

**HOUSEHOLD AND EQUESTRIAN
ESTABLISHMENT COMBINED
INSURANCE**

EFFECTED THROUGH

**KBIS British Equestrian Insurance
Cullimore House
Peasemore
Newbury
Berkshire
RG20 7JN**

THIS POLICY IS UNDERWRITTEN

BY

**CANOPIUS MANAGING AGENTS LIMITED
As detailed in the Policy Terms & Conditions**

The Insured is requested to read the attached Schedule and, if it is incorrect, return it immediately for alteration.

Where the context allows and unless otherwise stated, any word or expression to which a specific meaning has been attached in any part of this Certificate or the Schedule and Endorsements (if any) attached hereto shall bear that meaning wherever it may appear.

The due observance of the terms, provisions and conditions of this Insurance by the Insured in so far as they relate to anything to be done or complied with by the Insured shall be a condition precedent to any liability of the Insurers to make any payment under this Insurance.

Your attention is particularly drawn to General Condition 7 – Due Diligence.

Complaints Procedure

Any complaint should be addressed in the first instance to

KBIS Limited
Cullimore House
Peasemore
Newbury
Berkshire RG20 7JN
Telephone: 01635 247474
Email: ask@kbis.co.uk

In the event of the situation not being resolved the **Insured** may in certain circumstances contact the Complaints Department at Lloyd's at the following address:

Policyholder and Market Assistance
One Lime Street
London
EC3M 7HA
Telephone: 020 7327 5693
Fax No: 020 7327 5225
Email: Complaints@Lloyds.com

Complaints that cannot be resolved by the Complaints Department may be referred to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process.

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR
Helpline: 0800 023 4567
Switchboard: 020 7964 1000
Website: www.financial-ombudsman.org.uk

Syndicate 4444 is managed by Canopus Managing Agents Limited registered number 01514453. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered Office: Gallery 9, One Lime Street, London EC3M 7HA. Registered in England and Wales.'

CLAIMS NOTIFICATION

In the event of a claim or possible claim under this insurance:

- (i) the Insured must notify the Insurers as soon as possible, but no later than seven days after the date of discovery thereof in respect of loss by theft, giving full details of what has happened.
- (ii) the Insured must provide the Insurers with written details of what has happened within 30 days and provide any other information and assistance the Insurers may reasonably require.
- (iii) the Insured must immediately forward to the Insurers, if a claim for liability is made against the Insured, any letter, claim, writ, summons or other legal document that the Insured receives.
- (iv) **THE INSURED MUST NOT ADMIT LIABILITY OR OFFER OR AGREE TO SETTLE ANY CLAIM WITHOUT THE INSURERS' WRITTEN PERMISSION.**
- (v) the Insured must advise the Insurers in writing immediately the Insured has knowledge of any impending prosecution, inquest or fatal accident enquiry in connection therewith.
- (vi) the Insured must inform the Police as soon as reasonably possible following Malicious Acts, Violent Disorder, Riots or Civil Commotion, Theft, Attempted Theft or lost Property.

Failure to comply with the above may invalidate this insurance.

The Insurers are entitled to:-

- (1) take full responsibility for conducting, defending or settling any claim in the Insured's name.
- (2) take any action they consider necessary to enforce their rights or the rights of the Insured under this insurance.

Notice shall be deemed to have been given to the Insurers if sent by pre-paid letter post properly addressed to the Insurance Broker specified herein.

CLAIMS NOTIFICATION

In the event of a claim or possible claim under this insurance the Insured should notify Davies Managed Systems on 0344 856 2425 or e mail newclaims.canopuscommercial@davies-group.com

Information You have to provide to us

In deciding to accept this Policy and in setting the terms and premium, The Insurer has relied on the information **You** have given **The Insurer**. **You** must take care when answering any questions asked by ensuring that all information provided is accurate and complete.

If The Insurer establishes that **You** deliberately or recklessly provided **The Insurer** with false or misleading information The Insurer will treat **Your** Policy as if it never existed and decline all claims. The Insurer may not return premium already paid by **You** in this situation.

If The Insurer establishes that **You** provided **The Insurer** with false, incomplete or misleading information, it can adversely affect **Your** Policy and any claim.

For example:

- Where The Insurer could have accepted the risk and offered **You** a Policy but The Insurer would have charged a higher premium, The Insurer may only pay a percentage of any claim that **You** make under the Policy. **The Insurer** would do this by considering the premium **The Insurer** actually charged as a percentage of the higher premium **The Insurer** would have charged and then paying **You** the same percentage of any claim

So, as an example: if the premium **The Insurer** actually charged was £250 (two hundred and fifty pounds) and the higher premium **The Insurer** would have charged was £1,000 (one thousand pounds), then the premium **The Insurer** actually charged represents 25% (twenty-five percent) of the higher premium **The Insurer** would have charged and **The Insurer** shall only pay 25% (twenty-five percent) of any claim;

- **The Insurer** may treat this Policy as if it had never existed and refuse to pay all claims and return the premium, subject to a deduction for any commission paid to **Your Broker**. **The Insurer** will only do this if the false, incomplete or misleading information means that **The Insurer** provided **You** with insurance cover when **The Insurer** would not otherwise have offered it at all had the risk been fairly presented;
- if **The Insurer** would have written the risk on different terms had it been fairly presented, **The Insurer** may amend the Policy to include these terms. **The Insurer** may apply these amended terms as if they were already in place before a claim is made;
- **The Insurer** may cancel **Your** Policy in accordance with its cancellation provisions

The Insurer will write to **You** if **The Insurer**:

- intend to treat **Your** Policy as if it never existed; or
- amend the terms of **Your** Policy; or
- reduce **Your** claim in accordance with the above

If **You** become aware that information **You** have given **The Insurer** is inaccurate or incomplete, **You** must inform **The Insurer** as soon as practicable.

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CONTINGENCY DEFINITIONS

1. **FIRE** (whether resulting from explosion or otherwise) but excluding:-
 - (a) explosion occasioned by fire.
 - (b) earthquake or subterranean fire.
 - (c) loss of or damage to the Property Insured occasioned by its own spontaneous fermentation or heating or its undergoing any process involving the application of heat.

LIGHTNING.

EXPLOSION:-

 - (i) of boilers used for domestic purposes only
 - (ii) in a building not being part of any gas works, of gas used for domestic purposes or used for lighting or heating the building

but excluding loss or damage caused by earthquake or subterranean fire.
- 2A. **EXPLOSION** excluding:-
 - (a) loss or damage occasioned by the bursting of a boiler, economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Insured.
 - (b) loss of or damage to or destruction of vessels, machinery or apparatus or their contents resulting from the explosion thereof.
- 2B. **EXPLOSION** excluding:-
 - (a) loss or damage by explosion (other than loss or damage by fire resulting from explosion) occasioned by the bursting of any vessel, machine or apparatus (not being a boiler or economiser on the premises) in which internal pressure is due to steam only and belonging to or under the control of the Insured.
 - (b) loss sustained in consequence of the Insured being deprived of the use of any vessel, machine or apparatus (not being a boiler or economiser on the premises) or its contents as the result of the explosion thereof.
3. **AIRCRAFT** and other flying devices or items dropped from them.
4. **RIOT, CIVIL COMMOTION, VIOLENT DISORDER, STRIKERS, LOCKED-OUT WORKERS, or PERSONS TAKING PART IN LABOUR DISTURBANCES OR ACTING MALICIOUSLY**, excluding:-
 - (a) loss or damage occasioned by or happening through confiscation or destruction or requisition by order of the government or any public authority.
 - (b) loss or damage resulting from cessation or interruption of work.
 - (c) loss or damage by theft or attempted theft.
 - (d) in respect of Buildings of private dwellings, loss or damage whilst the said Buildings are not furnished enough to be normally lived in.
5. **EARTHQUAKE.**
6. **SUBTERRANEAN FIRE.**
7. **STORM OR TEMPEST** excluding:-
 - (a) loss or damage by:-
 - (i) the escape of water from the normal confines of any natural or artificial water course (other than water tanks, apparatus or pipes) or lake, reservoir, canal or dam
 - (ii) inundation from the sea

whether resulting from storm or tempest or otherwise.

 - (b) in respect of Buildings, loss or damage by lightning, frost, weight of snow, subsidence, heave or landslip, or attributable solely to change in the water table level.
 - (c) in respect of Buildings, loss of or damage to fences, gates, domestic fixed fuel oil tanks in the open, swimming pools, tennis courts, drives, patios and terraces.
 - (d) loss of or damage to moveable Property in the open other than livestock.
8. **FLOOD** excluding:-
 - (a) in respect of Buildings, loss or damage by lightning, frost, weight of snow, subsidence, heave or landslip, or attributable solely to change in the water table level.
 - (b) in respect of Buildings, loss of or damage to fences, gates, domestic fixed fuel oil tanks in the open, swimming pools, tennis courts, drives, patios and terraces.
 - (c) loss of or damage to moveable Property in the open other than livestock.
9. **WEIGHT OF SNOW** excluding:-
 - (a) in respect of Buildings, loss or damage by frost, subsidence, heave or landslip.
 - (b) in respect of Buildings, loss of or damage to fences, gates, domestic fixed fuel oil tanks in the open, swimming pools, tennis courts, drives, patios and terraces.
 - (c) loss of or damage to moveable Property in the open.
10. **ESCAPE OF WATER** from fixed water tanks, apparatus or pipes excluding in respect of Buildings:-

- (a) loss or damage caused by frost, weight of snow, subsidence, heave or landslip.
 - (b) loss of or damage to domestic fixed fuel oil tanks and swimming pools.
 - (c) loss or damage by water discharged or leaking from an automatic sprinkler installation.
 - (d) of private dwellings, loss or damage whilst the said Buildings are not furnished enough to be normally lived in.
 - (e) of the Equestrian Establishment, loss or damage whilst the said Buildings are disused.
11. **FROST DAMAGE** to fixed water tanks, apparatus or pipes excluding:-
- (a) loss or damage caused by weight of snow, subsidence, heave or landslip.
 - (b) loss of or damage to domestic fixed fuel oil tanks and swimming pools.
 - (c) loss or damage whilst the Buildings are not furnished enough to be normally lived in.
12. **ESCAPE OF OIL** from a fixed domestic oil-fired heating installation and smoke damage caused by a fault in any fixed domestic heating installation excluding:-
- (a) loss or damage due to wear and tear or any gradually operating cause.
 - (b) loss or damage caused by faulty workmanship.
 - (c) in respect of Buildings of private dwellings, loss or damage whilst the said Buildings are not furnished enough to be normally lived in.
13. **THEFT OR ATTEMPTED THEFT** excluding:-
- (a) in respect of Buildings and Contents of private dwellings:-
 - (i) loss of or damage to Buildings whilst the said Buildings are not furnished enough to be normally lived in.
 - (ii) loss or damage whilst the private dwelling is lent, let or sublet unless the loss or damage is caused by or follows a violent and forcible entry.
 - (iii) any amount over £500.- or 3% of the Contents sum insured (whichever is greater) for contents of detached domestic outbuildings and garages.
 - (b) in respect of other Buildings and Contents:-
 - (i) loss or damage occurring whilst the Equestrian Establishment is not open for business purposes unless involving entry to or exit from the Premises by forcible and violent means or following assault or violence or threat of assault or violence.
 - (ii) loss of or damage to gaming, amusement, vending or change machines or their contents unless specifically insured.
 - (iii) loss of or damage to cash, bank and currency notes, cheques, money orders, postal orders, bankers drafts, current postage stamps, National Insurance stamps (whether affixed to cards or otherwise), National Savings Certificates, premium bonds, luncheon vouchers, credit card sales vouchers, trading stamps, unexpired units in franking machines, gift tokens, consumer redemption vouchers and V.A.T. purchase invoices.
 - (iv) loss or damage caused by or in collusion with any person lawfully on the Premises.
 - (v) loss of or damage to Property in any yard or open space.
 - (vi) loss or damage by any person obtaining any of the Property by deception.
14. **IMPACT** by any mechanically propelled vehicle or any animal not belonging to or under the control of the Insured or any Employee of the Insured.
15. **IMPACT** by any mechanically propelled vehicle or any animal belonging to or under the control of the Insured or any Employee of the Insured.
16. **SUBSIDENCE OR HEAVE** of the site upon which the Buildings stand or **LANDSLIP** excluding:-
- (a) in respect of Buildings, loss of or damage to domestic fixed fuel oil tanks, swimming pools, tennis courts, drives, patios and terraces, walls, gates and fences unless the private dwelling is affected at the same time by the same event.
 - (b) loss of or damage to solid floors unless the walls of the Building are lost or damaged at the same time by the same event.
 - (c) loss or damage arising from faulty design, specification, workmanship or materials.
 - (d) loss or damage which compensation has been provided for or would have been but for the existence of this insurance under any contract or guarantee or by law.
 - (e) loss or damage by settlement or movement of made-up ground or by coastal or river erosion.
 - (f) loss or damage by normal settlement or bedding down of new structures.
 - (g) loss or damage whilst the Buildings are undergoing erection, demolition, structural repairs, alterations or extensions.
17. **BREAKAGE** or **COLLAPSE** of fixed **RADIO** and **TELEVISION AERIALS**, fixed **SATELLITE DISHES** and their fittings and masts excluding loss of or damage to radio and television aerials, satellite dishes, their fittings and masts.
18. **FALLING TREES, TELEGRAPH POLES OR LAMP-POSTS** excluding:-
- (a) in respect of Buildings, loss of or damage to gates and fences.
 - (c) loss or damage caused by trees being cut down or cut back within the Premises.

19. **ALL RISKS OF PHYSICAL LOSS OR DAMAGE** excluding:-
- A. loss or damage or Consequential Loss caused by:-
- (1) inherent vice, latent defect, any gradually operating cause, wear and tear, frost (not applicable in respect of Section 1), change in water table level, the insured item's own faulty or defective design or materials
 - (2) faulty or defective design, materials or workmanship, operational error or omission on the part of the Insured or any of their Employees
 - (3) explosion occasioned by the bursting of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Insured other than:-
 - in respect of Section 1 - a boiler used for domestic purposes only
 - in respect of Section 2 - any boiler or economiser on the premises
 - (4) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds but this shall not exclude subsequent loss or damage or Consequential Loss resulting from an ensuing cause which is not otherwise excluded.
- B. loss or damage or Consequential Loss caused by:-
- (1) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
 - (2) change in temperature, colour, flavour, texture or finish
 - (3) joint leakage, failure of welds, nipple leakage, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith
 - (4) mechanical or electrical faults or breakdown of machinery or equipment
 - (5) in respect of Section 10 only - the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services
- but this shall not exclude:-
- such loss or damage or Consequential Loss if resulting from a cause which is not otherwise excluded, or
 - subsequent loss or damage or Consequential Loss resulting from an ensuing cause which is not otherwise excluded.
- C. loss or damage or Consequential Loss caused by pollution or contamination.
- D. loss or damage or Consequential Loss caused by:-
- (1) acts of fraud or dishonesty.
 - (2) disappearance, unexplained or inventory shortage, misfiling or misplacing of information.
 - (3) (in respect of Section 10) erasure or distortion of information on computer systems or other records:-
 - (a) while mounted in or on any machine or data processing apparatus, or
 - (b) due to the presence of a magnetic flux
- unless caused by loss of or damage to the machine or apparatus in which the records are mounted, used by the Insured at the Premises for the purpose of the Business.
- (4) (in respect of Sections 9 and 10) Subsidence, ground heave or landslip.
 - (5) normal settlement or bedding down of new structures.
 - (6) theft or attempted theft unless the loss or damage would have been covered by Contingency 13 hereof if such contingency had been Included in respect of the lost or damaged Property.
- E. loss or damage or Consequential Loss in respect of a building or structure caused by its own collapse or cracking.
- F. loss or damage or Consequential Loss in respect of moveable Property in the open, fences and gates by wind, rain, hail, sleet, snow, flood or dust.
- G. loss or damage or Consequential Loss resulting from the Property insured undergoing any process of production, packing, treatment, testing, commission, servicing or repair.
- H. loss or damage or Consequential Loss resulting from loss of or damage to:
- (1) fixed glass.
 - (2) glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects.
 - (3) computers or data processing equipment.
- unless the loss or damage would have been covered under this insurance by the terms of Contingencies 1 to 18 inclusive hereof if such Contingencies had been Included in respect of the lost or damaged Property.
- I. Unless specifically mentioned as insured - loss of or damage to:-
- (1) jewellery, precious stones, precious metals, bullion, furs, curiosities, works of art or rare books
 - (2) Property in transit
 - (3) Money, cheques, stamps, bonds, Credit Cards or securities of any description
 - (4) vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
 - (5) Property or structures in the course of construction or erection and materials or supplies in connection with all such Property in course of construction or erection
 - (6) land, roads, pavements, piers, jetties, bridges, culverts or excavations
 - (7) livestock, growing crops or trees

(8) explosives

or Consequential Loss arising from such loss or damage.

J. loss or damage or Consequential Loss resulting from loss or damage that would have been specifically excluded from this insurance by the terms of Contingencies 1 to 18 inclusive hereof if such Contingencies had been Included in respect of the lost or damaged Property.

OTHER DEFINITIONS

STANDARD CONSTRUCTION Built of brick, block, stone or concrete and roofed with slates, tiles, asphalt, metal or concrete.

BUILDINGS (Sections 1, 2 and 4)

- 1) The Home and its decorations
- 2) fixtures and fittings attached to the Home
- 3) permanently installed swimming pools, tennis courts, drives, patios and terraces, walls, gates and fences and fixed fuel tanks

the Property of the Insured and for which the Insured is legally responsible within the Premises named in the Schedule.

PREMISES

The address which is named in the Schedule.

HOME

The private dwelling of Standard Construction and the garages and outbuildings used for domestic purposes at the Premises shown in the Schedule.

BUILDINGS (Sections 9 and 10)

Buildings, Outbuildings and Annexes (constructed of brick, block, stone or concrete and roofed with slates, tiles, asbestos, concrete or metal unless otherwise stated) including Landlord's Fixtures and Fittings therein and thereon and Walls, Gates and Fences pertaining thereto, the Property of the Insured or for which the Insured is responsible.

CONTENTS (Sections 2, 3 and 4)

Household goods and personal Property, within the Home, which are owned by or are the legal responsibility of the Insured.

Contents includes:

- 1) tenant's fixtures and fittings.
- 2) radio and television aerials, satellite dishes, their fittings and masts which are attached to the Home.
- 3) Property in the open but within the Premises up to £250.- in total (other than radio and television aerials, satellite dishes, their fittings and masts which are attached to the Home).
- 4) Money and Credit Cards (as defined in Section 8) up to £300.- in total.
- 5) deeds and registered bonds and other personal documents up to £1,500.- in total.
- 6) stamps or coins forming part of a collection up to £1,250.- in total.
- 7) gold, silver, gold and silver plated articles, jewellery and furs up to £2,500.- or 10% of the sum insured for Contents whichever is less, within the private dwelling.
- 8) domestic oil in fixed fuel oil tanks up to £1,000.-.

Contents does NOT include:

- 1) motor vehicles (other than garden machinery), caravans, trailers or watercraft or their accessories.
- 2) any living creature.
- 3) any part of the Buildings.
- 4) any Property held or used for business purposes.
- 5) any Property insured under any other insurance.

CONTENTS (Section 9)

The contents of the Establishment Buildings including Machinery, Plant and Tenant's Improvements and Decorations (excluding Landlord's Fixtures and Fittings and Property more specifically insured) the Property of the Insured or for which the Insured is legally responsible.

SANITARY WARE

Washbasins, sinks, bidets, lavatory pans and cisterns, shower trays, shower screens, baths and bath panels.

VALUABLES

- 1) jewellery.
- 2) furs.
- 3) gold, silver and silver plated articles.
- 4) pictures.

PERSONAL POSSESSIONS

Clothing, baggage, guns, sports equipment and other similar items normally carried about the person and all of which belong to the Insured.

Personal Possessions does NOT include:

- 1) Money and Credit Cards (as defined in Section 8).
- 2) pedal cycles.

UNITED KINGDOM

The 'United Kingdom' will include England, Wales, Scotland, Northern Ireland, the Isle of Man and the Channel Islands, and journeys between these countries.

EUROPE

Europe' will include:

- 1) all Mediterranean Islands;
- 2) all countries with a Mediterranean shoreline;
- 3) the Canary Islands;
- 4) Madeira;

and journeys between these countries.

PROPERTY

Material property.

EMPLOYEE

- 1) Any person under a contract of service or apprenticeship with the Insured or any person paid "in-kind".
- 2)
 - (a) Any labour master or labour only sub-contractor or person supplied by any of them
 - (b) Any self employed person
 - (c) Any person under a contract of service or apprenticeship with another employer and who is hired to or borrowed by the Insured
 - (d) Any person participating in any Government or otherwise authorised work experience, training, study, exchange or similar scheme
 - (e) Any casual labourer

whilst engaged in working for the Insured in connection with the Business but excluding domestic staff employed in connection with the Premises as provided for under Section 3.

PRODUCTS

Any goods or products (including containers, labelling, instructions or advice provided in connection therewith) sold, supplied, erected, repaired, altered, treated, transported, serviced or installed by the Insured in the course of the Business.

SECTION 1 - Household Buildings

The Insurers agree that if during the Period of Insurance the Buildings be lost, destroyed or damaged by any of the Contingencies included herein, the Insurers will pay to the Insured the full cost of repair of the lost or damaged Buildings provided that:-

- (1) the Buildings were in a good state of repair immediately prior to the loss or damage. If the Buildings were not in good repair immediately prior to the loss or damage the Insurers will deduct an amount off for wear and tear from the cost of any replacement or repair.
- (2) the sum insured is enough to pay for full cost of rebuilding the Buildings in their present form.
- (3) the damage has been repaired or loss has been reinstated.
- (4) the liability of the Insurers in any one Period of Insurance shall in no case exceed the sum insured for Section 1 as set forth in the Schedule.

INCLUDED CONTINGENCIES (as defined)

	<u>Deductible</u>
1. Fire	£ 100.-
1A. Lightning	£ 100.-
2A. Explosion	£ 100.-
3. Aircraft	£ 100.-
4. Riot	£ 100.-
5. Earthquake	£ 100.-
6. Subterranean Fire	£ 100.-
7. Storm	£ 100.-
8. Flood	£ 100.-
9. Weight of Snow	£ 100.-
10. Escape of Water	£ 100.-
11. Frost	£ 100.-
12. Escape of Oil	£ 100.-
13. Theft	£ 100.-
14. Third Party Impact	£ 100.-
15. Own Vehicle Impact	£ 100.-
16. Subsidence	£ 1,000.-
17. Falling Aerials	£ 100.-
18. Falling Trees	£ 100.-

Deductible means the amount(s) stated above which is/are excluded from the insurance by this Section.

All losses or series of losses arising out of one occurrence in respect of each Contingency shall be adjusted separately and ascertained after the application of all other terms and conditions of this Section and insurance including any underinsurance condition. Such adjusted loss shall be reduced by the amount of the Deductible.

SECTION 1 ALSO COVERS:-

- A)** the cost of repairing accidental damage to:
- 1) fixed glass and double glazing (including the cost of replacing frames)
 - 2) solar panels
 - 3) Sanitary Ware
 - 4) ceramic hobs
- all forming part of the Buildings.

Excluding:-

- a) loss or damage while the Buildings are not furnished enough to be normally lived in.
- b) the first £100.- of every claim.

- B)** the cost of repairing accidental damage to:
- 1) domestic oil pipes
 - 2) underground water-supply pipes
 - 3) underground sewers, drains and septic tanks
 - 4) underground gas pipes
 - 5) underground cables
- for which the Insured is legally responsible.

Excluding:-

- a) loss or damage due to wear and tear or any gradually operating cause.
- b) the first £100.- of every claim.

- C) 1) loss of rent due to the Insured which the Insured is unable to recover
2) additional costs of alternative accommodation, substantially the same as the Insured's existing accommodation, which the Insured has to pay for while the Buildings cannot be lived in following loss or damage which is covered under Section 1.
Excluding any amount over 10% of the sum insured for the Buildings lost or damaged.

- D) expenses the Insured has to pay and which the Insurers have agreed in writing for:
1) architects', surveyors', consulting engineers' and legal fees
2) the cost of removing debris and making safe the building
3) costs the Insured has to pay in order to comply with any Government or local authority requirements following loss of or damage to the Buildings which is covered under Section 1.

Excluding:-

- a) any expenses for preparing a claim or an estimate of loss or damage.
b) any costs if Government or local authority requirements have been served on the Insured before the loss or damage.
- E) increased metered water charges the Insured has to pay following an escape of water which gives rise to an admitted claim under Contingency 10.

The Insurers will not pay more than £750.- in any Period of Insurance. If the Insured claims for such loss under Sections 1 and 2, the Insurers will not pay more than £750.- in total.

- F) anyone buying the Home who will have the benefit of Section 1 until the sale is completed or the insurance ends, whichever is sooner.

The Insurers will not be liable if the Buildings are insured under any other insurance.

THE FOLLOWING EXTENSION APPLIES ONLY IF THE SCHEDULE SHOWS THAT ACCIDENTAL DAMAGE TO THE BUILDINGS IS "INCLUDED".

SECTION 1 ALSO COVERS ACCIDENTAL DAMAGE TO THE BUILDINGS.

The Insurers shall not be liable:

- a) for loss or damage or any proportion of loss or damage which is specifically excluded elsewhere under Section 1.
b) for the Buildings moving, settling, shrinking, collapsing or cracking.
c) for loss or damage while the Home is being altered, repaired, cleaned, maintained or extended.
d) for loss of or damage to outbuildings and garages which are not of Standard Construction.
e) for loss or damage while the Home is lent, let or sublet.
f) for the cost of general maintenance.
g) for loss or damage caused by wear and tear, infestation, corrosion, damp, wet or dry rot, mould or frost or any other gradually operating cause.
h) for loss or damage arising from faulty design, specification, workmanship or materials.
i) for loss or damage from mechanical or electrical faults or breakdown.
j) for loss or damage caused by dryness, dampness, extremes of temperature or exposure to light.
k) for loss of or damage to swimming pools, tennis courts, drives, patios and terraces, walls, gates and fences and fuel tanks.
l) for any loss or damage caused by or contributed to by or arising from any kind of pollution and/or contamination.
m) for the first £100.- of every claim.

SECTION 1 - MEMORANDA

- 1) **PAIRS AND SETS**
The Insurers will not pay the cost of replacing or repairing any undamaged parts of the Buildings which form part of a pair, set, suite or part of a common design or function when the loss or damage is restricted to a clearly identifiable area or to a specific part.
- 2) **AUTOMATIC REINSTATEMENT**
The Insurers will not reduce the sum insured under Section 1 after payment of a claim as long as the Insured agrees to carry out the Insurers' recommendations to prevent further loss or damage.
- 3) **UNDERINSURANCE**
If the Insured is under insured, which means the cost of rebuilding the Buildings at the time of loss or damage is more than the sum insured for the Buildings as set forth in the Schedule for Section 1 then the Insurers will only pay a proportion of the claim. For example if the said sum insured only covers one half of the cost of rebuilding the Buildings, the Insurers will only pay one half of the cost of repair or replacement.

SECTION 2 - Household Contents

The Insurers agree that if during the Period of Insurance the Contents within the Buildings be lost, destroyed or damaged by any of the Contingencies included herein, the Insurers will at their option repair, replace or pay for any article so lost or damaged.

In the event of total loss or destruction of any article the Insurers will pay the cost of replacing the article as new provided that:-

- 1) the new article is as close as possible to but not an improvement on the original article when it was new.
- 2) the Insured has paid for or the Insurers have authorised the cost of replacement.
- 3) this basis of settlement will not apply to clothes or pedal cycles where the Insurers will deduct an amount off for wear and tear and depreciation from the costs of any replacement or repair.

The liability of the Insurers in any one Period of Insurance shall in no case exceed the sum insured for Section 2 as set forth in the Schedule.

INCLUDED CONTINGENCIES (as defined)

1. Fire
- 1A. Lightning
- 2A. Explosion
3. Aircraft
4. Riot
5. Earthquake
6. Subterranean Fire
7. Storm
8. Flood
9. Weight of Snow
10. Escape of Water
12. Escape of Oil
13. Theft
14. Third Party Impact
15. Own Vehicle Impact
16. Subsidence
18. Falling Trees

SECTION 2 ALSO COVERS:-

A) accidental damage to:

- 1) televisions, satellite decoders
 - 2) audio and video equipment
 - 3) radios
 - 4) home computers, video cassette recorders
- all situated within the Home.

Excluding:-

- a) loss or damage or deterioration caused in the process of cleaning, repair, renovation, or dismantling.
- b) loss of or damage to tapes, records, cassettes, discs or computer software.
- c) mechanical or electrical faults or breakdown.

B) accidental breakage of:

- 1) fixed glass and double glazing
- 2) Sanitary Ware

forming part of the Buildings for which the Insured is legally responsible as a tenant and not covered by any other insurance.

- 3) mirrors.
- 4) glass tops and fixed glass in furniture.
- 5) ceramic hobs.

Excluding the cost of repairing, removing or replacing frames.

C) the Contents, if these are not already insured, whilst they are temporarily out of the Home against loss or damage directly caused by:

- (i) any of the events insured under the Included Contingencies for Section 2 while the Contents are:
 - 1) in any occupied private dwelling.
 - 2) in any Buildings where the Insured is living or working.
 - 3) in any building for valuation, cleaning or repair.
 - 4) in any furniture store.
 - 5) in any bank or safe deposit.

- (ii) Fire, Lightning, Explosion, Earthquake, Theft or Attempted Theft while the Contents are being moved to the Insured's new Home or to or from any bank, safe deposit or furniture store.

The Insurers shall not be liable for:-

- a) loss of or damage to Contents outside the United Kingdom.
- b) loss of or damage to Money or Credit Cards (as defined in Section 8).
- c) any amount over 20% of the sum insured under Section 2 for Contents in a furniture store.

- D)** up to twelve months rent for which the Insured is liable as occupier if the Buildings cannot be lived in following loss or damage which is covered under Section 2.

The Insurers shall not be liable for any amount over 10% of the sum insured under Section 2 for the Contents of the lost or damaged Buildings.

- E)** costs of using other accommodation, substantially the same as the Insured's existing accommodation, which the Insured will have to pay if the Buildings cannot be lived in following loss or damage which is covered under Section 2.

The Insurers shall not be liable for any amount over 10% of the sum insured under Section 2 for the Contents of the lost or damaged Buildings.

- F)** the Insured's legal responsibility as a tenant for loss of or damage to the Buildings caused by loss or damage which is covered under Section 2.

The Insurers shall not be liable for:-

- a) any amount over 10% of the sum insured under Section 2 for the Contents of the lost or damaged Buildings.
- b) loss or damage caused by Fire, Lightning or Explosion to the Buildings other than to the landlord's fixtures and fittings.
- c) loss or damage arising from Subsidence, Heave or Landslip.
- d) loss or damage caused by any person taking part in a Riot, Violent Disorder, Strike, Labour Disturbance, Civil Commotion or Acting Maliciously.
- e) loss or damage while the Buildings are not furnished enough to be normally lived in.
- f) the first £100.- of every claim.

- G)** the cost of repairing accidental damage to:-

- 1) domestic oil pipes
- 2) underground water-supply pipes
- 3) underground sewers, drains and septic tanks
- 4) underground gas pipes
- 5) underground cables

for which the Insured is legally responsible as tenant only.

The Insurers shall not be liable for:-

- a) loss or damage due to wear and tear or any gradually operating clause.
- b) the first £100.- of every claim.

- H)** fatal injury to the Insured happening at the Premises shown in the Schedule, caused by outward and visible violence by Burglars or by Fire, provided that death ensues within twelve months of such injury, for the following amounts:

- 1) £10,000.- for each insured person over sixteen years of age,
 - 2) £5,000.- for each insured person under sixteen years of age,
- at the time of death.

- I)** costs which the Insured has to pay for replacing locks to safes, alarms and outside doors in the Home following theft or loss of keys.

The Insurers shall not be liable for any amount over £250.- in total.

- J)** increased metered water charges which the Insured has to pay following an escape of water which gives rise to an admitted claim under Contingency 10.

The Insurers shall not be liable for more than £750.- in any Period of Insurance. If the Insured claims for such loss under Sections 1 and 2, the Insurers will not pay more than £750.- in total.

THE FOLLOWING EXTENSION APPLIES ONLY IF THE SCHEDULE SHOWS THAT ACCIDENTAL DAMAGE TO CONTENTS IS "INCLUDED":

SECTION 2 ALSO COVERS ACCIDENTAL DAMAGE TO THE CONTENTS WITHIN THE HOME.

The Insurers shall not be liable:

- a) for loss or damage or any proportion of loss or damage which is specifically excluded elsewhere under Section 2.
- b) for loss of or damage to Contents within garages and outbuildings.
- c) for loss or damage or deterioration of any article caused by dyeing, cleaning, repair, renovation or whilst being worked upon.
- d) for loss or damage caused by chewing, tearing, scratching or fouling by animals.

- e) for any amount over £1,000.- in total for porcelain, china, glass and other brittle articles.
- f) for loss of or damage to Money or Credit Cards (as defined in Section 8), documents or stamps.
- g) for loss of or damage to contact, corneal or micro corneal lenses.
- h) for loss or damage while the Home is lent, let or sublet.
- i) for loss or damage caused by wear and tear, moth, vermin, infestation, corrosion, damp, wet or dry rot, mould or frost or any other gradually operating cause.
- j) for loss or damage arising out of faulty design, specification, workmanship or materials.
- k) for loss or damage from mechanical or electrical faults or breakdown.
- l) for loss or damage caused by dryness, dampness, extremes of temperature and exposure to light.
- m) for any loss or damage caused by or contributed to by or arising from any kind of pollution and/or contamination.
- n) for the first £100.- of every claim.

SECTION 2 - MEMORANDA

- 1) **PAIRS AND SETS**
The Insurers will not pay the cost of replacing or repairing any undamaged parts of the Contents which form part of a pair, set or suite or part of a common design or function when the loss or damage is restricted to a clearly identifiable area or to a specific part.
- 2) **AUTOMATIC REINSTATEMENT**
The Insurers will not reduce the sum insured under Section 2 after payment of a claim as long as the Insured agrees to carry out the Insurers' recommendations to prevent further loss or damage.
- 3) **UNDERINSURANCE**
If the Insured is under insured, which means the cost of replacing or repairing the Contents at the time of the loss or damage is more than the sum insured for the Contents as set forth in the Schedule for Section 2 then the Insurers will only pay a proportion of the claim. For example if the said sum insured only covers one half of the cost of replacing or repairing the Contents, the Insurers will only pay one half of the cost of repair or replacement.

SECTION 3 - Accidents to Domestic Staff

THIS SECTION APPLIES ONLY IF THE HOUSEHOLD CONTENTS ARE INSURED UNDER SECTION 2 OF THIS INSURANCE.

The Insurers agree to indemnify the Insured for amounts which the Insured shall become legally liable to pay, including costs and expenses which the Insurers have agreed in writing, for bodily injury (including death or disease) by accident happening during the Period of Insurance anywhere in the world to the Insured's domestic staff employed in connection with the Premises shown in the Schedule.

The Insurers shall not be liable for bodily injury (including death or disease) arising directly or indirectly:

- a) from any vehicle in Canada or the United States of America.
- b) from any vehicle used for racing, pacemaking or speed testing.
- c) from any communicable disease or condition.
- d) in Canada or the United States of America after the total period of stay has exceeded 30 days in the Period of Insurance.

UNDER THIS SECTION THE INSURERS WILL NOT PAY MORE THAN £2,000,000.- FOR ANY ONE ACCIDENT OR SERIES OF ACCIDENTS ARISING OUT OF ANY ONE EVENT, PLUS THE COSTS AND EXPENSES WHICH THE INSURERS HAVE AGREED IN WRITING.

SECTION 4 - Legal Liability to the Public

THIS SECTION APPLIES ONLY IF THE HOUSEHOLD BUILDINGS ARE INSURED UNDER SECTION 1 AND/OR THE HOUSEHOLD CONTENTS ARE INSURED UNDER SECTION 2 OF THIS INSURANCE.

PART A

Part A of this Section applies in the following way:

- 1) if the Buildings only are insured, the Insured's legal liability as owner only but not as occupier is covered under Part A(i) below.
- 2) if the Contents only are insured, the Insured's legal liability as occupier only but not as owner is covered under Part A(i) and Part A(ii) below.
- 3) if the Buildings and Contents are insured, the Insured's legal liability as owner or occupier is covered under Part A(i) and Part A(ii) below.

The Insurers agree under part A of this Section to indemnify:-

- (i) the Insured as owner or occupier for any amounts the Insured shall become legally liable to pay as damages for:
 - a) bodily injury (including death or disease)
 - b) damage to Propertycaused by an accident happening at the Premises during the Period of Insurance

OR

- (ii) the Insured as a private individual for any amounts the Insured shall become legally liable to pay as damages for:
 - a) bodily injury (including death or disease)
 - b) damage to Propertycaused by an accident happening anywhere in the world during the Period of Insurance.

This Section does not indemnify the Insured against any liability:

- a) for bodily injury (including death or disease) to:
 - 1) the Insured.
 - 2) any other permanent member of the Home.
 - 3) any person who at the time of sustaining such injury is engaged in the Insured's service.
- b) for bodily injury (including death or disease) arising directly or indirectly from any communicable disease or condition.
- c) for damage to Property owned by or in the charge or control of:
 - 1) the Insured.
 - 2) any other permanent member of the Home.
 - 3) any person engaged in the Insured's service.
- d) in Canada or the United States of America after the total period of stay in either or both countries has exceeded 30 days in the Period of Insurance.
- e) arising directly or indirectly out of any profession, occupation, business or employment.
- f) which has been assumed under contract and which would not otherwise have attached.
- g) arising out of the ownership, possession or use of:
 - i) any motorised or horsedrawn vehicle other than:
 - a) domestic gardening equipment used within the Premises and
 - b) pedestrian controlled gardening equipment used elsewhere.
 - ii) any power-operated lift.
 - iii) any aircraft or watercraft other than manually operated rowing boats, punts or canoes.
 - iv) any animal other than cats, horses, or dogs which are not designated as dangerous under the Dangerous Dogs Act 1991.
- h) in respect of any kind of pollution and/or contamination other than:
 - i) caused by a sudden, identified, unexpected and unforeseen accident which happens in its entirety at a specific moment of time during the Period of Insurance at the Premises named in the Schedule; and
 - ii) reported to the Insurers not later than 30 days from the end of the Period of Insurance;in which case all such pollution and/or contamination arising out of such accident shall be deemed to have happened at the time of such accident.
- i) arising out of the ownership, occupation, possession or use of any land or building that is not within the Premises.
- j) for which indemnity is provided under any other insurance, including but not limited to any horse or travel insurance, until such insurance(s) is exhausted.

PART B

The Insurers agree under part B of this Section to pay for sums which the Insured has been awarded by a court in the United Kingdom and which still remain outstanding three months after the award has been made provided that:

- 1) Part A(ii) of this Section would have indemnified the Insured had the award been made against the Insured rather than to the Insured.
- 2) there is no appeal pending.
- 3) the Insured agrees to allow the Insurers to enforce any right which the Insurers shall become entitled to upon making payment.

PART C

The Insurers agree under part C of this Section to indemnify the Insured for any amount the Insured shall become legally liable to pay under Section 3 of the Defective Premises Act 1972 or Article 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any Home previously owned and occupied by the Insured.

This Section shall not indemnify the Insured:

- a) for any liability if the Insured is entitled to indemnity under any other insurance.
- b) for the cost of repairing any fault or alleged fault.

UNDER THIS SECTION THE INSURERS WILL NOT PAY:

- A) IN RESPECT OF POLLUTION AND/OR CONTAMINATION:-
MORE THAN £2,000,000.- IN ALL.**
- B) IN RESPECT OF OTHER LIABILITY COVERED UNDER SECTION FOUR:-
MORE THAN £2,000,000.- FOR ANY ONE ACCIDENT OR SERIES OF ACCIDENTS ARISING OUT OF ANY ONE EVENT, PLUS THE COSTS AND EXPENSES WHICH THE INSURERS HAVE AGREED IN WRITING.**

SECTION 5 - Valuables and Personal Possessions

The Insurers agree that if during the Period of Insurance the Valuables and Personal Possessions listed in the Schedule (or specification(s) attached thereto) are physically lost or damaged whilst within the Geographical Limits shown in the Schedule, the Insurers will at their option repair, replace or pay for any article so lost or damaged.

The liability of the Insurers shall in no case exceed the sum(s) insured for Section 5 as set forth in the Schedule.

The Insurers will not pay:

- a) for loss or damage caused by moth, vermin, wear and tear or any gradually operating cause.
- b) for loss or damage from electrical or mechanical faults or breakdown.
- c) any amount over £1,000.- for any one item (including articles forming a pair or set) unless stated otherwise in the Schedule or the specification(s) attached to the Schedule.
- d) for loss or damage or deterioration of any article caused by dyeing, cleaning, repair, renovation or whilst being worked upon.
- e) for loss of or damage to guns caused by rusting or bursting of barrels.
- f) for breakage of any sports equipment whilst in use.
- g) for any loss of or damage to contact, corneal or micro corneal lenses.
- h) for theft or disappearance of jewellery from baggage unless such baggage is carried by hand and under the personal supervision of the Insured.
- i) the first £100.- of every claim in respect of unspecified items.
- j) for mobile telephones and computer equipment unless otherwise stated in the specification(s) attached to the Schedule.
- k) any amount over £500.- in total in respect of theft or disappearance of Property from any vehicle when such vehicle is left unattended without an authorised occupant.
- l) any amount over £2,000.- in total in respect of theft or disappearance of jewellery from hotel or motel rooms during the Insured's absence from such rooms.

SECTION 5 - MEMORANDA

1) PAIRS AND SETS

If any insured item consists of articles forming a pair or set with an insured value of £1,000.- or over:

- a) the Insurers will not pay for the cost of replacing any undamaged article forming part of such pair or set.
- b) the Insurers will not pay more than a proportion of the insured value of such pair or set.

2) UNDERINSURANCE

If the total value of unspecified items at the time of the loss or damage is more than the sum insured for such items as set forth in the Schedule for Section 5, then the Insurers will only pay for a proportion of the claim.

For example if the said sum insured only represents one half of the total value of unspecified items the Insurers will only pay one half of the cost of repair or replacement.

However, if Personal Possessions are lost or damaged away from the Home the Insurers will not take account of the value of Personal Possessions in the Home at the time of such loss or damage.

SECTION 6 - Domestic Freezer Contents

Section 2 of this insurance extends to cover the cost of replacing food in the Insured's fridge or freezer that is spoiled due to a change in temperature or contaminated by refrigeration fumes.

The Insurers will not pay:

- a) for loss or damage caused by any electricity or gas company cutting off or restricting supply.
- b) for loss or damage due to the failure of the electricity or gas supply caused by a strike or any other industrial action.

The liability of the Insurers shall in no case exceed the sum insured for Section 6 as set forth in the Schedule.

SECTION 7 - Pedal Cycle(s)

Section 2 of this insurance extends to cover the cost of repairing or replacing pedal cycle(s) following:

- a) theft or attempted theft
- b) accidental damage

anywhere in the United Kingdom.

The Insurers will not pay:

- a) for loss of or damage to:
 - 1) tyres,
 - 2) lamps,
 - 3) accessories,unless the cycle is lost or damaged at the same time.
- b) for loss or damage due to wear and tear or any gradually operating cause.
- c) for loss or damage from mechanical or electrical faults or breakdown.
- d) for loss or damage while the cycle is used for racing or pacemaking or is let out on hire or is used other than for private purposes.
- e) to replace a stolen cycle unless it was locked to an immovable object or kept in a locked building at the time of the theft.

The liability of the Insurers shall in no case exceed the sum insured for Section 7 as set forth in the Schedule.

SECTION 8 - Money and Credit Cards

Section 5 of this insurance extends to cover the following:

- 1) theft or accidental loss of Money
- 2) any amounts which the Insured becomes legally liable to pay as a result of unauthorised use following loss or theft of Credit Card(s) within the Geographical Limits shown in the Schedule, provided that:
 - i) within 24 hours of the discovery of any such loss or theft, the Insured has notified the police and, in the case of Credit Card(s), the card issuing company; and
 - ii) all other conditions under which the Credit Card(s) were issued have been complied with.

The Insurers will not pay:

- a) to make up any shortages due to error or omission.
- b) for loss of value.
- c) the first £100.- of every claim.

As used in this Section:

MONEY means

- (1) current legal tender, cheques, postal and money orders
- (2) postage stamps not forming part of a stamp collection
- (3) savings stamps and savings certificates, travellers' cheques
- (4) premium bonds, luncheon vouchers and gift tokens

all held for private or domestic purposes.

CREDIT CARDS means Credit Cards, charge cards, debit cards, bankers cards and cash dispenser cards.

The liability of the Insurers shall in no case exceed the sum(s) insured for Section 8 as set forth in the Schedule.

SECTION 9 - Establishment Buildings and Contents

The Insurers agree that if during the Period of Insurance the Property Insured or any part of such Property be lost, destroyed or damaged at the Premises by any of the Contingencies included herein, the Insurers will pay to the Insured the value of the Property at the time of the happening of the loss or damage or at their option reinstate or replace such Property or any part thereof.

Provided that the liability of the Insurers in any one Period of Insurance shall in no case exceed:-

- (a) in respect of each Item the sum insured set forth in the Schedule for such item or in the whole the total sum insured for Section 9.
- (b) any limit of liability shown in this Section.

INCLUDED CONTINGENCIES (as defined)

DEDUCTIBLE

1.	Fire	£	100.-
1A.	Lightning	£	100.-
2A.	Explosion	£	100.-
3.	Aircraft	£	100.-
4.	Riot	£	250.-
5.	Earthquake	£	100.-
6.	Subterranean Fire	£	100.-
7.	Storm	£	250.-
8.	Flood	£	250.-
9.	Weight of Snow	£	250.-
10.	Escape of Water	£	250.-
13.	Theft	£	100.-
14.	Malicious Damage	£	100
15.	Third Party Impact	£	100.-
16.	Own Vehicle Impact	£	100.-
17.	Falling Trees	£	100.-

Deductible means the amount(s) stated above which is/are excluded from the insurance by this Section.

All losses or series of losses arising out of one occurrence in respect of each Contingency shall be adjusted separately and ascertained after the application of all other terms and conditions of this Section and insurance including any Condition of Average. Such adjusted loss shall be reduced by the amount of the Deductible.

Section 9 also covers (within the sum insured for Buildings) telephone, gas and water mains, electrical instruments, meters, piping, cabling and the like and the accessories thereof extending from the Buildings to the perimeter of the Premises or to the public mains including those underground.

SECTION 9 ALSO COVERS:-

- A)** the cost of repairing accidental damage to:
- 1) fixed glass and double glazing (including the cost of replacing frames)
 - 2) solar panels
 - 3) Sanitary Ware
 - 4) ceramic hobs
- all forming part of the Buildings.

Excluding: -

- a) loss or damage while the Buildings are not furnished enough to be normally lived in.
- b) the first £100. - of every claim.

- B)** the cost of repairing accidental damage to:
- 1) domestic oil pipes
 - 2) underground water-supply pipes
 - 3) underground sewers, drains and septic tanks
 - 4) underground gas pipes
 - 5) underground / overground cables
- for which the Insured is legally responsible.

Excluding:-

- a) loss or damage due to wear and tear or any gradually operating cause.
- b) the first £100.- of every claim.

SECTION 9 - MEMORANDA

- 1. ALARM AND PROTECTIONS CLAUSE
It is a condition precedent to the liability of the Insurers that:-

- (a) all protections provided for the safety of the insured Property shall be maintained in good order throughout the currency of this insurance and shall not be withdrawn, altered or varied without the prior consent of the Insurers and shall be in full and effective operation when the Premises are closed for business or left unattended,
- (b) any alarm forming part of the protections shall be maintained in good order throughout the currency of this insurance under a maintenance contract with the installing company or a member of NACOSS (National Approval Council for Security Systems).

2. **AUTOMATIC REINSTATEMENT OF LOSS**

In the event of loss under any Buildings Item or Contents Item of this Section and in the absence of written notice by the Insurers or the Insured to the contrary the sum insured thereby shall be reinstated from the time that the repair or replacement of the damaged or destroyed Property is commenced in consideration of which the Insured shall pay the appropriate extra premium on the amount of the loss from the date of the reinstatement of the sum insured to the date of expiry of the Period of Insurance.

3. **AVERAGE**

If the Insured is under insured, which means the value of the insured Property is more than the sum insured for the Property as set forth in the Schedule, then the Insurers will only pay a proportion of the claim. For example if the said sum insured only covers one half of the value of the Property, the Insurers will only pay one half of the cost of repair or replacement.

4. **CAPITAL ADDITIONS AND NEWLY ACQUIRED OR OCCUPIED PREMISES**

The insurance by this Section under Buildings and Contents shall, subject to its terms and conditions, extend to cover:-

- (a) alterations, additions and improvements to the Property insured thereby in so far as the same are not otherwise insured but not in respect of any appreciation in value, provided that the maximum liability under this extension shall not exceed 10% of the sum insured under the relative Item or £250,000.- whichever is the lesser, in respect of any one location. The Insured undertake to give particulars of such extension of cover at intervals not exceeding six months and to effect specific insurances thereon retrospective to the date of the commencement of the Insured's liability. Immediately such specific insurance is effected cover by this extension shall be fully reinstated. The amounts held covered hereunder shall be deemed to be sums insured for the purposes of Memorandum 3.
- (b) any newly acquired or newly erected Buildings or Buildings newly occupied by the Insured, in so far as the same are not otherwise insured, anywhere in Great Britain provided that the maximum liability under this extension shall not exceed 10% of the sum insured under the relative Item or £250,000.- whichever is the lesser, at any one location. The Insured undertake to give particulars of such extension of cover within six months of the date of commencement of the Insured's liability and to effect specific insurances thereon retrospective to that date. Immediately such specific insurance is effected cover by this extension shall be fully reinstated. The amounts held covered hereunder shall be deemed to be sums insured for the purposes of Memorandum 3.

NB: Any newly acquired or newly erected building or building newly occupied by the Insured which because of lease, mortgage or similar requirement is and will continue to be insured elsewhere is excluded from the provisions of this clause except in so far as the existing insurance does not include all the Contingencies insured by this Section. In such circumstances the building shall, subject to the terms and conditions of this Section, be deemed to be included in this insurance for the Contingencies hereby other than those covered by the existing insurance, provided that the Insured shall notify the Insurers of such other insurances thereon as soon as practical, and in any event within six months of the date of acquisition, and pay the appropriate premium required from inception of the additional cover.

5. **COST OF RE-ERECTION**

The insurance on Contents extends to include within the sum insured thereon the cost of re-erection, fitting and fixing machinery and plant in consequence of loss or damage.

6. **DAY ONE (NON-ADJUSTABLE) (Applicable to Items marked D on the Schedule)**

- 1. The Insured having stated in writing the Declared Value incorporated in each item to which this Memorandum applies, the said Declared Value being shown in brackets under the sum insured, the premium has been calculated accordingly.

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

- (i) the additional cost of reinstatement to comply with Public Authority requirements (as defined in the Public Authorities Memorandum).
- (ii) professional fees (as defined in the Professional Fees Memorandum).
- (iii) debris removal costs (as defined in the Debris Removal Memorandum).

2. At the inception of each period of insurance the Insured shall notify the Insurers of the Declared Value of the Property insured by each of the said Item(s). In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value for the ensuing Period of Insurance.
3. Notwithstanding any general indication or endorsement to the contrary the following wordings apply to Special Provisions 4 and 6 of the Reinstatement Memorandum:-
4. Each Item insured under this Memorandum is declared to be separately subject to the following Condition of Average, namely:-

If at the time of loss or damage the Declared Value of the Property covered by such item be less than the cost of reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum) at the inception of the Period of Insurance then the Insurers' liability for any loss or damage hereby insured shall be limited to that proportion thereof which the Declared Value bears to such cost of reinstatement.
5. Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under the insurance if this Memorandum had not been incorporated therein the rights and liabilities of the Insurers and the Insured in respect of the loss or damage shall be subject to the terms and conditions of the insurance including any Condition of Average therein, as if this Memorandum had not been incorporated therein except that the sums insured shall be limited to 115% of the Declared Values.
7. **DEBRIS REMOVAL**

The insurance by each Item of the Schedule on Buildings and Contents extends to include costs and expenses necessarily incurred by the Insured with the consent of the Insurers in removing debris, dismantling and demolishing, shoring up or propping, following loss of or damage to Property insured by this Section.

The liability of the Insurers in respect of any Item shall not exceed the sum insured or any lower Limit of Liability stated in the Schedule.

The Insurers will not pay for any costs or expenses:-

 - (a) incurred in removing debris except from the site of such Property lost or damaged and the area immediately adjacent to such site.
 - (b) arising from pollution or contamination of Property not insured hereunder.
8. **DESIGNATION OF PROPERTY**

For the purpose of determining where necessary the Item or heading under which any Property is insured, the Insurers agree to accept the designation under which such Property has been entered in the Insured's books or records.
9. **ELECTRICAL**

The Insurers will not be liable for damage to any part of any electrical plant or apparatus directly caused by its own over-running, excessive pressure, short-circuiting or self-heating, but if fire extends to and damages or destroys any other part of the plant or apparatus or other Property insured, such loss or damage is not hereby excluded.
10. **INTERESTED PARTIES**

Various parties are interested in this insurance and the names and interests of such parties are to be declared in the event of a loss.
11. **NON-INVALIDATION**

This Section shall not be invalidated by any act or omission or by any alteration whereby the risk of loss or damage is increased, unknown to or beyond the control of the Insured, provided that the Insured, immediately they become aware thereof shall give notice to the Insurers and pay an additional premium if required.
12. **PROFESSIONAL FEES**

The sum insured by each Item of the Schedule on Buildings and Contents includes an amount in respect of architects', surveyors', consultants' and legal fees necessarily incurred in the reinstatement of the Property insured consequent upon its loss or damage but not for preparing any claim.
13. **PUBLIC AUTHORITIES**

The insurance by this Section extends to include such additional cost of the reinstatement of the lost or damaged Property hereby insured as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Act of Parliament or with Bye-Laws of any Municipal or Local Authority provided that:-

 1. The amount recoverable under this Extension shall not include:-
 - (a) the cost incurred in complying with any of the aforesaid Regulations or Bye-Laws:-
 - (i) in respect of loss or damage occurring prior to the granting of this Extension.
 - (ii) in respect of loss or damage not insured by this Section.
 - (iii) under which notice has been served upon the Insured prior to the happening of the loss or damage.

- (iv) in respect of undamaged Property or undamaged portions of Property other than foundations (unless foundations are specifically excluded from the insurance by this Section) of that portion of the Property lost or damaged.
- (b) the additional cost that would have been required to make good the Property lost or damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen.
- (c) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the Property or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-Laws.
- 2. The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve months after the loss or damage or within such further time as the Insurers may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws so necessitate) subject to the liability of the Insurers under this Extension not being thereby increased.
- 3. If the liability of the Insurers under any item of this Section apart from this Extension shall be reduced by the application of any of the terms and conditions of this Section then the liability of the Insurers under this Extension in respect of any such Item shall be reduced in like proportion.
- 4. The total amount recoverable under any Item of this Section shall not exceed the sum insured thereby.
- 5. All the conditions of this Section except in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

14. REINSTATEMENT

It is hereby agreed that in the event of Property insured under this Section (other than stock and Materials in Trade) being lost or damaged the basis upon which the amount payable under each of the Items of this Section is to be calculated shall be the reinstatement of the Property lost or damaged, subject to the following special provisions and subject also to the terms and conditions of this insurance except in so far as the same may be varied hereby.

For the purposes of the insurance under this Memorandum "reinstatement" shall mean the carrying out of the aftermentioned work, namely:-

- (a) Where Property is destroyed, the rebuilding of the Property, if a building, or, in the case of other Property, its replacement by similar Property, in either case in a condition equal to but not better or more extensive than its condition when new.
- (b) Where Property is damaged, the repair of the damage and the restoration of the damaged portion of the Property to a condition substantially the same as but not better or more extensive than its condition when new.

Special Provisions

- 1. The work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Insurers not being thereby increased) must be commenced and carried out with reasonable despatch; otherwise no payment beyond the amount which would have been payable under the insurance if this Memorandum had not been incorporated therein shall be made.
- 2. When any Property insured under this Memorandum is lost or damaged in part only the liability of the Insurers shall not exceed the sum representing the cost which the Insurers could have been called upon to pay for reinstatement if such Property had been wholly destroyed.
- 3. No payment beyond the amount which would have been payable under this Section if this Memorandum had not been incorporated therein shall be made until the cost of reinstatement shall have been actually incurred.
- 4. Each Item under this Memorandum is declared to be separately subject to the following Condition of Average, namely:-
If at the time of reinstatement the sum representing 85 per cent of the cost which would have been incurred in the reinstatement if the whole of the Property covered by such Item had been destroyed exceeds the sum insured thereon at the breaking out of any fire or at the commencement of any loss of or damage to such Property by any other Contingency hereby insured against, then the Insured shall be considered as being his own Insurer for the difference between the sum insured and the sum representing the cost of reinstatement of the whole of the Property and shall bear a rateable proportion of the loss accordingly.
- 5. No payment beyond the amount which would have been payable under the insurance if this Memorandum had not been incorporated therein shall be made if at the time of any loss of or damage to any Property insured hereunder such Property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement set forth herein.
- 6. Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under the insurance if this Memorandum had not been incorporated therein the rights and liabilities of the Insurers and the Insured in respect of the loss or damage shall be subject to the terms and conditions of the insurance, including any Condition of Average therein, as if this Memorandum had not been incorporated therein.

15. **RENT**
The insurance on Rent applies only if any of the premises or any part thereof is unfit for occupation in consequence of loss or damage and then the amount payable shall not exceed such proportion of the sum insured on Rent thereof as the period necessary for reinstatement bears to the term of Rent insured.
16. **RENT RECEIVABLE**
It is understood and agreed that the Insurers will only be liable for Rent if any of the Premises are untenable in consequence of loss or damage. In such event the Insurers are in no case liable for more than the sum insured shown in the Schedule or the corresponding Rent receivable by the Insured during the period shown in the Schedule whichever may be less, on the Premises, or on so much of them as may be let at the time of the loss or damage, or for such a proportion thereof as the term during which the said premises may be untenable as aforesaid bears to the whole term specified.
17. **SUBROGATION WAIVER**
In the event of a claim arising under this Section the Insurers agree to waive any rights, remedies or relief to which they might become entitled by subrogation against:-
(a) any Company standing in relation of Parent to Subsidiary (Subsidiary to Parent) to the Insured as defined in Section 154 of the Companies Act 1948.
(b) any Company which is a Subsidiary of a Parent Company of which the Insured are themselves a Subsidiary in each case within the meaning of Section 154 of the Companies Act 1948.
18. **TEMPORARY REMOVAL**
Subject to the following provisions, the Property insured (other than stock in trade or merchandise if insured hereby) is covered whilst temporarily removed for cleaning, renovation, repair or other similar purposes, elsewhere on the same or to any other premises and in transit thereto and therefrom by road, rail or inland waterway in Great Britain, Republic of Ireland and Northern Ireland.

The amount recoverable under this extension in respect of each Item of the Property insured shall not exceed the amount which would have been recoverable had the loss or damage occurred in that part of the Premises from which the Property is temporarily removed, nor, in respect of any loss or damage occurring elsewhere than at the said Premises, 10 per cent of the sum insured by the Item after deducting therefrom the value of any Building (exclusive of fixtures and fittings) stock in trade or merchandise insured thereby.

This extension does not apply to Property if and so far as it is otherwise insured, nor, as regards loss or damage occurring elsewhere than at the Premises from which the Property is temporarily removed, to:-
(a) motor vehicles and motor chassis licensed for normal road use.
(b) Property held by the Insured in trust, other than machinery and plant.
19. **WORKMEN**
Workmen are allowed on the Premises for the purpose of effecting repairs and minor structural and other alterations and also for general maintenance purposes and the like without prejudice to this insurance.

SECTION 10 - Consequential Loss

The Insurers agree that if during the Period of Insurance any Building or other Property or any part thereof used by the Insured at the Premises for the purpose of the Business be lost, destroyed or damaged by any of the Contingencies included in this Section the Insurers will pay to the Insured the amount of loss resulting from interruption of or interference with the Business carried on by the Insured at the Premises in consequence of the said loss or destruction or damage (such loss being hereafter termed "Consequential Loss") in accordance with the provisions contained in this Section.

Provided that:-

- (a) at the time of the happening of the loss or damage there shall be in force an insurance, under Section 9 or otherwise, covering the interest of the Insured in the Property against such loss or damage and that:-
 - (i) payment shall have been made or liability admitted therefore, or
 - (ii) payment would have been made or liability would have been admitted therefore but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.
- (b) the liability of the Insurers in any one period of insurance shall in no case exceed:-
 - (i) in respect of each Item the sum insured set forth in the Schedule or in the whole the total sum insured set forth in the Schedule for Section 10
 - (ii) any limit of liability shown in the Schedule for Section 10or such sum or sums as may be substituted therefore by memorandum hereon or attached hereto signed by or on behalf of the Insurers.

INCLUDED CONTINGENCIES (as defined)

- 1. Fire
- 1A. Lightning
- 2B. Explosion
- 3. Aircraft
- 4. Riot and Malicious Damage
- 5. Earthquake
- 6. Subterranean Fire
- 7. Storm
- 8. Flood
- 9. Weight of Snow
- 10. Escape of Water
- 13. Theft
- 14. Third Party Impact
- 15. Own Vehicle Impact
- 18. Falling Trees

The insurance under Item 1 is limited to loss of Gross Profit due to (a) Reduction in Turnover and (b) Increase in Cost of Working and the amount payable as Indemnity shall be:-

- (a) in respect of Reduction in Turnover: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the loss or damage fall short of the Standard Turnover
- (b) in respect of Increase in Cost of Working: the additional expenditure (subject to the provisions of the Uninsured Standing Charges Memorandum) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the loss or damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the loss or damage.

SECTION 10 - DEFINITIONS

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

Note 2: For the purpose of these definitions, any adjustment implemented in Current Cost Accounting shall be disregarded.

GROSS PROFIT - the amount by which:

- (a) the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed
- (b) the sum of the amounts of the opening stock and work in progress and amount of the Uninsured Working Expenses.

The amount of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods due provision being made for depreciation.

UNINSURED WORKING EXPENSES

Purchases (less discounts received), Discounts allowed, Bad Debts and any Additional Uninsured Working Expenses stated in the Schedule. The words and expressions used in this definition shall have the meaning usually attached to them in the books and accounts of the Insured.

TURNOVER

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.

INDEMNITY PERIOD

The period beginning with the happening of the loss or damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence of the loss or damage.

RATE OF GROSS PROFIT

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

ANNUAL TURNOVER

The Turnover during the twelve months immediately before the date of the loss or damage.

STANDARD TURNOVER

The Turnover during that period in the twelve months immediately before the date of the loss or damage which corresponds with the Indemnity Period.

To which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the loss or damage or which would have affected the Business had loss or damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the loss or damage would have been obtained during the relative period after the loss or damage.

SECTION 10 - MEMORANDA

1. AVERAGE

If the sum insured by Item 1 is less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable hereunder shall be proportionately reduced.

2. PAYMENTS ON ACCOUNT

Payments on account may be made to the Insured during the Indemnity Period at the discretion of the Insurers but in no case shall the total of such payments exceed the Insurers' liability in respect of Reduction in Turnover of each item for the period in respect of which a payment is to be made.

3. DEPARTMENTAL CLAUSE

If the Business is conducted in departments the independent trading results of which are ascertainable the provisions of Clauses (a) and (b) of the Items on Gross Profit and where applicable Wages shall apply separately to each department affected by the loss or damage.

4. PROFESSIONAL ACCOUNTANTS

Any particulars in the Insured's accounts which may be required by the Insurers under Condition 2 of this Section 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 shall be prima facie evidence of the particulars to which such report relates.

The Insurers will pay to the Insured under this Section the reasonable charges payable by the Insured to their professional accountants for producing such particulars or any other proofs, information or evidence as may be required by the Insurers under the terms of this Section and reporting that such particulars are in accordance with the Insured's books of account or other business books or documents provided that the sum of the amount payable under this Memorandum and the amount otherwise payable under this Section shall in no case exceed the Limit of Liability or sum insured by this Section.

5. ALTERNATIVE TRADING

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

6. AUTOMATIC REINSTATEMENT OF LOSS

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

7. UNINSURED STANDING CHARGES

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

SECTION 10 - SPECIAL CONDITIONS

1. ALTERATION

This Section shall be avoided if:-

- (a) the Business shall be wound up or carried on by a liquidator or receiver or permanently discontinued, or
- (b) the Insured's interest ceases otherwise than by death, or
- (c) any alteration be made either in the Business or in the Premises or Property therein whereby the risk of loss or damage is increased

at any time after the commencement of this insurance, unless its continuance be admitted by memorandum signed by or on behalf of the Insurers.

2. CLAIMS

- (a) On the happening of any loss or damage in consequence of which a claim is or may be made under this Section the Insured shall forthwith give notice thereof in writing to the Insurers.
- (b) In respect of loss or damage caused by Riot, Civil Commotion, Strikers, Locked-Out Workers, persons taking part in Labour Disturbances or Persons Acting Maliciously the Insured shall furnish the Insurers with full details of such loss or damage within seven days of its occurrence.
- (c) The Insured shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss and in the event of a claim being made under this Section shall, not later than thirty days after the expiry of the Indemnity Period or within such further time as the Insurers may in writing allow, at his own expense deliver to the Insurers in writing a statement setting forth particulars of his claim together with details of all other insurances covering the loss or damage or any part of it or consequential loss of any kind resulting therefrom. The Insured shall at his own expense also produce and furnish to the Insurers such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by the Insurers for the purpose of investigating or verifying the claim together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith. No claim under this Section shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Insurers forthwith.

3. CONTRIBUTION

If at the time of any loss or damage resulting in a loss under this Section there be any other insurance effected by or on behalf of the Insured covering such loss or any part of it the liability of the Insurers hereunder shall be limited to their rateable proportion of such loss.

SECTION 10 - EXTENSIONS

THE FOLLOWING EXTENSIONS ONLY APPLY IF SPECIFIED AS "INCLUDED" IN THE SCHEDULE

Subject to the Special Conditions of this Section and the Conditions of this insurance, Consequential Loss is extended to include loss resulting from loss or damage at or to the undernoted situations or Property provided that after the application of all other terms, conditions and provisions of this insurance the liability under each Extension shall not exceed:-

- (a) the percentage of the total of the sums insured or
- (b) the amount

shown in the Schedule against such Extension as the Limit.

1. PREVENTION OF ACCESS

- (a) Property in the vicinity of the Premises, loss or damage to which shall prevent or hinder the use of the Premises or access thereto, whether the Premises or Property of the Insured therein shall be lost or damaged or not.
- (b) Restriction of access to the Premises for a period of more than twenty four consecutive hours directly arising from actions taken by a Civil Authority as a result of danger or a disturbance in the vicinity of the Premises. Loss as insured by this Extension 1(b):-
 - (i) is limited to loss during the period in which the actions of the Civil Authority restrict access to the Premises.
 - (ii) does not cover loss resulting from actions by a Civil Authority:-
 - (1) in consequence of physical damage to Property.
 - (2) in consequence of strikes, picketing or notifiable diseases.
 - (3) of which the Insured has been given not less than forty eight hours prior notice.

2. PUBLIC UTILITIES

Property at any:-

- (a) generating station or sub-station of the public electricity supply undertaking.
 - (b) land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith.
 - (c) water works or pumping stations of the public water supply undertaking.
 - (d) telephone exchange and/or cables therefrom to the Insured's Premises.
- This Extension 2(d) does not cover loss or damage arising from:-

- (i) Breakdown:- the actual breaking or burning out of any part of equipment whilst in use arising from either mechanical or electrical faults or breakdown of the equipment causing sudden stoppage of the functions thereof and necessitating repair or replacement before it can resume working.
- (ii) Loss, destruction or damage necessitating repair, replacement or rectification of Property which is defective due to wear and tear, deterioration or gradually developing flaws or defects, failure of any part or parts requiring periodic renewal, operation of fuses or kindred devices.

Note: It shall be a condition precedent to liability hereunder that loss or damage other than that arising from Fire, Lightning, Aircraft, Explosion, Riot, Civil Commotion or Persons Acting Maliciously (as defined herein) shall result in interference with or interruption of the Business for at least twenty four hours from the occurrence of the loss or damage.

3. SPECIFIED SUPPLIERS

The premises of the specified suppliers situate at the address shown in the Schedule.

4. UNSPECIFIED SUPPLIERS

The premises of any of the Insured's suppliers, manufacturers or processors of components, goods or materials but excluding the premises of any public supply undertaking from which the Insured obtains electricity, gas, water or telecommunications.

5. INFECTIOUS DISEASES ETC.

Subject to the Special Conditions of this Section and the Conditions of this insurance, loss or damage includes loss resulting from:-

- (a) Contagious or Infectious Human Diseases, Murder, Suicide, Food or Drink Poisoning at the Premises to which this insurance relates.
- (b) closing of the whole or part of the Premises by order of a competent Public Authority consequent upon vermin or pests or defects in the drains or other sanitary arrangements at the Premises.

SECTION 11 - Business Money/Personal Injury - Assault

- A.** The Insurers agree to indemnify the Insured against:-
- (a) loss of Money up to but not exceeding the Limits of Liability set forth in the Schedule for Section 11 for any one loss
 - (b) loss of Money:-
 - (i) consisting of crossed cheques, crossed bankers drafts, crossed money orders, crossed postal orders, stamped National Insurance cards, National Savings Certificates, credit cards sales vouchers, V.A.T. purchase invoices, and unexpired units in franking machines, up to but not exceeding £250,000.- in respect of any one loss all belonging to the Equestrian Establishment
 - (ii) at private residences of the Insured or of any principal or Employee of the Insured up to but not exceeding £500.- in respect of any one loss
 - (c) loss of or damage to:-
 - (i) any postal franking machine, safe, strongroom, or container or waistcoat used for the carriage of Money
 - (ii) clothing and personal effects of the Insured or any principal or Employee of the Insured up to but not exceeding £500.- in respect of each person caused by theft or attempted theft of Money or other Property of the Insured
- occurring during the Period of Insurance within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.
- The Insurers will not pay for:-
1. any loss arising from fraud or dishonesty of any Employee of the Insured or any domestic staff employed by the Insured in connection with the Premises shown in the Schedule:-
 - (a) unless discovered within fourteen days of its occurrence.
 - (b) which is covered by Fidelity Guarantee insurance.
 2. loss from an unattended vehicle.
 3. consequential loss or loss due to depreciation in value, dishonoured cheques or clerical or accounting error or omission.

SECTION 11A - MEMORANDA

1. **KEYS**
The keys or combination of any safe or strongroom shall be removed from the Business Premises outside Business Hours.
2. **NOTIFICATION**
The Insured shall immediately inform the Police of any loss or damage and offer them all reasonable assistance.

SECTION 11A - DEFINITIONS (Not applicable to item (b)(i) above and excluding Money as defined therein).

- MONEY** means cash, bank and currency notes, cheques, money orders, postal orders, bankers drafts, current postage stamps, National Insurance stamps (whether affixed to cards or otherwise), premium bonds, luncheon vouchers, trading stamps, gift tokens and consumer redemption vouchers all belonging to the Equestrian Establishment.
- BUSINESS HOURS** means the period during which the Business Premises are actually occupied for Business purposes and during which the Insured or any principal or Employee of the Insured entrusted with Money is present.

- B.** The Insurers agree that if the Insured Person shall sustain Bodily Injury then the Insurers will pay to the Insured the Compensation set forth for Section 11 (Personal Injury - Assault Extension) in the Schedule provided always that in respect of any one person:
1. Compensation shall not be payable under more than one of Items 1, 2 and 3 of the Schedule of Compensation in respect of the same injury.
 2. Compensation under Item 4 shall become payable:-
 - (a) for a period not exceeding 104 weeks from the commencement of disablement.
 - (b) when the total amount has been ascertained and agreed.
 - (c) in addition to compensation for Items 1, 2 or 3 for the period up to the date of death or of Loss of Limb or Loss of Sight or Permanent Total Disablement.

SECTION 11B - DEFINITIONS

1. **BODILY INJURY** means bodily injury which:-
 - (a) is sustained by the Insured Person during the Period of Insurance as a result of theft or attempted theft of Money or other Property of the Insured, and
 - (b) solely and independently of any other cause, except illness directly resulting from, or medical or surgical treatment rendered necessary by, such injury, occasions the death or disablement of the Insured Person within twenty four calendar months from the date of the occurrence.
2. **TOTAL DISABLEMENT** means disablement which entirely prevents the Insured Person from attending to his usual business or occupation.

3. **PERMANENT** means lasting twelve calendar months and at the expiry of that period being beyond hope of improvement.
4. **LOSS OF LIMB** means loss by physical separation of a hand at or above the wrist or of a foot at or above the ankle or permanent loss of use of a hand or foot.
5. **LOSS OF SIGHT** means total and irrecoverable loss of sight in one or both eyes.
6. **INSURED PERSON** means any principal, proprietor or Employee of the Insured (or any member of such person's family normally resident with such person) aged between sixteen and seventy years.

SECTION 12 - Miscellaneous Loss or Damage

The Insurers agree to indemnify the Insured against physical loss of or damage to the Property specified in the Schedule, within the Geographical Limits stated, during the Period of Insurance and not exceeding the total sum insured set forth in the Schedule for Section 12.

The Insurers will not pay for:

- (a) loss or damage caused by damp, mildew, oxidisation, moth, vermin, any gradually operating cause, wear and tear or mechanical or electrical faults or breakdown.
- (b) damage or deterioration of any article directly caused by the actual process of dyeing, cleaning, repair or renovation.
- (c) loss of money, cash, currency or bank notes.
- (d) loss by delay, loss of market or consequential loss of any kind.
- (e) breakage of articles of a brittle nature (other than jewellery) unless such breakage is caused by Burglars, Thieves or Fire; or breakage of glass, overwinding or internal damage of clocks or watches.
- (f) loss or damage caused by climatic or atmospheric conditions or extremes of temperature unless such loss or damage would be covered under an ordinary Fire insurance.
- (g) loss from unattended vehicles.
- (h) damage to tyres.
- (i) in respect of cups and trophies:-
 - (i) loss or damage caused by scratching, denting or bruising.
 - (ii) infidelity by cup and/or trophy holders and/or winners.
- (j) loss or damage to flooring caused by footwear and smoking materials.
- (k) loss or damage whilst in use in respect of jumps, fences.
- (l) the amount(s) stated for Section 12 in the Schedule as the Excess which shall apply in respect of each and every loss or damage.

SECTION 12 - MEMORANDA

1. UNDERINSURANCE

If the Insured is under insured, which means the value of the Insured Property is more than the sum insured for the Property as set forth in the Schedule then the Insurers will only pay a proportion of the claim. For example if the said sum insured only covers one half of the value of the Property the Insurers will only pay one half of the cost of repair or replacement.

2. REPLACEMENT

The Insurers shall be entitled at their sole option to replace or repair or pay for any item or any part thereof lost or damaged whether wholly or in part.

3. BASIS OF SETTLEMENT

In the event of the total loss or destruction of any article the basis of settlement shall be the cost of replacing the article new, provided that the article is substantially the same as but not better than the original article when new and that the Insured incurs the cost of replacement.

4. TRAILERS

It is a condition precedent to liability hereunder that all trailers are kept in a locked building when not in use or are wheelclamped.

SECTION 13 - Glass in Establishment Buildings

The Insurers agree to indemnify the Insured, up to but not exceeding the Limit(s) of Liability set forth in the Schedule for Section 13, against breakage of or damage to:-

- (a) fixed plain, plate or sheet glass (including wired or armoured) including the cost of boarding up pending replacement
- (b) frames, framework and fittings caused by such breakage
- (c) sanitary fixtures and fitting forming part of the buildings for which the Insured is responsible
- (d) alarm foil, lettering, painting, silvering or other ornamental work on glass
- (e) neon and other fixed signs

at the Premises stated in the Schedule.

The Insurers will not pay:-

- 1. for damage to any glass not extending through its entire thickness.
- 2. for damage to any glass which is fractured, cracked or damaged at the commencement of this Insurance.
- 3. in respect of neon or other fixed signs, for damage:-
 - (a) arising from adjustment, repair, dismantling or erection of any part of the sign or damage to any part while removed from its normal working position.
 - (b) arising from mechanical breakdown.
 - (c) by its own ignition, electrical breakdown or burn-out, but resultant damage to any other part of the sign is not excluded.
- 4. for loss caused by delay or interruption of business.

SECTION 14 - Livestock

The Insurers agree that in the event of the death of the animal(s) set forth in the Schedule for Section 14 whilst at the Premises during the Period of Insurance as a direct result of one of the Contingencies included herein, the Insurers will pay to the Insured the value of the animal at the time of the occurrence causing its death, up to but not exceeding the Limit of Insurers' Liability for such animal as set forth in the Schedule.

INCLUDED CONTINGENCIES (as defined)

1. Fire
- 1A. Lightning
- 2A. Explosion
3. Aircraft
5. Earthquake
6. Subterranean Fire
7. Storm
8. Flood
14. Third Party Impact
18. Falling Trees

SECTION 14 ALSO COVERS:-

- A) mysterious disappearance or theft of the animal(s).
- B) death of the animal(s) directly resulting from theft.
- C) death of the animal(s) or permanent loss of possession by the Insured of the animal(s) directly resulting from unlawful removal of the animal(s) from the confines of the Premises or the land pertaining thereto.

The Insurers will not pay:-

1. for death of the animal(s) by intentional slaughter, whether by or under the order of any government or public or local authority or any person or body having jurisdiction in the matter or otherwise; except that Insurers will not invoke this particular exclusion as a defence:-
 - (a) where the Insurers shall have expressly agreed to the destruction of the animal.
 - (b) where an insured animal is injured by an Included Contingency and a qualified Veterinary Surgeon appointed by the Insurers shall first have given a certificate that the suffering of that animal is incurable and so excessive that immediate destruction is imperative for humane reasons.
 - (c) where an insured animal is injured by an Included Contingency and a qualified Veterinary Surgeon appointed by the Insured shall first have given a certificate that the suffering of that animal is incurable and so excessive that immediate destruction is imperative for humane reasons without waiting for the appointment of a Veterinary Surgeon by the Insurers.

Provided that in all such cases (a), (b) or (c) the Insurers shall be given the opportunity of having a post-mortem and autopsy examination carried out by their Veterinary Surgeon should they so desire.
2. for death of the animal(s) directly or indirectly caused by, happening through or in consequence of:-
 - (a) any surgical operation unless conducted by a qualified Veterinary Surgeon and certified by him to have been necessitated solely by injury caused by an Included Contingency and to have been carried out in an attempt to preserve the animal's life.
 - (b) the administration of any medication unless by a qualified Veterinary Surgeon and certified by him to have been necessitated solely by injury caused by an Included Contingency and to have been administered in an attempt to preserve the animal's life.
3. for any loss arising from voluntary parting of possession or title to the animal(s) as a result of the Insured (or others to whom the animals have been entrusted) being induced by a fraudulent scheme, trickery or similar false pretences.

SECTION 14 - MEMORANDA

1. DUE CARE AND ATTENTION

It is a condition precedent to any liability of the Insurers hereunder that:

- a) in the event of any injury by an Included Contingency to an insured animal the Insured shall immediately at his own expense employ a qualified Veterinary Surgeon and shall, if required by the Insurers, allow removal for treatment, and
- b) in the event of the death of an insured animal the Insured shall immediately at his own expense arrange for a post-mortem and autopsy examination to be made by a qualified Veterinary Surgeon

in either event, the Insured shall immediately give notice by telephone or telegram to the Insurers who will instruct a Veterinary Surgeon on the Insurers' behalf if deemed necessary, and any failure by the Insured to comply with the above shall render the Insured's claim null and void and release the Insurers from all liability in connection therewith, whether the Insured has personal knowledge of such events or such knowledge is confined to the representatives of the Insured or other persons who have care, custody or control of the animal(s).

2. OTHER INSURANCE

If at the time of the loss or death of an animal the Insured has any other insurance in force in respect of the animal, whether or not such insurance is valid or collectible, the Insurers shall be released from all liability in connection with such animal unless the agreement of the Insurers to such other insurance is endorsed on this insurance.

If the agreement of the Insurers to such other insurance is endorsed on this insurance, the Insurers shall only be liable under this insurance for the excess beyond any amount insured by such other insurance in respect of such animal, whether or not such other insurance is valid or collectible.

3. PRIOR LOSSES

It is warranted by the Insured that there have been no thefts or attempted thefts of any of the Insured's animals, nor threats against the Insured or any of the Insured's animals during the twelve months prior to the commencement of the Period of Insurance.

4. FOALS

In the case of a mare, no cover is given under this Section for any embryo within the mare nor for any of her foals, unless such embryo or foal is separately insured hereunder.

5. WAITING PERIOD

No liability arises under this Section for loss of the animal by mysterious disappearance, theft or unlawful removal until 90 days after the incident is reported to Insurers and then only in the event that the animal has not been recovered during that period.

6. NOTIFICATION

It is a condition precedent to any liability of the Insurers hereunder that the Insured will immediately report any theft or disappearance of an insured animal to the Insurers and local Police and follow strictly their recommendations, except that in no case shall the Insured pay or promise to pay a ransom, or give similar assurances of any such nature to any third party.

Should the Insured pay or promise to pay a ransom or give similar assurances of any such nature to any third party no cover in respect of the animal concerned will be given under this Section from the midnight, local standard time, preceding the day on which such payment, promises to pay or similar assurances have been given.

Section 15 – Establishment Property Owners Liability

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

- a) Injury to any person
- b) loss or Damage to material property
- c) nuisance or trespass, obstruction, loss of amenities or interference with any right of way, air, light or water or other easement
- d) wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy occurring within the Territorial Limits during the Period of Insurance and happening in connection with the Business.

Additional Persons Insured

The Insured shall extend to include in the event of the death of any person entitled to indemnity under this Section the deceased's legal personal representatives but only in respect of liability incurred by such deceased person

At the request of the Insured the Underwriters will indemnify in the terms of this Section any director of the Insured or Employee in respect of liability arising in connection with the ownership of the Premises described in the Schedule

Provided always that;

- a) each such additional person insured shall as though they were the Insured observe fulfil and be subject to the terms of this Policy insofar as they can apply
- b) the Underwriters shall retain the sole conduct and control of all claims.

Compensation for Court Attendance

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

- a) any director or partner of the Insured GBP 150
- b) any Employee GBP 100.

Contractual Liability Clause

In connection with liability assumed under agreement this Section;

- a) shall apply only if the conduct and control of claims is vested in the Underwriters
- b) shall not apply in respect of liquidated damages fines or penalties.

Cross Liabilities Clause

If more than one Insured is referred to in the Schedule each Insured so named shall be considered as a separate and distinct entity and the word Insured shall be construed as applying to each separate Insured in the same manner as if a separate policy had been issued to each.

Provided always that the liability of the Underwriters for all damages payable as a result of any one occurrence or of all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed in the aggregate the Limit of Indemnity stated in the Schedule irrespective of the number of insured parties involved.

Data Protection Act

The Underwriters will indemnify the Insured in respect of liability arising under the Data Protection Act 1984

Provided that;

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

The Underwriters shall not be liable in respect of;

- a) the recording or provision of data for reward or for determining the financial status of any person

- b) any liability which arises as a result of a deliberate act or omission of the Insured and which could reasonably have been expected by the Insured having regard to the nature and circumstances of such act or omission

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

Defective Premises Act

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

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

Discharge of Liability Clause

The Underwriters may pay the Limit of Indemnity or any lesser amount for which any claim or claims against the Insured can be settled and the Underwriters shall be under no further liability in respect of such claim or claims except for costs or expenses incurred prior to the date of such payment.

Limit of Liability

The liability of the Underwriters for all damages payable as a result of any one occurrence or of all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the Limit of Indemnity stated in the Schedule irrespective of the number of insured parties involved.

In addition the Underwriters will pay;

- 1 all other defence costs and expenses incurred with its prior written consent
- 2 the legal costs and expenses incurred with its written consent for the defence of prosecution brought under Section 36 or 37 of the Health and Safety at Work Act 1974 for any alleged offence as detailed in Section 33(1) (a) (b) or (c) of the Act or under the Health and Safety at Work (Northern Ireland) Order 1978 under Article 31 including legal costs and expenses incurred with the consent of the Underwriters in an appeal against conviction arising from such proceedings provided that:
 - a) the proceedings relate to the health, safety and welfare of persons other than Employees
 - b) the Underwriters will not indemnify the Insured in respect of
 - i) fines and penalties
 - ii) costs or expenses insured by any other policy.

Overseas Personal Liability

The Underwriters will indemnify the Insured and if the Insured so request any director or partner of the Insured any Employee or spouse of such person against legal liability incurred in a personal capacity whilst temporarily outside the Territorial Limits in connection with the Business

The indemnity will not apply;

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

GENERAL CONDITIONS AND GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THE INSURANCE UNLESS OTHERWISE STATED

1. The Insurers will not pay for:-
- (a) **RADIOACTIVE CONTAMINATION AND EXPLOSIVE NUCLEAR ASSEMBLIES**
loss or destruction of or damage to any Property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature or any death or disablement directly or indirectly caused by or contributed to by or arising from:-
 - (i) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
 - (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
 - (b) **WAR**
loss, damage, death, injury or liability of whatsoever nature directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, Riots, Civil Commotions or confiscation or nationalisation or requisition or destruction of or damage to Property by or under the order of any government or public or local authority. (Insofar as concerns Riots or Civil Commotions, the aforesaid Exclusion shall not apply to the extent that such Contingencies are specifically insured elsewhere herein).
 - (d) **SONIC BANG**
loss, destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds or any consequential loss arising therefrom.
 - (e) **POLLUTION AND CONTAMINATION (not applicable to Section 8)**
loss or damage or Consequential Loss caused by pollution or contamination except (unless otherwise excluded) loss or damage or Consequential Loss caused by:-
 - (i) pollution or contamination which itself results from a Contingency hereby insured against.
 - (ii) any Contingency hereby insured against which itself results from pollution or contamination.
 - (f) **AGREEMENT**
any liability which is assumed by the Insured by agreement (other than liability arising out of a condition or warranty of goods implied by law) unless such liability would have attached in the absence of such agreement.

MICRO-ORGANISM EXCLUSION CLAUSE

This agreement does not cover any loss, damage, claim, cost, expenses or other sum directly or indirectly arising out of or relating to:

Mould, mildew, fungus, spores or other micro-organism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless whether there is (i) any physical loss or damage to insured property; (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence; (iii) any loss of use; occupancy; or functionality; or (iv) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

This Exclusion replaces and supersedes any provision in this Agreement that provides insurance, in whole or in part, for these matters.

3. CONTAMINATION AND POLLUTION EXCLUSION CLAUSE

1. This Agreement shall not cover any loss or damage due to contamination, sooting, deposition, impairment with dust, chemical precipitation, poisoning, epidemic and disease including but not limited to foot and mouth disease, pollution, adulteration or impurification or due to any limitation or prevention of the use of objects because of hazards to health.
2. This exclusion does not apply if such loss or damage arises out of one or more of the following perils
- Fire, Lighting, Explosion, Impact of Aircraft
 - Vehicle Impact, Sonic Boom
 - Accidental escape of water from any tank or apparatus or pipe
 - Riot, Civil Commotion, Malicious Damage
 - Storm, Hail

 - Flood, inundation

- Earthquake
- Landslide, Subsidence
- Pressure of Snow, Avalanche
- Volcanic Eruption

3. All other terms and conditions of this Agreement shall be unaltered and especially the exclusions shall not be superseded by this clause.

4. WAR AND CIVIL WAR EXCLUSION CLAUSE – NMA 464

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

ASBESTOS EXCLUSION

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

6. NUCLEAR ENERGY RISKS EXCLUSION CLAUSE

This agreement shall exclude Nuclear Energy Risks whether such risks are written directly and/or via Pools and/or Associations.

For the purposes of this agreement Nuclear Energy Risks shall be defined as all first party and or third party insurances in respect of:

- i. Nuclear reactors and nuclear power stations or plant
- ii. Any other premises or facilities whatsoever related to or concerned with:
 - (a) the production of nuclear energy or
 - (b) the production or storage or handling of nuclear fuel or nuclear waste

Any other premises or facilities eligible for insurance by any local Nuclear Pool and/or Associations

7. Protections against Fraud, Misrepresentation and Non-Disclosure

A person is committing fraud, misrepresentation or non-disclosure if they or anyone else insured by this Policy or if anyone is acting on their behalf knowingly:

- 1. Provide answers to **Our** questions which are dishonest, inaccurate or misleadingly incomplete
- 2. Mislead **Us** in any way for the purpose of obtaining insurance, or more favourable insurance terms, or a reduced premium to influence **Us** to accept a claim
- 3. Make a fraudulent or false claim in full or in part: by providing false information in order to influence **Us** to accept a claim: by exaggerating the amount of the claim: or by supplying false or invalid documents in support of **Your** claim

How We deal with Fraud, Misrepresentation And Non – Disclosure in order to protect Us and Our customers

If **We** find that fraud, misrepresentation or non-disclosure has been committed **We** will have the right to:

Void the Policy and may not refund any premium, refuse to pay the whole claim if any part is in any way fraudulent, false or exaggerated, recover any costs incurred by **Us**, including investigations and legal costs, recover the costs of any previously paid claims. In addition to this, **We** may also inform the police, which could result in prosecution, or inform other organisations as well as anti-fraud databases

8. CONTRIBUTION

This insurance other than any fatal injury cover provided under Section 2 hereof does not cover any loss or damage or liability which is insured by or would, but for the existence of this insurance, be insured by any other existing insurance or insurances except in respect of any excess beyond the amount which would have been payable under such other insurance or insurances had this insurance not been effected.

This Condition shall not apply in respect of Extension (4) of Section 8.

9. CANCELLATION

This insurance may be cancelled at any time at the request of the Insured in writing to the Broker who effected the insurance and the premium hereon shall be adjusted on the basis of the Insurers receiving or retaining the customary short term premium. This insurance may also be cancelled by or on behalf of the Insurers by thirty days' notice given in writing to the Insured at his last known address, and the premium hereon shall be adjusted on the basis of the Insurers receiving or retaining "pro rata" premium. Where the premium is calculated on an adjustable basis the Insurers shall receive or retain the earned premium or pro-rata of the minimum premium whichever is the greater. Notice shall be deemed to be duly received in the course of post if sent by pre-paid letter post properly addressed.

10. PREMIUM ADJUSTMENT

Where any part of the premium is calculated on the statements and estimates furnished by the Insured the Insured shall keep an accurate record of all relevant particulars and shall at all reasonable times allow the Insurers to inspect such record and shall within one month of the expiry of each Period of Insurance furnish to the Insurers such information as the Insurers require for such period and the premium for such period shall thereupon be adjusted by the Insurers and the difference be paid by or allowed to the Insured as the case may be subject to any agreed minimum premium.

11. DUE DILIGENCE

The Insured shall use due diligence and do and concur in doing all things reasonably practicable to:-

- (i) avoid or diminish any loss of or damage to the Property herein insured.
- (ii) prevent accidents and to maintain the Premises, plant and everything used in the Business in proper repair.
- (iii) employ only competent Employees and to act in accordance with all statutory obligations and regulations.

The Insured shall forthwith make good or remedy any defect or danger which becomes apparent or take such additional precautions as the circumstances may require.

12. NOTICE

The Insured shall give immediate notice to the Insurers of any change in the occupation of the Buildings hereby insured or of any conversions, extensions or other structural work (prior to the commencement of such work) and will pay any reasonable additional premium that the Insurers may find necessary.

Failure to comply with the above may invalidate this insurance.

13. LONG TERM AGREEMENT

In consideration of the reduced premium at which this insurance is written the Insured has signed an undertaking to offer the renewal of this insurance until the expiry date shown in the Schedule on the terms and conditions in force at the expiry of each Period of Insurance and to pay the premiums annually in advance it being understood that:-

- (a) the Insurers shall be under no obligation to accept an offer made in accordance with the said undertaking.
- (b) the sums insured or Limits of Liability may be reduced at any time to correspond with any reduction in value or business.

The above mentioned undertaking applies to any insurance (or insurances) which may be issued by the Insurers in substitution for this insurance.

14.

16. NORTHERN IRELAND OVERRIDING EXCLUSION APPLICABLE TO INSURANCES RELATING TO PROPERTY IN NORTHERN IRELAND OTHER THAN PRIVATE DWELLINGS

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

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

Note - "Unlawful association" means any organisation which is engaged in terrorism and includes an organisation which at any relevant time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973.

"Terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

In any action, suit or other proceedings where the Insurers allege that by reason of the provisions of this Exclusion any loss, destruction or damage is not covered by this Insurance the burden of proving that such loss, destruction or damage is covered shall be upon the Insured.

This overriding exclusion applies to this Insurance and to any extensions hereof, whether such extensions be issued before or after this overriding exclusion except only if an extension be issued hereafter which expressly cancels this overriding exclusion.

17. TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this Insurance or any endorsement hereto it is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Insurers allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this Insurance the burden of proving the contrary shall be upon the Insured.

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

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 CLARIFICATION CLAUSE

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

19. DATA PROTECTION ACT 1998

It is understood by the Insured that any information provided to the Underwriters regarding the Insured will be processed by the Underwriters, in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to third parties.

20. ASBESTOS ENDORSEMENT

1) This Policy only insures asbestos physically incorporated in an insured building or structure, and then only provides indemnity in respect of that part of the asbestos which has been physically Damaged during the Period of Insurance by one of these Listed Perils;

Fire, lightning, explosion, aircraft, riot or civil commotion, earthquake, subterranean fire, storm or flood, escape of water, impact, sprinkler leakage, subsidence.

This coverage is subject to all limitations in the Policy to which this endorsement is attached and in addition to each of the following specific limitations;

a) The said building or structure must be insured under this Policy for Damage by a Listed Peril.

b) The Listed Peril must be the immediate sole cause of the Damage to the asbestos.

c) The Insured must report to the Underwriters the existence and cost of the Damage as soon as practicable after the Listed Peril first Damaged the asbestos.

However this Policy does not insure any such Damage first reported to the Underwriters more than 12 (twelve) months after the expiration or termination of the Period of Insurance.

This Policy shall provide no cover (whether for physical Damage business interruption delay of repair or other consequential loss) in respect of;

- i) Wear and tear or inherent defect, quality or vice in or of any asbestos
- ii) Any compliance with or breach of any legal or other duty or obligation (including without limitation any duty arising from any contract or statute, or any instruction, request or order of any court or governmental or regulatory authority) of any person in connection with the design manufacture installation use retention treatment management repair replacement or removal of any asbestos (Damaged or otherwise) or

- iii) Any asbestos, which the Listed Peril has not physically Damaged.
- 2) Except as set forth in the foregoing Part A. of this endorsement, this Policy does not insure asbestos or any interest relating thereto.

21. UNNOCUPANCY CONDITION

It is a condition precedent to liability that when any **building** (or part thereof) are untenanted or **unoccupied**;

- a) all gas, water and electricity mains supplies will be kept disconnected (except those supplies required to maintain automatic sprinkler installations, lighting or alarm systems which are to remain in operation for security or fire protection purposes)
- b) all water tanks, apparatus, pipes and heating other than those connected to automatic sprinkler systems must be drained down
- c) all reasonable precautions are taken to ensure that the **buildings** are secure against entry by intruders including:
 - i. securely locking and fastening all doors and windows
 - ii. any letter boxes being sealed
 - iii. setting all security and alarm protections in full operation and ensuring that the protections are in proper working order
- d) all waste refuse and other disused combustible materials will be cleared from the **building** and removed from the premises at least once a week
- e) tanks containing fuel or other flammable liquids must be drained and purged within 7 days of the **buildings** becoming **unoccupied**
- f) the **buildings** must be inspected at least once every 7 days by the **insured** or the **insureds** nominee in order to inspect the premises both internally and externally and to carry out any work necessary to maintain the above security arrangements. A record will be kept of such inspections
- g) notice is to be given to **us** when any untenanted or **unoccupied** building (or part thereof) is again occupied
We shall not be liable for any **damage** or **Injury** arising out of or in connection with any works of alteration demolition refurbishment or renovation.
Defined perils are hereby restricted to Fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom.

22. ELECTRICAL CIRCUITS CONDITION

It is a condition precedent to liability that all electrical circuits are tested at least every five years by qualified electrical engineers and that any defects identified are remedied in accordance with the regulations of the Institute of Electrical Engineers

- 23. You and We are free to choose the law applicable to this Policy. Unless specifically agreed to the contrary this Insurance will be governed by the laws of England and Wales and subject to the exclusive jurisdiction of the courts of England.

24.

25. Sanctions

We shall not provide any benefit under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

Cyber and Data Exclusion

The following exclusions apply to the whole of the contract.

We will not pay for any:

- (a) Cyber
loss, damage, liability, cost or expense caused deliberately or accidentally by:
 - i. the use of or inability to use any application, software, or programme;
 - ii. any computer virus;
 - iii. any computer related hoax relating to i and/or ii above.

- (b) Electronic Data

loss of or damage to any electronic data (for example files or images) wherever it is stored.

U. K. TERRORISM EXTENSION

(Not applicable to Sections 1, 2, 3, 4, 5, 6, 7 and 8)

THIS EXTENSION ONLY APPLIES IF SPECIFIED AS "INCLUDED" IN THE SCHEDULE.

Notwithstanding anything stated herein to the contrary this Insurance, in consideration of the payment of the specified premium and its Insurance Premium Tax, is extended for the Period of Insurance stated to include loss or damage to the property insured and business interruption resulting therefrom insofar and to the extent that it is insured in the United Kingdom other than Northern Ireland (meaning England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 and not the Isle of Man nor the Channel Islands) caused by an Act of Terrorism certified as such by Her Majesty's Government or HM Treasury or any successor or other relevant authority.

Provided always that the Terrorism Insurance provided under this Extension is:

A limited to loss or damage occasioned by or happening through or in consequence of an act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence

In any action suit or other proceedings where the Insurers allege that any loss or damage is not covered by this Extension the burden of proving that such loss or damage is covered shall be upon the Insured.

B not subject to any of the exclusions specified in this Insurance other than those applying specifically in respect of Terrorism Insurance as stated in provisos D to F below

C subject to all the terms and conditions of this Insurance except as expressly varied hereby

D subject to the exclusion of chemical, biological or radioactive contamination defined as any loss whatsoever or any expenditure resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from:

- (a) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- (b) ionising radiation or contamination by radioactivity or from the combustion of any radioactive material
- (c) chemical and/or biological and/or radiological irritants, contaminants or pollutants

in respect only of residential property houses and blocks of flats and other dwellings insured in the name of a private individual

E subject to the exclusion of war and allied risks defined as war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power

F subject to the exclusion of digital or cyber risks, that is any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:

Damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the Insured or not, where such damage is caused by Virus or Similar Mechanism or Hacking or Denial of Service Attack;

or

Consequential loss directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking or Denial of Service Attack.

Virus or Similar Mechanism

Virus or Similar Mechanism means program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations, whether involving self-replication or not. The definition of Virus or Similar Mechanism includes but is not limited to Trojan horses, worms and logic bombs.

Hacking

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes, stores or retrieves data, whether the property of the Insured or not.

Denial of Service Attack

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of Service Attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks;

and provided that the Insurers' liability in respect of all losses arising out of any one occurrence and in the aggregate in any one period of insurance shall not exceed the limits as otherwise specified in this Insurance.

Irrespective of the currency in which this Insurance is expressed, the limit of liability and the premium for the insurance effected by this Extension will be determined in sterling.

Special Condition

Any Long Term Agreement/Undertaking to which this Insurance is subject shall not apply to the Terrorism Insurance provided under this Extension.

ADDITIONAL CLAUSES

THE FOLLOWING CLAUSES ARE INCLUDED ONLY IF THEY ARE SPECIFIED IN THE SCHEDULE AND ATTACH IN RESPECT OF SECTIONS 1 TO 15 AS APPLICABLE.

1. Hotel and motel clause
This insurance does not cover Theft or disappearance of jewellery from hotel or motel rooms during the Insured's absence from such rooms.
(This clause overrides exclusion (I) of Section 5).
2. Alarm clause
This insurance does not cover Theft:
 - 1) when the Insured has left the Premises without an authorised occupant, or
 - 2) at nightunless:
 - a) at all such times the intruder alarm has been put into full and effective operation, and
 - b) the intruder alarm is kept in good working order through the Period of Insurance under a maintenance contract with a company which is a member of NACOSS (National Approval Council for Security Systems).
3. Safe clause
This insurance does not cover Theft of jewellery from the Home unless the jewellery is kept in a locked safe whilst not being worn.
4. Keys clause
This insurance does not cover Theft of jewellery from safe(s) unless the Insured has removed the keys of the safe(s) from the Home while the Insured is absent from the Premises.
5. Climatic conditions clause
This insurance does not cover loss or damage caused by dryness, dampness, extremes of temperature or exposure to the light.
6. Musical instruments clause
This insurance does not cover the breaking of strings, reeds or drumheads forming part of musical instruments.
7. Theft limitation clause
This insurance does not cover Theft or Attempted Theft from the Home other than as a result of violent and forcible entry.
8. Non-standard construction clause
It is agreed that the private dwelling of the Home is not of Standard Construction.
9. Minimum security clause
This insurance does not cover Theft from the private dwelling of the Home unless the undernoted minimum protections are fitted.
 - External Doors: 5 Lever Mortice Deadlocks (conforming to British Standard 3621)
 - Patio Doors: In addition to a central locking device, key operated bolts to top and bottom opening sections.
 - Windows: Key operated security locks to all ground floor and other accessible windows.
10. Subsidence, Heave or Landslip exclusion clause
Subsidence or Heave of the site upon which the Buildings stand or Landslip as shown in Contingency 16 is not covered by this insurance.
11. Flood exclusion clause
Section 1 (Buildings) and Section 2 (Contents) of this insurance do not cover Damage caused by Flood other than directly resulting from Escape Of Water from fixed water tanks, apparatus or pipes as shown in Contingency 10.
12. Contractors exclusion clause
This insurance does not cover loss, damage or liability arising out of the activities of contractors.
13. Index-linking clause
The sums insured in Section 1 (Buildings) and Section 2 (Contents) will be indexed each month in line with the following:
 - Section 1 (Buildings): The House Rebuilding Cost Index issued by the Royal Institution of Chartered Surveyors.
 - Section 2 (Contents): The Consumer Durables Section of the General Index of Retail Prices or a similar index selected by the Insurers.

The Insurers will not charge the Insured an extra premium for any monthly increase, but at each renewal the Insurers will calculate the premium using the new sums insured.

For the Insured's protection should the index fall below zero the Insurers will not reduce the sum insured.
14. Business-use extension clause

In return for the payment of an extra premium Section 4(A)(i) extends to include the Insured's legal liability, as defined in that Section, for using the Home for the Business purposes which are detailed in the Schedule. However, the Insurers will not cover any liability arising out of advice given or services rendered in respect of the Insured's profession, occupation or Business or employment.

15. Thatch clause

It is the Insured's duty to ensure that:

- 1) all chimneys to solid-fuel stoves, boilers and open fires are kept in a good state of repair and that they are professionally cleaned once a year before winter.
- 2) all old thatch and thatching is burnt at a distance of more than 100 metres from the Premises.
- 3) no naked flames or tools producing naked flames be present in the attic or loft space at any time.

If the Insured fail to comply with any of the above duties this insurance may become invalid in respect of loss or damage caused by Fire.

16. Stamp clause

The Insurers will only pay up to 75% of the Stanley Gibbons valuation in respect of any stamps that are lost or damaged.

17. The Insured's bank or building society interest clause

The rights of the bank or building society who provide the Insured's mortgage will not be affected by anything the Insured does to increase the risk of loss of or damage to the Home provided that they were unaware of such action. The bank or building society must write and tell the Insurers as soon as they become aware of any action the Insured has taken to increase the risk of loss or damage. They may also have to pay an extra premium which the Insured will have to repay them.

18. Protections clause

It is the Insured's duty to ensure that all protections provided for the security of the Home and Contents:

- 1) are maintained in good working order, and
- 2) are in full and effective operation whenever the Insured is absent from the Premises.

If the Insured fails to comply with the above duties this insurance will become invalid in respect of loss or damage resulting from unauthorised entry.

19. Unattended vehicles clause

The insurance does not cover theft or disappearance of Property from any vehicle when such vehicle is left unattended without an authorised occupant.

20. Section Five Amendments Clause

It is understood and agreed that:

- (i) cover in respect of camera equipment, binoculars or telescopes insured hereby shall include the breakage of lenses and cases.
- (ii) in respect of pictures, paintings and the like, the Insurers will not be liable for the breakage of glass, but shall be liable for any damage caused thereby.
- (iii) the term Personal Possessions as used herein is understood to mean such property as may normally be taken outside the Insured's residence on business or pleasure (but excluding mobile phones/video cameras/portable personal computers and hearing aids unless individually specified). Insurance on Personal Possessions so defined is not subject to Average.

21. Travel Tickets Clause

It is understood and agreed that for the purpose of Section eight "Money" includes travel tickets.

22. Deletion of Pairs and Sets Clause

The Condition relating to Pairs and Sets in Section five is deemed deleted but only in respect of those items specified to be subject to this endorsement.

23. Deletion of Escape of Water Deductibles

The deductible in respect of Contingency 10 (ESCAPE OF WATER from fixed water tanks, apparatus or pipes) and Contingency 11 (FROST DAMAGE to fixed water tanks, apparatus or pipes) by Section one is deleted.

24. Deletion of Storm or Tempest, Flood, Weight of Snow, Escape of Water, Frost Deductibles

The deductible in respect of Contingency 7 (STORM OR TEMPEST), Contingency 8 (FLOOD), Contingency 9 (WEIGHT OF SNOW), Contingency 10 (ESCAPE OF WATER from fixed water tanks, apparatus or pipes) and Contingency 11 (FROST DAMAGE to fixed water tanks, apparatus or pipes) by Section one is deleted.

25. Protection Clause

It is a condition precedent to the liability of the Insurers that all protections provided for the safety of the insured property be maintained in good order throughout the period of this Insurance and be in use at all times when the Premises are left unattended and at night. Such protection shall not be withdrawn or varied without the Insurers consent.

26. Amendments to Alarm Clause

It is understood and agreed that the words "at night" are deleted from Additional Clause - 2 Alarm Clause.

27. Increased Excesses Clause

The Insurers will not pay the following amounts:

- (1) the first £1,000.- of every claim arising out of Subsidence, Heave or Landslip covered under Section one (Buildings)
- (2) the first £250.- of all other claims, each Section, other than in respect of Section three (Accidents to Domestic Staff) and Section four (Legal Liability to the Public), unless otherwise stated herein.

28. Date Change Clause

The Insurers will not pay for any equipment, integrated circuit, computer chip, computer software and any other computer-related equipment which fails to recognise correctly the date change to the year 2000 or any other date change.