and Explosion

Part K section 3 – special exclusions 1 – Causes Excluded is inoperative.

8. Specified Suppliers

The insurance in respect of each item under this part includes loss resulting from interruption of or interference with the **business** carried on by the **insured** at the **premises** in consequence of Damage to **property** at the premises of the suppliers as stated in the schedule such loss being deemed to be an Incident.

Provided always that the **insurer's** liability under this endorsement will not exceed £250,000 any One Event.

9. Garaged Motor Vehicles

The insurance under this part includes motor vehicles belonging to the **insured** whilst garaged at the **premises** in the occupation of the **insured**.

The cover provided under this part will be based on the market value of the vehicles at the date of **damage**.

Provided always that the **insurer's** limit of liability will not exceed the sum insured as stated in the schedule.

10. Departmental Clause

If the **business** is conducted in departments the independent trading results of which are ascertainable the provisions of:

a) loss of Gross Profit or Gross Revenue; and

b) Increase in Cost of Working

will apply separately to each department affected by the Incident. Provided always that if the sum insured by the said item be less than the aggregate of the sums produced by applying the Rate of Gross Profit or Standard Gross Revenue for each department of the **business** whether affected by the Incident or not to its relative Annual Turnover or Annual Gross Revenue or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds 12 months the amount payable will be proportionately reduced.

11. Theft of the Fabric of the Buildings

The **insurer** will indemnify the **insured** for the cost of repair or reinstatement subsequent to **damage** to the fabric of the **buildings** as stated in the schedule which directly results from its theft or attempted theft where the **insured** is legally responsible for the cost of repairing such **damage** provided always that the liability of the **insurer** will not exceed the sum insured stated in the schedule.

Clause

1. **Non-Aggregation of Limits**
   In respect of Parts D, E, F, G and H where there are Optional Extensions or General Extensions of the same name under multiple parts the **insurer** shall only be liable for a single limit in respect of any one **event** and in any one period of insurance, being the largest applicable.

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